

IMPORTANT NOTICE

THE BASE OFFERING CIRCULAR MAY ONLY BE DISTRIBUTED TO PERSONS WHO ARE NOT U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”)) AND ARE OUTSIDE OF THE UNITED STATES.

IMPORTANT: You must read the following notice before continuing. The following notice applies to the attached offering circular following this page (the “**Base Offering Circular**”), whether received by e-mail, accessed from an internet page or otherwise received as a result of electronic communication, and you are therefore advised to read this notice carefully before reading, accessing or making any other use of the Base Offering Circular. In reading, accessing or making any other use of the Base Offering Circular, you agree to be bound by the following terms and conditions and each of the restrictions set out in the Base Offering Circular, including any modifications made to them from time to time, each time you receive any information from Riyadh Sukuk Limited (the “**Trustee**”) and Riyadh Bank (the “**Bank**”) as a result of such access.

RESTRICTIONS: NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE CERTIFICATES IN THE UNITED STATES OR IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. ANY CERTIFICATES TO BE ISSUED HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION. THE CERTIFICATES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED DIRECTLY OR INDIRECTLY WITHIN THE UNITED STATES OR TO, OR FOR, THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“**REGULATION S**”)) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

ANY SECURITIES DESCRIBED IN THE BASE OFFERING CIRCULAR WHICH DO NOT CONSTITUTE “ALTERNATIVE FINANCE INVESTMENT BONDS” (“**AFIBS**”) WITHIN THE MEANING OF ARTICLE 77A OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (REGULATED ACTIVITIES) ORDER 2001 (SI 2001/544), AS AMENDED, WILL REPRESENT INTERESTS IN A COLLECTIVE INVESTMENT SCHEME (AS DEFINED IN THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED (THE “**FSMA**”)) WHICH HAS NOT BEEN AUTHORISED, RECOGNISED OR OTHERWISE APPROVED BY THE UK FINANCIAL CONDUCT AUTHORITY. ACCORDINGLY, THE BASE OFFERING CIRCULAR IS NOT BEING DISTRIBUTED TO, AND MUST NOT BE PASSED ON TO, THE GENERAL PUBLIC IN THE UNITED KINGDOM (THE “**UK**”).

THE DISTRIBUTION IN THE UK OF THE BASE OFFERING CIRCULAR, ANY PRICING SUPPLEMENT (AS DEFINED HEREIN) AND ANY OTHER MARKETING MATERIALS RELATING TO THE SECURITIES IS BEING ADDRESSED TO, OR DIRECTED AT: (A) IF THE DISTRIBUTION OF THE SECURITIES (WHETHER OR NOT SUCH SECURITIES ARE AFIBS) IS BEING EFFECTED BY A PERSON WHO IS NOT AN AUTHORISED PERSON UNDER THE FSMA, ONLY THE FOLLOWING PERSONS: (I) PERSONS WHO ARE INVESTMENT PROFESSIONALS AS DEFINED IN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE “**FINANCIAL PROMOTION ORDER**”); (II) PERSONS FALLING WITHIN ANY OF THE CATEGORIES OF PERSONS DESCRIBED IN ARTICLE 49 (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE FINANCIAL PROMOTION ORDER; AND (III) ANY OTHER PERSON TO WHOM IT MAY OTHERWISE LAWFULLY BE MADE IN ACCORDANCE WITH THE FINANCIAL PROMOTION ORDER; AND (B) IF THE SECURITIES ARE NOT AFIBS AND THE DISTRIBUTION IS EFFECTED BY A PERSON WHO IS AN AUTHORISED PERSON UNDER THE FSMA, ONLY THE FOLLOWING PERSONS: (I) PERSONS FALLING WITHIN ONE OF THE CATEGORIES OF INVESTMENT PROFESSIONAL AS DEFINED IN ARTICLE 14(5)

OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (PROMOTION OF COLLECTIVE INVESTMENT SCHEMES) (EXEMPTIONS) ORDER 2001 (THE “**PROMOTION OF CISS ORDER**”); (II) PERSONS FALLING WITHIN ANY OF THE CATEGORIES OF A PERSON DESCRIBED IN ARTICLE 22 (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE PROMOTION OF CISS ORDER; AND (III) ANY OTHER PERSON TO WHOM IT MAY OTHERWISE LAWFULLY BE PROMOTED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”).

FOR A MORE COMPLETE DESCRIPTION OF RESTRICTIONS ON OFFERS AND SALES, SEE “*SUBSCRIPTION AND SALE*”.

The Base Offering Circular must not be acted on or relied on (i) in the UK, by persons who are not Relevant Persons, and (ii) in any member state of the European Economic Area, by persons who are not qualified investors (as defined in Regulation (EU) 2017/1129 (as amended)). Any investment or investment activity to which the Base Offering Circular relates is available only to (i) in the UK, Relevant Persons, and (ii) in any member state of the European Economic Area (“**EEA**”), qualified investors, and will be engaged in only with such persons.

CONFIRMATION OF YOUR REPRESENTATION: In order to be eligible to view the Base Offering Circular or make an investment decision with respect to the Certificates described therein, (1) each prospective investor in respect of the Certificates being offered outside of the United States in an offshore transaction pursuant to Regulation S must be a non-U.S. person (as defined in Regulation S) and outside of the United States and (2) each prospective investor in respect of the securities being offered in the UK must be a Relevant Person. By accepting this e-mail and accessing, reading or making any other use of the Base Offering Circular, you shall be deemed to have represented to each of the Arrangers and the Dealers (as defined in the Base Offering Circular) that (1) you have understood and agree to the terms set out herein, (2) you are a non-U.S. person (within the meaning of Regulation S) and are outside the United States, and are not acting for the account or benefit of any U.S. person, and the electronic mail (or e-mail) address to which, pursuant to your request, the attached Offering Circular has been delivered by electronic transmission is not located in the United States, its territories and possessions or in any State of the United States or the District of Columbia (3) in respect of the Certificates being offered in the UK, you are (or the person you represent is) a Relevant Person, (4) you consent to delivery by electronic transmission, (5) you will not transmit the Base Offering Circular (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the consent of the Dealers and (6) you acknowledge that you will make your own assessment regarding any *shari’a*, legal, taxation or other economic considerations with respect to your decision to subscribe for or purchase of any of the Certificates.

The Base Offering Circular may not be distributed in the Kingdom of Saudi Arabia (the “**Kingdom**”) except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations as issued by the Board of the Capital Market Authority of the Kingdom of Saudi Arabia (the “**CMA**”) pursuant to its resolution number 3-123-2017 dated 9/4/1439H (corresponding to 27 December 2017), as amended by its resolution number 3-114-2024 dated 04/04/1446H (corresponding to 7 October 2024) and as further amended from time to time (the “**Rules on the Offer of Securities and Continuing Obligations**”).

The CMA does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document you should consult an authorised financial advisor.

The Saudi Central Bank does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document.

You are reminded that the Base Offering Circular has been delivered to you on the basis that you are a person into whose possession the Base Offering Circular may be lawfully delivered in accordance with the laws of the

jurisdiction in which you are located and you may not, nor are you authorised, to deliver or disclose the contents of the Base Offering Circular, electronically or otherwise, to any other person and in particular to any U.S. address. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

If you received the Base Offering Circular by e-mail, you should not reply by e-mail to this announcement. Any reply e-mail communications, including those you generate by using the “**Reply**” function on your e-mail software, will be ignored or rejected. If you receive the Base Offering Circular by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licenced broker or dealer and a Dealer or any affiliate of the relevant Dealer is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by the relevant Dealer or such affiliate on behalf of the Trustee and the Bank in such jurisdiction.

Under no circumstances shall the Base Offering Circular constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. Recipients of the attached Offering Circular who intend to subscribe for or purchase the Certificates are reminded that any subscription or purchase may only be made on the basis of the information contained in the Base Offering Circular, as supplemented (if applicable) together with the Pricing Supplement prepared in relation to the issuance of each Tranche of Certificates.

None of the Arrangers, the Dealers or any of their respective affiliates accepts any responsibility whatsoever for the contents of the Base Offering Circular or for any statement made or purported to be made by any of them, or on their behalf, in connection with the Trustee or any offer.

The Base Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Arrangers, the Dealers, the Trustee, the Bank nor any person who controls or is a director, officer, employee or agent of any Arranger, Dealer, the Trustee, the Bank nor any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Base Offering Circular distributed to you in electronic format and the hard copy version available to you on request from each Dealer.

None of the Arrangers or the Dealers nor any of their respective affiliates makes any representation as to the suitability of any Certificates to fulfil any sustainability criteria, requirements or expectations of prospective investors or to fulfil any green, social, environmental or sustainability criteria or labels or regulatory requirements or industry body guidance (including, without limitation, in relation to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment and any related technical screening criteria, Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds, Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector and any implementing legislation and guidelines, or any similar legislation in the UK or any requirements of such criteria and/or labels as they may evolve from time to time). None of the Arrangers, the Dealers or any of their respective affiliates have undertaken, nor are they responsible for, (1) any assessment of, or due diligence in respect of, the Sustainable Finance Framework, the sustainable projects or the eligibility criteria; (2) any verification as to whether the projects meet any such criteria; or (3) any assessment, verification or monitoring of the use of proceeds of any Certificates. For the purposes of an investment in any Sustainable Certificates, prospective investors should make their own investigation and determine for themselves as to the relevance of the Sustainable Finance Framework and the second party opinion issued by S&P Global which was published on 7 February 2022 and is accessible at the Bank’s website (the “**Second Party Opinion**”) and any other reports, opinions or certifications. Investors should not rely on such materials and any decision to purchase any Sustainable Certificates should be based on the Base Offering Circular, as supplemented, together with the relevant Pricing Supplement

prepared in relation to the issuance of each Tranche of Certificates. The contents of the Bank's website, the Sustainable Finance Framework, the Second Party Opinion and any other related reports, opinions and certifications are not incorporated by reference in and do not form part of the Base Offering Circular, and neither the Arrangers nor any of the Dealers nor their respective affiliates makes any representation as to the suitability or contents thereof. The Second Party Opinion is not a recommendation to buy, sell or hold securities and is only current as of the date it was initially issued. Furthermore, the Second Party Opinion is for information purposes only. Capitalised terms used in this paragraph shall have the meaning given to such terms in the Base Offering Circular.

If a Tranche of Sustainable Certificates is at any time listed or admitted to trading on any dedicated "green", "environmental", "sustainable" or other equivalently labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Bank, the Trustee, the Arrangers, the Dealers or any other person that such listing or admission to trading will be obtained in respect of any Sustainable Certificates or, if obtained, that any such listing or admission to trading will be maintained during the life of the Sustainable Certificates concerned.

PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS: If the Pricing Supplement in respect of any Certificates includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Certificates are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPS Regulation**") for offering or selling the Certificates or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Certificates or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPS REGULATION / PROHIBITION OF SALES TO UK RETAIL INVESTORS: If the Pricing Supplement in respect of any Certificates includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Certificates are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Certificates or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Certificates or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

EU MiFID II PRODUCT GOVERNANCE/TARGET MARKET: The applicable Pricing Supplement in respect of any Certificates may include a legend entitled "MiFID II Product Governance", which will outline the target market assessment in respect of the Certificates and which channels for distribution of the Certificates are appropriate. Any person subsequently offering, selling or recommending the Certificates (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive

2017/593 (the “**EU MiFID Product Governance Rules**”), any Dealer subscribing for any Certificates is a manufacturer in respect of such Certificates, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET: The applicable Pricing Supplement in respect of any Certificates may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Certificates and which channels for distribution of the Certificates are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Certificates is a manufacturer in respect of such Certificates, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

The distribution of the Base Offering Circular in certain jurisdictions may be restricted by law. Persons into whose possession the Base Offering Circular comes are required by the Arrangers, the Dealers, the Trustee and the Bank, to inform themselves about, and to observe, any such restrictions.



Riyad Sukuk Limited

(an exempted company incorporated with limited liability in the Cayman Islands)

U.S.\$3,000,000,000

Trust Certificate Issuance Programme

Under the U.S.\$3,000,000,000 trust certificate issuance programme (the “**Programme**”) described in this base offering circular (the “**Base Offering Circular**”), Riyad Sukuk Limited (in its capacity as issuer and trustee, as applicable, the “**Trustee**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue trust certificates (the “**Certificates**”) denominated in any currency agreed between the Trustee and the Dealers (as defined below). Certificates may only be issued in registered form. The Certificates may be senior certificates (“**Senior Certificates**”) or subordinated certificates (“**Tier 2 Certificates**”). The maximum aggregate face amount of all Certificates from time to time outstanding under the Programme will not exceed U.S.\$3,000,000,000 (or its equivalent in other currencies, calculated as provided for in the Dealer Agreement described herein), subject to increase as described herein.

The Certificates may be issued on a continuing basis to one or more of the Dealers specified under “*Overview of the Programme*” and any additional Dealer(s) appointed under the Programme from time to time by the Trustee and Riyad Bank (the “**Bank**” or the “**Obligor**”) (each a “**Dealer**” and together, the “**Dealers**”), which appointment may be for a specific issue of Certificates or on an ongoing basis. References in this Base Offering Circular to the “**relevant Dealer(s)**” shall, in the case of an issue of Certificates being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe to such Certificates.

An investment in Certificates involves certain risks. For a discussion of the principal risk factors that may affect the ability of the Trustee to fulfil its obligations under the Certificates, see “*Risk Factors*”.

Each Tranche (as defined in the terms and conditions of the Certificates (the “**Conditions**”)) of Certificates will be constituted by: (i) an amended and restated master declaration of trust (the “**Master Declaration of Trust**”) dated 16 May 2025 entered into, *inter alios*, by the Trustee, the Bank and BNY Mellon Corporate Trustee Services Limited as delegate of the Trustee (in such capacity, the “**Delegate**”); and (ii) a supplemental declaration of trust (each a “**Supplemental Declaration of Trust**”) in relation to the relevant Tranche. Certificates of each Series confer on the holders of the Certificates from time to time (the “**Certificateholders**”) the right to receive payments (as more particularly described herein) arising from the assets of a trust declared by the Trustee in relation to the relevant Series (the “**Trust**”).

Application has been made to the London Stock Exchange plc (the “**London Stock Exchange**”) for the Certificates issued under the Programme during the period of 12 months from the date of this Base Offering Circular to be admitted to trading on the London Stock Exchange’s International Securities Market (the “**ISM**”). The ISM is not a regulated market for the purposes of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) (the “**UK MiFIR**”).

The ISM is a market designated for professional investors. Certificates admitted to trading on the ISM are not admitted to the Official List of the Financial Conduct Authority (the “FCA**”). The London Stock Exchange has not approved or verified the contents of this Base Offering Circular.**

References in this Base Offering Circular to the Certificates being “admitted to trading” (and all related references) shall mean that such Certificates have been admitted to trading on the ISM. The Programme provides that Certificates may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Trustee, the Bank and the relevant Dealer(s). The Trustee may also issue unlisted Certificates and/or Certificates not admitted to trading on any market. The applicable Pricing Supplement (as defined below) will state whether or not the relevant Certificates will be listed and/or admitted to trading and, if so, on which exchange the Certificates are to be listed.

This Base Offering Circular does not constitute a prospectus for the purposes of a listing or an admission to trading on any market in the United Kingdom (“**UK**”) which has been designated as a regulated market for the purposes of UK MiFIR and has not been approved by the FCA pursuant to the Official Listing of Securities, Prospectus and Transparency (Amendment etc.) (EU Exit) Regulations 2019.

This Base Offering Circular does not constitute a prospectus for the purposes of a listing or an admission to trading on any market in the European Economic Area (the “**EEA**”) which has been designated as a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU) (as amended, “**MiFID II**”), and has not been approved by the competent authority in any member state of the EEA pursuant to Regulation (EU) 2017/1129.

Notice of the aggregate nominal amount of Certificates, profit payable in respect of such Certificates, the issue price of such Certificates and other information which is applicable to each Tranche of such Certificates will be set out in a pricing supplement (the “**Pricing Supplement**”), which with respect to Certificates to be admitted to trading on the ISM, will be delivered to the London Stock Exchange. Copies of the Pricing Supplement in relation to Certificates to be admitted to trading on the ISM will also be published on the website of the London Stock Exchange through a regulatory information service or may be published in such other manner permitted by the International Securities Market Rulebook effective as of 1 January 2021 (as may be modified and/or supplemented and/or restated from time to time, the “**ISM Rulebook**”).

The Certificates have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States. Subject to certain exceptions, the Certificates may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)). For a description of certain restrictions on offers and sales of Certificates and on distribution of this Base Offering Circular, see “*Subscription and Sale*”.

Each Series of Certificates will initially be represented by a global certificate in registered form (a “**Global Certificate**”). Global Certificates will be deposited on the relevant issue date with, and registered in the name of a nominee for, a common depositary (the “**Common Depositary**”) on behalf of Euroclear Bank SA NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”). The provisions governing the exchange of interests in Global Certificates for definitive Certificates are described in “*Summary of Provisions relating to the Certificates while in Global Form*”.

The Bank has been assigned a deposit rating of “A1” with a “stable” outlook by Moody’s Investors Service Cyprus Limited (“**Moody’s**”). The Bank has also been assigned long-term foreign currency ratings of “A” with a “stable” outlook by S&P Global Ratings Europe Limited (“**S&P**”) and “A-” with a “stable” outlook by Fitch Ratings Ltd (“**Fitch**”). The Programme has been assigned ratings of “A” by S&P and “A1” by Moody’s in respect of the Senior Certificates and “Baa3” by Moody’s in respect of the Tier 2 Certificates. Series of Certificates issued under the Programme may be rated or unrated. Where a Series of Certificates is rated, such rating, and the credit rating agency issuing such rating, will be disclosed in the applicable Pricing Supplement and will not necessarily be the same as the rating applicable to the Programme. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Fitch is established in the United Kingdom (the “**UK**”) and is registered in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”) (the “**UK CRA Regulation**”). Fitch is not established in the European Economic Area (the “**EEA**”) and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). Accordingly, the Bank’s rating issued by Fitch has been endorsed by Fitch Ratings Ireland Limited in accordance with the CRA Regulation and has not been withdrawn. Fitch Ratings Ireland Limited is established in the EEA and registered under the CRA Regulation. As such, Fitch Ratings Ireland Limited is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Each of Moody’s and S&P are established in the EEA and are registered under the CRA Regulation. As such, each of Moody’s and S&P are included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Each of Moody’s and S&P are not established in the UK and have not applied for registration under the UK CRA Regulation. Accordingly, the Bank’s ratings issued by Moody’s and S&P have been endorsed by Moody’s Investors Service Limited and S&P Global Ratings UK Limited, respectively in accordance with the UK CRA Regulation and have not been withdrawn. Each of Moody’s Investors Service Limited and S&P Global Ratings UK Limited are established in the UK and registered under the UK CRA

The transaction structure relating to the Certificates (as described in this Base Offering Circular) has been approved by the Shari’ah Committee of Riyadh Bank, the Shari’ah Committee of HSBC Saudi Arabia and the Global Shariah Supervisory Committee of Standard Chartered Bank, as, in their view, complying with the *Shari’a* principles as applicable to, and as interpreted by, them. Prospective Certificateholders should not rely on the approvals referred to above in deciding whether to make an investment in the Certificates and should consult their own Shari’a advisers as to whether the proposed transaction described in the approvals referred to above, including the tradability of the Certificates in the secondary market, is in compliance with Shari’a principles (including, without limitation, their individual standards of compliance relating thereto). Prospective Certificateholders are reminded that, as with any Shari’a views, differences in opinion are possible and different Shari’a standards may be applied by different Shari’a advisers.

This Base Offering Circular may not be distributed in the Kingdom of Saudi Arabia (the “**Kingdom**” or “**Saudi Arabia**”) except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations as issued by the Board of the Capital Market Authority of Saudi Arabia (the “**CMA**”) pursuant to its resolution number 3-123-2017 dated 9/4/1439H (corresponding to 27 December 2017), as amended by its resolution number 3-114-2024 dated 04/04/1446H (corresponding to 7 October 2024) and as further amended from time to time (the “**Rules on the Offer of Securities and Continuing Obligations**”). The CMA does not make any representation as to the accuracy or completeness of this document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial advisor.

The Saudi Central Bank (“**SAMA**”) does not make any representation as to the accuracy or completeness of this document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. In particular, prospective purchasers of the securities agree and acknowledge that SAMA assumes no liability whatsoever to any purchaser of the securities for any loss arising from, or incurred as a result of, the occurrence of a Non-Viability Event. If you do not understand the contents of this document, you should consult an authorised financial advisor. See “*Risk Factors—The circumstances triggering a Write-down are unpredictable*” and “*Risk Factors—The Certificateholders’ right to receive payment of the principal amount of the Tier 2 Certificates will, and the Periodic Distribution Amounts in respect of Tier 2 Certificates may, be permanently written-down (in whole or in part) upon the occurrence of a Non-Viability Event*”. The distribution of this Base Offering Circular and the offering, sale and delivery of the Certificates in any jurisdiction other than the Kingdom may be restricted by law.

Arrangers and Dealers

HSBC

BofA Securities

Riyad Capital

Standard Chartered Bank

The date of this Base Offering Circular is 16 May 2025

IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE OFFERING CIRCULAR AND OFFERS OF CERTIFICATES GENERALLY

This Base Offering Circular comprises admission particulars for the purpose of the ISM Rulebook. This Base Offering Circular does not comprise a prospectus for the purposes of either Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) or Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”), and has not been approved as such by the competent authority in any member state of the EEA or the FCA.

The Trustee and the Bank accept responsibility for the information contained in this Base Offering Circular and the applicable Pricing Supplement for each Series of Certificates issued under the Programme. To the best of the knowledge of the Trustee and the Bank (each having taken all reasonable care to ensure that such is the case), the information contained in this Base Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Offering Circular should be read and construed together with any amendments or supplements hereto, with any information incorporated by reference herein and, in relation to any Tranche of Certificates, should be read and construed together with the applicable Pricing Supplement.

Certain information under the headings “*Risk Factors*” and “*Saudi Arabia’s Banking Sector and Regulations*” has been extracted from information provided by: (i) the SAMA and the Organization of Petroleum Exporting Countries (“**OPEC**”), in the case of “*Risk Factors*”; and (ii) SAMA, in the case of “*Saudi Arabia’s Banking Sector and Regulations*”, and, in each case, the relevant source of such information is specified where it appears under those headings. Each of the Trustee and the Bank confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the relevant sources referred to, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The language of this Base Offering Circular is English. Certain technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Any *Shari’a* non-compliant terminology or term used in this Base Offering Circular has been used to give the proper meaning to a particular definition or a clause and does not impact the *Shari’a* compliant nature of the Transaction Documents (as defined in the Conditions).

None of the Arrangers, the Dealers, the Delegate, the Agents or any of their respective affiliates have authorised the whole or any part of this Base Offering Circular and none of them makes any representation or warranty (and no such representation or warranty is implied) or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Offering Circular or any responsibility for any acts or omissions of the Trustee, the Bank or any other person in connection with this Base Offering Circular or the issue and offering of the Certificates under the Programme.

No person has been authorised to give any information or to make any representation other than those contained in this Base Offering Circular in connection with the Programme or the issue or sale of the Certificates and, if given or made, such information or representation must not be relied upon as having been authorised by the Trustee, the Bank, the Arrangers, the Dealers, the Delegate or the Agents (each as defined herein). Neither the delivery of this Base Offering Circular nor any offering or sale of the Certificates shall, under any circumstances, create any implication that there has been no change in the affairs of the Trustee or the Bank since the date hereof or the date upon which this Base Offering Circular has been most recently amended or supplemented, or that there has been no adverse change in the financial position of the Trustee or the Bank since the date hereof or the date upon which this Base Offering Circular has been most recently amended or supplemented or that any other information supplied in

connection with the Programme is correct as at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Offering Circular and the offering or sale of the Certificates in certain jurisdictions may be restricted by law. Persons into whose possession this Base Offering Circular comes are required by the Trustee, the Bank, the Arrangers and the Dealers to inform themselves about and to observe any such restriction. The Certificates have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Subject to certain exceptions, Certificates may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S). Each purchaser of the Certificates in making its purchase will be deemed to have made certain acknowledgements, representations and agreements. Prospective purchasers are hereby notified that the offer, sale or delivery of Certificates to them will be made in reliance on the exemption from the registration requirements of the Securities Act provided by Regulation S. For a description of certain restrictions on offers and sales of Certificates and on distribution of this Base Offering Circular, see “*Subscription and Sale*”.

The Trustee and the Bank have confirmed to the Dealers that this Base Offering Circular contains all information which is (in the context of the Programme or the issue, offering and sale of the Certificates) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed in the Base Offering Circular are honestly held or made; that the Base Offering Circular does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme or the issue, offering and sale of the Certificates) not misleading in any material respect. Reasonable enquiries have been made to ascertain or verify the foregoing.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and any of the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or such affiliate on behalf of the Trustee in such jurisdiction.

This Base Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Trustee, the Bank, the Arrangers or the Dealers to subscribe for, or purchase, any Certificates.

To the fullest extent permitted by law, none of the Arrangers, the Dealers, the Delegate, the Agents or any of their respective affiliates accepts any responsibility for the contents of this Base Offering Circular or for any other statement made, or purported to be made, by the Arrangers, the Dealers, the Delegate, the Agents or on its or their behalf in connection with the Trustee, the Bank or the issue and offering of the Certificates or any responsibility for any acts or omissions of the Trustee, the Bank or any other person in connection with this Base Offering Circular or the issue and offering of Certificates under the Programme. Each of the Arrangers, the Dealers, the Delegate and the Agents accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it (or its affiliates) might otherwise have in respect of this Base Offering Circular or any such statement. Neither this Base Offering Circular nor any other such statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Trustee, the Bank, the Arrangers, the Dealers, the Delegate or the Agents that any recipient of this Base Offering Circular or any other such statements should purchase the Certificates. Each potential purchaser of Certificates should determine for itself the relevance of the information contained in this Base Offering Circular and its purchase of Certificates should be based upon such investigation as it deems necessary. None of the Arrangers, the Dealers, the Delegate or the Agents undertakes to review the financial condition or affairs of the Trustee or the Bank during the life of the arrangements contemplated by this Base Offering Circular, nor to advise any investor or potential investor in Certificates issued under the Programme of any information coming to the attention of any of the Arrangers, the Dealers, the Delegate or the Agents.

Admission to trading on the ISM is not to be taken as an indication of the merits of the Trustee, the Bank or the Certificates. The Certificates may not be a suitable investment for all investors. Each potential investor in any Certificates must determine the suitability of that investment in light of its own circumstances. In particular, each

potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the relevant Certificates, the merits and risks of investing in the relevant Certificates and the information contained in this Base Offering Circular or any applicable supplement hereto;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Certificates and the impact such investment will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Certificates, including Certificates where the currency for any Dissolution Distribution Amount or Periodic Distribution Amount (each as defined herein) payments are different from the potential investor's home currency;
- (iv) understands thoroughly the terms of the relevant Certificates and is familiar with the behaviour of any relevant indices and financial markets;
- (v) is able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, profit rate and other factors that may affect its investment and its ability to bear the applicable risks; and
- (vi) is able to evaluate the compliance with the relevant Certificates with *Shari'a* principles.

The Certificates are complex financial instruments and, in the case of Tier 2 Certificates, are of high risk and are not a suitable or appropriate investment for all investors. See “*Risk Factors—The circumstances triggering a Write-down are unpredictable*” and “*Risk Factors—The Certificateholders’ right to receive payment of the principal amount of the Tier 2 Certificates will, and the Periodic Distribution Amounts in respect of Tier 2 Certificates may, be permanently written-down (in whole or in part) upon the occurrence of a Non-Viability Event*”. There are risks inherent in the holding of the Certificates, including, in the case of Tier 2 Certificates, the risks in relation to their subordination and the circumstances in which holders of the Certificates may suffer loss as a result of holding the Certificates. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Certificates unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Certificates will perform under changing conditions, the resulting effects on the value of such Certificates and the impact this investment will have on the potential investor's overall investment portfolio. See “*Risk Factors*” for a discussion of certain considerations to be taken into account in connection with an investment in the Certificates.

Legal investment considerations may restrict the ability of certain investors to make investments in Certificates. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Certificates are legal investments for it, (ii) Certificates can be used as collateral for various types of borrowing or raising of finance and (iii) other restrictions apply to its purchase or pledge of any Certificates by the investor. The Certificates may not satisfy an investor's requirements or any future legal or industry standards for investment in assets with sustainability characteristics. Investors should conduct their own assessment of the Certificates from a sustainability perspective. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Certificates under any applicable risk-based capital or similar rules and regulations.

The Certificates to which this Base Offering Circular relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Certificates offered should conduct their own due diligence on the Certificates.

If you do not understand the contents of this Base Offering Circular you should consult an authorised financial advisor.

The proceeds of certain issuances of Certificates may be used by the Bank to achieve objectives set out in the Bank's Sustainable Finance Framework (as defined in "*Use of proceeds*" below). None of the Trustee, the Arrangers, the Dealers, the Delegate or the Agents or any of their respective affiliates make any representation as to the suitability or content of the Sustainable Finance Framework and none of the Bank, the Trustee, the Arrangers, the Dealers, the Delegate or the Agents make any representation as to the suitability or content of the second party opinion issued by S&P Global in respect of the Sustainable Finance Framework which was published on 7 February 2022 and is accessible on the Bank's website.

None of the Trustee, the Delegate, the Agents, the Bank, the Arrangers or the Dealers or any of their respective affiliates make any representation as to the suitability of the Certificates, including the listing or admission to trading thereof on any dedicated "green", "environmental", "sustainable", "social" or other equivalently-labelled segment of any stock exchange or securities market, or to fulfil any green, social, environmental or sustainability criteria required by any prospective investors.

None of the Arrangers or the Dealers nor any of their respective affiliates makes any representation as to the suitability of any Certificates to fulfil any sustainability criteria, requirements or expectations of prospective investors or to fulfil any green, social, environmental or sustainability criteria or labels or regulatory requirements or industry body guidance (including, without limitation, in relation to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment and any related technical screening criteria, Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds, Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector and any implementing legislation and guidelines, or any similar legislation in the UK or any requirements of such criteria and/or labels as they may evolve from time to time). None of the Arrangers, the Dealers or any of their respective affiliates have undertaken, nor are they responsible for, (1) any assessment of or due diligence in respect of the Sustainable Finance Framework, the green, social or sustainable projects or the eligibility criteria; (2) any verification as to whether the projects meet any such criteria; or (3) any assessment, verification or monitoring of the use of proceeds of any Certificates. For the purposes of an investment in any Sustainable Certificates, prospective investors should make their own investigation and determine for themselves as to the relevance of the Sustainable Finance Framework and the Second Party Opinion and any other reports, opinions or certifications. Investors should not rely on such materials and any decision to purchase any Sustainable Certificates should be based on the Base Offering Circular, as supplemented, together with the relevant Pricing Supplement prepared in relation to the issuance of each Tranche of Certificates. The contents of the Bank's website, the Sustainable Finance Framework, the Second Party Opinion and any other related reports, opinions and certifications are not incorporated by reference in and do not form part of the Base Offering Circular, and neither the Arrangers nor any of the Dealers nor their respective affiliates makes any representation as to the suitability or contents thereof. The Second Party Opinion is not a recommendation to buy, sell or hold securities and is only current as of the date it was initially issued. Furthermore, the Second Party Opinion is for information purposes only.

If a Tranche of Sustainable Certificates is at any time listed or admitted to trading on any dedicated "green", "environmental", "sustainable" or other equivalently labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Bank, the Trustee, the Arrangers, the Dealers or any other person that such listing or admission to trading will be obtained in respect of any Sustainable Certificates or, if obtained, that any such listing or admission to trading will be maintained during the life of the Sustainable Certificates concerned.

No advice is given by the Trustee, the Bank, the Arrangers, the Dealers, the Delegate or the Agents in respect of taxation or *Shari'a* matters relating to any Certificates or the legality of the purchase of the Certificates by an investor under any applicable law.

EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN SHARI'A ADVISER, TAX ADVISER, LEGAL ADVISER AND BUSINESS ADVISER AS TO SHARI'A, TAX, LEGAL, BUSINESS AND RELATED MATTERS CONCERNING THE PURCHASE OF ANY CERTIFICATES.

STABILISATION

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilisation manager(s) (the “Stabilisation Manager(s)”) (or any person acting on behalf of any Stabilisation Manager(s)) in the applicable Pricing Supplement may effect transactions with a view to supporting the market price of the Certificates at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the issue date of the relevant Tranche and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action must be conducted by the relevant Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

EU MiFID II PRODUCT GOVERNANCE/TARGET MARKET

The applicable Pricing Supplement in respect of any Certificates may include a legend entitled “MiFID II Product Governance”, which will outline the target market assessment in respect of the Certificates and which channels for distribution of the Certificates are appropriate. Any person subsequently offering, selling or recommending the Certificates (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**EU MiFID Product Governance Rules**”), any Dealer subscribing for any Certificates is a manufacturer in respect of such Certificates, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET

The applicable Pricing Supplement in respect of any Certificates may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Certificates and which channels for distribution of the Certificates are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Certificates is a manufacturer in respect of such Certificates, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS

If the Pricing Supplement in respect of any Certificates includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Certificates are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a “**retail investor**”

means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation.

Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Certificates or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Certificates or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPS REGULATION / PROHIBITION OF SALES TO UK RETAIL INVESTORS

If the Pricing Supplement in respect of any Certificates includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Certificates are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a “**retail investor**” means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation.

Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Certificates or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Certificates or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

BENCHMARKS REGULATION

Profit and/or other amounts payable under the Certificates may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”) or the Benchmarks Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK Benchmarks Regulation**”). If any such reference rate does constitute such a benchmark, the Pricing Supplement will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmarks Regulation or the FCA pursuant to Article 36 (Register of administrators and benchmarks) of the UK Benchmarks Regulation. Administrators of certain benchmarks are not required to be registered by virtue of Article 2 of each of the Benchmarks Regulation and the UK Benchmarks Regulation and transitional provisions in the Benchmarks Regulation and the UK Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Pricing Supplement (or, if such administrator located outside the UK, recognition, endorsement or equivalence). The registration status of any administrator under the Benchmarks Regulation and/or the UK Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Trustee does not intend to update the applicable Pricing Supplement to reflect any change in the registration status of the administrator.

VOLCKER RULE

The Volcker Rule, which became effective on 1 April 2014, but was subject to a conformance period for certain entities that concluded on 21 July 2015, generally prohibits “banking entities” (which is broadly defined to include

U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a “covered fund”, and (iii) entering into certain relationships with “covered funds”. The general effects of the Volcker Rule remain uncertain; any prospective investor in the Certificates and any entity that is a “banking entity” as defined under the Volcker Rule which is considering an investment in the Certificates should consult its own legal advisers and consider the potential impact of the Volcker Rule in respect of such investment. If investment by “banking entities” in the Certificates is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Certificates. No assurance can be made as to the effect of the Volcker Rule on the ability of certain investors subject thereto to acquire or retain an interest in the Certificates, and accordingly none of the Trustee, the Bank, the Arrangers, the Dealers, the Delegate or the Agents, or any of their respective affiliates makes any representation regarding (a) the status of the Trustee under the Volcker Rule (including whether it is a “covered fund” for their purposes) or (b) the ability of any purchaser to acquire or hold the Certificates, now or at any time in the future.

NOTICE TO RESIDENTS IN THE UK

Any Certificates which do not constitute “alternative finance investment bonds” (“**AFIBs**”) within the meaning of Article 77A of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544), as amended, will represent interests in a collective investment scheme (as defined in the Financial Services and Markets Act 2000, as amended (the “**FSMA**”)) which has not been authorised, recognised or otherwise approved by the UK Financial Conduct Authority. Accordingly, any Certificates must not be marketed in the UK to the general public and this Base Offering Circular is not being distributed to, and must not be passed on to, the general public in the UK.

The distribution in the UK of this Base Offering Circular, any applicable Pricing Supplement and any other marketing materials relating to the Certificates is being addressed to, or directed at: (A) if the distribution of the Certificates (whether or not such Certificates are AFIBs) is being effected by a person who is not an authorised person under the FSMA, only the following persons: (i) persons who are Investment Professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Financial Promotion Order**”); (ii) persons falling within any of the categories of persons described in Article 49 (High net worth companies, unincorporated associations, etc.) of the Financial Promotion Order; and (iii) any other person to whom it may otherwise lawfully be made in accordance with the Financial Promotion Order; and (B) if the Certificates are not AFIBs and the distribution is effected by a person who is an authorised person under the FSMA, only the following persons: (i) persons falling within one of the categories of Investment Professional as defined in Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (the “**Promotion of CISs Order**”); (ii) persons falling within any of the categories of person described in Article 22 (High net worth companies, unincorporated associations, etc.) of the Promotion of CISs Order; and (iii) any other person to whom it may otherwise lawfully be made in accordance with the Promotion of CISs Order.

Persons of any other description in the UK may not receive and should not act or rely on this Base Offering Circular, any applicable Pricing Supplement or any other marketing materials in relation to any Certificates.

Prospective investors in the UK in any Certificates are advised that all, or most, of the protections afforded by the UK regulatory system will not apply to an investment in such Certificates and that compensation will not be available under the UK Financial Services Compensation Scheme. Any prospective investor intending to invest in any investment described in this Base Offering Circular should consult its professional adviser and ensure that it fully understands all the risks associated with making such an investment and that it has sufficient financial resources to sustain any loss that may arise from such investment.

NOTICE TO RESIDENTS OF THE KINGDOM OF BAHRAIN

In relation to investors in the Kingdom of Bahrain, Certificates issued in connection with this Base Offering Circular and related offering documents may only be offered in registered form to existing accountholders and accredited investors as defined by the Central Bank of Bahrain (the “CBB”) in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.\$100,000 or any equivalent amount in any other currency or such other amount as the CBB may determine.

This Base Offering Circular does not constitute an offer of securities in the Kingdom of Bahrain pursuant to the terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Base Offering Circular and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Certificates may be offered, sold or made the subject of an invitation for subscription or purchase, nor will this Base Offering Circular or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase Certificates, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to accredited investors for an offer outside the Kingdom of Bahrain.

The CBB has not reviewed, approved or registered this Base Offering Circular or related offering documents and it has not in any way considered the merits of the Certificates to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this Base Offering Circular and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Base Offering Circular. No offer of Certificates will be made to the public in the Kingdom of Bahrain and this Base Offering Circular must be read by the addressee only and must not be issued, passed to or made available to the public generally.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

This document may not be distributed in the Kingdom except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the CMA.

The CMA does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial advisor.

NOTICE TO RESIDENTS IN THE STATE OF QATAR

Any Certificates will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar (including the Qatar Financial Centre) in a manner that would constitute a public offering. This Base Offering Circular has not been and will not be reviewed or approved by, or registered with, the Qatar Financial Markets Authority, the Qatar Central Bank, the Qatar Stock Exchange or the Qatar Financial Centre Regulatory Authority in accordance with their regulations or any other regulations in the State of Qatar (including the Qatar Financial Centre). The Certificates are not and will not be traded on the Qatar Stock Exchange. The Certificates and interests therein will not be offered to investors domiciled or resident in the State of Qatar and do not constitute debt financing in the State of Qatar under the Commercial Companies Law No. (11) of 2015 or otherwise under the laws of the State of Qatar.

NOTICE TO RESIDENTS IN THE CAYMAN ISLANDS

No invitation, whether directly or indirectly, may be made to the public in the Cayman Islands to subscribe for the Certificates and this Base Offering Circular shall not be construed as an invitation to any member of the public of the Cayman Islands to subscribe for any Certificates.

NOTICE TO RESIDENTS OF THE STATE OF KUWAIT

Unless all necessary approvals from the Kuwait Capital Markets Authority (the “**Kuwait CMA**”) pursuant to Law No. 7 of 2010, and its executive bylaws (each as amended) (the “**CML Rules**”), together with the various resolutions, regulations, directives and instructions issued pursuant thereto, or in connection therewith (regardless of nomenclature) or any other applicable or regulation in the State of Kuwait, have been given in relation to the marketing of, and sale of, the Certificates (the “**Kuwait CMA Approval**”), the Certificates may not be offered for sale, nor sold, in the State of Kuwait.

This Base Offering Circular is not for general circulation to the public in the State of Kuwait nor will the Certificates be sold by way of a public offering in the State of Kuwait. In the event where the Certificates are intended to be purchased onshore in the State of Kuwait pursuant to a Kuwait CMA Approval, the same may only be so purchased through a licensed person duly authorised to undertake such activity pursuant to the CML Rules. Investors from the State of Kuwait acknowledge that the Kuwait CMA and all other regulatory bodies in the State of Kuwait assume no responsibility whatsoever for the contents of this Base Offering Circular and do not approve the contents thereof or verify the validity and accuracy of its contents. The Kuwait CMA, and all other regulatory bodies in the State of Kuwait, assume no responsibility whatsoever for any damages that may result from relying (in whole or in part) on the contents of this Base Offering Circular. Prior to purchasing any Certificates, it is recommended that a prospective holder of any Certificates seeks professional advice from its advisers in respect to the contents of this Base Offering Circular so as to determine the suitability of purchasing the Certificates.

NOTICE TO RESIDENTS IN MALAYSIA

Any Certificates may not be offered for subscription or purchase and no invitation to subscribe for or purchase such Certificates in Malaysia may be made, directly or indirectly, and this Base Offering Circular or any document or other materials in connection therewith may not be distributed in Malaysia other than to persons falling within the categories specified under Part I of Schedule 6 or Section 229(1)(b), Part I of Schedule 7 or Section 230(1)(b) and Schedule 8 or Section 257(3), read together with Schedule 9 or Section 257(3) of the Capital Market and Services Act 2007 (the “**CMSA**”) of Malaysia, as may be amended and/or varied from time to time and subject to any amendments to the applicable laws from time to time.

The Securities Commission of Malaysia shall not be liable for any non-disclosure on the part of the Trustee or the Bank and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this Base Offering Circular.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Presentation of Financial Information

Historical financial statements

The historical financial statements relating to the Bank and its subsidiaries (collectively referred to as the “**Group**”) and incorporated by reference in this Base Offering Circular are:

- the unaudited interim condensed consolidated financial statements as at 31 March 2025 and for the three-month period ended 31 March 2025 including unaudited comparative information for the three-month period ended 31 March 2024 (the “**Interim Financial Statements**”);
- the audited consolidated financial statements as at and for the year ended 31 December 2024 including comparative information as at, and for the year ended, 31 December 2023 (the “**2024 Financial Statements**”); and
- the audited consolidated financial statements as at and for the year ended 31 December 2023 including comparative information as at, and for the year ended, 31 December 2022 (the “**2023 Financial Statements**” and together with the 2024 Financial Statements, the “**Annual Financial Statements**”).

The Annual Financial Statements and the Interim Financial Statements are together referred to as the “**Financial Statements**”.

The Annual Financial Statements were prepared in compliance with (i) IFRS Accounting Standards that are endorsed in Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants (“**SOCPA**”) (together, “**IFRS**”) and (ii) the provisions of the Banking Control Law, the Regulations for Companies in Saudi Arabia and the by-laws of the Bank.

The Interim Financial Statements were prepared in accordance with International Accounting Standard 34: *Interim Financial Reporting* (“**IAS 34**”) as endorsed in Saudi Arabia and other standards and pronouncements endorsed by SOCPA.

The Bank’s financial year ends on 31 December and references in this Base Offering Circular to “**2024**”, “**2023**” and “**2022**” are to the 12-month period ending on 31 December in each such year.

During 2024, the Group changed the estimated useful lives of certain property, equipment and intangible assets and accounted for the change prospectively as a change in accounting estimate as disclosed in notes 3.1 and 3q to the 2024 Financial Statements. The change reduced the Group’s depreciation/amortisation expense in 2024 and, if it had not been made, the Group’s depreciation/amortisation expense for 2024 would have been higher by SAR 151 million and its net income before zakat would have been lower by the same amount.

Auditors and unaudited information

The 2023 Financial Statements were jointly audited by PricewaterhouseCoopers Public Accountants (“**PwC**”) and Ernst & Young Professional Services (Professional LLC) (“**EY**”) in accordance with International Standards on Auditing that are endorsed in Saudi Arabia. PwC and EY issued an unqualified joint audit report on the 2023 Financial Statements.

The 2024 Financial Statements were jointly audited by EY and Deloitte and Touche & Co. Chartered Accountants (“**Deloitte**”) in accordance with International Standards on Auditing that are endorsed in Saudi Arabia. EY and Deloitte issued an unqualified joint audit report on the 2024 Financial Statements.

The Interim Financial Statements were jointly reviewed by EY and Deloitte in accordance with the International Standard on Review Engagements 2410: *Review of Interim Financial Information Performed by the Independent*

Auditor of the Entity endorsed in Saudi Arabia. EY and Deloitte issued an unqualified joint review report on the Interim Financial Statements.

All financial information in this Base Offering Circular as at 31 March 2025, and for the three-month periods ended 31 March 2025 and 31 March 2024, is unaudited. Certain other financial information in this Base Offering Circular is unaudited financial information which has been extracted without material adjustment from the accounting records of the Group which form the underlying basis of the Financial Statements. In particular, certain financial information included within “*Selected Financial Information—Selected consolidated ratios*” is identified as unaudited.

The Trustee is a special purpose company established in the Cayman Islands. The Trustee is not required by Cayman Islands law, and does not intend, to publish audited financial statements or appoint an auditor.

Sources of financial information

Unless otherwise indicated, the financial information included in this Base Offering Circular relating to the Group has been derived:

- in the case of the financial information as at 31 March 2025, and for the three-month periods ended 31 March 2025 and 31 March 2024, from the Interim Financial Statements and the unaudited comparative column of the Interim Financial Statements, respectively;
- in the case of the financial information as at, and for the year ended, 31 December 2024, from the 2024 Financial Statements;
- in the case of the reclassified financial information as at, and for the year ended, 31 December 2023, from the comparative column of the 2024 Financial Statements and in the case of the financial information as at, and for the year ended, 31 December 2023 that has not been reclassified from the 2023 Financial Statements; and
- in the case of the financial information as at, and for the year ended, 31 December 2022, from the comparative column of the 2023 Financial Statements.

Presentation of other Information

Currencies

Unless otherwise indicated, in this Base Offering Circular, all references to:

- “**riyal**”, “**Saudi rial**” and “**SAR**” are to the lawful currency of Saudi Arabia;
- “**euro**” and “**€**” are to the currency introduced at the third stage of the European economic and monetary union pursuant to the Treaty Establishing the European Community, as amended; and
- “**U.S. dollars**” and “**U.S.\$**” are to the lawful currency of the United States.

Unless otherwise indicated, the financial information contained in this Base Offering Circular has been expressed in riyal. The Group’s functional currency is the riyal and the Group prepared the Financial Statements in riyal, rounded to the nearest thousand.

Translations of amounts from riyal to U.S. dollars in this Base Offering Circular are solely for the convenience of the reader. The riyal has been pegged to the U.S. dollar since 1986 at a fixed rate of SAR 3.75 = U.S.\$1.00 and, unless otherwise stated, all conversions of riyal amounts to U.S. dollar amounts in this Base Offering Circular have been converted at this rate.

Alternative Performance Measures

This Base Offering Circular includes selected consolidated ratios which have not been prepared in accordance with IFRS and which also constitute alternative performance measures for the purposes of the European Securities and Markets Authority Guidelines on Alternative Performance Measures (“**APMs**”). None of this financial information is subject to any audit or review by independent auditors. These ratios include performance measures, financial ratios, asset quality measures and other ratios, see “*Selected Financial Information—Selected consolidated ratios*” below which also explains the basis of calculation of each ratio.

The Bank believes that the presentation of these ratios is helpful to investors because these and other similar measures are widely used by certain investors, security analysts and other interested parties as supplemental measures of performance and liquidity. However, these ratios are not measures of financial performance under IFRS and should not be considered in isolation or as a substitute for net income, cash flow from operating activities or other financial measures of the Group’s results of operations or liquidity computed in accordance with IFRS. Other companies, including those in the Group’s industry, may calculate these ratios differently from the Group. As all companies do not calculate these ratios in the same manner, the Group’s presentation of these ratios may not be comparable to other similarly titled measures of other companies.

Third party and market share data

This Base Offering Circular contains information regarding the Group’s business and the industry in which it operates and competes, which the Group has obtained from third party sources. The Group and other institutions operating in the banking and financial services industry in Saudi Arabia make available a wide range of financial and operational information to regulatory and market bodies, including SAMA and the CMA. These bodies use certain of the data supplied to publish statistical information, amongst other matters. However, no assurance can be made that the information reported to these bodies by different market participants is, in all cases, directly comparable. Where third party information has been used in this Base Offering Circular, it has been accurately reproduced and the source of such information has been identified.

In some cases, independently determined industry data is not available. In these cases, any Group market share data included in this Base Offering Circular is referred to as having been estimated. All such estimates have been made by the Bank using its own information and other market information which is publicly available. The Bank believes that these estimates of market share are helpful as they give prospective investors a better understanding of the industry in which the Group operates, as well as its position within that industry. Although all such estimations have been made in good faith based on the information available and the Group’s knowledge of the market within which it operates, the Bank cannot guarantee that a third-party expert using different methods would reach the same conclusions.

Statistical information relating to Saudi Arabia included in this Base Offering Circular has been derived from official public sources, including the General Authority for Statistics (“**GASTAT**”), SAMA, the Ministry of Finance, the Ministry of Economy and Planning, the International Monetary Fund (the “**IMF**”) and the Organisation for Petroleum Exporting Countries (“**OPEC**”). All such statistical information may differ from that stated in other sources for a variety of reasons, including the use of different definitions and cut-off times. This data may subsequently be revised as new data becomes available and any such revised data will not be circulated by the Bank to investors who have purchased Certificates issued under the Programme.

Where information has not been independently sourced, it is the Group’s own information.

No incorporation of website information

The Bank’s website is <https://www.riyadbank.com>. The information on this website or any other website mentioned in this Base Offering Circular or any website directly or indirectly linked to these websites has not been verified, does not form part of this Base Offering Circular and is not incorporated by reference into this Base Offering Circular, and investors should not rely on it.

Definitions

In this Base Offering Circular, references to:

- a “**billion**” are to a thousand million;
- the “**GCC**” are to the Gulf Cooperation Council (comprising the Kingdom of Bahrain, the State of Kuwait, the Sultanate of Oman, the State of Qatar, Saudi Arabia and the UAE);
- “**Government**” are to the government of Saudi Arabia;
- “**Jordan**” are to the Hashemite Kingdom of Jordan;
- the “**MENA region**” are to the Middle East and North Africa region;
- “**Saudi Arabia**” are to the Kingdom of Saudi Arabia; and
- the “**UAE**” are to the United Arab Emirates.

In this Base Offering Circular, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

Rounding

The Financial Statements present the Group’s results in thousands of riyal. Certain financial statement data in this Base Offering Circular has been expressed in millions or billions of riyal and rounded to one decimal place, with SAR 500,000 and SAR 500 million each being rounded up. For the purposes of calculating percentages relating to financial statement information, the underlying numbers used have been extracted from the rounded figures presented in this Base Offering Circular or from the Financial Statements (where no rounded numbers are being used). All percentage data has been rounded to one decimal point, with 0.050 being rounded up. As a result of such rounding, the totals of financial statement data presented in tables in this Base Offering Circular may vary slightly from the arithmetic totals of such data. Where used in tables, the figure “0” means that the data for the relevant item has been rounded to zero and the symbol “—” means that there is no data in respect of the relevant item.

Dates

Certain dates in this Base Offering Circular have been referred to in accordance with the Hijri (“**H**”) calendar and the Gregorian calendar.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some statements in this Base Offering Circular may be deemed to be “forward-looking statements”. Forward-looking statements include statements concerning the Bank’s plans, objectives, goals, strategies and future operations and performance and the assumptions underlying these forward-looking statements. When used in this Base Offering Circular, the words “anticipates”, “estimates”, “expects”, “believes”, “intends”, “plans”, “aims”, “seeks”, “may”, “will”, “should” and any similar expressions generally identify forward-looking statements. These forward-looking statements are contained in the sections entitled “*Risk Factors*”, “*Description of the Group*” and other sections of this Base Offering Circular. The Bank has based these forward-looking statements on the current view of its management with respect to future events and financial performance. Although the Bank believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable, if one or more of the risks or uncertainties materialise, including those identified below or which the Bank has otherwise identified in this Base Offering Circular, or if any of the Bank’s underlying assumptions prove to be incomplete or inaccurate, the Group’s actual results of operation may vary from those expected, estimated or predicted. Investors are therefore strongly advised to read the sections “*Risk Factors*” and “*Description of the Group*”, which include a more detailed description of the factors that might have an impact on the Group’s business development and on the industry sector in which the Group operates.

The risks and uncertainties referred to above include:

- macro-economic and financial market conditions (and changes therein);
- credit risks, including the impact of a higher level of credit defaults arising from adverse economic conditions, the impact of provisions and impairments and concentration of the Group’s portfolio of financing and investing assets;
- the effects of, and changes in laws, regulations or governmental policy affecting the Group’s business activities;
- removal or adjustment of the peg between the U.S. dollar and the riyal;
- liquidity risks, including the inability of the Group to meet its contractual and contingent cash flow obligations or its inability to fund its operations; and
- changes in interest rates and other market conditions.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under “*Risk Factors*”.

These forward-looking statements speak only as at the date of this Base Offering Circular. Without prejudice to any requirements under applicable laws, the Trustee and the Bank expressly disclaim any obligation or undertaking to disseminate after the date of this Base Offering Circular any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any forward-looking statement is based.

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RISK FACTORS

*Any investment in Certificates issued under the Programme is subject to risks and uncertainties. Before making any investment decision, prospective investors should consider carefully the risks and uncertainties associated with an investment in any Certificates, the Group's business and the countries and markets in which the Group operates, together with all of the other information that is included in this Base Offering Circular. Prospective investors should also consult their own financial and legal advisers about the risks associated with an investment in Certificates issued under the Programme and the suitability of investing in those Certificates considering their particular circumstances, without relying on the Trustee or the Bank. Should one or more of the events or circumstances described as risks below occur at the same time or separately, this could have a material adverse effect on the Group. As used in this section, "**material adverse effect**" and related expressions when used in relation to the Group mean that the Group's financial condition, results of operations, cash flows, liquidity, business, prospects and/or reputation could be materially adversely affected and/or the value of Certificates issued under the Programme could decline and these factors could result in an investor losing part or all of its investment.*

Each of the Trustee and the Group believes that the following factors may affect its ability to fulfil its obligations under the Certificates issued under the Programme. All these factors are contingencies which may or may not occur; and neither the Trustee nor the Group expresses a view on the likelihood of any such contingency occurring.

Factors which the Trustee and the Group believe may be material for the purpose of assessing the market risks associated with Certificates issued under the Programme are also described below.

Each of the Trustee and the Group believes that the factors described below represent the principal risks inherent in investing in Certificates issued under the Programme, but the Trustee and the Group may be unable to pay amounts due in connection with any Certificates for other reasons, and the Trustee and the Bank do not represent that the statements below regarding the risks of holding any Certificates are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Offering Circular and reach their own views prior to making any investment decision.

The order in which the risks are presented below does not necessarily reflect the likelihood of their occurrence or the magnitude of their potential impact on the Trustee, the Bank or the Group.

Risk factors relating to the Trustee

The Trustee has a limited operating history and no material assets and will depend on receipt of payments from the Bank to make payments to Certificateholders

The Trustee was incorporated under the laws of the Cayman Islands on 6 June 2018 as an exempted company with limited liability and has limited operating history. The Trustee has not engaged, and will not engage, in any business activity other than the issue of Certificates under the Programme, the acquisition of the Trust Assets as described herein, acting in the capacity of Trustee, and other activities incidental or related to the foregoing as required under the Transaction Documents.

The Trustee's only material assets, which will be held on trust for the Certificateholders, will be the Trust Assets related to each Series of Certificates, including its right to receive payments under the relevant Transaction Documents. The ability of the Trustee to pay amounts due on the Certificates will primarily be dependent upon receipt by the Trustee of all amounts due from the Bank under the relevant Transaction Documents. Therefore, the Trustee is subject to all the risks to which the Bank is subject to the extent that such risks could limit the Bank's ability to satisfy in full and on a timely basis its obligations under the relevant Transaction Documents. See "*Risk factors relating to the Group*" below.

Risk factors relating to the Group

The Group's operations and assets are principally located in Saudi Arabia and, accordingly, the Group is exposed to general economic conditions in Saudi Arabia

The Group's operations and assets are principally located in Saudi Arabia and, accordingly, its business is, and will continue to be, affected by the general economic conditions prevailing from time to time in Saudi Arabia and the Middle East generally, as well as by global economic conditions that affect Saudi Arabia. The economy of Saudi Arabia, as with the economies of many other countries, was materially adversely impacted by the coronavirus ("COVID-19") pandemic and by the supply chain disruption that followed it which contributed to increased inflation globally.

The Government continues to pursue a policy of diversification, including the Saudi Vision 2030 (a strategic framework to reduce Saudi Arabia's dependence on oil, diversify its economy and develop public service sectors) and the National Transformation Program 2020 (an economic action plan implemented as part of the Saudi Vision 2030), to enhance the contribution of the non-oil sector to Saudi Arabia's real gross domestic product ("GDP"). Nevertheless, Saudi Arabia's economy remains dependent on the country's oil reserves. As oil is Saudi Arabia's most important export, material and prolonged changes in oil prices affect various macroeconomic and other indicators, including, but not limited to, GDP, Government revenue, balance of payments and foreign trade. International oil prices have fluctuated significantly over the past two decades and are likely to remain volatile in the future. See further, "*Risk factors relating to Saudi Arabia—Saudi Arabia's economy is highly dependent on its oil revenue*".

Reflecting increasing global inflation following the pandemic, central banks in many countries, including SAMA, increased their policy rates to control inflation levels. Higher inflation levels impacted the composition of the Group's deposits as customers switched to time and savings deposits at the expense of demand deposits. The Group conducts regular stress tests of its customer financing portfolio under scenarios of differing severity to identify key vulnerabilities and to measure resultant impacts on asset quality and performance. However, these stress-testing activities do not provide assurance against impacts that may be realised through external shocks and customer defaults may nevertheless occur, sometimes significantly after the occurrence of a shock. The occurrence of these events and a material increase in financing losses could have a material adverse effect on the Group, including through increases in the Group's non-performing loans and advances ("NPLs"), increased loan loss provisions and reduced demand for financing and other banking services, which could negatively impact the Group's profitability.

In its April 2025 World Economic Outlook, the IMF projects that global growth will decline amid policy shifts and new uncertainties and that risks to the outlook are tilted to the downside as escalating trade tensions and elevated policy-induced uncertainty may further hinder growth and shifting policies could lead to abrupt tightening of global financial conditions and capital outflows, particularly impacting emerging markets. Saudi Arabia is an emerging market and may be negatively impacted if the IMF's projections prove to be accurate.

In addition, any sustained downturn in oil prices in the future could substantially slow or disrupt Saudi Arabia's economy, and the banking sector in particular, which could in turn have an adverse impact on the Group and the market price of Certificates issued under the Programme.

Adverse macroeconomic and financial market conditions could increase the risk of the Group's financing being impaired

As at 31 December 2024, the Group's NPLs represented 1.0 per cent. of its total loans and advances compared to 1.2 per cent. as at 31 December 2023 and 1.7 per cent. as at 31 December 2022. The Group is exposed to the risk that borrowers may not repay their financing according to its contractual terms and that any collateral securing the payment of the financing may be insufficient. The Group continuously reviews and analyses its customer financing portfolio and credit risks, and its provision for losses on loans is based on, among other things, its analysis of the

staging of customers and the probability of default and loss given default parameters for the different stages, loan management and the valuation of the underlying assets, as well as other management assumptions. Factors which contribute to an increase in the amount of the Group's NPLs include growth in its customer financing portfolio, as well as adverse economic changes in Saudi Arabia.

Prolonged periods of low oil prices and associated changes in Government spending are the principal risk to the Bank's operating environment. See "*—The Group's operations and assets are principally located in Saudi Arabia and, accordingly, the Group is exposed to general economic conditions in Saudi Arabia*" above. Additionally, further increases in global interest rates could also have an adverse impact on the macroeconomic environment, particularly as the fixed exchange rate between the riyal and the U.S. dollar means that Saudi Arabian interest rate policy effectively follows that of the US Federal Reserve. The main Saudi interbank rate partly reflects changes to the base rate, as well as local liquidity conditions.

Notwithstanding that the riyal has been pegged to the U.S. dollar since 1986 and there is no current expectation of a de-pegging, should Saudi Arabia and/or other regional oil producing countries elect to remove the foreign exchange peg of their domestic currencies to the U.S. dollar, this could pose systemic risks to the banking systems in the GCC. See "*—De-pegging the riyal from the U.S. dollar or re-pegging the riyal at a different rate could have a material adverse effect on the Group*" below.

The Group's business is exposed to political conditions in Saudi Arabia and the MENA region

Most of the Group's customers and almost all of its business are based in Saudi Arabia. While Saudi Arabia is seen as a relatively stable political environment, certain other jurisdictions in the Middle East are not and there is a risk that regional geopolitical instability could impact Saudi Arabia. Instability in the Middle East may result from a number of factors, including government or military regime change, civil unrest or terrorism. Since 2011, there has been political unrest in a range of countries in or proximate to the MENA region, including Tunisia, Algeria, Egypt, Libya, Lebanon, Jordan, Iraq, Iran, Palestine, Yemen and Syria. This unrest has ranged from public demonstrations to, in extreme cases, armed conflict, civil war, foreign military intervention and the overthrow of existing leadership.

In 2015, a coalition of countries, led by Saudi Arabia and supported by the international community, commenced a military action against the Al-Houthi rebels in Yemen. The conflict in Yemen has not yet been fully resolved. Saudi Arabia has been targeted on several occasions by ballistic missiles fired by the Al-Houthi rebels in Yemen since 2017 and, while the majority of these missile attacks were successfully intercepted by Saudi Arabia's defence systems, there can be no assurance that the conflict in Yemen will not continue or re-escalate. Additionally, in September 2019, the Abqaiq processing facility and the Khurais oil field in Saudi Arabia were damaged in a major act of sabotage which resulted in the temporary interruption of Saudi Arabia's oil and gas production. The Al-Houthi rebels claimed responsibility for the act of sabotage, although this claim has not been verified and has been disputed.

In addition, Saudi Arabia has experienced other occasional terrorist attacks in recent years, including, most recently, an attack on a Saudi Aramco facility in Jeddah in March 2022.

In late 2023, Israel declared war on Hamas, following a Hamas-led terrorist attack on Israel, and subsequently invaded the Gaza Strip and, in mid-2024, Israel attacked Hezbollah in Lebanon. Following the fall of the Bashar Al Assad regime in Syria, Israel is also conducting military operations in that country. These and other actions have led to increasing tensions between Israel and Iran and the situation remains volatile and uncertain. There has also been an escalation of attacks on shipping in the Red Sea and Gulf region by the Al-Houthi rebels resulting in U.S. and other international allies conducting retaliatory strikes on Al-Houthi bases. These developments could have a destabilising impact on the Gulf region, including Saudi Arabia and its ability to export oil and gas.

The situations described above have caused significant disruption to the economies of the affected countries, have given rise to increased political uncertainty across the MENA region and have had a destabilising effect on oil and

gas prices. There is no certainty that extremists or terrorist groups will not escalate violent activities in the MENA region, or that any currently stable governments in the MENA region will be successful in maintaining the prevailing levels of domestic order and stability. As it is not generally possible to predict the occurrence or impact of events or circumstances, such as war, hostilities or diplomatic rifts, no assurance can be given that the Group will be able to sustain the profitable operation of its business if adverse political events or circumstances impacting the MENA region were to occur.

Prospective investors should also note that the Group's business and financial performance could be adversely affected by political, economic or related developments outside the MENA region because of inter-relationships within the global financial markets. Moreover, there is no certainty that the governments of the countries to which the Group is exposed will not implement restrictive fiscal or monetary policies or regulations, including changes with respect to interest rates and new legal interpretations of existing regulations, any of which could have a material adverse effect on the Group's business, results of operations, financial condition, cashflows and prospects. Further, the recent implementation of significant tariffs by the United States has led to a significant increase in volatility in global markets which, if prolonged, could impact the value of financial investments held by the Group.

The Group is exposed to the credit risk of borrowers and other counterparties due to its financing and investment activities, which could give rise to material losses in future periods

Credit risk arising from adverse changes in the credit quality and recoverability of the Group's loans and advances, securities and other amounts due from counterparties are inherent in a wide range of the Group's businesses, principally in its financing and investment activities. In particular, the Group is exposed to the risk that its counterparties may not meet their obligations in respect of financing provided by the Group and that the collateral (if any) securing the financing provided may be insufficient, each of which could affect the recoverability and value of the Group's assets, result in an increase in NPLs and require an increase in the Group's impairment provisions.

Credit losses could arise from a deterioration in the credit quality of specific issuers and counterparties of the Group, from a general deterioration in local or global economic conditions, or from systemic risks within these financial systems, any of which could affect the recoverability and value of the Group's assets and require an increase in its impairment provisions.

As at 31 December 2024, the Group's loans and advances, net (its "**customer financing portfolio**") amounted to SAR 320,089 million, compared to SAR 274,398 million as at 31 December 2023 and SAR 242,365 million as at 31 December 2022. The Group's NPLs were SAR 3,174 million as at 31 December 2024, compared to SAR 3,464 million as at 31 December 2023 and SAR 4,244 million as at 31 December 2022, and its allowance for impairment/expected credit losses ("**ECL**") in respect of its customer financing portfolio amounted to 1.6 per cent., 1.8 per cent. and 1.9 per cent. of the value of its customer financing portfolio as at 31 December 2024, 31 December 2023 and 31 December 2022, respectively.

The Group calculates its ECL in accordance with IFRS 9 rules and guidelines to cover bad and doubtful debts and impaired investments and the Group's portfolio and credit exposures are managed in accordance with the relevant credit policy and customer financing classifications set by SAMA. Any failure by the Group to maintain the quality of its assets through effective risk management policies could lead to higher loss provisioning and result in higher levels of defaults and write-offs, all of which would be likely to reduce the Group's profitability.

Security interests provided in favour of the Group may not be sufficient to cover all losses, and the Group may experience difficulty in enforcing certain types of collateral

The practice of pledging assets (such as share portfolios and real estate assets) to obtain bank financing is subject to certain limitations and administrative restrictions under Saudi Arabian law, and the interpretation of updated legislation in this area remains uncertain and untested. In particular, such security may, in some cases, not be enforced

without a court order. Accordingly, the value of the collateral may erode over time while the Group seeks to enforce it, and the time and costs associated with enforcing the collateral may also adversely affect the Group's ability to recover its loan losses in full.

The Group's customer financing portfolio, investment securities portfolio and customer deposits are concentrated in Saudi Arabia

Together, the Group's customer financing portfolio and its investments, net (its "**investment securities portfolio**") aggregated SAR 389,758 million, or 86.5 per cent. of the Group's total assets, as at 31 December 2024, SAR 332,507 million, or 86.0 per cent. of the Group's total assets, as at 31 December 2023 and SAR 294,561 million, or 81.9 per cent. of the Group's total assets, as at 31 December 2022.

The Group's investment securities portfolio principally comprises fixed and floating rate securities, with SAR 60,351 million, or 86.6 per cent., of the portfolio being fixed rate instruments as at 31 December 2024 compared to SAR 51,444 million, or 88.5 per cent., as at 31 December 2023 and SAR 46,688 million, or 89.4 per cent., as at 31 December 2022.

As at 31 December 2024, 96.0 per cent. of the Group's customer financing portfolio and 70.3 per cent. of its investment securities portfolio were classified as Saudi Arabian risk, i.e. the borrowers or the issuers of such securities are Saudi Arabian entities.

The Group's customer deposits aggregated SAR 306,423 million, equal to 80.1 per cent. of its total liabilities, as at 31 December 2024 compared to SAR 254,908 million, equal to 78.1 per cent. of its total liabilities, as at 31 December 2023 and SAR 240,007 million, equal to 79.1 per cent. of its total liabilities, as at 31 December 2022. As at 31 December 2024, 99.0 per cent. of the Group's customer deposits were classified as Saudi Arabian risk.

Accordingly, any deterioration in general economic conditions in Saudi Arabia or any failure by the Group to effectively manage its geographic risk concentrations could have a more significant adverse effect on the Group's business than on that of a more diversified bank. See "*—The Group's operations and assets are principally located in Saudi Arabia and, accordingly, the Group is exposed to general economic conditions in Saudi Arabia*" above.

The Group has significant customer and sector concentrations

The Group's customer financing portfolio is concentrated in a small number of industry sectors. As at 31 December 2024, loans and advances, net to the commerce sector accounted for 26.2 per cent. of the Group's total loans and advances, net. In addition, the consumer loans and credit card sector accounted for 30.0 per cent. of the Group's total loans and advances, net as at the same date.

As at 31 December 2024, government and quasi-government issuers accounted for 63.9 per cent. of the total investment portfolio in the Group's investment securities portfolio.

As a result, a material weakening in the credit quality of, or a default by, any one or more of the Group's large financing counterparties or issuers of debt securities, or any factors which negatively impact any of the sectors to which the Group has significant exposure, could result in the Group having to make significant additional loss provisions and/or experiencing reduced special commission income. Sector specific factors might include:

- low levels of economic growth or a recession in Saudi Arabia which, particularly if coupled with increased levels of unemployment or other factors constraining consumer income, could materially adversely impact the ability of the Group's retail customers to repay their financing;
- falling oil and gas prices which could reduce the liquidity of its government and quasi-government borrowers, as well as other borrowers that operate in the oil and gas sector or provide products and services

to that sector, and could also negatively affect the value of any securities issued by those entities which the Group holds in its investment securities portfolio; and

- a significant decline in real estate values would reduce the value of the real estate collateral which the Group holds.

The Group also has a high concentration of deposits from individual depositors, mainly Government and quasi-Government depositors. The withdrawal or non-renewal of its deposits by any one or more of the Group's material depositors could require the Group to obtain replacement funding from other sources which may not be readily available or may be significantly more expensive, which would reduce the Group's margins and adversely impact its operating income and profitability. See further "— *The Group is subject to the risk that liquidity may not always be readily available*" below.

The Group has significant credit-related contingent liabilities and commitments that may lead to potential losses

As part of its normal banking business, the Group issues guarantees, letters of credit ("LCs") and acceptances which are accounted for off the Group's balance sheet until such time as they are funded or cancelled. In addition, the Group makes irrevocable commitments to advance credit to its customers. Although these commitments are contingent, they nonetheless subject the Group to both credit and liquidity risks. As at 31 December 2024, the Group had SAR 179,692 million in contingent liabilities under guarantees, LCs and acceptances and irrevocable commitments to extend credit.

Although the Group anticipates that only a portion of its obligations in respect of these commitments will be triggered and funds itself accordingly, the Group may be required to make payments in respect of a greater portion of such commitments, particularly in cases where there has been a general deterioration in market conditions. This could result in the Group needing to obtain additional funding, potentially at relatively short notice, which may not be readily available or may be significantly more expensive, which would reduce the Group's margins and adversely impact its operating income and profitability.

The Group is exposed to reputational risks related to its operations and industry

The Group is exposed to the risk that litigation, misconduct, operational failures, negative publicity and press speculation will harm its reputation. The Group's reputation may also be adversely affected by the conduct of third parties over whom it has no control, including entities to which it has advanced financing or in which it has invested. For example, if one of the Group's financing counterparties becomes associated with financial scandals or widely publicised improper behaviour, the Group's own reputation may be affected. The Group is also exposed to adverse publicity relating to the financial services industry. Financial scandals unrelated to the Group or questionable ethical conduct by a competitor may taint the reputation of the industry and affect the perception of investors, public opinion and the attitude of regulators. Any damage to the Group's reputation could cause existing customers to withdraw their business and lead potential customers to be reluctant to do business with the Group which could have a material adverse effect on the Group.

The Group could be adversely affected by the soundness or the perceived soundness of other financial institutions and counterparties

Given the high level of inter-dependence between financial institutions that became most evident during the global financial crisis of 2008 to 2010, the Group is subject to the risk of deterioration in the commercial and financial soundness, or perceived soundness, of other financial institutions. Within the financial services industry, the default of any one institution could lead to significant losses, and potentially defaults, by other institutions. As was experienced in 2008 and 2009, concerns about, or a default by, one institution could also lead to significant liquidity problems, losses or defaults by other institutions, because the commercial and financial soundness of many financial institutions is closely related as a result of their credit, trading, clearing or other relationships. Even the perceived

lack of creditworthiness of, or questions about, a counterparty may lead to market-wide liquidity problems and losses or defaults by the Group or other institutions. This risk, often referred to as “systemic risk”, may also adversely affect other financial intermediaries, such as clearing agencies, clearing houses, securities firms and exchanges, with whom the Group interacts on a daily basis. Systemic risk, should it materialise, could have a material adverse effect on the Group’s ability to raise new funding and on its business generally. The failures in the first half of 2023 of Silicon Valley Bank and Signature Bank in the United States and Credit Suisse in Europe also indicate the potential for systemic risk.

The Group is subject to the risk that liquidity may not always be readily available

Liquidity risk is the risk that the Group will be unable to meet its obligations, including funding commitments, as they become due. If the Group’s cash flow from its operations is not sufficient to meet its short- and medium-term contractual and contingent payment obligations when they fall due, it could experience liquidity issues, even if it continues to receive new customer deposits and proceeds from new financing or future revenue streams. Such liquidity mismatches could also arise if there is an unexpected outflow of customer deposits, if there is a material decline in the value of the Group’s investment securities portfolio or if the Group is unable to secure short-term funding or sell assets to bridge any such funding gap. This risk is inherent in banking operations and can be heightened by enterprise-specific factors, including over-reliance on a particular source of funding (including, for example, short-term and overnight funding), changes in credit ratings or market-wide phenomena such as market dislocation and major disasters. Credit markets worldwide experienced a severe reduction in liquidity in the final quarter of 2008 and the first half of 2009. Since then, financial institutions have continued to experience periods of reduced liquidity and increased industry, regulator and investor focus on liquidity, including in the period following three bank failures in early 2023.

The perception of counterparty risk between banks has also increased significantly since the final quarter of 2008, which has led at times to reductions in certain traditional sources of liquidity, such as the fixed income securities markets, asset sales and redemption of investments. The Group’s access to these traditional sources of liquidity may at times be restricted or available only at a higher cost and there can be no assurance that the Government will provide any support to the Saudi Arabian banking sector in the future. See “—*The Government is under no obligation to support the Bank and there is no assurance that the Bank will receive any Government support in the future*” below.

In addition, uncertainty or material adverse changes in the capital and credit markets may limit the Group’s ability to refinance maturing liabilities with long-term funding or may increase the cost to the Group of such funding. The Group’s access to any additional financing it may need will depend on a variety of factors, including market conditions, the availability of credit generally and to borrowers in the financial services industry specifically, and the Group’s financial condition, credit ratings and credit capacity.

The Group has historically relied on both customer and interbank deposits, which are mainly short-term and generally low cost in nature, to meet most of its funding needs. The availability of deposits is subject to fluctuation due to factors outside the Group’s control, including possible loss of confidence and competitive pressures, and this could result in a significant outflow of deposits within a short period of time or may cause the Group to increase the return paid on its deposits to ensure that it retains sufficient deposits. As at 31 December 2024, 49.9 per cent. of the Group’s customer deposits were demand deposits and therefore did not have a fixed maturity, although, as is typical in the Saudi Arabian banking industry, these deposits have generally proved to be a stable source of funding based on historical behaviour analysis. Nevertheless, they are effectively repayable on demand. As at the same date, 82.5 per cent. of the Group’s non-equity funding (which comprises amounts due to banks and other financial institutions, customer deposits and debt securities in issue and term loan) had contractual undiscounted repayment obligations of up to three months or was payable on demand and 93.1 per cent. had contractual undiscounted repayment obligations of one year or less or was payable on demand. The Group may experience outflows of deposits at times when liquidity is constrained generally in Saudi Arabia or when its major depositors experience short- or longer-term liquidity

requirements. Particularly, if international oil and gas prices fall significantly for a sustained period, the Group's large depositors (including the Government and quasi-Governmental depositors) may start to withdraw part or even all of their deposits with it.

In addition, the Group's deposits are geographically concentrated and the Group is reliant on certain large deposits from a limited group of customers. See "*—The Group's customer financing portfolio, investment securities portfolio and customer deposits are concentrated in Saudi Arabia*" above and "*—The Group has significant customer and sector concentrations*" above.

If a substantial portion of the Group's depositors, or any of its largest depositors, withdraw their demand deposits or do not roll over their time deposits at maturity, the Group may need to seek other sources of funding or may have to sell, or enter into sale and repurchase or securitisation transactions over, certain of its assets to meet its funding requirements. There can be no assurance that the Group will be able to obtain additional funding as and when required or at prices that will not affect its ability to compete effectively and, if the Group is forced to sell assets to meet its funding requirements, it may suffer material losses as a result.

In extreme cases, if the Group is unable to refinance or replace such deposits with alternative sources of funding to meet its liquidity needs, through deposits, the interbank markets, the international capital markets or through asset sales, this would have a material adverse effect on its business generally and could, potentially, result in its insolvency.

The Group could be adversely affected by market risks

The Group could be adversely affected by market risks that are outside its control, including, without limitation, material adverse changes in interest rates, prices of securities and currency exchange rates. An increase in interest rates generally may decrease the value of the Group's fixed-rate loans and securities and may increase the Group's funding costs. In addition, fluctuations in interest rates may result in a pricing gap between the Group's interest-rate sensitive assets and liabilities. For example, the Group generally has a discretionary right to change the rates it charges on its customer financing whilst the rates that it pays on a part of its customer deposit base (namely, term deposits) are contractually fixed for the term of the deposit. As a result, the Group generally experiences an increase in its net special commission income in times of rising interest rates and a reduction in its net special commission income in times of falling interest rates. See note 35.2(i) to the 2024 Financial Statements which illustrates the sensitivity of the Group's net special commission income to a 100-basis point change in interest rates on major currencies, such as the riyal and the U.S. dollar. Interest rates are sensitive to many factors beyond the Group's control, including the policies of central banks, such as SAMA and the U.S. Federal Reserve, political factors and domestic and international economic conditions.

As a financial intermediary, the Group is also exposed to foreign exchange rate risk. This risk includes the possibility that the value of a foreign currency asset or liability will change due to changes in currency exchange rates as well as the possibility that the Group may have to close out any open position in a foreign currency at a loss due to an adverse movement in exchange rates. The Group attempts to match the currencies of its assets and liabilities and any open currency position is maintained within the limits set by SAMA. However, where the Group is not so hedged, it is exposed to fluctuations in foreign exchange rates and any such hedging activity may not in all cases protect the Group against such risks. See note 35.2(iii) to the 2024 Financial Statements which illustrates the sensitivity of the Group's net income to a 1 per cent. change in the exchange rate of a number of significant currencies (including the U.S. dollar and pounds sterling) against the riyal. See also "*—De-pegging the riyal from the U.S. dollar or re-pegging the riyal at a different rate could have a material adverse effect on the Group*".

The Group also has a portfolio of fair value through other comprehensive income ("FVOCI") equity investments which are exposed to the effect of changes in market prices on their fair value.

The Group enters into derivative transactions, such as commission rate and currency swaps, forward and future contracts and options, as part of its ordinary customer business, to manage its market risks and to take advantage of price differentials or anticipated market movements. These derivative contracts had a notional value of SAR 304,253 million as at 31 December 2024 compared to SAR 185,811 million as at 31 December 2023 and SAR 151,052 million as at 31 December 2022. The Group had positive and negative fair value of derivatives of SAR 5,569 million and SAR 5,166 million, respectively, as at 31 December 2024 compared to positive and negative fair value of derivatives of SAR 3,668 million and SAR 3,429 million, respectively, as at 31 December 2023 and positive and negative fair value of derivatives of SAR 3,791 million and SAR 2,854 million, respectively, as at 31 December 2022. There is no assurance that the Group's derivative contracts will be successful in mitigating its interest rate and foreign exchange exposures or that the Group will not experience significant losses on its derivatives contracts from time to time.

Adverse movements in benchmark interest and foreign exchange rates may also adversely impact the revenues and financial condition of the Group's depositors, borrowers and other counterparties which, in turn, may impact the Group's deposit base and the quality of its credit exposures to certain borrowers and other counterparties. Ultimately, there can be no assurance that the Group will be able to protect itself from any adverse effects of a currency revaluation or future negative changes in interest rate or currency exchange rates or from a significant change in the prices of its investment securities.

The Group is exposed to a range of operational risks. In particular, the Group is exposed to the risk of loss as a result of employee misrepresentation, misconduct and improper practice

Operational risk is the risk of direct or indirect loss arising from inadequate or failed people, processes, technology and infrastructure within the Group, natural disasters or the failure of external systems (for example, those of the Group's counterparties or vendors). The Group has implemented risk management policies and strategies, and substantial resources are devoted to developing efficient risk management tools, procedures and risk awareness programmes, but it is not possible to eliminate entirely each of the potential operational risks that the Group faces. Losses from the failure of the Group's system of internal controls could have a material adverse effect on its business generally and its reputation.

The Group's employees could engage in misrepresentation, misconduct or improper practice that could expose the Group to direct and indirect financial loss and damage to its reputation. Such practices may include embezzling clients' funds, engaging in corrupt or illegal practices to originate further business, intentionally or inadvertently releasing confidential information about clients or failing to follow internal procedures. It is not always possible to detect or deter these types of misconduct, and the precautions which the Group takes to detect and prevent such misconduct may not be effective in all cases. There can be no assurance that measures undertaken to combat these types of misconduct will be successful. Any such actions by employees could expose the Group to financial losses resulting from the need to reimburse clients, co-investors or other business partners who suffered loss or as a result of fines or other regulatory sanctions, and could damage the Group's reputation.

The Group depends on its information technology systems and any disruption to these systems could materially disrupt the Group's business

The Group's operations are critically reliant on the proper functioning of its information technology ("IT") systems. These systems are essential for processing high volumes of transactions accurately and efficiently, as well as for storing and managing the Group's business and operational data. The proper functioning of financial controls, risk management, credit analysis, reporting, accounting, customer service, communication between branches and the data processing centres are critical to the Group's business and its ability to compete effectively.

Any significant disruption, prolonged outage or complete failure of its critical IT systems or communication networks could materially and adversely affect the Group's business operations. Various factors, some of which are beyond

the Group's control, can cause such disruptions. These include natural disasters, extended power outages, computer viruses and other malicious software, hardware failures, software failures and cyber-attacks (which are separately discussed below).

The effectiveness of the Group's IT systems is contingent upon accurate and reliable data inputs, which are susceptible to human error. Failures or delays in recording or accurately processing transaction data could result in financial losses, customer claims, regulatory penalties and reputational damage.

The Group's ability to maintain and upgrade its IT systems and controls in a timely manner is crucial in addressing these risks. While the Group implements and regularly updates its IT safeguards, no assurance can be given that these measures will be fully effective in all scenarios or protect against all potential losses.

The Group's IT systems are subject to potential cyber-attack

In common with other financial institutions based in Saudi Arabia, the wider GCC and globally, the threat to the security of the Group's information and customer data from security breaches and cyber-attacks presents a real and growing risk to the Group's business. Activists, rogue states and cyber-criminals are among those targeting IT systems around the world. Risks to technology and cyber-security evolve and change rapidly and require continued focus, monitoring and investment in preventative measures. Given the increasing sophistication and scope of potential cyber-attacks, it is possible that future attacks may lead to significant breaches of security. A failure to adequately manage cyber-security risk and continually monitor, review and update current processes in response to new threats could adversely affect the Group, including through disruption to its business, unauthorised disclosure of confidential information, significant financial and/or legal exposure and damage to its reputation.

The Group's risk management policies and procedures may leave it exposed to unidentified or unanticipated risks

There can be no assurance that the Group's risk management and internal control policies and procedures will adequately control, or protect it against, all credit, liquidity, market, operational and other risks. In addition, certain risks may not be accurately quantified by the Group's risk management systems. Some of the Group's methods of managing risk are based upon the use of historical market data which, as evidenced by events caused by the global financial crisis, may not always accurately predict future risk exposures which could be significantly greater than historical measures indicate. In addition, certain risks could be greater than the Group's empirical data would otherwise indicate.

Other risk management methods depend upon evaluation of information regarding the markets in which the Group operates, its clients or other matters that are publicly available or information otherwise accessible to it. This information may not be accurate, complete, up to date or properly evaluated in all cases. Any material deficiency in the Group's risk management or other internal control policies or procedures may expose it to significant losses as a result of unidentified credit, liquidity, market or operational risks, should they occur.

The Group's risk management techniques may not be consistently implemented or fully effective in mitigating its exposure in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Investors should note that any failure by the Group to identify and/or adequately control these risks, including as a result of any failure to successfully implement new risk management policies, systems and procedures in the future, may have a material adverse effect on the Group.

The Group is subject to extensive regulation and changes in this regulation, or the interpretation or enforcement of this regulation, or any failure by the Group to comply with this regulation could have a material adverse effect on the Group

The Group is subject to laws, regulations, administrative actions and policies designed to maintain the safety and soundness of banks in Saudi Arabia, ensure their compliance with economic and other obligations and limit their

exposure to risk. These laws and regulations include laws and regulations issued by SAMA and the CMA. See “*Saudi Arabia’s Banking Sector and Regulations*”. These regulations may limit the Group’s activities and the Bank’s ability to carry on certain parts of its business or to grow its business generally and any changes to such regulations may increase the Group’s cost of doing business. In addition, a breach or violation of any regulations applicable to the Group could expose it to potential liabilities, fines and reputational damage. Changes in these laws and regulations (such as the Basel IV Regulation which became effective in January 2023 and the implementation of the Law on the Treatment of Systemically Important Financial Institutions, each of which are described under “*Saudi Arabia’s Banking Sector and Regulations*”) and the way they are interpreted or enforced may also impose significant additional compliance costs on the Group.

To carry out and expand its businesses, it is necessary for the Group to maintain or obtain a variety of licences, permits, approvals and consents from various regulatory, legal, administrative, tax and other governmental authorities and agencies. The processes for obtaining these licences, permits, approvals and consents may be lengthy, complex, unpredictable and costly. If the Group is unable to maintain or obtain the relevant licences, permits, approvals and consents, its ability to achieve its strategic objectives could be impaired.

There is increased international scrutiny of banks operating in all markets, including Saudi Arabia, in connection with anti-money laundering (“**AML**”), combating terrorist financing, sanctions and other regulations, some of which are international in their application. In addition, Saudi Arabia has adopted a relatively comprehensive legislative and regulatory framework that deals with money laundering and terrorist financing as described under “*Saudi Arabia’s Banking Sector and Regulations*”. These laws and regulations require the Group, among other things, to adopt and enforce “know your customer” (“**KYC**”) policies and procedures and to report suspicious and large transactions as part of their AML requirements to the applicable regulatory authorities. The Group has adopted KYC and AML policies and procedures and reviews them regularly in light of regulatory and market developments. In the event of actual or alleged compliance breaches, the Group may become subject to investigation and judicial or administrative proceedings, which could result in financial penalties or lawsuits (including by customers) for damages and/or the loss of the Group’s ability to do business in the international banking market or specific jurisdictions or even the loss of its Saudi Arabian banking licence. Any such sanctions would be likely to materially damage its reputation and materially adversely impact its cash flow and profitability.

The Group’s internal compliance systems might not be fully effective in all circumstances

The Group’s ability to comply with all applicable regulations is largely dependent on its maintenance of compliance, audit and reporting systems and procedures, and its ability to attract and retain personnel qualified to manage and monitor such systems and procedures. Although the Group is subject to oversight by regulatory authorities, including regular examination activity and annual supervisory review visits, and performs regular internal audits and employs an external auditing firm to review its internal auditing function as required by applicable regulations, the Group cannot be certain that these systems and procedures will be fully effective in all circumstances, particularly in the case of deliberate employee misconduct or other frauds perpetrated against it. In the case of actual or alleged non-compliance with applicable regulations, the Group could be subject to investigations and judicial or administrative proceedings that may result in substantial penalties or civil lawsuits for damages that could have a material adverse effect on the Group.

A negative change, or perceived negative change, in the Bank’s credit rating could limit its ability to raise funding and may increase the Group’s borrowing costs

The Bank currently has a long-term foreign currency issuer default rating of A- with a stable outlook from Fitch, a counterparty credit rating of A with a stable outlook from S&P and a long-term deposit rating of A1 with a stable outlook from Moody’s. These credit ratings are an important factor in determining the Group’s cost of borrowings. The special commission rates charged on the Group’s borrowings are also partly dependent on its credit ratings.

There is no assurance that the Bank's ratings will remain in effect for any given period or that the ratings will not be lowered or withdrawn entirely if circumstances in the future so warrant. A downgrade, or increased risk of a downgrade, of the Bank's credit ratings, or a negative change in their outlook, may:

- limit the Bank's or any other member of the Group's ability to raise funding;
- increase the Bank's or any other member of the Group's cost of borrowing; and
- limit the Bank's or any other member of the Group's ability to raise capital.

In addition, actual or anticipated changes in the Bank's credit rating may negatively affect the market value of any Certificates issued under the Programme.

According to Moody's, the Bank's rating reflects Moody's baseline credit assessment of Baa1 and three notches of government support uplift based on Moody's expectation of a very high probability of support from the Government in case of need, given the Bank's importance in the Saudi banking system. Accordingly, the Bank's rating could be adversely impacted by any negative change in the sovereign rating or any negative re-assessment by Moody's of the Government's willingness to provide support to the Bank.

Saudi Arabia has been assigned the following credit ratings: Aa3 (stable outlook) by Moody's, A+ (stable outlook) by Fitch and A+ (stable outlook) by S&P. As a result, if any of the Bank's rating organisations were to reduce their ratings, or change the outlook of their ratings, on Saudi Arabia, this could also result in the relevant rating organisation lowering its rating, or changing the outlook of its rating, on the Bank. See "*—The Government is under no obligation to support the Group and there is no assurance that the Group will receive any Government support in the future*" below.

In addition, the credit ratings assigned to the Bank may not reflect the potential impact of all risks related to an investment in the Certificates issued under the Programme, the market, additional factors discussed in this Base Offering Circular and other factors that may affect the value of any Certificates.

The Programme has been assigned ratings of "A" by S&P and "A1" by Moody's in respect of the Senior Certificates and "Baa3" by Moody's in respect of the Tier 2 Certificates. Series of Certificates issued under the Programme may be rated or unrated. Where a Series of Certificates is rated, such rating, and the credit rating agency issuing such rating, will be disclosed in the applicable Pricing Supplement and will not necessarily be the same as the rating applicable to the Programme. A security rating is not a recommendation to buy, sell or hold securities. Ratings may be subject to revision or withdrawal at any time by the assigning rating organisation and each rating should be evaluated independently of any other rating.

The Group may not be able to raise capital as and when needed on commercially attractive terms

As at 31 December 2024, the Group's Tier 1 capital adequacy ratio (calculated according to Basel III standards for Pillar 1) was 16.40 per cent. (compared to 17.65 per cent. as at 31 December 2023 and 18.05 per cent. as at 31 December 2022) and its total capital adequacy ratio was 18.94 per cent. (compared to 20.73 per cent. as at 31 December 2023 and 21.05 per cent. as at 31 December 2022). The Bank has been designated as a domestic systemically important bank ("**D-SIB**") with an additional common equity tier 1 D-SIB surcharge of 0.5 per cent. Accordingly, the Group's total minimum Pillar 1-based capital requirement as at 31 December 2024 was 11.09 per cent. (compared to 11.08 per cent. as at 31 December 2023 and 11.04 per cent. as at 31 December 2022), which also included a capital conservation buffer of 2.5 per cent. and a countercyclical capital buffer of 0.087 per cent. (compared to 2.5 per cent. and 0.082 per cent., respectively, as at 31 December 2023 and 2.5 per cent. and 0.037 per cent., respectively, as at 31 December 2022). In January 2025, the Bank issued SAR 2 billion of new Tier 1 capital

under its SAR 10,000,000,000 Additional Tier 1 Capital Sukuk Programme and, in February 2025, it redeemed U.S.\$1.5 billion of Tier 2 capital.

The Group is subject to the risk, inherent in all regulated financial businesses, of having insufficient capital resources to meet the minimum regulatory capital requirements applicable to it. Under Basel III and its related guidance, capital requirements are inherently more sensitive to market movements than under previous regimes and capital requirements will increase if economic conditions or negative trends in the financial markets worsen. Any failure of the Group to maintain its minimum regulatory capital ratios could result in administrative actions or sanctions, which in turn may have a material adverse effect on the Group. In addition, a shortage of available capital might restrict the Group's opportunities for expansion.

A variety of factors affect the Group's capital adequacy levels. For example, unless matched by capital increases, a significant increase in lending in any period would be likely to reduce the Group's capital adequacy ratios and any losses experienced by it in any period would have a similar effect. In addition, regulatory requirements in relation to the calculation of capital adequacy and required levels of capital adequacy may change from time to time, including as a result of new guidance issued by the Basel Committee on Banking Supervision and implemented by SAMA. The Group may also need to increase its capital to address market perceptions of adequate capitalisation levels and the perceptions of rating agencies.

As a result, the Group is likely to need to obtain additional capital in the future to support the future growth of its business. Such capital, whether in the form of debt financing or additional equity, may not be available on commercially favourable terms, or at all. Moreover, should the Group's capital ratios fall close to regulatory minimum levels or the Group's own internal minimum levels, the Group may need to adjust its business practices, including reducing the risk and leverage of certain activities or undertaking asset disposals. If the Group is unable to maintain satisfactory capital adequacy ratios, its credit ratings may be lowered and its cost of funding may therefore increase and it may suffer regulatory sanctions. Any such development may have a material adverse effect on the Group.

Increasing competition may affect the Group's results of operations

The financial services sector in Saudi Arabia is highly competitive and the Group faces competition from domestic and foreign banks that operate in Saudi Arabia. Based on SAMA's website, as at 8 May 2025, there were 38 commercial banks licensed to operate in Saudi Arabia, of which eight are still to commence business although seven are currently in a pilot phase of operation and the eighth, an international bank, secured permission in April 2025 to open a branch. Of the 30 operating licensed banks, 11 were local banks incorporated in Saudi Arabia, seven were branches or subsidiaries of banks based in countries of the GCC other than Saudi Arabia, 10 were international banks and two were digital banks. Of the seven banks in a pilot phase of operations, six are international banks and one is a digital bank.

The Bank faces intensifying competition in Saudi Arabia both from new entrants to the market (including the digital banks which may, in some cases, have lower operating cost models and may therefore be capable of generating higher returns from asset growth) and from existing competitors which may increase pressure on the Bank to improve the range and sophistication of its products and services currently offered.

Competition in its key areas of operation including consumer financing, may limit the Group's ability to grow its business, increase its client base and expand its operations and/or may reduce or reverse its asset growth rate and profit margins on the services it provides. If the Group experiences increasing margin pressure and rising operating expenses as the banking sector in Saudi Arabia develops and/or is not able to compete effectively and/or incurs

significant additional costs as it seeks to compete effectively, these factors could have a material adverse effect on the Group.

The Group's accounting principles and policies are critical to how it reports its financial condition and results of operations and require management to make estimates about matters that are uncertain

Accounting principles and policies are fundamental to how the Group records and reports its financial position and results of operations. Management must exercise judgment in selecting and applying many of these accounting policies so that they comply with IFRS.

Management has identified its material accounting policies in note 3 to the 2024 Financial Statements. In addition, note 2(e) to the 2024 Financial Statements identifies the most critical accounting judgments, estimates and assumptions made by the Group. These judgments include, for example, the determination of ECL on financial assets and fair value measurement.

A variety of factors could affect the ultimate value that is obtained either when recognising income or expenses, recovering an asset or reducing a liability. The Group has established policies and control procedures that are intended to ensure that its accounting judgments and estimates are monitored and applied consistently. In addition, the policies and procedures are intended to ensure that the process for changing methodologies occurs in an appropriate manner. Because of the uncertainty surrounding the Group's judgments and the estimates pertaining to these matters, the Group cannot guarantee that it will not be required to make changes in accounting estimates or restate prior period financial statements in the future.

The Group may not be able to recruit and retain qualified and experienced personnel, which could have an adverse effect on its business and its ability to implement its strategy

The Group's success and ability to maintain current business levels and sustain growth will depend, in part, on its ability to continue to recruit and retain qualified and experienced banking and management personnel. The market for such personnel in the Middle East is intensely competitive and the Group could face challenges in recruiting and retaining such personnel to manage its businesses.

The Group depends on the efforts, skill, reputation and experience of its senior management, as well as synergies among their diverse fields of expertise and knowledge. The loss of key personnel could delay or prevent the Group from implementing its strategies and the Group may not be able to replace any such lost personnel easily or quickly. The Group is also not insured against losses that may be incurred in the event of the loss of any member of its key personnel.

Any failure by the Group to manage its personnel needs successfully, including retaining key members of its executive management team and/or recruiting new qualified personnel at a pace consistent with its growth, could impede the implementation of the Group's strategy, hinder the growth of its business and have a material adverse effect on the Group.

The interests of the Government, through its direct and indirect ownership interests, may not be aligned with the interests of the Certificateholders

As at the date of this Base Offering Circular, the Bank's principal shareholders are the Public Investment Fund (the "PIF"), a Government-owned investment fund, which holds 21.75 per cent. of the Bank's shares and the General Organization for Social Insurance (the "GOSI"), which holds 10.39 per cent. of the Bank's shares. PIF and GOSI are Government-controlled entities, which, as per publicly available records from Tadawul, gives the Government an indirect holding of 32.14 per cent. of the shares in the Bank as at 31 March 2025. As a result, the Government can influence the Bank's business through its ability to control certain decisions and actions that require shareholder approval. If circumstances were to arise where the interests of the Bank's principal shareholders conflict with the

interests of its creditors (including the Certificateholders), the Certificateholders may be disadvantaged by any such conflict.

The Government is under no obligation to support the Bank and there is no assurance that the Bank will receive any Government support in the future

Although the Government has in the past supported the domestic banking industry, including in the period following the global financial crisis and during the COVID-19 pandemic, there can be no assurance that it will continue to provide support to the domestic banking industry, including the Bank, in the future. The Certificates issued under the Programme are not guaranteed by the Government, any of the Bank's shareholders or any other party.

De-pegging the riyal from the U.S. dollar or re-pegging the riyal at a different rate could have a material adverse effect on the Group

The primary exchange rate of relevance to the Group is the riyal/U.S. dollar rate. The riyal is pegged to the U.S. dollar at a fixed exchange rate which is currently U.S.\$1: SAR 3.75. The peg to the U.S. dollar has been maintained by SAMA at the same rate since 1986. In addition, the following oil-producing GCC countries have pegged their domestic currencies to the U.S. dollar: Qatar, the UAE, Oman and Bahrain. From time to time, oil-producing countries with currencies that have been traditionally pegged to the U.S. dollar have faced pressure to de-peg and, in certain cases, have de-pegged their currencies. For example, Kazakhstan de-pegged the Kazakhstani tenge from the U.S. dollar on 20 August 2015, which was followed on 21 December 2015 by the removal of the U.S. dollar peg against the Azerbaijani manat.

There is a risk that additional countries may choose to unwind their existing currency peg to the U.S. dollar, both in the GCC and the wider region. While the long-term impacts of such actions are uncertain, it is likely that any such de-pegged currency would face a devaluation against the U.S. dollar immediately following the removal of the peg. While it continues to be the policy of the Government and SAMA to maintain the currency peg at its existing level, there can be no assurance that future unanticipated events, including a significant decline in the Government's reserve assets, will not lead the Government to reconsider its exchange rate policy.

Any de-pegging or revaluation to the current exchange rate in Saudi Arabia, particularly if the de-pegging or revaluation is accompanied by a significant depreciation of the relevant currency against the U.S. dollar or other major currencies, could contribute to higher inflation, increase the burden of servicing external debt and damage investor confidence, resulting in capital outflows and market volatility, each of which could have a material adverse effect on the Group.

Risk factors relating to the economic, political and regulatory environment in Saudi Arabia

Saudi Arabia's economy remains dependent on its oil revenue

Saudi Arabia's economy is undergoing a transformation as it implements reforms to reduce oil dependence, diversify income sources, and enhance competitiveness. However, Saudi Arabia's economy remains dependent upon oil revenues. According to OPEC data, as at 31 December 2023, Saudi Arabia had approximately 17.1 per cent. of global proven crude oil reserves while, according to data produced by GASTAT, oil related activities accounted for 28.0 per cent. of Saudi Arabia's nominal GDP at current prices in 2024, oil revenues accounted for an estimated 60.1 per cent., 62.2 per cent. and 67.6 per cent. of total Government revenue in 2024, 2023 and 2022, respectively, and oil exports accounted for 73.2 per cent., 77.3 per cent. and 79.5 per cent. of Saudi Arabia's total exports by value, in 2024, 2023 and 2022, respectively.

As oil is Saudi Arabia's most important export, any change in oil prices affects various macroeconomic and other indicators, including, but not limited to, GDP, Government revenues, balance of payments and foreign trade. According to the OPEC website, the price of the OPEC Reference Basket (a weighted average of prices per barrel

for petroleum blends produced by the OPEC countries) has fluctuated significantly in recent years. The annual average OPEC Reference Basket price per barrel was U.S.\$100.08 in 2022 (reflecting the impact of international sanctions imposed on Russia following its invasion of Ukraine early in 2022), U.S.\$82.95 in 2023 (reflecting adjustments in the sanctions regime at the end of 2022 and generally lower demand than expected) and U.S.\$79.89 in 2024. The annual average price per barrel of Arabian Light Crude Oil (which is one of the five grades of the crude oil produced by Saudi Arabia and constitutes part of the OPEC Reference Basket) has also moved in line with these trends.

Separately, it is not possible to predict what impact acts of sabotage or any other incident relating to critical oil and gas infrastructure in Saudi Arabia (or any prolonged period of reduced production following any such incident or act) will have on the price of, and global demand for, oil and gas and any corresponding impact on Saudi Arabia's hydrocarbon exports, Government revenues and Saudi Arabia's economy as a whole.

Factors that may affect the price of oil include, but are not limited to:

- economic and political developments in oil-producing regions, particularly in the Middle East;
- global and regional supply and demand, and expectations regarding future supply and demand, for oil products;
- the ability of members of OPEC and other crude oil-producing nations to agree upon and maintain specified global production levels and prices;
- the impact of international environmental regulations designed to reduce carbon emissions;
- other actions taken by major crude oil-producing or consuming countries;
- prices and availability of alternative fuels and new technologies using alternative fuels;
- the impact of pandemic diseases, such as COVID-19, and wars (such as the Russia/Ukraine war);
- the impact of terrorist action against significant hydrocarbon facilities; and
- global weather and environmental conditions.

It is possible that the broad-ranging tariffs announced by the United States to date in 2025, and any other countries (including China) in response, could result in a slowdown of global economic activity which could reduce demand for oil and therefore the price of oil. This could reduce liquidity in the Saudi banking system and cause international investors to reduce their exposure to emerging markets, including the GCC, potentially slowing foreign direct investment or portfolio inflows into Saudi Arabia.

If the international prices for hydrocarbon products were to materially fall from their current levels and remain low for an extended period, this could have a material adverse effect on Saudi Arabia's economy which, in turn, could have a material adverse effect on the Group.

There can be no assurance that the Government's efforts to diversify Saudi Arabia's economy will be successful

In recent years the Government has invested heavily in diversifying Saudi Arabia's economy to reduce its reliance on oil revenues. Measures taken include the National Transformation Program 2020 and Saudi Vision 2030.

Through the Saudi Vision 2030, the Government is seeking to implement far-reaching reforms of Saudi Arabia's economy and society. Some of the measures envisaged include the greater participation of Saudi citizens in the private sector, a decrease in certain subsidies historically available to the fuel and energy sectors, as well as the imposition of new taxes and administrative fees. The implementation of these and other similar measures may be a lengthy and complex process. The implementation of these and other similar measures, in whole or in part, may have a disruptive effect and consequently may have an adverse effect on Saudi Arabia's economic and financial condition.

There can be no assurance that the increased contribution of the non-oil sector to Saudi Arabia's economy will continue in the future or that the non-oil sector will continue to grow at a sufficient extent to achieve effective and adequate diversification of the economy. Furthermore, there can be no assurance that the Government will be able to successfully implement Saudi Vision 2030, and/or the subset of Vision Realisation Programmes (a series of programmes which aim to achieve the strategic objectives of the Saudi Vision 2030) in their current form, or that their implementation will be in line with the timelines originally set out. Any amendment to the scope or timing of the implementation of the objectives of Saudi Vision 2030 and/or the subset of Vision Realisation Programmes, in whole or in part, may result in the Government being unable to achieve the diversification of the economy and its sources of revenue to the required extent. Additionally, to the extent that a prolonged or further decline in oil prices has an adverse impact on the Government's revenues, this may in turn adversely impact the Government's ability to invest in the diversification of Saudi Arabia's economy. Any failure to diversify Saudi Arabia's economy may result in its economy remaining susceptible to the risks associated with the oil sector. Any material deterioration in Saudi Arabia's economic and financial condition would also be likely to negatively affect its banking sector and could have a material adverse effect on the Group.

A slowdown in the economies of Saudi Arabia's key trading partners could adversely affect its economy

Saudi Arabia has strong trading relationships with many countries, particularly major oil-importing economies such as China, the United States, Japan, South Korea, India and a number of states of the European Union. To the extent that there is a slowdown in the economies of any of these countries, for example, as a result of tariffs implemented by the United States and any other countries (including China) in response, this may have a negative impact on Saudi Arabia's foreign trade and balance of payments, which could have a material adverse effect on its economic and financial condition.

Any sustained market and economic downturn or geopolitical uncertainties in the United States, China or any of Saudi Arabia's other key trading partners may exacerbate the risks relating to Saudi Arabia's trade with those countries. If an economic downturn occurs or continues in the United States, China or any of Saudi Arabia's other key trading partners, this may have a negative impact on Saudi Arabia's foreign trade and balance of payments, which could have a material adverse effect on Saudi Arabia's economic and financial condition.

Any material deterioration in Saudi Arabia's economic and financial condition would also be likely to negatively affect its banking sector and could have a material adverse effect on the Group.

There is uncertainty regarding the future development of Saudi Arabia's banking sector

The growth rate of Saudi Arabia's banking sector may not be as high and sustainable as it has been in some previous years. While it is expected that the banking sector will expand and its number of customers may increase with the growth of Saudi Arabia's economy, population and demographic changes and potential legal and other reforms, the impact on Saudi Arabia's banking sector of certain trends and events, such as the pace of economic growth in Saudi Arabia, is currently not clear. COVID-19 and lower oil prices in 2020 exerted fiscal and economic pressures on Saudi Arabia's economy and, in turn, the private sector, including the banking sector. Any future periods of challenging operating conditions, such as those experienced in 2020 and part of 2021, may result in a reduction in customers' deposits, and a rise in the levels of NPLs while limiting financing growth. Lending opportunities may diminish with higher levels of sovereign debt issuance. Net income may also decrease due to the increase in total operating expenses on account of higher impairment charges. Credit conditions for the banks may deteriorate leading to increased NPLs, credit losses and a decline in profitability. Any slowdown in the growth and development of the banking sector in Saudi Arabia will have an adverse impact on the Group's own growth and, in turn, on its business, results of operations, financial condition, cashflows or prospects.

Saudi Arabia's and other GCC legal systems continue to develop and this may create an uncertain environment for investment and business activity

Saudi Arabia and many of the other GCC countries are in various stages of developing their legal and regulatory institutions that are characteristic of more developed markets. As a result, procedural safeguards as well as formal regulations and laws may not be applied consistently. The courts, judicial committees and adjudicatory bodies in Saudi Arabia (the “**Saudi Courts**”) have a wide discretion as to how laws and regulations are applied to a particular set of circumstances. There is no doctrine of binding precedent in the Saudi Courts, decisions of the Saudi Courts are not routinely published and there is no comprehensive up-to-date reporting of judicial decisions. Bankruptcy procedures also remain largely untested. In some circumstances, it may not be possible to obtain the legal remedies provided under Saudi Arabian law in a timely manner. As a result, the outcome of any legal disputes in Saudi Arabia may be uncertain.

As the legal environment remains subject to continuous development (reflecting the fact that a core feature of Saudi Vision 2030 is reforming the country's legal and judicial framework), investors in Saudi Arabia and the other GCC countries may face uncertainty as to the security of their investments. Any unexpected changes in the legal systems in Saudi Arabia and the other GCC countries may have a material adverse effect on the rights of Certificateholders or the investments that the Group has made or may make in the future, which may in turn have a material adverse effect on the Group's business, results of operations, financial condition, cashflows or prospects.

Saudi Arabia's banking regulatory environment is continually evolving and may change in a manner that is adverse to the Group

The Bank falls under the supervision of SAMA, which regulates the banking sector in Saudi Arabia. The Bank operates in compliance with SAMA rules, regulations and guidelines, which from time to time may be amended in accordance with economic and political developments in the country. SAMA operates to a standard expected of international regulators and generally follows the recommendations of the Basel Committee. The Group's business could be directly affected by future changes to Saudi Arabia's banking regulatory policies, laws and regulations, such as those affecting the extent to which the Bank can engage in specific businesses, as well as changes to other governmental policies. The laws and regulations governing the banking and financial sector are subject to future changes and the Group cannot provide any assurance that such changes will not adversely affect its business, financial condition, cashflows or results of operations, nor can the Group provide any assurance that it will be able to adapt to all such changes on a timely basis. Failure to comply with the rules, regulations and guidelines of SAMA could result in significant financial penalties, a requirement to cease carrying on one or more particular businesses currently undertaken and significant reputational damage which could lead to a material loss of customers.

As a publicly listed company, the Bank is also subject to the regulations of the CMA, which include certain requirements related to disclosure, governance and other continuing obligations. Changes in, or violation of, any such requirements may adversely affect the Bank's business, financial position, results of operations and prospects.

The Bank is subject to labour force regulations in Saudi Arabia and any failure to comply with those regulations could have a material adverse effect on the Group

Companies in Saudi Arabia are in general encouraged by the Ministry of Human Resources and Social Development to ensure that Saudi nationals are prioritised with regards to employment opportunities with strong career progression and development programmes. The Bank has a talent acquisition, learning and development strategy designed to attract and retain Saudi nationals to comply with the relevant regulations, although, in common with other corporate entities in Saudi Arabia, the Bank experiences competition for, and may occasionally find it difficult to recruit and retain, qualified Saudi nationals. Any failure by the Bank to fill specific regulated roles with Saudi nationals could cause the Bank to be questioned by the regulator for non-compliance with these requirements which could, in turn, have an adverse effect on the Bank's reputation.

In addition, in recent years, Saudi Arabia has tightened controls on the employment of foreign workers, required increased localisation of the operations of foreign investors in Saudi Arabia and introduced amendments to labour laws. There is no guarantee that those changes will not have an impact on the Bank's customers in general, or customers in any particular segment of business which comprises a significant proportion of the Group's credit exposure. If any changes in Saudi Arabia's labour laws negatively affect the Group's customers, this could reduce the ability of those customers to meet their payment obligations to the Group. The occurrence of any such effect with respect to a major customer, or a group of customers, could have a substantial negative effect on the Group.

The statistical data contained in this Base Offering Circular should be treated with caution by prospective investors

Statistics contained in this document, including in relation to GDP, money supply, inflation and indebtedness of the Government, have been obtained from, amongst other sources, GASTAT, SAMA, the Ministry of Finance, the Ministry of Economy and Planning and the IMF. Such statistics, and the component data on which they are based, may not have been compiled in the same manner as data provided by other sources and may be different from statistics published by third parties, reflecting the fact that the underlying assumptions and methodology may vary from source to source. There may also be material variances between preliminary, estimated or projected statistics included in this Base Offering Circular and actual results, and between statistics included in this Base Offering Circular and corresponding data previously published by or on behalf of the bodies listed above. Consequently, the statistical data contained in this Base Offering Circular should be treated with caution by prospective investors.

Investing in securities involving emerging markets generally involves a higher degree of risk

Investors in emerging markets, such as Saudi Arabia, should be aware that these markets are subject to greater risks than more developed markets, including, but not limited to, higher volatility, limited liquidity and changes in the political and economic environment. In addition, there can be no assurance that the market for securities bearing emerging market risk, such as any Certificates issued under the Programme, will not be affected negatively by events elsewhere, especially in the emerging markets.

Specific risks in Saudi Arabia and the MENA region generally that could have a material adverse effect on the Group's business include, without limitation, the following:

- political, economic or social instability;
- external acts of warfare, civil clashes or other hostilities or conflict;
- domestic unrest or violence;
- increases in inflation and the cost of living;
- changing tax regimes and tax laws, including the raising of the rate of Saudi VAT from 5 per cent. to 15 per cent. and the imposition of other taxes in tax-free jurisdictions or the increase of taxes in low-tax jurisdictions;
- government interventions and protectionism;
- potential adverse changes in laws and regulatory practices, including legal structures and tax laws;
- difficulties in staffing and managing operations;
- legal systems which could make it difficult for the Group to enforce its intellectual property and contractual rights;
- restrictions on the right to convert or repatriate currency or export assets;
- greater risk of uncollectible accounts and longer collection cycles; and

- logistical and communications challenges.

Accordingly, prospective investors should exercise particular care in evaluating the risks involved and must determine for themselves whether, in light of those risks, an investment in any Certificates is appropriate. Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risk involved.

Risk factors relating to the Certificates

The Certificateholders' right to receive payment of the principal amount of the Tier 2 Certificates will, and the Periodic Distribution Amounts in respect of Tier 2 Certificates may, be permanently written-down (in whole or in part) upon the occurrence of a Non-Viability Event

If a Non-Viability Event (as defined below) occurs at any time on or after the Issue Date of a Series of Tier 2 Certificates and prior to the date on which the Applicable Statutory Loss Absorption Regime becomes effective in respect of such Series (the “**Effective Date**”), the Tier 2 Certificates will be cancelled, the Certificateholders' rights to the Trust Assets shall automatically be deemed to be irrevocably and unconditionally cancelled in whole if so determined by the Financial Regulator (as defined in the Conditions) and, except in relation to any Periodic Distribution Amounts accrued and unpaid if and only to the extent that such Periodic Distribution Amounts became due and payable to the Certificateholders prior to the date of the Non-Viability Notice (and provided payment of such amounts are not prohibited by the Financial Regulator or the Capital Regulations at such time), all rights of any Certificateholder to payment of any amounts under or in respect of the Tier 2 Certificates (including, without limitation, any amounts arising as a result of, or due and payable upon the occurrence of, a Tier 2 Event as described in Condition 14(b) (*Dissolution Events for Tier 2 Certificates*)) shall be cancelled and not restored under any circumstances, irrespective of whether such amounts have become due and payable prior to the date of the Non-Viability Notice or the Non-Viability Event Write-down Date.

If following the occurrence of a Non-Viability Event, the Financial Regulator determines that a partial Write-down of the Certificates and Trust Assets is required, the face amount of each Certificate (on a *pro rata* basis) and the notional amount of the Trust Assets shall be written-down by the amount so specified in writing by the Financial Regulator, the Tier 2 Certificateholders' rights to the Trust Assets so written-down shall automatically be deemed to be irrevocably and unconditionally cancelled and except in relation to payment of accrued and unpaid Periodic Distribution Amounts if and only to the extent such amounts became due and payable to the Certificateholders prior to the date of the Non-Viability Notice (and provided payment of such amounts are not prohibited by the Financial Regulator or the Capital Regulations at such time), all rights of any Certificateholder for payment of any amounts under or in respect of the proportion of the Tier 2 Certificates so written-down (including, without limitation, any amounts arising as a result of, or due and payable upon the occurrence of, a Tier 2 Event as described in Condition 14(b) (*Dissolution Events for Tier 2 Certificates*)) shall be cancelled and not restored under any circumstances, irrespective of whether such amounts have become due and payable prior to the date of the Non-Viability Notice or the Non-Viability Event Write-down Date. Accordingly, the Certificateholders may lose some or the entire amount of their investment in the Tier 2 Certificates.

A “**Non-Viability Event**” means that the Financial Regulator has notified the Bank in writing that it has determined that the Bank is, or will become, Non-Viable without:

- (i) a Write-down of the Certificates (and write-down of any of the Bank's other capital instruments or other obligations constituting Tier 1 Capital and/or Tier 2 Capital of the Bank that, pursuant to their terms or by operation of law, are capable of being written-down and/or converted into equity); or

- (ii) a public sector injection of capital (or equivalent support) provided that such injection of capital is not made (a) by a shareholder of the Bank; or (b) on terms that are more favourable to the Bank than those that would be accepted by private investors in comparable transactions.

Basel III reforms and risk of a change in the regulations relating to loss absorption affecting the Certificates, including Tier 2 Certificates absorbing losses

On 13 January 2011, the Basel Committee expanded on the Basel III capital rules with additional non-viability requirements (the “**January 13 Annex**”). The January 13 Annex requires non-common Tier 1 or Tier 2 instruments issued by an internationally active bank to have a provision in their terms and conditions or be included in a statutory legal framework that requires such instruments, at the option of the relevant authority, to either be written off or converted to common equity upon the occurrence of a “trigger event”. A “**trigger event**” is the earlier of: (1) a decision that a write-off, without which the bank would become non-viable, is necessary, as determined by the relevant authority; and (2) the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non-viable, as determined by the relevant authority. SAMA mandated all Saudi banks, including the Bank, to implement the additional requirements imposed by the January 13 Annex from 1 January 2013. See “*The Certificateholders’ right to receive payment of the principal amount of the Tier 2 Certificates will, and the Periodic Distribution Amounts in respect of Tier 2 Certificates may, be permanently written-down (in whole or in part) upon the occurrence of a Non-Viability Event*”.

There can be no assurance that in the future, SAMA will not amend its interpretation and implementation of the January 13 Annex described above. Further, revisions to the January 13 Annex may be implemented in the Kingdom in a manner that is different from that which is currently envisaged, or regulations may be introduced through the introduction of an Applicable Statutory Loss Absorption Regime (as defined in Condition 10) (*Loss Absorption Upon the Occurrence of a Non-Viability Event*) in the Kingdom.

If the regulatory requirements for capital instruments applicable to the Bank are modified in the future, it is possible that authorities could use their powers in such a way as to result in the Tier 2 Certificates absorbing losses in the manner other than as described herein. Furthermore, on or after the date on which the Applicable Statutory Loss Absorption Regime becomes effective, the provisions of Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*) will lapse and cease to have any effect, except to the extent such provisions are required by the Applicable Statutory Loss Absorption Regime. If, on or after such date, an event occurs which under the Applicable Statutory Loss Absorption Regime would lead to a determination of non-viability by SAMA, in respect of the Bank, SAMA (or the Bank following instructions from SAMA) may take such action in respect of the Tier 2 Certificates as is required or permitted by such Applicable Statutory Loss Absorption Regime.

In particular, the Law on the Treatment of Systemically Important Financial Institutions, issued pursuant to Royal Decree No. M/38 dated 25/4/1442H (corresponding to 10 December 2020 which came into effect in June 2021) (the “**SIFI Law**”), provides that in respect of any systemically important financial institution (a “**SIFI**”), subject to certain conditions being met which include, among others, the financial institution being in distress or likely to become distressed, SAMA may, among other things, amend the rights of the holders of capital instruments.

The SIFI Law provides for implementing regulations to be prepared by SAMA and the CMA. On 29 August 2023, SAMA published a draft of the implementing regulations of the SIFI Law for institutions subject to the supervision of SAMA (the “**Implementing Regulations**”) for public consultation. As of the date of this Base Offering Circular, the Implementing Regulations have not yet been issued and there can be no assurance that the Implementing Regulations, once they are finalised, will be consistent with the draft version that was published on 29 August 2023. The draft Implementing Regulations include certain provisions relating to the procedure for the amendment of rights of holders of capital instruments, including in relation to the required valuation by SAMA of the relevant SIFI’s assets prior to the application of any such procedure to determine, among other things, the extent of the write down of relevant capital instruments.

The SIFI Law, together with its implementing regulations (once published), would likely constitute an Applicable Statutory Loss Absorption Regime for the purposes of the Certificates.

Whilst the SIFI Law provides that creditors whose rights are amended shall not incur greater losses than what is estimated would have been lost had the relevant financial institution been wound up, there can be no assurance that any such amendment of rights of holders or other action taken by SAMA will be similar to the loss absorption provisions set out in Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*) or otherwise be in the interests of the holders of Tier 2 Certificates.

Accordingly, the operation of any such future legislation or implementation of an Applicable Statutory Loss Absorption Regime may result in the Certificates absorbing losses in a manner other than as described herein, which may in turn have an adverse effect on the position of the Certificateholders.

The circumstances triggering a Write-down are unpredictable

The occurrence of a Non-Viability Event is inherently unpredictable and depends on a number of factors, many of which are outside of the Group's control. The occurrence of a Non-Viability Event is subject to, *inter alia*, a subjective determination by the Financial Regulator. As a result, the Financial Regulator may require a Write-down in circumstances that are beyond the control of the Group and with which the Group may not agree.

The exercise (or perceived likelihood of exercise) of any such power by the Financial Regulator or any suggestion of such exercise could materially adversely affect the value of any Tier 2 Certificates and could lead to the Certificateholders losing some or all of their investment in the Tier 2 Certificates.

The financial viability of the Group will also depend in part on decisions made by the Group in relation to its business and operations, including the management of its capital position. In making such decisions, the Group will not necessarily have regard to the interests of Certificateholders and, in particular, the consequences for Certificateholders of any such decisions and there can be no assurance in any such circumstances that the interests of the Group, its shareholders and the Financial Regulator will be aligned with those of the Certificateholders.

Prospective investors should also be aware that the application of a non-viability loss absorption feature as contained in Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*) has not been tested in the Kingdom and therefore uncertainty exists in its application.

An investor in the Tier 2 Certificates assumes an enhanced risk of loss in the event of a Winding Up Proceeding

In respect of any Tier 2 Certificates, the payment obligations of the Bank under the Transaction Documents will be unsecured and subordinated. Upon the occurrence of a Winding Up Proceeding, and subject to the non-viability provisions contained in Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*), such obligations of the Bank will rank subordinate to claims in respect of Senior Obligations and no amount will be paid by the Bank in respect of such obligations until all Senior Obligations have been paid in full. Unless, therefore, the Bank has assets remaining after making all such payments, no payments will be made in respect of its obligations under the Transaction Documents in relation to the Tier 2 Certificates and any such payments that are made will be made at least *pari passu* with any payments required to be made by the Bank in respect of any other Parity Obligations. Consequently, although the Tier 2 Certificates may pay a higher return than comparable unsubordinated instruments, there is an enhanced risk that an investor in Tier 2 Certificates will lose all or some of its investment following the occurrence of a Winding Up Proceeding.

No limitation on incurrence of Senior Obligations or Parity Obligations

There is no restriction on the amount of Senior Obligations or Parity Obligations that the Bank may incur. As described above, the incurrence of any such obligations may reduce the amount recoverable by Tier 2 Certificateholders on any dissolution, winding-up or liquidation of the Bank. Accordingly, on such dissolution,

winding-up or liquidation, there may not be sufficient amounts to satisfy the amounts owing to Tier 2 Certificateholders in respect of the obligations of the Bank under the Transaction Documents to which it is a party and this may result in an investor in Tier 2 Certificates losing all or some of its investment.

Limited remedies for non-payment when due or enforcement of any other obligations in respect of Tier 2 Certificates

In respect of Tier 2 Certificates, it will only be possible to accelerate payment of any amounts payable by the Bank pursuant to its obligations under the Transaction Documents to which it is a party in relation to such Certificates upon the occurrence of a Winding Up Proceeding of the Bank as described in Condition 14(b) (*Dissolution Events for Tier 2 Certificates*). Subject as provided in Condition 14(b) (*Dissolution Events for Tier 2 Certificates*), the Trustee or the Delegate may then claim or prove in the winding-up, dissolution or liquidation for and on behalf of Certificateholders in respect of the resulting amounts due and payable by the Bank under the Transaction Documents.

Certificateholders may direct the Delegate to bring proceedings against the Bank to enforce any obligation, condition, undertaking or provision binding on the Bank under the Transaction Documents (other than any payment obligation of the Bank under or arising from the Transaction Document), but the Bank will not have any obligation by virtue of the institution of any such proceedings to pay any amount or amounts sooner than such amount(s) would otherwise have been payable under the Transaction Documents.

The only remedy of Certificateholders on any default by the Bank in payment under any Transaction Document will be to direct the Delegate to bring proceedings in respect of such defaulted payment for the Bank's winding-up, dissolution or liquidation as described in Condition 14(b) (*Dissolution Events for Tier 2 Certificates*) and, on such winding-up, dissolution or liquidation, to accelerate payment of any remaining amounts payable by the Bank and prove in the winding-up, dissolution or liquidation in accordance with Condition 14(b) (*Dissolution Events for Tier 2 Certificates*).

Furthermore, the claims of senior creditors of the Bank will first have to be satisfied in any winding-up, bankruptcy, dissolution, liquidation or analogous proceedings before the Certificateholders may expect to obtain any amounts in respect of their Certificates and prior thereto Certificateholders will have only limited (if any) ability to influence the conduct of such winding-up, liquidation or analogous proceedings.

Prospective investors should also note that any claims on a winding-up would be subject to KSA bankruptcy and other laws. Therefore there can be no assurance that Certificateholders will receive payment of their claims in full or at all in these circumstances. See "*Risk factors relating to enforcement - Compliance with bankruptcy law in Saudi Arabia may affect the Bank's ability to perform its obligations under the Transaction Documents to which it is a party*".

No remedy other than those described above will be available to any of the Trustee, the Delegate or Certificateholders in respect of the obligations of the Bank under the Transaction Documents to which it is a party in relation to the Tier 2 Certificates, whether for the recovery of amounts owing pursuant to such obligations due to Certificateholders or in respect of any breach by the Bank of any of its obligations under the Transaction Documents in relation to the Tier 2 Certificates, and none of the Trustee, the Delegate or Certificateholders will be able to take any further or other action to enforce, claim or prove for any payment by the Bank in respect of such obligations.

Resettable fixed rate instruments have a market risk

A holder of an instrument with a fixed profit (or equivalent) rate that will be reset during the term of the instrument (as will be the case for the Reset Certificates with effect from each Reset Certificate Reset Date (as defined in the Conditions) if not previously redeemed and/or purchased and cancelled) is exposed to the risk of fluctuating profit rate levels and uncertain profit rate income. While the expected profit rate on such Certificates is fixed until the first Reset Certificate Reset Date (with a reset of the Initial Profit Rate on the first Reset

Certificate Reset Date as set out in the Conditions and every Reset Certificate Reset Date thereafter), the current investment return rate in the capital markets (the **market return rate**) typically changes on a daily basis. As the market return rate changes, the market value of such Certificates may also change, but in the opposite direction. If the market return rate increases, the market value of such Certificates would typically decrease. If the market return rate falls, the market value of such Certificates would typically increase.

Certificateholders should be aware that movements in these market return rates can adversely affect the market value of such Certificates and can lead to losses for the Certificateholders if they sell such Certificates.

Ownership of the Assets

The *Shari'a* analysis is as follows: an ownership interest in the Assets comprised within the relevant Portfolio should pass to the Trustee under the Master Purchase Agreement, as supplemented by the relevant Supplemental Purchase Contract (together, the “**Purchase Agreement**”). The Trustee will declare a trust in respect of the Assets and the other Trust Assets in favour of the Certificateholders of the relevant Series pursuant to the Master Declaration of Trust, as supplemented by the relevant Supplemental Declaration of Trust. Accordingly, from a *Shari'a* perspective, Certificateholders should, through the ownership interest obtained by the Trustee pursuant to the terms of the Purchase Agreement, have an undivided ownership interest in the relevant Assets.

Limited investigation and enquiry will be made and limited due diligence will be conducted in respect of any Assets. The Assets will be selected by the Bank, and none of the Certificateholders, the Trustee, the Arrangers, the Dealers, the Delegate or the Agents will have any ability to influence such selection. Only limited representations will be obtained from the Bank in respect of the Assets (such representations not forming part of the Trust Assets) and the precise terms or the nature of the Assets sold or held will not be disclosed (including whether there are any restrictions on transfer of, or any further obligations required to be performed by the Bank to give effect to the title in, such Assets).

In addition, limited investigation has been or will be made as to whether any interest in any Assets may be transferred as a matter of the law governing the contracts (if any) underlying such Assets, the law of the jurisdiction where such Assets are located or any other relevant law and no investigation will be made by the Trustee, the Arrangers, the Dealers to determine if any Purchase Agreement will have the effect of transferring an interest in the relevant Assets. In addition, no steps (including registration, if necessary) are intended to be taken to perfect the legal title in the Assets with any relevant regulatory authority in Saudi Arabia or otherwise give notice to any lessee or obligor in respect thereof. Therefore, Certificateholders shall not have any interest in any Assets which require perfection in order to legally transfer any ownership interest therein.

Further, although the *Shari'a* analysis is such that an ownership interest in the Assets should pass to the Trustee under the Purchase Agreement, the Certificateholders will not have any rights of enforcement as against the Assets and their rights are limited to enforcement against the Bank of its obligation to purchase all (or the applicable portion thereof, as the case may be) of the Assets pursuant to the terms of the Transaction Documents (see also “*Limitations relating to the indemnity provisions in the Purchase Undertaking and the Master Declaration of Trust*” above).

However, the Bank has covenanted in the Purchase Undertaking that, if the relevant Exercise Price is not paid in accordance with the provisions of the Purchase Undertaking, whether as a result of a dispute or challenge in relation to the rights, benefits and entitlements of the Trustee in, to and under the Portfolio (or any of the assets comprising the Portfolio), the Certificateholder Put Option Assets or the Write-down Portfolio Assets, as the case may be, or for any other reason, the Obligor shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the outstanding Certificates and, accordingly, the amount payable under any such indemnity claim will equal the relevant Exercise Price (see “*Summary of the Principal Transaction Documents – Purchase Undertaking*”). In the event that the Assets are not repurchased by the Bank for any reason, the Delegate (on behalf of the Certificateholders) may, subject to the matters set out in Condition

14 (*Dissolution Events*) and the terms of the Master Declaration of Trust, seek to enforce, *inter alia*, the provisions of the Purchase Undertaking against the Bank. To the extent that the Delegate obtains an arbitral award in its favour, it may seek to enforce that award in a Saudi Arabian court (see “*Risk Factors - Risk factors relating to enforcement*”).

The Certificates are limited recourse obligations of the Trustee

The Certificates of a Series are not debt obligations of the Trustee. Instead, the Certificates represent an undivided ownership interest in the Trust Assets relating to that Series. Recourse to the Trustee is limited to the Trust Assets of the relevant Series and the proceeds of the Trust Assets of the relevant Series are the sole source of payments on the Certificates of that Series. Upon the receipt by the Trustee of a Dissolution Notice in accordance with the terms of Condition 14 (*Dissolution Events*), or in the case of any other dissolution pursuant to the Conditions, the sole rights of each of the Trustee and/or the Delegate (acting on behalf of the Certificateholders) will be against the Bank to perform its obligations under the Transaction Documents to which it is a party.

Certificateholders will have no recourse to any assets of the Trustee (other than the Trust Assets in the manner and to the extent contemplated in the Transaction Documents), the Delegate, or the Agents or any of their respective affiliates in respect of any shortfall in the expected amounts due on the Certificates. The Bank is obliged to make certain payments under the Transaction Documents to which it is a party directly to, or to the order of, the Trustee or the Delegate, and the Trustee and/or the Delegate will have direct recourse against the Bank to recover such payments due to the Trustee pursuant to the Transaction Documents. In addition, no Certificateholder shall be entitled to proceed directly against the Trustee or the Bank unless the Delegate or the Trustee, as the case may be, having become bound so to proceed (i) fails to do so within a reasonable period or (ii) is unable for any reason (including by reason of an order of a court having competent jurisdiction) to do so, and such failure or inability is continuing.

After enforcing or realising the rights in respect of the Trust Assets and distributing the net proceeds of such Trust Assets in accordance with Condition 5(b) (*Application of Proceeds from Trust Assets*), the Master Declaration of Trust and the Agency Agreement, the obligations of the Trustee in respect of the Certificates shall be satisfied and neither the Delegate nor any Certificateholder may take any further steps against the Trustee to recover any further sums in respect of the Certificates and the right to receive any such sums from the Trustee remaining unpaid shall be extinguished. Furthermore, under no circumstances shall the Trustee, the Delegate or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets (other than as expressly contemplated in the Transaction Documents) and the sole right of the Delegate and the Certificateholders against the Trustee and the Bank shall be to enforce their respective obligations under the Transaction Documents to which they are a party in accordance with the terms thereof (including the obligation to pay the relevant Exercise Price under the Purchase Undertaking). Accordingly, there can be no assurance that the proceeds of the realisation of, or enforcement with respect to, the Trust Assets (which, as described above, will be by way of enforcing each of the Trustee’s and the Bank’s respective obligations under the Transaction Documents to which they are a party) will be sufficient to make all payments due in respect of the Certificates of the relevant Series.

In addition, in respect of Tier 2 Certificates only, all claims by the Trustee (or the Delegate acting in the name and on behalf of the Trustee) against the Bank under the Transaction Documents (including, without limitation, any claim in relation to any unsatisfied payment obligation of the Bank under the Transaction Documents) shall be subject to, and shall be superseded by the provisions of Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*), irrespective of whether the relevant Non-Viability Event occurs prior to or after the event which is the subject matter of the claim, provided that nothing in the Conditions shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Delegate or the rights and remedies of the Delegate in respect thereof, all of which shall accordingly remain unsubordinated.

No Guarantees

Investors should be aware that no guarantee is given in relation to any amounts payable by the Bank under the Certificates or any of the Transaction Documents by the Bank, the shareholders of the Bank or by any other person.

The Certificates may be subject to early redemption

If the amount payable in respect of the Certificates of any Series is required to be increased to include additional amounts and/or the Bank is required to pay additional amounts pursuant to the Transaction Documents to which it is a party, in each case as a result of certain changes affecting taxation in a Relevant Jurisdiction, the Bank shall be entitled to require the Trustee to redeem the Certificates in whole, but not in part, upon giving notice in accordance with Condition 9(b) (*Early Dissolution for Taxation Reasons*) (subject to Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*), including obtaining the prior written approval of the Financial Regulator if and to the extent required at such time, in respect of Tier 2 Certificates only). In addition, if so provided in the applicable Pricing Supplement, a Series may also be redeemed early at the option of the Bank pursuant to Condition 9(d) (*Dissolution at the Option of the Obligor (Optional Dissolution (Call))*) (subject to Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*), including obtaining the prior written approval of the Financial Regulator if and to the extent required at such time, in respect of Tier 2 Certificates only).

In respect of Tier 2 Certificates only, in the event that a Capital Disqualification Event occurs and subject to Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*), including obtaining the prior written approval of the Financial Regulator if and to the extent required at such time, the Trustee may, following receipt of an exercise notice from the Bank under the Sale and Substitution Undertaking, redeem all but not some only of the Tier 2 Certificates upon giving notice in accordance with the Terms and Conditions of the relevant Certificates.

Any such early redemption feature of any Certificate is likely to limit its market value. During any period when the Bank elects to require the Trustee to redeem the Certificates (whether pursuant to Condition 9(b) (*Early Dissolution for Taxation Reasons*), Condition 9(d) (*Dissolution at the Option of the Obligor (Optional Dissolution (Call))*) (in each case subject as aforesaid), or (in respect of the Tier 2 Certificates only) Condition 9(c) (*Early Dissolution following a Capital Disqualification Event*), the market value of those Certificates generally will not rise substantially above the Dissolution Distribution Amount payable. This also may be true prior to any other Dissolution Date.

In the case of Certificates with an optional dissolution feature pursuant to Condition 9(d) (*Dissolution at the Option of the Obligor (Optional Dissolution (Call))*), the Bank may (subject as aforesaid) elect to require the Trustee to redeem such Certificates when its cost of financing is lower than the Profit Rate on the Certificates. At those times, an investor generally would not be able to re-invest the redemption proceeds at an effective profit rate as high as the Profit Rate on the Certificates being redeemed and may only be able to do so at a significantly lower rate. Prospective investors should consider re-investment risk in light of other investments available at that time.

Shari'a requirements in relation to interest awarded by an arbitrator

In accordance with applicable *Shari'a* principles, each of the Trustee and the Delegate will waive all and any entitlement it may have to interest awarded in its favour by any arbitrator in connection with any dispute under any of the Transaction Documents to which it is a party. Should there be any delay in the enforcement of an arbitral award against the Bank, interest may well accrue in respect of that delay and, as a result of the waiver referred to above, Certificateholders will not be entitled to receive any part of such interest. Certificateholders should note that the Trust Assets specifically exclude any rights which have been expressly waived by the Trustee in any of the Transaction Documents (which, to the extent applicable, would extend to any award of interest made in favour of the Trustee by an arbitrator in respect of a dispute).

There can be no assurance as to the impact of a change in the laws governing the Certificates or the Transaction Documents

The structure of each issue of Certificates under the Programme is based on English law, Cayman Islands law and Saudi Arabian law and administrative practices in effect as at the date of this Base Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English, Cayman Islands or Saudi Arabian law or administrative practices in any such jurisdiction after the date of this Base Offering Circular, nor can any assurance be given as to whether any such change could adversely affect the ability of the Bank to make payments under the Transaction Documents to which it is a party and/or the Trustee to make payments under any Series of Certificates, or the ability of the Trustee or the Bank to otherwise comply with their respective obligations under the Certificates and the Transaction Documents to which they are a party.

Certificates are subject to modification by a majority of the Certificateholders of a Series without the consent of all of the Certificateholders

The Master Declaration of Trust contains provisions for calling meetings of the Certificateholders (including by way of conference call or by use of a telephony or electronic platform or facility) to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. A written resolution signed by or on behalf of the holders of not less than 75 per cent. in aggregate face amount of the Certificates of the relevant Series for the time being outstanding shall, for all purposes, take effect as an Extraordinary Resolution.

In certain circumstances, where the Certificates are held in global form in the clearing systems, the Trustee, the Bank and the Delegate (as the case may be) will be entitled to rely upon:

- (a) where the terms of the proposed resolution have been notified to the Certificateholders through the relevant clearing system(s), approval of a resolution proposed by the Trustee, the Bank or the Delegate (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures (in a form satisfactory to the Delegate) by or on behalf of the holders of not less than 75 per cent. in aggregate face amount of the Certificates of the relevant Series for the time being outstanding; and
- (b) where electronic consent is not being sought, consent or instructions given in writing directly to the Trustee, the Bank or the Delegate (as the case may be) by (a) accountholders in the clearing systems with entitlements to such global certificate or (b), where the accountholders hold such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Bank, the Delegate and/or the Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction. As used in this paragraph, commercially reasonable evidence includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any relevant clearing system, and/or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Certificates.

A written resolution or an electronic consent as described above may be effected in connection with any matter affecting the interests of Certificateholders, including a modification of the Conditions that would otherwise be required to be passed at a meeting of Certificateholders satisfying the special quorum in accordance with the provisions of the Master Declaration of Trust, and shall for all purposes take effect as an Extraordinary Resolution passed at a meeting of Certificateholders duly convened and held.

These provisions permit defined majorities to bind all of the Certificateholders of the relevant Series (including Certificateholders who did not attend or vote at the relevant meeting, Certificateholders who did not sign a written

resolution, Certificateholders who did not participate in any electronic consents sought by the Trustee as well as Certificateholders who voted in a manner contrary to the majority).

The Master Declaration of Trust also provides that the Delegate may (or in the case of paragraph (b) below shall), without the consent or sanction of Certificateholders (a) agree to any modification of the Declaration of Trust (including the Conditions) or any other Transaction Document that (in the opinion of the Delegate) is of a formal, minor or technical nature, or is made to correct a manifest error, (b) agree to any modification to the Declaration of Trust (including the Conditions) or any other Transaction Document to effect any Benchmark Amendments (in the circumstances and as set out in Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*), or (c)(i) give its consent under the Transaction Documents and agree to any other modification of the Declaration of Trust (including the Conditions) or any other Transaction Document or to any waiver or authorisation of any breach or proposed breach of any of the provisions of the Declaration of Trust or any of the other Transaction Documents or (ii) determine that any Dissolution Event or Potential Dissolution Event relating to Senior Certificates shall not be treated as such, provided in each case that such modification, consent, waiver, authorisation or determination is in the opinion of the Delegate not materially prejudicial to the interests of the Certificateholders and not in contravention of any express direction by Extraordinary Resolution or request in writing by the holders of at least 20 per cent. of the aggregate face amount of the Certificates of the relevant Series then outstanding and, in the case of modifications referred to in paragraph (c)(i) above, such modification is other than in respect of a matter which requires a special quorum resolution (as defined in the Master Declaration of Trust). Any such modification, consent, waiver, authorisation or determination may be made on such terms and subject to such conditions (if any) as the Delegate may determine and shall be binding on the Certificateholders and shall be notified by the Trustee to the Certificateholders in accordance with Condition 19 (*Notices*) as soon as practicable thereafter.

The Delegate may request that the Certificateholders provide an indemnity and/or security and/or pre-funding to its satisfaction

Pursuant to the Conditions and the Master Declaration of Trust, the Delegate may, in certain circumstances, request the Certificateholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes any action on behalf of Certificateholders. The Delegate shall not be obliged to take any such actions if not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to any indemnity and/or security and/or pre-funding can be a lengthy process and may have an impact on when such actions can be taken.

Credit Ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Bank, the Programme or the Certificates. The ratings may not reflect the potential impact of all risks related to the transaction structure, the market, the additional factors discussed above, or any other factors that may affect the value of the Certificates. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. Neither the Trustee nor the Bank have any obligation to inform Certificateholders of any revision, downgrade or withdrawal of its current or future credit ratings. A suspension, downgrade or withdrawal at any time of a credit rating assigned to the Bank and/or the Certificates may adversely affect the trading price of the Certificates.

In general, European regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction may also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU third country rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances. The list of registered and certified rating agencies

published by ESMA on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Offering Circular.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Certificates changes, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EU or the UK, as applicable, and the Certificates may have a different regulatory treatment. This may result in relevant regulated investors selling the Certificates which may impact the value of the Certificates and any secondary market.

Interest or profit rate risks

Investment in Fixed Rate Certificates involves the risk that if market interest or profit rates subsequently increase above the Profit Rate paid on the Fixed Rate Certificates, this will adversely affect the value of the Fixed Rate Certificates.

Certificates with variable Profit Rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

The Certificates may be subject to exchange rate risks and exchange controls

Neither the Trustee nor the Bank has any control over factors that generally affect exchange rate risks, such as economic, financial and political events, and the supply and demand for applicable currencies. In recent years, exchange rates between certain currencies have been volatile and volatility between such currencies or with other currencies may be expected in future.

The Trustee will pay all amounts due on any Certificates, and the Bank will make any payments pursuant to the Transaction Documents to which it is a party, in the Specified Currency. If an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency, such investor may therefore bear certain exchange rate risks. These include the risks that: (a) exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency); and (b) authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls which could adversely affect an applicable exchange rate. Any appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease: (i) the Investor's Currency-equivalent yield on the Certificates; (ii) the Investor's Currency-equivalent value of the Dissolution Distribution Amount payable in respect of the Certificates; and (iii) the Investor's Currency-equivalent market value of the Certificates.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate as well as the availability of a specified foreign currency at the time of any payment of any amounts on a Certificate. As a result, investors may receive less than expected, or no payment at all. Even if there are no actual exchange controls, it is possible that the Specified Currency for any particular Certificate would not be available at such Certificate's maturity.

A secondary market may not develop or be maintained for the Certificates

There is no assurance that a secondary market for any Series of the Certificates will develop or, if it does develop, that it will provide the Certificateholders with liquidity of investment or that it will continue for the life of the Certificates. Accordingly, a Certificateholder may not be able to find a buyer to buy its Certificates readily or at prices that will enable the Certificateholder to realise a desired yield. The market value of each Series of Certificates may fluctuate and a lack of liquidity, in particular, can have a material adverse effect on the market value of the Certificates. Accordingly, the purchase of the Certificates is suitable only for investors who can bear the risks associated with a lack of liquidity in the Certificates and the financial and other risks associated with an investment in the Certificates. If a Series of Certificates is issued to a single investor or a limited number of investors, this may result in an even more illiquid or volatile market in such Series of Certificates. Furthermore, certain shareholders and related parties of the Bank may participate in the offering of any Series of Certificates. The secondary market liquidity of the Certificates for such Series may be adversely affected if, and to the extent that, such person(s) intend(s) to adopt a buy and hold strategy in respect of such Series of Certificates.

An investor in Certificates must be prepared to hold the relevant Certificates until their maturity. Whilst an application has been made for certain Series issued under the Programme to be admitted for trading on the ISM, there can be no assurance that any such admission will occur or will enhance the liquidity of the Certificates of the relevant Series.

Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade

In relation to any issue of Certificates which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Certificates may be traded in amounts in excess of such minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case, a Certificateholder who, as a result of trading such amounts, holds a face amount of less than the minimum Specified Denomination, would need to purchase an additional amount of Certificates such that it holds an amount equal to at least the minimum Specified Denomination to be able to trade such Certificates. Certificateholders should be aware that Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

A Certificateholder who holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Certificate in respect of such holding (should definitive Certificates be printed) and would need to purchase a face amount of Certificates such that its holding amounts to at least a Specified Denomination in order to be eligible to receive a definitive Certificate. If definitive Certificates are issued, holders should be aware that definitive Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may also be illiquid and difficult to trade.

Investors in the Certificates must rely on Euroclear and Clearstream, Luxembourg procedures

Each Series of Certificates will be represented on issue by a Global Certificate that may be deposited with, and registered in the name of a nominee for, a common depositary for Euroclear and Clearstream, Luxembourg. Except in the limited circumstances described in each Global Certificate, investors will not be entitled to receive Certificates in definitive form. Each of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the interests in each Global Certificate held through it. While the Certificates of each Series are represented by a Global Certificate, investors will be able to trade their interests only through the relevant clearing systems and their respective participants, and the Trustee will discharge its payment obligations under the relevant Series of Certificates by making payments through the relevant clearing systems. A holder of an interest in a Global Certificate must rely on the procedures of the relevant clearing system and its participants in relation to payments under the relevant Series of Certificates. The Trustee has no responsibility or liability for the records relating to, or payments made in respect of, interests in any Global Certificate. Holders of interests in a Global Certificate will not have a direct right to vote in respect of the Certificates so represented. Instead, such holders will

be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

The use of proceeds of any issue of Certificates identified as Sustainable Certificates in the applicable Pricing Supplement may not meet investor expectations or requirements or be suitable for an investor's investment criteria

The Bank intends to use an amount at least equal to the net proceeds from each issue of Certificates identified as Sustainable Certificates (“**Sustainable Certificates**”) in the applicable Pricing Supplement (the “**equivalent amount**”) in achieving its objectives as set out in the Sustainable Finance Framework (as defined in “*Use of proceeds*” below). See “*Use of proceeds*”.

The Bank will exercise its judgement and sole discretion in determining the businesses and projects that will be financed or refinanced by the equivalent amount. If the use of the proceeds of Sustainable Certificates is a factor in any potential investor's decision to invest in Sustainable Certificates, that investor should carefully consider the disclosure in “*Use of proceeds*” and the Sustainable Finance Framework published on the Bank's website and consult with its legal or other advisers and make any other investigation such investor deems necessary before making an investment in Sustainable Certificates. In particular, no assurance is given by the Bank, the Trustee, the Arrangers, the Dealers or any other person that the use of the equivalent amount for any Eligible Sustainable Projects (as defined in the Sustainable Finance Framework) will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. In addition, the Sustainable Finance Framework is subject to change at any time without notice.

Furthermore, notwithstanding the Bank's intention stated above, potential investors should be aware that the Bank has no contractual obligation to use the equivalent amount as stated in the applicable Pricing Supplement, or to provide the reports described in the Sustainable Finance Framework. In addition, no assurance is given by the Bank, the Trustee, the Arrangers, the Dealers or any other person that the application of such equivalent amount to the relevant Eligible Sustainable Projects will be capable of being implemented in, or substantially in, such manner and/or in accordance with any timeframe or at all, or that such proceeds will be totally or partially disbursed as planned. Nor can there be any assurance that such Sustainable Certificates or the activities or projects they finance, refinance or invest in will have the results or outcome (whether or not related to environmental, social or other objectives) originally expected or anticipated by the Bank. Any such event or failure and/or the fact that the maturity of an Eligible Sustainable Project may not match the duration of any Sustainable Certificates and/or the failure by the Bank to meet any environmental, social or sustainability targets and/or any changes to the composition of the Eligible Sustainable Projects before the applicable Scheduled Dissolution Date or any other Dissolution Date of the applicable Sustainable Certificates and/or failure of the Eligible Sustainable Projects to perform as expected will not: (i) give rise to any claim in contract of a holder of any Sustainable Certificates against the Trustee, the Bank, any other member of the Group, the Arrangers, any Dealer or any other person; (ii) constitute a Dissolution Event under Condition 14 (*Dissolution Events*) of the Sustainable Certificates; (iii) create an obligation of the Bank to redeem the relevant Sustainable Certificates; (iv) create an option for the holders of the relevant Sustainable Certificates to redeem such Sustainable Certificates; (v) create an incentive to redeem; or (vi) in the case of Sustainable Certificates which are Tier 2 Certificates, compromise the ability of the relevant Sustainable Certificates to qualify as Tier 2 Capital of the Bank or have any impact on the status and/or ranking of such Sustainable Certificates, but such failures, events and facts may affect the value and/or the trading price of Sustainable Certificates and/or have adverse consequences for certain investors with portfolio mandates to invest in green or social assets.

Investors should be aware that Sustainable Certificates which are Tier 2 Certificates will be subject to non-viability loss absorption to the same extent and with the same ranking as any other Tier 2 Certificate which is not a Sustainable Certificate. See further, “*Risk Factors – The Certificateholders' right to receive payment of the principal amount of*

the Tier 2 Certificates will, and the Periodic Distribution Amounts in respect of Tier 2 Certificates may, be permanently written-down (in whole or in part) upon the occurrence of a Non-Viability Event". Further, proceeds from any Sustainable Certificates which are Tier 2 Certificates will cover all losses in the balance sheet of the Bank regardless of their "sustainable" label and whether such losses arise from "sustainable" or other assets.

The net proceeds of the issue of Sustainable Certificates which, from time to time, are not earmarked towards Eligible Sustainable Projects are intended by the Bank to be invested in cash, cash equivalents and/or marketable securities, in accordance with the Group's cash management policies and excluding investments covered by the exclusions referenced in "Use of Proceeds". While the Bank will earmark an amount equivalent to the net proceeds of the issue of any Sustainable Certificates in a segregated account, there can be no assurance that the Sustainable Certificates or the proceeds therefrom will not be used to absorb any and all losses of the Bank, regardless of whether or not such losses stem from green, sustainable, social or other assets, in the same way as the Bank's other instruments not classified as Sustainable Certificates which may be called upon to cover all losses on the balance sheet. In addition, there will be no direct or contractual link between any Sustainable Certificates and any Eligible Sustainable Projects (or any other environmental, social or similar targets set by the Bank) and consequently neither payments of principal and profit (as the case may be) on, nor an investor's right to accelerate payment of, the Sustainable Certificates shall depend on the application of an amount equal to the net proceeds of any issue of Sustainable Certificates, the performance of the relevant Eligible Sustainable Projects or the performance of the Bank in respect of any such environmental, social or similar targets.

An Eligible Sustainable Project may, during the life of the project, due to changes in the Sustainable Finance Framework and/or circumstances of the project or any other reasons, no longer satisfy the eligibility criteria set out in the Sustainable Finance Framework. The reallocation of such proceeds to new Eligible Sustainable Projects may not be possible or may be delayed. No representation or assurance is given or made by the Bank, the Trustee, the Arrangers, the Dealers or any other person that the equivalent amount used for financing or refinancing of Eligible Sustainable Projects will always satisfy the eligibility criteria.

Furthermore, it should be noted that there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green", "sustainable" or an equivalently labelled project or as to what precise attributes are required for a particular project to be so considered and no assurance can be given that such a clear definition or consensus will develop over time or that any prevailing market consensus will not change significantly. Accordingly, no assurance is or can be given (whether by the Bank, the Trustee, the Arrangers, the Dealers or any other person) to investors that: (a) any projects or uses the subject of, or related to, any Eligible Sustainable Projects will meet any or all investor expectations regarding such "green", "sustainable" or other equivalently labelled performance objectives (including in relation to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the so called "**EU Taxonomy**") or the EU Taxonomy as it forms part of UK domestic law by virtue of the EUWA, Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the "**EU Green Bond Regulation**"), Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "**SFDR**") and any implementing legislation and guidelines, or any similar legislation in the UK or any requirements of such criteria and/or labels as they may evolve from time to time) and, accordingly, the status of any Sustainable Certificates as being "green" (or equivalent) could be withdrawn at any time; (b) any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Sustainable Projects; (c) the Sustainable Finance Framework will be aligned with the EU Taxonomy, the EU Green Bond Regulation, the SFDR or any other present or future sustainability framework or guidelines; or (d) any event with an adverse environmental, social or other connotation will not occur during the life of any Sustainable Certificate, which event may affect the value of such Sustainable Certificate, and/or have adverse consequences for certain investors in such Sustainable Certificate. It is not clear if the establishment of the European Green Bond Standard label and the optional disclosures regime for bonds issued as "environmentally

sustainable” under the EU Green Bond Regulation could have an impact on investor demand for, and pricing of, sustainable use of proceeds securities that do not comply with the requirements of the European Green Bond Standard label or the optional disclosures regime, such as any Sustainable Certificates issued under this Programme. It could, in future, result in reduced liquidity or lower demand or could otherwise affect the market price of any Sustainable Certificates issued under this Programme that do not comply with those standards proposed under the European Green Bond Standard.

The Sustainable Finance Framework is intended to be aligned with the ICMA Green Bond Principles (2021 version), Social Bond Principles (2021 version) and Sustainability Bond Guidelines (2021 version), each as referred to in the Sustainable Finance Framework and published by the International Capital Markets Association (the “**ICMA Principles**”) and the Green Loan Principles and Social Loan Principles published by the Loan Market Association from time to time (the “**LMA Principles**”). The Bank has appointed S&P Global to assess its Sustainable Finance Framework and its alignment with the ICMA Principles and the LMA Principles, and to issue the Second Party Opinion.

None of the Bank, the Trustee, the Arrangers, the Dealers or any other person makes any representation or gives any assurance as to the Sustainable Finance Framework’s compliance or alignment with the ICMA Principles and/or the LMA Principles. Furthermore, none of the Sustainable Finance Framework, the Second Party Opinion, the ICMA Principles, the LMA Principles or any associated reports, verification assessments or the contents of the Bank’s website have been verified nor do they constitute or form part of an offer to sell or issue, or any solicitation of any offer to purchase or subscribe for, any Certificates and are not incorporated in and do not form part of this Base Offering Circular.

None of the Arrangers or Dealers or any of their respective affiliates makes any representation as to nor are they responsible for (i) the suitability of any Sustainable Certificates to fulfil any environmental, social and/or sustainability criteria required by prospective investors, (ii) whether the net proceeds of the issuance of any such Certificates will be used to finance and/or refinance relevant Eligible Sustainable Projects, including their sustainability criteria or (iii) the characteristics of relevant Eligible Sustainable Projects or businesses to whom the proceeds of such Certificates are to be allocated, including their sustainability characteristics. None of the Arrangers or Dealers or any of their respective affiliates has undertaken, or is responsible for, any assessment of or due diligence in respect of the Sustainable Finance Framework, the Eligible Sustainable Projects or the eligibility criteria, any verification of whether the Eligible Sustainable Projects meet the eligibility criteria, or the assessment, verification or monitoring of the use of proceeds. For the purposes of an investment in any Sustainable Certificates, investors should make their own investigation, refer to the Bank’s website, annual report and the Second Party Opinion for information and should determine for themselves the relevance of the Sustainable Finance Framework, the Second Party Opinion and the information contained in this Base Offering Circular regarding the use of proceeds and its investment in any Sustainable Certificates should be based upon such investigation as it deems necessary.

The Bank cannot provide any assurances regarding the suitability or reliability of any second party opinion (including the Second Party Opinion) or admission to any index obtained with respect to Sustainable Certificates

No assurance or representation can be given as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion or certification of any third party (whether or not solicited by the Bank or the Trustee) which may or may not be made available in connection with the issue of Sustainable Certificates (including, for the avoidance of doubt, the entry of the details of Eligible Sustainable Projects into the Bank’s Sustainable Finance Register, as described in the Sustainable Finance Framework) and in particular with any of the businesses and projects funded with the equivalent amount to fulfil any green, environmental, sustainability, social and/or other criteria (including the Second Party Opinion). For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Base Offering Circular. Any such report, assessment,

opinion or certification is not, nor should it be deemed to be, a recommendation by the Bank, the Trustee, the Arrangers or any other person to buy, sell or hold Sustainable Certificates. Any such report, assessment, opinion or certification is only current as at the date that opinion was initially issued and is based upon the judgment of the opinion provider. Prospective investors must determine for themselves the relevance of any such report, assessment, opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in Sustainable Certificates. The providers of such reports, assessments, opinions and certifications are not subject to any specific oversight or any regulatory or other regime. Furthermore, a second party opinion (including the Second Party Opinion) may not reflect the potential impact of all the risks related to the structure or market, or the additional risk factors discussed above or the other factors that may affect the value of the Sustainable Certificates or the projects financed or refinanced thereby, in an amount corresponding to the equivalent amount.

If a Tranche of Sustainable Certificates is at any time listed or admitted to trading on any dedicated “green”, “environmental”, “sustainable” or other equivalently labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Bank, the Trustee, the Arrangers, the Dealers or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own bylaws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any of the businesses and projects funded with the proceeds from any Sustainable Certificates. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Bank, the Trustee, the Arrangers, the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any Sustainable Certificates or, if obtained, that any such listing or admission to trading will be maintained during the life of the Sustainable Certificates concerned.

Risk factors relating to Certificates which are linked to “benchmarks”

The regulation and reform of “benchmarks” may adversely affect the value of Certificates linked to or referencing such “benchmarks”

Reference rates and indices, including profit rate benchmarks, which are used to determine the amounts payable under financial instruments or the value of such financial instruments (“**Benchmarks**”), are the subject of national and international regulatory guidance and proposals for reform. This has resulted in regulatory reform and changes to existing Benchmarks, with further changes anticipated. These reforms and changes may cause a Benchmark to perform differently than it has done in the past or to be discontinued. Any change in the performance of a Benchmark or its discontinuation, could have a material adverse effect on any Certificates referencing or linked to such Benchmark.

More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain “benchmarks,” trigger changes in the rules or methodologies used in certain “benchmarks” or lead to the discontinuance or unavailability of quotes of certain “benchmarks”.

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a “risk free overnight rate” which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and

contracts in the euro area. On 13 September 2018, the working group on euro risk-free rates recommended the new Euro Short-Term Rate (“€STR”) as the new risk-free rate for the euro area. The €STR was published for the first time on 2 October 2019. Although EURIBOR has subsequently been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

Investors should be aware that, if a Benchmark were discontinued or otherwise unavailable, the rate of profit on Floating Rate Certificates which reference such Benchmark will be determined for the relevant period by the fallback provisions applicable to such Certificates set out in the Conditions. Where Screen Rate Determination not referencing SOFR or SONIA (each as defined below) is specified as the manner in which the Profit Rate in respect of Floating Rate Certificates is to be determined, the Conditions provide that the Profit Rate shall be determined by reference to the Relevant Screen Page (or its successor or replacement). In circumstances where such original Reference Rate is discontinued, neither the Relevant Screen Page, nor any successor or replacement may be available. Where the Relevant Screen Page is not available, and no successor or replacement for the Relevant Screen Page is available, the Conditions provide for the Profit Rate to be determined by the Calculation Agent by reference to quotations from banks communicated to the Calculation Agent. Where such quotations are not available (as may be the case if the relevant banks are not submitting rates for the determination of such original Reference Rate), the Profit Rate may ultimately revert to the Profit Rate applicable as at the last preceding Profit Rate Determination Date before the original Reference Rate was discontinued. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser (as defined in the Conditions), the relevant fallback provisions may not operate as intended at the relevant time. Uncertainty as to the continuation of the original Reference Rate, the availability of quotes from reference banks, and the rate that would be applicable if the original Reference Rate is discontinued may adversely affect the value of, and return on, the Floating Rate Certificates.

Where the applicable Pricing Supplement specifies that Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*) is applicable, the Conditions provide for certain fallback arrangements in the event that a Benchmark Event occurs, including, among others, if a public statement is made by the supervisor of the administrator of the relevant Reference Rate (or such component) that the relevant Reference Rate (or such component) is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market or the methodology to calculate such Reference Rate has materially changed.

Such fallback arrangements include the possibility that the Profit Rate could be set by reference to a Successor Rate or, failing which, an Alternative Reference Rate, with or without the application of an Adjustment Spread (as defined in the Conditions) and may include amendments to the Conditions, the Master Declaration of Trust and/or any other Transaction Document to ensure the proper operation of the Successor Rate, Alternative Reference Rate and/or Adjustment Spread, all as determined by an Independent Adviser, acting in good faith and following consultation with the Bank, or the Bank (acting in good faith and in a commercially reasonable manner), as applicable and without any requirement for the consent or sanction of the relevant Certificateholders. Such rates may be adjusted (if required) in accordance with the recommendation of a relevant governmental body or in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark, although the application of such adjustments to the Certificates may not achieve this objective. The application of an Adjustment Spread may result in the Certificates performing differently (which may include payment of a lower Profit Rate) than they would do if the original Reference Rate were to continue to apply in its current form. If no Adjustment Spread can be determined, a Successor Rate or Alternative Reference Rate may nonetheless be used to determine the Profit Rate. The use of a Successor Rate or Alternative Reference Rate to determine the Profit Rate is also likely to result in any Certificates initially linked to or referencing the relevant Reference Rate performing differently (which may include payment of a lower Profit Rate) than they would if the original Reference Rate were to continue to apply in its current form.

In addition, the market (if any) for Certificates linked to any such Successor Rate or Alternative Reference Rate may be less liquid than the market for Certificates linked to the original Reference Rate. Prospective investors should note that neither the Bank nor any Independent Adviser appointed pursuant to the Conditions shall, in the absence of bad faith, wilful default or fraud have any liability whatsoever to the Delegate, the Principal Paying Agent, the Paying Agents, or the Certificateholders for any determination made by it pursuant to the Conditions.

The choice of replacement benchmark is uncertain and could result in the use of risk free rates such as SOFR (see “—*The market continues to develop in relation to risk free rates (including SONIA and SOFR) as reference rates for Floating Rate Certificates*” below) and/or in the replacement Benchmark being unavailable or indeterminable.

In the case of Floating Rate Certificates which reference SOFR where Condition 8(e) (*Benchmark Discontinuation (SOFR)*) is specified as applicable in the applicable Pricing Supplement where the Bank or its designee determines that a SOFR Benchmark Event and its related Benchmark Replacement Date have occurred, a Benchmark Replacement (as determined in accordance with Condition 8(e) (*Benchmark Discontinuation (SOFR)*)) will replace the then-current Benchmark for all purposes relating to such Certificates in respect of all determinations on such date and for all determinations on all subsequent dates. Such Benchmark Replacement may result in the Certificates behaving differently (which may include payment of a lower Profit Rate).

Where ISDA Determination is specified as the manner in which the Profit Rate in respect of Floating Rate Certificates is to be determined, the Conditions provide that the Profit Rate in respect of the Certificates shall be determined by reference to the relevant Floating Rate Option in the 2006 ISDA Definitions or 2021 ISDA Interest Rate Derivatives Definitions. Where the Floating Rate Option specified is an “IBOR” Floating Rate Option, the Profit Rate may be determined by reference to the relevant screen rate or the rate determined on the basis of quotations from certain banks. If the relevant IBOR is permanently discontinued and the relevant screen rate or quotations from banks (as applicable) are not available, the operation of these provisions may lead to uncertainty as to the Profit Rate that would be applicable, and may, adversely affect the value of, and return on, the Floating Rate Certificates.

Certain benchmark rates, including EURIBOR, may be discontinued or reformed in the future

The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. The UK Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the UK. Among other things, each of the EU Benchmarks Regulation and the UK Benchmarks Regulation: (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based or UK-based, as applicable, to be subject to an equivalent regime or otherwise recognised or endorsed); and (ii) prevents certain uses by EU or UK, as applicable, supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU or UK-based, as applicable, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Certificates linked to or referencing EURIBOR or another benchmark rate or index, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the terms of the EU Benchmarks Regulation and/or UK Benchmarks Regulation, as applicable, and such changes could (among other things) have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the benchmark.

Regulation (EU) 2019/2089 of the European Parliament and of the Council of 27 November 2019 amended the existing provisions of the Benchmarks Regulation by extending the transitional provisions applicable to material Benchmarks and third-country Benchmarks until the end of 2021. The existing provisions of the Benchmarks Regulation were further amended by Regulation (EU) 2021/168 of the European Parliament and of the Council of 10 February 2021 published in the Official Journal of the European Union on 12 February 2021 (the “**Amending Regulation**”) and which has applied since 13 February 2021. The Amending Regulation introduces a harmonised approach to deal with the cessation or wind-down of certain benchmarks by conferring the power to designate a

statutory replacement for certain benchmarks on the European Commission, such replacement being limited to contracts and financial instruments. In addition, the transitional provisions applicable to third-country benchmarks are extended until the end of 2023. In July 2023, the European Commission extended this to the end of 2025.

In light of the EU Benchmarks Regulation, the UK Benchmarks Regulation and the Amending Regulation, and benchmark reform more generally, other Benchmarks could be subject to similar announcements. This may cause EURIBOR and other Benchmarks to be administered differently, to perform differently than they did in the past, to be discontinued or there may be other consequences that cannot be predicted. Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates, and as to potential changes to such Benchmarks or their administration may adversely affect such Benchmarks during the term of the relevant Certificates, the return on the relevant Certificates and the trading market for securities based on the same Benchmark. On 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a “risk free overnight rate” which can serve as a basis for an alternative to current Benchmarks used in a variety of financial instruments and contracts in the euro area. The euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing the EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

The elimination of EURIBOR or any other Benchmark, or changes in the manner of administration of any Benchmark, could require or result in an adjustment to the profit rate calculation provisions of the Conditions (as further described in Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*)) or result in adverse consequences to holders of any Certificates linked to such Benchmark (including Floating Rate Certificates whose Profit Rates are linked to EURIBOR or any other such Benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such Benchmark may adversely affect such Benchmark during the term of the relevant Certificates, the return on the relevant Certificates and the trading market for securities (including the Certificates) based on the same Benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or UK Benchmarks Regulation reforms or possible cessation or reform of certain reference rates in making any investment decision with respect to any Certificates linked to or referencing a Benchmark.

The Bank may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Reference Rate in accordance with the terms and conditions of the Certificates

Where, in respect of any given Periodic Distribution Period, the Bank is unable to appoint an Independent Adviser in accordance with Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*) or the Independent Adviser appointed by the Bank fails to determine a Successor Rate or, failing which, an Alternative Reference Rate, prior to the relevant IA Determination Cut-off Date, the Bank (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, failing which an Alternative Reference Rate and, in either case, an Adjustment Spread in accordance with the Conditions.

Where the Bank has been unable to appoint an Independent Adviser, or the Independent Adviser has failed, to determine a Successor Rate or Alternative Reference Rate, in respect of any subsequent Periodic Distribution Period it will continue to attempt to appoint an Independent Adviser in a timely manner before the next succeeding Profit

Rate Determination Date and/or to determine a Successor Rate or Alternative Reference Rate to apply to the next succeeding and any subsequent Periodic Distribution Periods, as necessary.

If, following the occurrence of a Benchmark Event, no Successor Rate or Alternative Reference Rate is determined, the Profit Rate applicable to the next succeeding Periodic Distribution Period will be equal to the Profit Rate last determined in relation to the Certificates in respect of the immediately preceding Periodic Distribution Period (through substituting, where applicable, the Margin or Maximum Profit Rate or Minimum Profit Rate relating to the relevant Periodic Distribution Period, in place of the Margin or Maximum Profit Rate or Minimum Profit Rate relating to that last preceding Periodic Distribution Period). This may result in Certificates linked to or referencing the relevant Benchmark performing differently (which may include payment of a lower Profit Rate) than they would do if the relevant benchmark were to continue to apply, or if a Successor Rate or Alternative Reference Rate could be determined. If the Independent Adviser (or the Bank) fails to determine a Successor Rate or Alternative Reference Rate for the life of the relevant Certificates, or if a Successor Rate or Alternative Reference Rate is not adopted because it could reasonably be expected to prejudice the qualification of Tier 2 Certificates as Tier 2 Capital (in accordance with the applicable requirements of SAMA (or any successor thereto as the relevant regulator of banks in the Kingdom)), the initial Profit Rate, or the Profit Rate for the last preceding Periodic Distribution Period, will continue to apply to maturity. This will result in the Floating Rate Certificates, in effect, becoming fixed rate Certificates. Due to the uncertainty concerning the availability of Successor Rates and Alternative Reference Rates, the involvement of an Independent Adviser and the potential for further regulatory developments there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

The market continues to develop in relation to risk free rates (including SONIA and SOFR) as reference rates for Floating Rate Certificates

The use of risk-free rates, including those such as the Sterling Overnight Index Average (“SONIA”) and the Secured Overnight Financing Rate (“SOFR”), as reference rates in the capital markets for bonds continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of instruments referencing such rates, but also how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to Certificates that reference risk-free rates issued under this Programme. Certificates may in the future be issued referencing SONIA, the SONIA Compounded Index, SOFR or the Compounded SOFR Index that differ materially in terms of interest determination when compared with any previous Certificates issued under this Programme. The development of risk-free rates for the international debt capital markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Certificates that reference a risk-free rate issued under this Programme from time to time.

In addition, the manner of adoption or application of risk-free rates in the international debt markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, sukuk, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Certificates referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk-free rate certificates issued to date. No assurance can be given that any particular methodology, including the compounding formula in the Conditions of the Certificates, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market’s forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or

different measures of such risk-free rates. For example, on 2 March 2020, the Federal Reserve Bank of New York, as administrator of SOFR, began publishing the Compounded SOFR Index and on 3 August 2020, the Bank of England, as the administrator of SONIA, began publishing the SONIA Compounded Index. If the relevant risk-free rates do not prove to be widely used in securities like the Certificates, the trading price of such Certificates linked to such risk-free rates may be lower than those of Certificates referencing indices that are more widely used.

Investors should consider these matters when making their investment decision with respect to any Certificates which reference SONIA, SOFR or any related indices.

Risk-free rates may differ from interbank offered rates in a number of material respects and have a limited history

Risk-free rates may differ from interbank offered rates in a number of material respects, including (without limitation) by being backwards-looking in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank financing. As such, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as reference rates for the Certificates. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Certificates may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future.

Furthermore, profit on Certificates which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Periodic Distribution Payment Date. It may be difficult for investors in Certificates which reference such risk-free rates to reliably estimate the amount of profit which will be payable on such Certificates, and some investors may be unable or unwilling to trade such Certificates without changes to their IT systems, both of which could adversely impact the liquidity of such Certificates. Further, in contrast to Certificates linked to interbank offered rates, if Certificates referencing backwards-looking SONIA or SOFR become due and payable or are otherwise redeemed early on a date which is not a Periodic Distribution Date, the final Profit Rate payable in respect of such Certificates shall be determined by reference to a shortened period ending immediately prior to the date on which the Certificates become due and payable or are scheduled for redemption.

Any of the administrators of SONIA, SOFR or any related index may make changes that could change the value of SONIA, SOFR or any related index or discontinue SONIA, SOFR or any related index, respectively

As SONIA and SOFR are published and calculated by third parties based on data received from other sources, the Trustee and the Bank have no control over their determination, calculation or publication. There can be no guarantee that SONIA and/or SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Floating Rate Certificates linked to or which reference SONIA or SOFR (or that any applicable benchmark fallback provisions provided for in the Conditions will provide a rate which is economically equivalent for Certificateholders). The Bank of England or the Federal Reserve Bank of New York (or their successors) as administrators of SONIA or SOFR, respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such rates and/or indices are calculated, eligibility criteria applicable to the transactions used to calculate such rates and/or indices, or timing related to the publication of SONIA or SOFR. In addition, an administrator may alter, discontinue

or suspend calculation or dissemination of SONIA or SOFR, in which case a fallback method of determining the profit rate on the Certificates will apply in accordance with the Conditions (see “*The regulation and reform of “benchmarks” may adversely affect the value of Certificates referencing such benchmarks*”). An administrator has no obligation to consider the interests of Certificateholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate. Any of the foregoing could have a material adverse effect on the value or liquidity of, and return on, any Certificates which reference SONIA or SOFR.

Risk factors relating to Certificates Denominated in Renminbi

Set out below is a description of the principal risks which may be relevant to an investor in Certificates denominated in Renminbi:

Renminbi is not completely freely convertible; there are significant restrictions on remittance of Renminbi into and outside the People’s Republic of China (“PRC”) and this may adversely affect the liquidity of Certificates denominated in Renminbi.

Renminbi is not completely freely convertible at present. The government of the PRC (the “**PRC Government**”) continues to regulate conversion between Renminbi and foreign currencies including the Hong Kong dollar despite significant reduction in control by it in recent years over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

Currently, participating banks in Hong Kong and a number of other jurisdictions (the “**Applicable Jurisdictions**”) have been permitted to engage in the settlement of current account trade transactions in Renminbi. However, remittance of Renminbi by foreign investors into and outside of the PRC for purposes such as capital contributions, known as capital account items, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities or the relevant banks on a case-by-case basis and subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

Although, starting from 1 October 2016, the Renminbi was added to the Special Drawing Rights basket created by the IMF and policies further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies were implemented by the People’s Bank of China (“**PBOC**”) in 2018, there is no assurance that the PRC Government will liberalise its control over cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued, or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Trustee and the Bank to source Renminbi to finance their obligations under Certificates denominated in Renminbi.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of Certificates denominated in Renminbi and the Trustee’s and the Bank’s ability to source Renminbi outside the PRC to service such Certificates

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited.

Whilst PBOC has established Renminbi clearing and settlement mechanics for participating banks in the Applicable Jurisdictions through settlement agreements on the clearing of Renminbi business (the “**Settlement Agreements**”) with financial institutions in a number of financial centres and cities (each, a “**Renminbi Clearing Bank**”) and these

Renminbi Clearing Banks have been permitted to engage in the settlement of Renminbi trade transactions, the current size of Renminbi-denominated financial assets outside the PRC is limited.

There are restrictions imposed by PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. The Renminbi Clearing Banks only have access to onshore liquidity support from the PBOC for the purpose of squaring open positions of participating banks for limited types of transactions, and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

The offshore Renminbi market is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreements will not be terminated or amended so as to have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of Certificates denominated in Renminbi. To the extent the Trustee and/or the Bank is required to source Renminbi in the offshore market to service Certificates denominated in Renminbi, there is no assurance that the Trustee and/or the Bank will be able to source such Renminbi on satisfactory terms, if at all.

An investment in Certificates denominated in Renminbi is subject to exchange rate risks

The value of Renminbi against the U.S. dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. The Trustee will make all payments of profit and dissolution amounts with respect to any Certificates denominated in Renminbi unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of the investment made by a holder of the Certificates, denominated in Renminbi, in U.S. dollar or other applicable foreign currency will decline. If a Renminbi Currency Event (as defined in the Conditions) occurs, the Conditions allow the Trustee to make payment in U.S. dollars at the prevailing spot rate of exchange, all as provided in more detail in the Conditions. As a result, the value of these Renminbi payments may vary with the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of a Certificateholder's investment in U.S. dollar or other foreign currency terms will decline.

An investment in Certificates denominated in Renminbi is subject to interest or profit rate risks

The PRC Government has gradually liberalised the regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. In addition, the interest rate for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of foreign exchange controls imposed by PRC law and regulations and prevailing market conditions. Certificates denominated in Renminbi may carry a fixed profit rate. Consequently, the trading price of such Certificates will vary with fluctuations in Renminbi interest rates. If a holder of Certificates denominated in Renminbi tries to sell such Certificates before their maturity, they may receive an offer that is less than the amount invested.

Payments for Certificates denominated in Renminbi will only be made to investors in the manner specified for such Certificates in the Conditions

Investors may be required to provide certification and other information (including Renminbi account information) in order to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in a number of financial centres and cities. Except in the limited circumstances stipulated in Condition 11(f) (*Renminbi Currency Event*) (as set out in the Renminbi provisions below), all Renminbi payments to investors in respect of Certificates denominated in Renminbi will be made solely: (i) for so long as such Certificates

are represented by a Global Certificate held with the common depositary, for Euroclear and Clearstream, Luxembourg or any alternative clearing system, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing Euroclear and Clearstream, Luxembourg rules and procedures or those of such alternative clearing system; or (ii) for so long as such Certificates are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. Other than as described in the Conditions, the Trustee and/or the Obligor cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

Gains on the transfer of Certificates denominated in Renminbi may become subject to income taxes under PRC tax laws

Under the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of Certificates denominated in Renminbi by non-PRC resident enterprise or individual holders may be subject to PRC enterprise income tax (“EIT”) or PRC individual income tax (“IIT”) if such gain is regarded as income derived from sources within the PRC. The PRC Enterprise Income Tax Law levies EIT at the rate of 20 per cent. of the gains derived by such non-PRC resident enterprise or individual Certificateholder from the transfer of Certificates denominated in Renminbi but its implementation rules have reduced the enterprise income tax rate to 10 per cent. The PRC Individual Income Tax Law levies IIT at a rate of 20 per cent. of the gains derived by such non-PRC resident or individual Certificateholder from the transfer of Certificates denominated in Renminbi.

However, uncertainty remains as to whether the gain realised from the transfer of Certificates denominated in Renminbi by non-PRC resident enterprise or individual holders would be treated as income derived from sources within the PRC and become subject to the EIT or IIT. This will depend on how the PRC tax authorities interpret, apply or enforce the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong, for avoidance of double taxation, Certificateholders who are residents of Hong Kong, including enterprise Certificateholders and individual Certificateholders, will not be subject to EIT or IIT on capital gains derived from a sale or exchange of the Certificates.

Therefore, if non-PRC enterprise or individual resident holders are required to pay PRC income tax on gains derived from the transfer of Certificates denominated in Renminbi, unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-PRC enterprise or individual resident holders of Certificates denominated in Renminbi reside that reduces or exempts the relevant EIT or IIT, the value of their investment in Certificates denominated in Renminbi may be materially and adversely affected.

Investment in Certificates denominated in Renminbi may be subject to PRC tax

In considering whether to invest in the Certificates denominated in Renminbi, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of the Certificateholders’ investment in the Certificates denominated in Renminbi may be materially and adversely affected if the Certificateholder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those Certificates.

Risk factors relating to enforcement

There are uncertainties around the choice of English law as the governing law of certain Transaction Documents and around enforcing foreign arbitral awards in the Kingdom

The Certificates and the Transaction Documents (other than the Master Purchase Agreement, the Amendment Agreement, each Supplemental Purchase Contract, each Sale Agreement entered into under the Purchase

Undertaking and each Sale Agreement or Transfer Agreement entered into under the Sale and Substitution Undertaking which are expressed to be governed by the laws and regulations of Saudi Arabia) are expressed to be governed by English law, and the parties to the Transaction Documents have agreed to refer any unresolved disputes in relation thereto to arbitration under the LCIA Arbitration Rules with an arbitral tribunal with its seat in London. The Bank is a Saudi Arabian company and is incorporated in and has its operations and the majority of its assets located in Saudi Arabia.

Any foreign arbitral award, including an LCIA award, should be enforceable in Saudi Arabia in accordance with the terms of the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 (the “**New York Convention**”), subject to filing a legal action for recognition and enforcement of foreign arbitral awards with the enforcement courts (the “**Enforcement Courts**”). As a party to the New York Convention, Saudi Arabia has an obligation to recognise and enforce foreign arbitral awards unless the party opposing enforcement can prove one of the grounds under Article V of the New York Convention to refuse enforcement, or the Saudi courts find that the subject matter of the dispute is not capable of settlement by arbitration or enforcement would be contrary to the public policy of Saudi Arabia. In addition, the Enforcement Courts may decline to enforce foreign arbitral awards if the requirements of enforcing foreign arbitral awards are not met. These requirements include that: (a) the arbitral award does not conflict with public order in Saudi Arabia; (b) there is reciprocity in the enforcement of arbitral awards between the courts of Saudi Arabia and the country in which the award was made; (c) the courts of Saudi Arabia do not have jurisdiction over the dispute and the award has been issued in accordance with the jurisdictional rules of the country in which such award was made; (d) the respective parties to the dispute were present, duly represented and able to defend themselves; (e) the award was final in accordance with the rules of the court; and (f) the award is not conflicting with any ruling or order issued by a court of competent jurisdiction on the same matter in Saudi Arabia. There can therefore be no assurance that the Saudi courts will enforce a foreign arbitral award in accordance with the terms of the New York Convention (or any other multilateral or bilateral enforcement convention). In addition, even if such requirements were met, Certificateholders should also be aware that if any terms of the Certificates or the Transaction Documents were found to be inconsistent with public policy in Saudi Arabia (including *Shari’a* law and principles) or any mandatory law of, or applicable in, Saudi Arabia, they (or any related arbitral award) would not be enforced by the Enforcement Courts.

In particular, the courts and judicial committees of the Kingdom will require any arbitral award pursuant to the arbitration agreement to satisfy certain requirements, including compliance with the principles of *Shari’a*. Accordingly, in any proceedings relating to the Certificates or the Transaction Documents in the Kingdom, *Shari’a*, as interpreted in the Kingdom, may be applied by the relevant court or judicial committee. The courts and judicial committees of Saudi Arabia have the discretion to deny the enforcement of any contractual or other obligations, if, in their opinion, the enforcement thereof would be contrary to the principles of *Shari’a*. As such there can be no assurance that the Saudi courts will recognise and enforce any arbitral award made under the arbitration agreement.

In addition, whilst the choice of English law as the governing law of the Certificates and the Transaction Documents (other than the Master Purchase Agreement, the Amendment Agreement, each Supplemental Purchase Contract, each Sale Agreement entered into under the Purchase Undertaking and each Sale Agreement or Transfer Agreement entered into under the Sale and Substitution Undertaking which are expressed to be governed by the laws and regulations of Saudi Arabia) does not contravene the laws and regulations of the Kingdom, the courts and judicial committees of the Kingdom may not recognise the choice of English law.

The choice of forum clause may not be upheld by a Saudi Arabian judicial body

The choice of forum clause in relation to the Certificates and the Transaction Documents may not be upheld by a Saudi Arabian court. Under Saudi Arabian law, only a court will finally determine the appropriate adjudicating forum for the dispute, notwithstanding the contractual election of the parties to the agreement. However, the Arbitration

Law issued by Royal Decree No M/34, dated 24/5/1433 AH (corresponding to 16 April 2012) provides that a Saudi Arabian court must dismiss a claim if the defendant raises an arbitration agreement as its first defence in the case.

The interpretation of the compliance of the Certificates and Transaction Documents with Shari'a principles may differ amongst Saudi courts and judicial committees

Prospective Certificateholders should note that Saudi law, and, in particular, the relevant principles of Islamic law are generally construed and applied by Saudi Arabian adjudicatory bodies pursuant to the teachings of the Hanbali school of jurisprudence. There are majority and minority views within the Hanbali school of jurisprudence either of which may be applied in any particular case. In this regard, the courts and judicial committees of Saudi Arabia may decline to enforce any contractual or other obligations (including any provisions relating to the payment of profit) if it is their view that the enforcement thereof would be contrary to principles of *Shari'a*.

Prospective Certificateholders should note that, to the best of the Trustee's and the Bank's knowledge, no securities of a similar nature to the Certificates have previously been the subject of adjudicatory interpretation or enforcement in Saudi Arabia.

Prospective Certificateholders should note that different *Shari'a* advisers and courts and judicial committees in Saudi Arabia may form different opinions on identical issues and therefore prospective Certificateholders should consult their own legal and *Shari'a* advisers to receive an opinion, as to the compliance of the Certificates and the Transaction Documents with *Shari'a* principles. Prospective Certificateholders should also note that although each of the Shari'ah Committee of Riyadh Bank, the Shari'ah Committee of HSBC Saudi Arabia and the Global Shariah Supervisory Committee of Standard Chartered Bank has approved the transaction structure relating to the Certificates (as described in this Base Offering Circular), and has confirmed that the transaction structure relating to the Certificates (as described in this Base Offering Circular) is, in their view, in compliance with *Shari'a* principles as applicable to, and interpreted by, them, such approvals would not bind a court or judicial committee in Saudi Arabia, including in the context of any insolvency or bankruptcy proceedings relating to the Bank, and any court or judicial committee in Saudi Arabia will have the discretion to make its own determination about whether the Transaction Documents and/or the transaction structure relating to the Certificates comply with the laws of Saudi Arabia and *Shari'a* principles and therefore are enforceable in Saudi Arabia.

Courts and judicial committees in Saudi Arabia may not give effect to unilateral promises

Under Islamic law there are different opinions amongst scholars with respect to the enforceability of a unilateral promise which can be divided into three distinct positions: (i) a unilateral promise will be enforceable in all circumstances; (ii) a unilateral promise will not be enforceable in any circumstances; and (iii) a unilateral promise will be enforceable where a breach would cause harm to the promisee. In addition, the absence of both a doctrine of binding precedent in Saudi Arabia and a public centralised index of previous judgments of courts and judicial committees allow judges notable interpretative discretion and thus render it difficult to predict which of the above positions would be followed by a court or judicial committee in Saudi Arabia. As a result, such a unilateral promise may not create an obligation which would be enforceable before the courts and judicial committees of Saudi Arabia. The Purchase Undertaking is a unilateral promise from the Bank to the Trustee and the Delegate. Accordingly, prospective Certificateholders should be aware that its terms may not be enforceable before the courts and judicial committees of Saudi Arabia and, as a consequence, Certificateholders may not receive the relevant Dissolution Distribution Amounts due to them under the Certificates.

There are concerns as to the effectiveness under Saudi Arabian law of any transfer of an interest in an asset in Saudi Arabia on behalf of foreign nationals without a corporate presence in Saudi Arabia and the relevant licensing requirements having been met

The Investment Law issued by Royal Decree No. M/19 dated 16/01/1446H (corresponding to 22 July 2024) and the Anti-Concealment Law issued by Royal Decree No. M/4 dated 1/1/1442H (corresponding to 20 August 2020)

prohibit persons and Saudi Arabian companies from doing business in Saudi Arabia on behalf of foreign nationals unless they meet certain requirements, including certain filing and registration requirements (or licensing requirements for activities appearing on the list of excluded activities to be issued and updated, from time to time, by the competent authority and published by the Ministry of Investment) . The Trustee and the Bank could be interpreted as contravening this prohibition by entering into the Servicing Agency Agreement and the other Transaction Documents to which it is a party.

On the basis of the foregoing, prospective Certificateholders should note that there is uncertainty as to the effectiveness under Saudi Arabian law of any transfer of an interest in an asset in Saudi Arabia pursuant to the Transaction Documents relating to a Series, or on the return of investment of any activity in Saudi Arabia, absent compliance with the matters specified above. As a result, if the Trustee fails to comply with its obligations under the Transaction Documents to which it is a party, a Saudi Arabian court or judicial or administrative body or government authority may characterise the transactions contemplated by the Transaction Documents as an unlawful investment which is void as a result of non-compliance with any of the matters specified above. If that is the case, a Saudi Arabian adjudicatory body is likely to require that the Bank return to the Trustee the relevant issue proceeds less any Portfolio Income Revenues and/or Portfolio Principal Revenues already paid in respect of the relevant Series. It is uncertain whether the parties will be entitled to any damages.

Courts and judicial committees in Saudi Arabia may not give effect to the Riyadh Bank Events

Prospective Certificateholders should note that the courts and judicial committees of Saudi Arabia may not give effect to any of the Riyadh Bank Events (as set out in the Purchase Undertaking) other than those Riyadh Bank Events relating to the non-payment of amounts due under the Transaction Documents.

Courts and judicial committees in Saudi Arabia may not give effect to penalties and certain types of indemnities

Prospective Certificateholders should note that should any provision of the Transaction Documents be construed by a court or judicial committee in Saudi Arabia to be an agreement or undertaking by a party to pay indemnities or damages that are greater than a genuine estimate of actual direct loss incurred, a Saudi Arabian adjudicatory body may decline to enforce such provision. Further, any indemnity provided by the Bank pursuant to the Transaction Documents or in relation to any Series may not be enforceable under the laws and regulations of Saudi Arabia in certain circumstances. As such, Certificateholders may ultimately not be able to enforce the Trustee's and/or the Bank's relevant obligations under the Transaction Documents.

Compliance with bankruptcy law in Saudi Arabia may affect the Bank's ability to perform its obligations under the Transaction Documents to which it is a party

If the Bank's insolvency satisfied the eligibility conditions for one of the bankruptcy procedures under the Bankruptcy Law (issued pursuant to Royal Decree No. M/50 dated 28/05/1439H (corresponding to 13 February 2018)), as amended by Royal Decree No. M/89 dated 09/07/1441H (corresponding to 4 March 2020) (the "Bankruptcy Law"), this could adversely affect the Bank's ability to perform its obligations under the Transaction Documents to which it is a party and, in turn, affect the Trustee's ability to perform its obligations in respect of the Certificates. The Bankruptcy Law, which came into effect on 18 August 2018, remains relatively untested and several provisions are subject to different interpretations. Therefore, there is some uncertainty as to the practical application of certain provisions under the Bankruptcy Law. In particular, there is little precedent to predict how claims by or on behalf of the Certificateholders and/or the Delegate would be resolved in the event of the Bank satisfying the eligibility conditions of any such bankruptcy procedures and, accordingly, it is uncertain exactly how and to what extent the Transaction Documents would be enforced by a Saudi Arabian adjudicatory body in that situation. Therefore, there can be no assurance that Certificateholders will receive payment of their claims in full or at all in these circumstances. In addition, there is a material likelihood that a Saudi Arabian adjudicatory body could consider

void a contractual provision that seeks to terminate a contract in the event of a protective settlement or financial restructuring procedure being instigated. This is based on article 23 of the Bankruptcy Law, which states that contracts should continue during protective settlement or financial restructuring procedures and any condition to the contrary is deemed null and void. It is open to a contractual party to apply for its contract to be terminated, pursuant to article 24 of the Bankruptcy Law, if the party undergoing protective settlement fails to satisfy its contractual obligations in the period after the commencement of the protective settlement procedure.

In addition, in case of financial distress of a financial institution, the SIFI Law is generally applicable and it remains uncertain to what extent the Bankruptcy Law will be applied once the treatment procedures set out in the SIFI Law were unsuccessful.

In case of a write down in a Non-Viability Event, see further *“Risk Factors – The Certificateholders’ right to receive payment of the principal amount of the Tier 2 Certificates will, and the Periodic Distribution Amounts in respect of Tier 2 Certificates may, be permanently written-down (in whole or in part) upon the occurrence of a Non-Viability Event”*.

A court may not grant an order for specific performance

In the event that the Bank fails to perform its obligations under any Transaction Document to which it is a party, the potential remedies available to the Trustee and the Delegate include (i) obtaining an order for specific performance of the Bank’s obligations, or (ii) a claim for damages.

There is no assurance that a court will provide an order for specific performance, as this is generally a matter for the discretion of the relevant court. Specific performance, injunctive relief and declaratory judgments and remedies are rarely available as judicial and other adjudicative remedies in Saudi Arabia. The amount of damages which a court may award in respect of a breach will depend upon a number of possible factors, including an obligation on the Trustee and the Delegate to mitigate any loss arising as a result of such breach. No assurance is provided on the level of damages which a court may award in the event of a failure by the Bank to perform its obligations set out in the Transaction Documents to which it is a party. Damages for loss of profits, consequential damages or other speculative damages are not awarded in Saudi Arabia by the courts or other adjudicatory authorities, and only actual, direct and proven damages are awarded. Therefore, prospective investors should note that, if damages are awarded, they may receive less than they would have had an order for specific performance been granted.

The terms of the Master Declaration of Trust may not be enforceable in Saudi Arabia

The English law concept of a trust does not exist as such in Saudi Arabia. Accordingly, there is no certainty that the terms of the Master Declaration of Trust and any Supplemental Declaration of Trust (each of which will be governed by English law) would be enforced by the courts of Saudi Arabia and, as such, there can be no assurance that the obligations of the Trustee and/or the Delegate under the Master Declaration of Trust and any Supplemental Declaration of Trust to act on behalf of the Certificateholders in accordance with their instructions (given in accordance with the Conditions of the Certificates) are enforceable as a matter of contract under the laws of Saudi Arabia or that the courts and judicial committees of Saudi Arabia would recognise any claim of the Delegate on behalf of Certificateholders under the Transaction Documents pursuant to the Master Declaration of Trust.

Risk factors relating to taxation

Taxation risks on payments

Payments made by the Bank to the Trustee under, or pursuant to, the Servicing Agency Agreement, the Purchase Undertaking and/or the Sale and Substitution Undertaking are, and payments by the Trustee in respect of the Certificates could become, subject to taxation in Saudi Arabia. The Servicing Agency Agreement requires the Servicing Agent (as defined therein), each of the Purchase Undertaking and the Sale and Substitution Undertaking

requires the Bank, and the Master Declaration of Trust requires the Bank to pay additional amounts in the event that any withholding or deduction is required by applicable law to be made in respect of payments made by it to the Trustee which are intended to fund Periodic Distribution Amounts and Dissolution Distribution Amounts. Condition 12 (*Taxation*) provides that the Trustee is required to pay additional amounts in respect of any such withholding or deduction imposed by Cayman Islands law in certain circumstances. In the event that the Trustee fails to pay any such additional amounts in respect of any such withholding or deduction on payments due in respect of the Certificates to Certificateholders, the Bank has unconditionally and irrevocably undertaken (irrespective of the payment of any fee), as a continuing obligation, to pay to the Trustee (for the benefit of the Certificateholders) an amount equal to the liabilities of the Trustee in respect of any and all additional amounts required to be paid in respect of the Certificates pursuant to Condition 12 (*Taxation*) in respect of any withholding or deduction in respect of any tax as set out in that Condition.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Base Offering Circular shall be incorporated in, and form part of, this Base Offering Circular:

- (a) the unaudited interim condensed consolidated financial statements of the Group for the period ended 31 March 2025 together with the joint review report thereon and the notes thereto (an electronic copy of which is available at: <https://www.riyadbank.com/documents/20121/0/Quarter+1-+Interim+Condensed+Consolidated+Financial+Statements-+%28English%29.pdf/e8683a5d-d9ad-b581-ee9-e81cae80d03?t=1745934188062>);
- (b) the consolidated financial statements of the Group for the year ended 31 December 2024 together with the joint audit report thereon and the notes thereto (an electronic copy of which is available at: https://www.riyadbank.com/documents/20121/0/tinywow_Quarter+4-+Annual+Consolidated+Financial+Statements-+%28English%29_75004879.pdf/57918ec5-ac35-4317-64ad-231301cae477?t=1739362211158);
- (c) the consolidated financial statements of the Group for the year ended 31 December 2023 together with the joint audit report thereon and the notes thereto (an electronic copy of which is available at: <https://www.riyadbank.com/documents/20121/4468340/2023+FINANCIAL+STATEMENTS-+English+%281%29.pdf/3f4a2e8b-d79c-45f1-23b9-9d41f881de9f?t=1709821279011>); and
- (d) the Terms and Conditions of the Certificates contained in the offering circular dated 11 February 2020, pages 82 to 133 (inclusive) (an electronic copy of which is available at: <https://docs.londonstockexchange.com/sites/default/files/documents/riyad-sukuk-limited-3bn-trust-certificate-issuance-programme.pdf>)

(together, the “**Documents Incorporated by Reference**”).

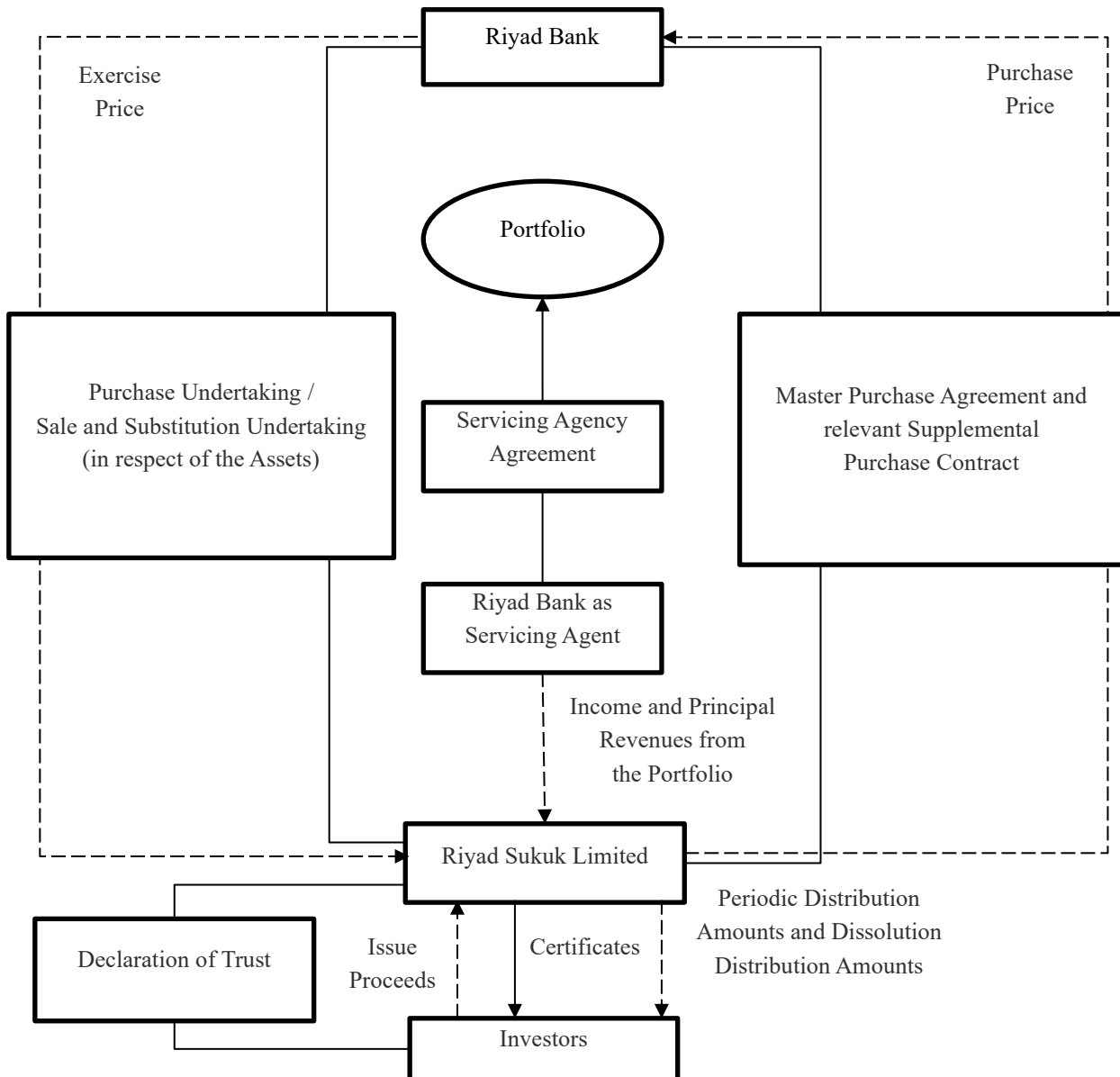
The Documents Incorporated by Reference shall be incorporated in, and form part of, this Base Offering Circular, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Base Offering Circular to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Offering Circular. Those parts of the Documents Incorporated by Reference in this Base Offering Circular which are not specifically incorporated by reference in this Base Offering Circular are either not relevant for prospective investors in the Certificates or the relevant information is included elsewhere in this Base Offering Circular. Any documents themselves incorporated by reference in the Documents Incorporated by Reference in this Base Offering Circular shall not form part of this Base Offering Circular.

Copies of the Documents Incorporated by Reference in this Base Offering Circular may be obtained from the registered office of the Trustee and from the specified office of the Principal Paying Agent during usual business hours and will be available for viewing on the Bank’s website.

STRUCTURE DIAGRAM AND CASH FLOWS

Set out below is a simplified structure diagram and description of the principal cash flows underlying each Series issued. Potential investors are referred to the terms and conditions of the Certificates set out in “Terms and Conditions of the Certificates” and the detailed descriptions of the relevant Transaction Documents set out in “Summary of the Principal Transaction Documents” for a fuller description of certain cash flows and for an explanation of the meaning of certain capitalised terms used below.

Structure Diagram



Key:

----- = cash flows

Principal cash flows

Payments by the Certificateholders and the Trustee

On the Issue Date of the first Tranche of any Series, the Trustee will use the proceeds for the relevant Series to purchase from the Bank a portfolio (the “**Initial Portfolio**”) of: (i) real estate assets (“**Real Estate Ijara Assets**”) (including the related real estate *ijara* contracts and all rights thereunder; provided, however, that such real estate asset is in existence on the date on which it enters the relevant Initial Portfolio); (ii) non-real estate *Ijara* assets (including the related non-real estate *ijara* contracts and all rights thereunder; provided, however, that such non-real estate asset is in existence on the date on which it enters the relevant Initial Portfolio) (each such asset, a “**Non-Real Estate Ijara Asset**” and, together with the Real Estate Ijara Assets, each an “**Ijara Asset**”); and (iii) any asset, other than an Ijara Asset, which is an income generating asset (including, without limitation, any *sukuk* or trust certificates) that has associated with it underlying tangible assets and which is originated, held or owned by the Bank in accordance with the *Shari’a* principles laid down by the Bank’s *Shari’a* Supervisory Board (including any agreements or documents relating to such asset) (each such asset, an “**Other Shari’a Compliant Asset**” and, together with the Ijara Assets, each an “**Asset**” or an “**Income Generating Asset**”).

In the case of any subsequent Tranche of Certificates of a Series, the relevant Certificateholders will pay the issue price (as set out in the applicable Pricing Supplement) in respect of the issuance of additional Certificates to the Trustee, and the Trustee will use such proceeds to purchase from the Bank the relevant Additional Portfolio pursuant to the terms of the Supplemental Purchase Contract.

The Assets which comprise the portfolio from time to time are together referred to in this Base Offering Circular as the “**Portfolio**”. The Servicing Agent will be appointed as servicing agent to service each Portfolio under the terms of the Servicing Agency Agreement.

Periodic distribution payments

Prior to each Periodic Distribution Date, the Servicing Agent will pay to the Trustee (by way of a payment into the relevant Transaction Account) an amount reflecting returns generated (other than returns in the nature of sale, capital or principal payments) by the relevant Portfolio (“**Portfolio Income Revenues**”) during the relevant Distribution Period, which is intended to be sufficient to fund the Periodic Distribution Amounts payable by the Trustee under the relevant Series and shall be applied by the Trustee for that purpose.

In the event that the Portfolio Income Revenues to be paid by the Servicing Agent into the relevant Transaction Account on any Distribution Determination Date are greater than the Required Amount (as defined below) (having first repaid (i) any Liquidity Facility and/or (ii) any Service Agency Liabilities Amounts for the relevant Distribution Period) for the relevant Series on the immediately following Periodic Distribution Date, the amount of any excess shall be retained by the Servicing Agent as a reserve and credited to a separate book-entry ledger account (in respect of each Series, the “**Income Reserve Collection Account**”) maintained by the Servicing Agent.

If there is a shortfall on any Distribution Determination Date (after transfer of the Portfolio Income Revenues into the relevant Transaction Account as described above) between (i) the amounts standing to the credit of the relevant Transaction Account and (ii) an amount (the “**Required Amount**”) equal to the aggregate of the Periodic Distribution Amounts and any other amounts payable by the Trustee in respect of the relevant Certificates on the immediately following Periodic Distribution Date (a “**Shortfall**”), the Servicing Agent shall first apply the amounts standing to the credit of the relevant Income Reserve Collection Account (if any) towards such Shortfall by transferring into the relevant Transaction Account from such Income Reserve Collection Account on that Distribution Determination Date an amount equal to the Shortfall (or such lesser amount as is then standing to the credit of such Income Reserve Collection Account). If, having applied such amounts standing to the credit of the relevant Income Reserve Collection

Account (if any) and after payment to the relevant Transaction Account of all other amounts payable pursuant to any other Transaction Document, any part of the Shortfall still remains, the Servicing Agent may either:

- (a) provide *Shari'a*-compliant funding to the Trustee itself; or
- (b) procure *Shari'a*-compliant funding from a third party to be paid to the Trustee,

in each case, in the amount required to ensure that there is no Shortfall and on terms that such funding is repayable from the Portfolio Income Revenues in the future or on the date on which the Certificates of the relevant Series are redeemed in full (each a “**Liquidity Facility**”).

Dissolution payments

On each Scheduled Dissolution Date, the Trustee will have the right under the Purchase Undertaking to require the Bank to purchase all of the Trustee’s rights, title, interests, benefits and entitlements in, to and under the relevant Portfolio. The exercise price payable by the Bank is intended to fund the Dissolution Distribution Amount payable by the Trustee under the relevant Certificates.

The Trust in relation to any Series may be dissolved prior to the relevant Scheduled Dissolution Date for the following reasons: (i) dissolution following a Dissolution Event; (ii) an early dissolution for taxation reasons; (iii) (in the case of Tier 2 Certificates) an early dissolution upon a Capital Disqualification Event; (iv) if so specified in the applicable Pricing Supplement, at the option of the Bank (following the receipt of an Exercise Notice from the Bank as defined and in accordance with the terms of the Sale and Substitution Undertaking) on the Dissolution Date; and (v) if so specified in the applicable Pricing Supplement, at the option of the Certificateholders on any Certificateholder Put Option Date.

In the case of sub-paragraphs (i) to (iv) above, inclusive, the amounts payable by the Trustee on the due date for dissolution will be funded in a similar manner as for the payment of the Dissolution Distribution Amount in respect of the Scheduled Dissolution Date. Similarly, upon the exercise by Certificateholders of the option described in sub-paragraph (v) above, the Trustee will redeem the relevant Certificates on the Certificateholder Put Option Date at the relevant Dissolution Distribution Amount. Any such redemption shall be funded through the exercise by the Trustee of its right under the Purchase Undertaking to require the Bank to purchase all of the Trustee’s rights, title, interests, benefits and entitlements in, to and under a portion of the relevant Portfolio with an aggregate Value (as defined below under “*Summary of the Principal Transaction Documents—Servicing Agency Agreement*”) no greater than the aggregate face amount of the Certificates to be redeemed.

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Offering Circular and, in relation to the terms and conditions of any particular Tranche, the applicable Pricing Supplement. The Trustee and any relevant Dealer(s) may agree that Certificates shall be issued in a form other than that contemplated in the Terms and Conditions of the Certificates, in which event, if appropriate, a supplement to the Base Offering Circular will be published.

Words and expressions defined in “Terms and Conditions of the Certificates” and “Summary of Provisions relating to the Certificates while in Global Form” shall have the same meanings in this overview.

Bank	Riyad Bank
Trustee	Riyad Sukuk Limited, an exempted company with limited liability incorporated on 6 June 2018 under the Companies Act (As Revised) of the Cayman Islands with company registration number 338136 and with its registered office at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands. The Trustee has been incorporated solely for the purpose of participating in the transactions contemplated by the Transaction Documents to which it is a party.
Bank (LEI)	54930037RJ782ISGGM71
Trustee (LEI)	549300P8GI2KKEMZUH97
Ownership of the Trustee	The authorised share capital of the Trustee is U.S.\$50,000 consisting of 50,000 shares of U.S.\$1.00 each, of which 250 shares are fully paid up and issued. The Trustee’s entire issued share capital is held on trust for charitable purposes by MaplesFS Limited under the terms of a share declaration of trust dated 6 February 2020 (the “ Share Declaration of Trust ”).
Administration of the Trustee	The affairs of the Trustee are managed by MaplesFS Limited, a licensed trust company in the Cayman Islands (the “ Trustee Administrator ”), with registered office at P.O. Box 1093, Queensgate House, Grand Cayman KY1-1102, Cayman Islands, who will provide, amongst other things, corporate administrative services, director services and act as share trustee for and on behalf of the Trustee pursuant to the corporate services agreement dated 6 February 2020 between the Trustee and the Trustee Administrator (the “ Corporate Services Agreement ”). The Trustee Administrator also provides registered office services to the Trustee in accordance with its standard terms and conditions for the provision of registered office services (the “ Registered Office Terms ”).
Arrangers	HSBC Bank plc, Merrill Lynch International, Riyad Capital and Standard Chartered Bank (the “ Arrangers ”).
Dealers	HSBC Bank plc, Merrill Lynch International, Riyad Capital and Standard Chartered Bank and any other Dealer appointed from

	time to time either generally in respect of the Programme or in relation to a particular Series of Certificates.
Delegate	BNY Mellon Corporate Trustee Services Limited (the “ Delegate ”). In accordance with the Master Declaration of Trust, the Trustee will, <i>inter alia</i> , unconditionally and irrevocably appoint the Delegate to be its delegate and attorney and to exercise certain present and future rights, powers, authorities and discretions vested in the Trustee by certain provisions of the Master Declaration of Trust in accordance with the terms of the Master Declaration of Trust. In particular, the Delegate shall be entitled (and, in certain circumstances, shall be obliged), subject to being indemnified and/or secured and/or pre-funded to its satisfaction, to take enforcement action in the name of the Trustee against the Bank (in any capacity) following a Dissolution Event.
Principal Paying Agent and Transfer Agent	The Bank of New York Mellon, London Branch
Registrar	The Bank of New York Mellon SA/NV, Dublin Branch
Initial Programme Size	Up to U.S.\$3,000,000,000 (or its equivalent in other currencies calculated as described in the Dealer Agreement) outstanding at any time. The size of the Programme may be increased in accordance with the terms of the Dealer Agreement.
Method of Issue	The Certificates may be issued on a syndicated or non-syndicated basis. The specific terms of each Series will be recorded in the applicable Pricing Supplement.
Issuance in Series	Certificates will be issued in Series. Each Series may comprise one or more Tranches issued on different Issue Dates. The Certificates of each Series will have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of Periodic Distribution Amounts thereon and the Profit Commencement Date.
Currencies	Subject to any applicable legal or regulatory restrictions, Certificates may be denominated in any currency (each a “ Specified Currency ”) agreed between the Trustee, the Bank and the relevant Dealer.
Maturities	The Certificates will have such maturities as may be agreed between the Trustee, the Bank and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Trustee, the Bank or the Specified Currency.
Issue Price	Certificates may be issued at any price on a fully-paid basis, as specified in the applicable Pricing Supplement. The price and amount of Certificates will be determined by the Trustee and the

	Bank and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
Denomination of Certificates	The Certificates will be issued in such denominations as may be agreed between the Trustee, the Bank and the relevant Dealer(s), save that (i) the minimum denomination of each Certificate will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Specified Currency; and (ii) unless otherwise permitted by such current laws and regulations, Certificates (including Certificates denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Trustee in the UK or whose issue otherwise constitutes a contravention of Section 19 of the FSMA will have a minimum denomination of £100,000 (or, if the Certificates are denominated in a currency other than sterling, the equivalent amount in such currency, as calculated on the Issue Date of such Series).
Status of the Senior Certificates	<p>The Senior Certificates will represent an undivided ownership interest in the Trust Assets of the relevant Series and will be limited recourse obligations of the Trustee. Each Senior Certificate will constitute direct, unconditional, unsubordinated and unsecured obligations of the Trustee and shall rank <i>pari passu</i> and without any preference or priority with all other Senior Certificates. In the event of the bankruptcy, insolvency, winding-up or dissolution of the Trustee, the payment obligations of the Trustee under the Senior Certificates shall, save for such exceptions as may be provided by applicable legislation, rank at least equally with all other unsubordinated and unsecured obligations of the Trustee.</p> <p>The payment obligations of the Bank (in any capacity) to the Trustee under the Transaction Documents to which it is a party in respect of each Series of Senior Certificates will be direct, unconditional, unsubordinated and (subject to the negative pledge provisions described in Condition 7 (<i>Obligor Negative Pledge</i>)) unsecured obligations of the Bank, which rank at least <i>pari passu</i> with all other present and future unsubordinated and unsecured obligations of the Obligor save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.</p>
Status of the Tier 2 Certificates	Each Tier 2 Certificate will evidence an undivided ownership interest of the Certificateholders in the Trust Assets of the relevant Series, will be a direct, unsecured and limited recourse obligation of the Trustee and will rank <i>pari passu</i> , without any preference or priority, with all other Tier 2 Certificates.
Subordination of the Tier 2 Certificates	The payment obligations of the Bank (in any capacity) under the Transaction Documents to which it is a party to fund the Periodic

Distribution Amounts, the Dissolution Distribution Amount and any other amounts payable in respect of the Tier 2 Certificates, will constitute direct, unsecured and subordinated obligations of the Bank which shall, in the case of a Winding Up Proceeding, rank:

- (a) subordinate to claims in respect of Senior Obligations;
- (b) at least *pari passu* with claims in respect of all Parity Obligations; and
- (c) in priority to claims in respect of Junior Obligations.

By virtue of such subordination, if a Winding Up Proceeding occurs, no amount will be paid by the Bank in relation to the Tier 2 Certificates until all claims in respect of Senior Obligations have been satisfied.

Trust Assets	The Trust Assets in respect of each Series will be (a) the cash proceeds of the issue of Certificates, pending application thereof in accordance with the terms of the Transaction Documents; (b) any and all of the rights, title, interests, benefits and entitlements, present and future, of the Trustee in, to and under the Portfolio; (c) any and all of the rights, title, interests, benefits and entitlements, present and future, of the Trustee in, to and under the Transaction Documents (other than in relation to the Excluded Representations and the covenant given to the Trustee by the Bank pursuant to clause 13.1 of the Master Declaration of Trust); (d) any and all moneys standing to the credit of the Transaction Account from time to time; and (e) any and all proceeds of the foregoing listed in paragraphs (a) to (d) above (together, the “ Trust Assets ”).
Periodic Distribution Amounts.....	Certificateholders are entitled to receive Periodic Distribution Amounts calculated on the basis specified in the Conditions and the applicable Pricing Supplement.
Fixed Rate Certificates.....	Fixed Rate Certificates will bear profit on their outstanding face amount at such fixed rate per annum and on such date or dates as may be agreed between the Trustee, the Bank and the relevant Dealer(s), calculated in accordance with such Day Count Fraction as may be agreed between the Trustee, the Bank and the relevant Dealer(s), as more particularly described in Condition 8(a) (<i>Fixed Rate Certificates</i>).
Floating Rate Certificates	Floating Rate Certificates will bear profit on their outstanding face amount at such floating rate per annum as may be determined: <ul style="list-style-type: none"> (a) on the same basis as the floating rate under a notional profit rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions or the 2021 ISDA Interest Rate Derivatives Definitions (as published by the International Swaps and

Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the relevant Series of Certificates) plus or minus the applicable margin; or

- (b) on the basis of the relevant Reference Rate as adjusted for any applicable margin.

The margin (if any) relating to such floating rate will be agreed between the Trustee, the Bank and the relevant Dealer(s) for each Series of Floating Rate Certificates.

Such profit will be paid on such date or dates as may be agreed between the Trustee, the Bank and the relevant Dealer(s) and will be calculated on the basis of such Day Count Fraction as may be agreed between the Trustee, the Bank and the relevant Dealer(s). Floating Rate Certificates may also have a maximum profit rate, a minimum profit rate or both.

See Condition 8(c) (*Floating Rate Certificates*).

Reset Certificates

Reset Certificates will bear profit:

- (a) in respect of the period from (and including) the Profit Commencement Date to (but excluding) the Reset Certificate Reset Date (or, if there is more than one Reset Certificate Reset Period, the first Reset Certificate Reset Date occurring after the Profit Commencement Date), at the Initial Profit Rate; and
- (b) in respect of the Reset Certificate Reset Period (or, if there is more than one Reset Certificate Reset Period, each successive Reset Certificate Reset Period thereafter), at such rate per annum as is equal to the relevant Subsequent Reset Periodic Distribution Rate, as determined by the Calculation Agent on the relevant Reset Determination Date in accordance with Condition 8(b)(i) (*Reset Certificates – Periodic Distribution Amounts and Periodic Distribution Dates*), payable, in each case, in arrear on the Periodic Distribution Dates(s).

See Condition 8(b) (*Reset Certificates*).

Benchmark Discontinuation

In the event that a Benchmark Event occurs, such that any profit rate (or any component part thereof) cannot be determined by reference to the original benchmark or screen rate (as applicable) specified in the applicable Pricing Supplement, then the Bank may (subject to certain conditions) be permitted to substitute such benchmark and/or screen rate (as applicable) with a successor, replacement or alternative benchmark and/or screen rate (with consequent amendment to the terms of such Series of Certificates and, potentially, the application of an Adjustment Spread (which could be positive, negative or zero)). See Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*) for further information.

SOFR Benchmark Discontinuation	In the event that a SOFR Benchmark Event occurs, such that the relevant benchmark (or any component part thereof) cannot be determined by reference to the original benchmark specified in the applicable Pricing Supplement, then the Bank may (subject to certain conditions) be permitted to substitute such benchmark with an alternative benchmark (with consequent amendment to the terms of such Series of Certificates). See Condition 8(d) (<i>Benchmark Discontinuation – Reference Rate other than SOFR</i>) for further information.
Negative Pledge.....	The Senior Certificates will have the benefit of a negative pledge as described in Condition 7 (<i>Obligor Negative Pledge</i>).
Cross-Acceleration	In respect of the Bank, the Senior Certificates will have the benefit of a cross-acceleration provision, as described in Condition 14 (<i>Dissolution Events</i>) and paragraph (e) of the definition of “Riyad Bank Event” corresponding thereto.
Dissolution on the Scheduled Dissolution Date.....	Unless the Certificates are previously redeemed or purchased and cancelled, the Trustee will redeem each Certificate at the relevant Dissolution Distribution Amount on the relevant Scheduled Dissolution Date specified in the applicable Pricing Supplement for such Series and the Trust in relation to the relevant Series will be dissolved by the Trustee following the payment of all such amounts in full.
Dissolution Distribution Amount	<p>In relation to each Certificate being redeemed:</p> <ul style="list-style-type: none"> (a) the sum of: <ul style="list-style-type: none"> (i) the outstanding face amount of such Certificate; and (ii) any accrued but unpaid Periodic Distribution Amounts for such Certificate; or (b) in relation to each Certificate, such other amount specified in the applicable Pricing Supplement as being payable upon the relevant Dissolution Date.
Early Dissolution	<p>The Certificates may be redeemed, in whole or (to the extent specified in the Conditions and the applicable Pricing Supplement) in part, prior to the Scheduled Dissolution Date upon the:</p> <ul style="list-style-type: none"> (a) occurrence of a Tax Event; (b) occurrence of a Capital Disqualification Event (in the case of Tier 2 Certificates only); (c) exercise of an Optional Dissolution (Call) (if so specified in the applicable Pricing Supplement); (d) exercise of a Certificateholder Put Option (if so specified in the applicable Pricing Supplement and in the case of Senior Certificates only); or

(e) occurrence of a Dissolution Event,
in each case, at the relevant Dissolution Distribution Amount
on the relevant Dissolution Date.

For Shari'a reasons, the Optional Dissolution (Call) and the Certificateholder Put Option cannot both be specified as applicable in the applicable Pricing Supplement in respect of any single Series.

Dissolution Events

The Dissolution Events are described in Condition 1 (*Interpretation*). In respect of the Senior Certificates only, following the occurrence of a Dissolution Event in respect of a Series of Certificates, the Certificates may be redeemed in whole, but not in part, at the relevant Dissolution Distribution Amount on the Dissolution Event Redemption Date in the manner described in Condition 14 (*Dissolution Events*).

In respect of the Tier 2 Certificates only, if a Tier 2 Event has occurred, the Delegate in its sole discretion may and, if so requested in writing by the holders of at least 20 per cent. of the aggregate face amount of the Certificates then outstanding or if so directed by an Extraordinary Resolution of the holders of the Certificates, shall (subject, in each case, to being indemnified and/or secured and/or prefunded to its *satisfaction*): (a) in the case of a Default, notwithstanding the provisions of Condition 14(d) (*Enforcement and Exercise of Rights in respect of Tier 2 Certificates*), institute proceedings for the Bank to be declared bankrupt or insolvent or for there otherwise to be a Winding Up Proceeding and prove in the winding-up, dissolution or liquidation of the Bank; and (b) in the case of a Winding Up Proceeding, claim or prove in the winding-up, dissolution and liquidation of the Bank.

Early Dissolution for Tax Reasons

Subject to Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*) in relation to Tier 2 Certificates, where the Trustee has or will become obliged to pay any additional amounts in respect of the Certificates pursuant to Condition 12 (*Taxation*), or the Bank has or will become obliged to pay any additional amounts in respect of amounts payable to the Trustee pursuant to the terms of any Transaction Document, as a result of a change in, or amendment to, the laws or regulations of any Relevant Jurisdiction or any change in the application or official interpretation of such laws or regulations, and such obligation cannot be avoided by the Trustee or the Bank, as applicable, taking reasonable measures available to it, the Bank may in its sole discretion require the Trustee to redeem the Certificates in whole, but not in part, on a Periodic Distribution Date (in the case of a Floating Rate Certificate) or at any time (in the case of a Fixed Rate Certificate) at the relevant

Dissolution Distribution Amount, as more particularly described in Condition 9(b) (*Early Dissolution for Taxation Reasons*).

Early Redemption following a Capital Disqualification Event

In the case of Tier 2 Certificates only, and subject to Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*), if a Capital Disqualification Event has occurred, the Trustee may, following receipt of an exercise notice from the Bank pursuant to the Sale and Substitution Undertaking redeem the Certificates in whole, but not in part, on a Periodic Distribution Date (in the case of a Floating Rate Certificate) or at any time (in the case of a Fixed Rate Certificate) at the relevant Dissolution Distribution Amount, as more particularly described in Condition 9(c) (*Early Dissolution following a Capital Disqualification Event*).

Optional Dissolution (Call)

If so specified in the applicable Pricing Supplement, the Bank may, in accordance with Condition 9(d) (*Dissolution at the Option of the Obligor (Optional Dissolution (Call))*), require the Trustee to redeem the Certificates of the relevant Series, in whole, but not in part, as the case may be, at the relevant Dissolution Distribution Amount on any Optional Dissolution Date (which, if the Certificate is a Floating Rate Certificate, will be a Periodic Distribution Date).

If applicable to the relevant Series, the Optional Dissolution Date(s) will be specified in the applicable Pricing Supplement.

Certificateholder Put Option

In the case of Senior Certificates only and if so specified in the applicable Pricing Supplement, Certificateholders may elect to redeem their Certificates on any Certificateholder Put Option Date(s) specified in the applicable Pricing Supplement (which, if the Certificate is a Floating Rate Certificate, will be a Periodic Distribution Date) at an amount equal to the relevant Dissolution Distribution Amount in accordance with Condition 9(e) (*Dissolution at the Option of Certificateholders (Certificateholder Put Option)*).

Cancellation of Certificates held by the Bank and/or any of its Subsidiaries

Pursuant to Condition 9(h) (*Purchases*), and subject to Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*) in the case of Tier 2 Certificates only, the Bank and/or any of its Subsidiaries may at any time purchase Certificates in the open market or otherwise. If the Bank wishes to cancel such Certificates purchased by it and/or any of its Subsidiaries, the Bank may do so in accordance with Condition 9(h) (*Cancellation*).

Limited Recourse.....

Each Certificate represents solely an undivided ownership interest in the relevant Trust Assets. No payment of any amount whatsoever shall be made in respect of the Certificates except to the extent that funds for that purpose are available from the relevant Trust Assets.

Certificateholders will otherwise have no recourse to any assets of the Trustee in respect of any shortfall in the expected amounts due from the relevant Trust Assets to the extent the Trust Assets have been exhausted, following which all obligations of the Trustee shall be extinguished.

See further Condition 4(e) (*Limited Recourse and Agreement of the Certificateholders*).

**Non-Viability/Write-down of the
Certificates**

In the case of Tier 2 Certificates only, if a Non-Viability Event occurs at any time on or after the Issue Date of a Series of Certificates and prior to the date on which the Applicable Statutory Loss Absorption Regime becomes effective in respect of the Certificates, the Tier 2 Certificates shall be written-down subject to and as provided in Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*). See Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*) for further information on such potential Write-downs, including for the definitions of various terms used in this section.

A “**Non-Viability Event**” means that the Financial Regulator has notified the Bank in writing that it has determined that the Bank is, or will become, Non-Viable without:

- (a) a Write-down of the Certificates (and write-down of any of the Bank’s other capital instruments or other obligations constituting Tier 1 Capital and/or Tier 2 Capital); or
- (a) a public sector injection of capital (or equivalent support) provided that such injection of capital is not made (a) by a shareholder of the Bank or (b) on terms that are more favourable to the Bank than those that would be accepted by private investors in comparable transactions.

In respect of Tier 2 Certificates only, all claims by the Trustee (or the Delegate acting in the name and on behalf of the Trustee) against the Bank under the Transaction Documents (including, without limitation, any claim in relation to any unsatisfied payment obligation of the Bank under the Transaction Documents) shall be subject to, and shall be superseded by the provisions of Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*), irrespective of whether the relevant Non-Viability Event occurs prior to or after the event which is the subject matter of the claim, provided that nothing in the Conditions shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Delegate or the rights and remedies of the Delegate in respect thereof, all of which shall accordingly remain unsubordinated.

Form and Delivery of the Certificates ..	<p>The Certificates will be issued in registered form only. The Certificates of each Series will be represented on issue by interests in a Global Certificate, which will be deposited with, and registered in the name of a nominee for, a Common Depositary for Euroclear and Clearstream, Luxembourg. Individual Certificates evidencing holdings of Certificates will be issued in exchange for interests in the relevant Global Certificate only in certain limited circumstances described under “<i>Summary of Provisions relating to the Certificates while in Global Form</i>”.</p>
Clearance and Settlement	<p>Holders of the Certificates must hold their interest in the relevant Global Certificate in book-entry form through Euroclear and/or Clearstream, Luxembourg. Transfers within and between each of Euroclear or Clearstream, Luxembourg will be in accordance with the usual rules and operating procedures of the relevant clearing system.</p>
Withholding Tax	<p>All payments in respect of the Certificates are to be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Relevant Jurisdiction, unless such withholding or deduction is required by law. In such event, the Trustee has agreed to pay such additional amounts as shall result in receipt by the Certificateholders (after such withholding or deduction) of such net amounts as would have been receivable by them had no such withholding or deduction been required, subject to and in accordance with Condition 12 (<i>Taxation</i>).</p> <p>Further, in accordance with the terms of the Master Declaration of Trust, the Bank has unconditionally and irrevocably undertaken to (irrespective of the payment of any fee), as a continuing obligation, in the event that the Trustee fails to comply with any obligation to pay additional amounts pursuant to Condition 12 (<i>Taxation</i>), pay to or to the order of the Delegate (for the benefit of the Certificateholders) such net amounts as are necessary so that the amount receivable by the Delegate (after any such withholding or deduction) equals any and all additional amounts, required to be paid by it in respect of the Certificates pursuant to Condition 12 (<i>Taxation</i>).</p> <p>The Transaction Documents provide that payments thereunder by the Bank shall be made free and clear of, and without any deduction or withholding for, any Taxes unless required by law and without set-off or counterclaim of any kind and, in the event that there is any such deduction or withholding, the Bank has undertaken that it shall pay all additional amounts as will result in the receipt by the Trustee or the Delegate (as applicable) of</p>

	such net amounts as would have been received by it if no such deduction or withholding had been made.
Listing and Admission to Trading	<p>Application has been made to the London Stock Exchange for the Certificates to be admitted to trading on the ISM during the period of 12 months after the date hereof.</p> <p>Certificates may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Trustee, the Bank and the relevant Dealer(s) in relation to the relevant Tranche.</p> <p>The applicable Pricing Supplement will state whether or not the relevant Certificates are to be listed and/or admitted to trading and, if so, on which stock exchange and/or market.</p>
Certificateholder Meetings	A summary of the provisions for convening meetings of Certificateholders to consider matters relating to their interests as such is set out in Condition 16 (<i>Meetings of Certificateholders, Modification and Waiver</i>).
Tax Considerations	See “ <i>Taxation</i> ” for a description of certain tax considerations applicable to the Certificates.
Governing Law and Dispute Resolution	<p>The Certificates and any non-contractual obligations arising out of or in connection with them shall be governed by, and construed in accordance with, English law.</p> <p>Each Transaction Document and any non-contractual obligations arising out of or in connection with them will be governed by, and construed in accordance with, English law, except that the Master Purchase Agreement, the Amendment Agreement, each Supplemental Purchase Contract, each Sale Agreement entered into under the Purchase Undertaking and each Sale Agreement or Transfer Agreement entered into under the Sale and Substitution Undertaking are governed by the laws and regulations of Saudi Arabia.</p> <p>In respect of any dispute under any Transaction Document to which it is a party, the Bank has agreed to arbitration in London under the Rules.</p> <p>The Corporate Services Agreement, the Registered Office Terms and the Share Declaration of Trust will be governed by the laws of the Cayman Islands and subject to the non-exclusive jurisdiction of the courts of the Cayman Islands.</p>
Waiver of Immunity	Under each of the Transaction Documents, each of the Trustee and the Bank has explicitly acknowledged that its execution of such documents constitutes, and its exercise of its rights and performance of its obligations thereunder will constitute, private and commercial acts done and performed for private and commercial purposes (rather than an act in its or any other sovereign capacity) and agreed not to claim and irrevocably and

	<p>unconditionally waived with respect to any proceedings or disputes arising under the Conditions or any of such documents any sovereign or other immunity that it or its property, assets or revenues may have including (without limitation) from jurisdiction, suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process or defence and has irrevocably and unconditionally consented to the giving of any relief or the issue of any process, including without limitation, the making, enforcement, or execution against any of its property, assets or revenues whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any proceedings or Disputes.</p>
Transaction Documents.....	<p>The Transaction Documents are the Master Declaration of Trust, each Supplemental Declaration of Trust, the Agency Agreement, the Master Purchase Agreement, each Supplemental Purchase Contract, the Servicing Agency Agreement, the Purchase Undertaking, the Sale and Substitution Undertaking and each sale agreement entered into pursuant to the Purchase Undertaking or the Sale and Substitution Undertaking, as the case may be, the Amendment Agreement and the Amendment Deed.</p>
Ratings.....	<p>The Programme has been assigned ratings of “A” by S&P and “A1” by Moody’s in respect of the Senior Certificates and “Baa3” by Moody’s in respect of the Tier 2 Certificates. Series of Certificates issued under the Programme may be rated or unrated. Where a Series of Certificates is rated, such rating, and the credit rating agency issuing such rating, will be disclosed in the applicable Pricing Supplement and will not necessarily be the same as the rating applicable to the Programme. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.</p>
Selling Restrictions	<p>There are restrictions on the offer, sale and transfer of the Certificates, including in the Cayman Islands, the Dubai International Financial Centre, the EEA, the UK, Hong Kong, Japan, Kuwait, the Kingdom of Bahrain, Saudi Arabia, Malaysia, Singapore, the State of Qatar (including the Qatar Financial Centre), the United Arab Emirates (excluding the Dubai International Financial Centre), the PRC and the United States of America. See “<i>Subscription and Sale</i>”.</p>
United States Selling Restrictions	<p>Regulation S, Category 2.</p>

TERMS AND CONDITIONS OF THE CERTIFICATES

*The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of Part A of the applicable Pricing Supplement shall be applicable to the Certificates in definitive form (if any) issued in exchange for the Global Certificate representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the applicable Pricing Supplement or (ii) these terms and conditions as so completed (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such definitive Certificates. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the applicable Pricing Supplement. Those definitions will be endorsed on the definitive Certificates. References in the Conditions to “**Certificates**” are to the Certificates of one Series only, not to all Certificates that may be issued under the Programme and “**Certificateholder**” or “**holder**” (as defined below), shall be construed accordingly.*

*The Saudi Central Bank (“**SAMA**”) does not make any representation as to the accuracy or completeness of this Base Offering Circular and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Base Offering Circular. In particular, prospective purchasers of the Certificates agree and acknowledge that SAMA assumes no liability whatsoever to any purchaser of the Certificates for any loss arising from, or incurred as a result of, the occurrence of a Non-Viability Event (as defined in these Conditions).*

Riyad Sukuk Limited (in its capacity as issuer and in its capacity as trustee, as applicable, the “**Trustee**”, which expression shall where the context allows include the Delegate (as defined below) acting pursuant to the powers delegated to it by the Trustee pursuant to the relevant Declaration of Trust (as defined below)) has established a programme (the “**Programme**”) for the issuance of trust certificates (the “**Certificates**”) in a maximum aggregate face amount of U.S.\$3,000,000,000 (or the equivalent in other currencies calculated as described in the amended and restated dealer agreement between the Trustee, Riyad Bank (the “**Bank**” or the “**Obligor**”) and the Dealers named therein dated 16 May 2025 (the “**Dealer Agreement**”), or such other maximum aggregate face amount as increased in accordance with the terms of the Dealer Agreement.

The Certificates are constituted by an amended and restated master declaration of trust dated 16 May 2025 between, amongst others, the Trustee, the Obligor and BNY Mellon Corporate Trustee Services Limited (the “**Delegate**”, which expression shall include all persons for the time being the delegate or delegates under the Master Declaration of Trust) (the “**Master Declaration of Trust**”) as supplemented by a supplemental declaration of trust entered into on or before the date of issue of the relevant Certificates (the “**Issue Date**”) in respect of the relevant Tranche (the “**Supplemental Declaration of Trust**” and, together with the Master Declaration of Trust, the “**Declaration of Trust**”).

In addition, the Certificates will provide that the rights of Certificateholders with regard to payments to be made thereunder will either be (i) unsubordinated (“**Senior Certificates**”) or (ii) subordinated in the manner described under Condition 4 (*Status*) below with terms capable of qualifying as Tier 2 Capital of the Bank (the “**Tier 2 Certificates**”). The applicable Pricing Supplement will specify whether a Series of Certificates are “Senior Certificates” or “Tier 2 Certificates”.

An amended and restated agency agreement dated 16 May 2025 (the “**Agency Agreement**”) has been entered into in relation to the Certificates between, amongst others, the Trustee, the Obligor, the Delegate, The Bank of New York Mellon, London Branch as principal paying agent and transfer agent, The Bank of New York Mellon SA/NV, Dublin Branch as registrar and the other agents named in it. The principal paying agent, the other paying agents, the registrar, the transfer agent and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Principal Paying Agent**”, the “**Paying Agents**” (which expression shall include the Principal Paying Agent), the “**Registrar**”, the “**Transfer Agent**” and the “**Calculation Agent(s)**”, and together the “**Agents**”.

These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of: (i) the Declaration of Trust, which includes the form of Certificates referred to below, (ii) the Agency Agreement and (iii) the remaining Transaction Documents (as defined below). The Certificateholders are bound by, and are deemed to have notice of, all the provisions applicable to them in the Transaction Documents. The final terms for a Certificate (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement attached to or endorsed on the Certificate which complete these Conditions. References to the “**applicable Pricing Supplement**” are, unless otherwise stated, to Part A of the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on the relevant Certificate.

Copies of the Transaction Documents: (1) are available for inspection by Certificateholders from the registered office of the Trustee and the specified office of the Principal Paying Agent during usual business hours on any weekday (excluding Saturdays, Sundays and public holidays); or (2) will, at the option of the Principal Paying Agent, be available by email at a Certificateholder’s request (subject to provision of proof of holding satisfactory to the Principal Paying Agent and the Obligor), in each case, during usual business hours on any weekday (excluding Saturdays, Sundays and public holidays).

Each initial Certificateholder, by its acquisition and holding of its interest in a Certificate, shall be deemed to authorise and direct the Trustee, on behalf of the Certificateholders: (a) to apply the proceeds of the issue of the relevant Tranche of Certificates in accordance with the terms of the Transaction Documents; and (b) to enter into, and perform its obligations under and in connection with, each Transaction Document to which it is a party, subject to the provisions of the Declaration of Trust and these Conditions.

1 Interpretation

Unless defined herein or the context otherwise requires, any capitalised words and expressions used but not defined herein shall have the meaning given to them in the Declaration of Trust and the Agency Agreement. In addition, for the purposes of these Conditions, the following expressions have the following meanings:

“**Accounts**” means (in the case of the Bank) its then latest audited consolidated financial statements and (in the case of the relevant Subsidiary) its then latest audited consolidated (if available) or non-consolidated financial statements, provided that, if audited financial statements for any Subsidiary have not been prepared in respect of any relevant period, “Accounts” shall, in relation to that Subsidiary, mean its management accounts for the relevant period;

“**Amendment Agreement**” means the amendment agreement relating to the Master Purchase Agreement dated 16 May 2025 between the Trustee (as issuer, trustee and purchaser), the Obligor (as seller), the Delegate and the Retiring Delegate named therein;

“**Amendment Deed**” means the amendment deed relating to the Servicing Agency Agreement, the Purchase Undertaking and the Sale and Substitution Undertaking dated 16 May 2025 between the Trustee (as issuer and trustee), the Obligor (as obligor and servicing agent), the Delegate and the Retiring Delegate named therein;

“**Applicable Regulatory Capital Requirements**” means the requirements contained in the Capital Regulations for the maintenance of capital from time to time applicable to the Bank, including transitional rules and waivers granted in respect of the foregoing;

“**Authorised Signatory**” has the meaning given to it in the Master Declaration of Trust;

“**Broken Amount**” means the amount specified as such in the applicable Pricing Supplement;

“**Business Day**” has the meaning given to it in Condition 8(k) (*Definitions*);

“**Calculation Amount**” means the amount specified as such in the applicable Pricing Supplement;

“**Cancellation Notice**” means a cancellation notice given pursuant to the terms of the Declaration of Trust and the Sale and Substitution Undertaking;

“**Capital Disqualification Event Dissolution Date**” has the meaning given to it in Condition 9(c) (*Early Dissolution following a Capital Disqualification Event*);

“**Certificateholder**” or “**holder**” has the meaning given to it in Condition 2 (*Form, Denomination and Title*);

“**Certificateholder Put Exercise Notice**” has the meaning given to it in Condition 9(e) (*Dissolution at the Option of Certificateholders (Certificateholder Put Option)*);

“**Certificateholder Put Option**” means the right exercisable by Certificateholders pursuant to Condition 9(e) (*Dissolution at the Option of Certificateholders (Certificateholder Put Option)*);

“**Certificateholder Put Option Date**” means, in relation to any exercise of the Certificateholder Put Option, the date(s) specified as such in the applicable Pricing Supplement and which must (if this Certificate is a Floating Rate Certificate) be a Periodic Distribution Date;

“**Certificateholder Put Option Exercise Price**” has the meaning given to it in the Purchase Undertaking;

“**Corporate Services Agreement**” means the corporate services agreement entered into between the Trustee and the Trustee Administrator dated 6 February 2020;

“**Day Count Fraction**” has the meaning given to it in Condition 8(k) (*Definitions*);

“**Default**” has the meaning given to it in Condition 14(b)(i) (*Dissolution Events for Tier 2 Certificates*);

“**Delegation**” has the meaning given to it in Condition 17(a) (*Delegation of Powers*);

“**Dispute**” has the meaning given to it in Condition 22(b) (*Arbitration*);

“**Dissolution Date**” means, as the case may be:

- (a) the Scheduled Dissolution Date;
- (b) any Early Tax Dissolution Date;
- (c) any Optional Dissolution Date;
- (d) any Capital Disqualification Event Dissolution Date;
- (e) any Certificateholder Put Option Date; or
- (f) any Dissolution Event Redemption Date;

“**Dissolution Distribution Amount**” means, in relation to each Certificate being redeemed:

- (a) the sum of:
 - (i) the outstanding face amount of such Certificate; and
 - (ii) any accrued but unpaid Periodic Distribution Amounts for such Certificate; or
- (b) in relation to each Certificate, such other amount specified in the applicable Pricing Supplement as being payable upon the relevant Dissolution Date;

“**Dissolution Event**” means, in the case of Senior Certificates, a Trustee Event or a Riyadh Bank Event and in the case of Tier 2 Certificates, a Winding Up Proceeding;

“Dissolution Event Redemption Date” has the meaning given to it in Condition 14(a) (*Dissolution Events for Senior Certificates*);

“Dissolution Notice” means the notice given by the Delegate to the Trustee, the Obligor and the Certificateholders in accordance with Condition 14(a)(ii) (*Dissolution Events for Senior Certificates*) or Condition 14(b)(ii)(B) (*Dissolution Events for Tier 2 Certificates*), as the case may be;

“Early Tax Dissolution Date” has the meaning given to it in Condition 9(b) (*Early Dissolution for Taxation Reasons*);

“Excluded Representations” means any representations given by the Obligor to the Trustee and/or the Delegate pursuant to the Transaction Documents;

“Exercise Notice” means an exercise notice given pursuant to the terms of the Purchase Undertaking and/or the Sale and Substitution Undertaking, as the context so requires;

“Exercise Price” has the meaning given to it in the Purchase Undertaking or the Sale and Substitution Undertaking, as the context so requires;

“Extraordinary Resolution” has the meaning given to it in the Declaration of Trust;

“Fixed Amount” means the amount specified as such in the applicable Pricing Supplement;

“Fixed Rate Certificates” means a Series in respect of which Fixed Periodic Distribution Provisions is specified as applicable in the applicable Pricing Supplement;

“Floating Rate Certificates” means a Series in respect of which Floating Periodic Distribution Provisions is specified as applicable in the applicable Pricing Supplement;

“IFRS” means International Financial Reporting Standards as issued by the International Standards Board and endorsed in Saudi Arabia;

“ISDA” means the International Swaps and Derivatives Association, Inc.;

“ISDA Definitions” means (i) if **“2006 ISDA Definitions”** is specified in the applicable Pricing Supplement, the 2006 ISDA Definitions, as published by ISDA, as supplemented, amended and updated as at the Issue Date of the first Tranche of the Certificates or (ii) if **“2021 ISDA Definitions”** is specified in the applicable Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including any Matrices referred to therein, as published by ISDA as at the Issue Date of the first Tranche of the Certificates;

“LCIA” means the London Court of International Arbitration;

“Liability” means any liability, damage, actual cost (excluding any cost of funding), actual loss (excluding any opportunity loss), charge, claim, demand, expense (including, without limitation, any legal fees, costs, and expenses and costs and expenses), fee, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes) and together with any value added tax or similar tax charged or chargeable in respect thereof and legal or other fees and expenses on a full indemnity basis, and references to **“Liabilities”** shall mean all of these;

“Master Purchase Agreement” means the Master Purchase Agreement dated 11 February 2020 (as amended on 16 May 2025 by the Amendment Agreement) between the Trustee and the Obligor;

“Material Subsidiary” means a Subsidiary of the Bank:

- (a) whose revenues or assets represent not less than ten per cent. of the consolidated revenues or consolidated assets of the Bank, as calculated by reference to the Accounts; or

- (b) to which is transferred all or substantially all of the undertaking or assets of a Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon the transferor Subsidiary shall immediately cease to be a Material Subsidiary and the transferee Subsidiary shall immediately become a Material Subsidiary, but shall cease to be a Material Subsidiary under this paragraph (b) (but without prejudice to paragraph (a) above) upon publication of the Bank's next Accounts,

(and a report by the Chief Financial Officer (or any person who at any time carries out the equivalent function of such person (regardless of such person's title)) of the Bank that in his opinion a Subsidiary of the Bank is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties);

"Non-recourse Project Financing Indebtedness" means any indebtedness incurred in connection with any financing of all or part of the costs of the acquisition, construction or development of any project, provided that (a) any Security given by the Bank or the relevant Material Subsidiary, as the case may be, is limited solely to assets of the project, (b) the person providing such financing expressly agrees to limit its recourse to the project financed and the revenues derived from such project as the principal source of repayment for the monies advanced, and (c) there is no other recourse to the Bank or the relevant Material Subsidiary, as the case may be, in respect of any default by any person under the financing;

"Optional Dissolution (Call)" means the right exercisable by the Trustee upon instruction from the Obligor pursuant to Condition 9(d) (*Dissolution at the Option of the Obligor (Optional Dissolution (Call))*);

"Optional Dissolution Date" means, in relation to any exercise of the Optional Dissolution (Call), the date(s) specified as such in the applicable Pricing Supplement and which must (if the Certificate is a Floating Rate Certificate) be a Periodic Distribution Date;

"outstanding" shall have the meaning given to it in the Declaration of Trust;

"Periodic Distribution Amount" means the amount of profit payable to Certificateholders in accordance with Condition 8 (*Periodic Distribution Amounts*);

"Periodic Distribution Date" save where otherwise specified in these Conditions means the date(s) specified as such in the applicable Pricing Supplement;

"Periodic Distribution Period" means the period beginning on (and including) the Profit Commencement Date and ending on (but excluding) the first Periodic Distribution Date and each successive period beginning on (and including) a Periodic Distribution Date and ending on (but excluding) the next succeeding Periodic Distribution Date unless otherwise specified in the applicable Pricing Supplement;

"Permitted Indebtedness" means Non-recourse Project Financing Indebtedness and Securitisation Indebtedness;

"Person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"Potential Dissolution Event" means any condition, event or act which, with the giving of notice, lapse of time, declaration, demand, determination or fulfilment of any other applicable condition (or any combination of the foregoing), would constitute a Dissolution Event and/or Tier 2 Event;

"Profit Amount" means:

- (a) in respect of a Periodic Distribution Period, the amount of profit payable per Calculation Amount for that Periodic Distribution Period and which, in the case of Fixed Rate Certificates, and unless otherwise specified in the applicable Pricing Supplement, shall mean the Fixed Amount or Broken Amount specified in the applicable Pricing Supplement as being payable on each Periodic Distribution Date; and

(b) in respect of any other period, the amount of profit payable per Calculation Amount for that period;

“Profit Basis” means the basis of profit calculation specified in the applicable Pricing Supplement;

“Profit Commencement Date” means the Issue Date or such other date as may be specified in the applicable Pricing Supplement;

“Profit Period Date” means each Periodic Distribution Date unless otherwise specified in the applicable Pricing Supplement;

“Profit Rate” means the profit rate payable from time to time in respect of the Certificates and that is either specified in the applicable Pricing Supplement or calculated in accordance with these Conditions;

“Profit Rate Determination Date” means, with respect to a Profit Rate and Periodic Distribution Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified (a) the day falling two TARGET Business Days prior to the first day of such Periodic Distribution Period, if the Specified Currency is euro and (b) (where SOFR Benchmark is specified in the applicable Pricing Supplement as the Reference Rate and where SOFR Lag or SOFR Observation Shift is specified in the applicable Pricing Supplement to determine Compounded Daily SOFR or where Compounded SOFR Index is specified in the applicable Pricing Supplement) the fourth U.S. Government Securities Business Day prior to the last day of each Periodic Distribution Period, save in all cases that if the Certificates become due and payable in accordance with Condition 9(g) (*Dissolution following a Dissolution Event*)), the final Profit Rate Determination Date shall, notwithstanding any Profit Rate Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which the Certificates became due and payable, and the Profit Rate on the Certificates shall, for so long as the Certificates remain outstanding, be that determined on such date;

“Purchase Agreement” means the Master Purchase Agreement as supplemented by the applicable Supplemental Purchase Contract;

“Purchase Undertaking” means the purchase undertaking dated 11 February 2020 (as amended on 16 May 2025 by the Amendment Deed) executed by the Obligor in favour of the Trustee and the Delegate;

“Record Date” has the meaning given to it in Condition 11(a) (*Method of Payment*);

“Reference Rate” means one of the following benchmark rates (specified in the applicable Pricing Supplement) in respect of the currency and period specified in the applicable Pricing Supplement:

- (a) Euro-Zone interbank offered rate (“**EURIBOR**”);
- (b) Karachi interbank offered rate (“**KIBOR**”);
- (c) Shanghai interbank offered rate (“**SHIBOR**”);
- (d) Hong Kong interbank offered rate (“**HIBOR**”);
- (e) CNH Hong Kong interbank offered rate (“**CNH HIBOR**”);
- (f) Kuala Lumpur interbank offered rate (“**KLIBOR**”);
- (g) Turkish Lira overnight reference rate (“**TLREF**”);
- (h) Emirates interbank offered rate (“**EIBOR**”);
- (i) Tokyo interbank offered rate (“**TIBOR**”);
- (j) Saudi Arabia interbank offered rate (“**SAIBOR**”);

- (k) Australia Bank Bill Swap (“**BBSW**”);
- (l) New Zealand bank bill benchmark (“**BKBM**”);
- (m) Qatar interbank offered rate (“**QIBOR**”);
- (n) Sterling Overnight Index Average (“**SONIA**”); or
- (o) Secured Overnight Financing Rate (“**SOFR**”);

“**Register**” has the meaning given to it in Condition 2 (*Form, Denomination and Title*);

“**Relevant Date**” has the meaning given to it in Condition 12 (*Taxation*);

“**Relevant Financial Centre**” means the financial centre specified as such in the applicable Pricing Supplement and, if no such financial centre is specified, the financial centre most closely connected with the relevant Reference Rate *provided that*, in relation to Australian dollars, it means either Sydney or Melbourne and, in relation to New Zealand dollars, it means either Wellington or Auckland, in each case as is selected by the Bank;

“**Relevant Indebtedness**” means any indebtedness other than Permitted Indebtedness which is in the form of, or represented or evidenced by, bonds, notes, sukuk certificates, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

“**Relevant Jurisdiction**” has the meaning given to it in Condition 12 (*Taxation*);

“**Relevant Powers**” has the meaning given to it in Condition 17(a) (*Delegation of Powers*);

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Pricing Supplement, or any successor or replacement page, section, caption, column or other part of a particular information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

“**Relevant Time**” means the time specified as such in the applicable Pricing Supplement;

“**Required Amount**” has the meaning given to it in the Servicing Agency Agreement;

“**Reset Certificates**” means a Series in respect of which Reset Periodic Distribution Provisions is specified as applicable in the applicable Pricing Supplement;

“**Riyad Bank Event**” means any of the following events:

- (a) the Obligor (acting in any capacity) fails to pay an amount in the nature of profit (corresponding to all or part of the Periodic Distribution Amounts payable by the Trustee under the Certificates) payable by it pursuant to any Transaction Document to which it is a party and the failure continues for a period of seven days, or the Obligor (acting in any capacity) fails to pay an amount in the nature of principal (corresponding to all or part of the Dissolution Distribution Amount payable by the Trustee under the Certificates) payable by it pursuant to any Transaction Document to which it is a party and the failure continues for a period of seven days; or
- (b) if the Obligor (acting in any capacity) defaults in the performance or observance of any of its other obligations under or in respect of the Transaction Documents to which it is a party, unless, in the opinion of the Delegate, the default is capable of remedy and is remedied within 30 days after written notice thereof, addressed to the Obligor by the Delegate, has been delivered to the Obligor, provided, however, that the failure by the Obligor (acting in its capacity as Servicing

Agent) to perform or observe the obligations set out in Clause 3.1.4 of the Servicing Agency Agreement will not constitute a Riyadh Bank Event; or

- (c) if the Obligor repudiates any Transaction Document to which it is a party or at any time it is or becomes unlawful for the Obligor (acting in any capacity) to perform or comply with any or all of its obligations under or in respect of the Transaction Documents to which it is respectively a party or any of the obligations of the Obligor (acting in any capacity) thereunder are not or cease to be legal, valid, binding and enforceable; or
- (d) if the Obligor for any reason declares a moratorium on the payment of any Indebtedness or in respect of any guarantee or indemnity of any Indebtedness given by it; or
- (e) if (A) any Indebtedness of the Obligor or any of its Material Subsidiaries becomes due and payable prior to its stated maturity by reason of any event of default (howsoever described), or (B) any such Indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (C) the Obligor or any of its Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Indebtedness provided that the aggregate amount of the relevant Indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this subparagraph have occurred equals or exceeds U.S.\$50,000,000 or its equivalent; or
- (f) if any action, condition or thing at any time required to be taken, fulfilled or done in order (A) to enable the Obligor lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Transaction Documents to which it is a party or (B) to ensure that those obligations are legally binding and enforceable is not taken, fulfilled or done within 28 days of the Delegate giving notice in writing to the Obligor; or
- (g) if the Obligor or any of its Material Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, or the Obligor or any of its Material Subsidiaries stops, suspends or threatens to stop or suspend payment of all or substantially all of (or of a particular type of) its debts, proposes or makes a general assignment or a scheme of arrangement or composition with its creditors generally (or any class of its creditors) or a moratorium is agreed or declared or comes into effect in respect of or affecting any of such debts of the Obligor or any of its Material Subsidiaries; or
- (h) if an administrator is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Obligor or any of its Material Subsidiaries, or the Obligor or any of its Material Subsidiaries shall apply or petition for a winding-up, liquidation or administrative liquidation order in respect of itself or cease or through an official action of its board of directors threaten to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by the Delegate or by an Extraordinary Resolution of the Certificateholders or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Obligor or another of its Material Subsidiaries; or
- (i) if a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or substantially all of the property, assets or revenues of the Obligor or any of its Material Subsidiaries and is not discharged or stayed within 30 days; or

- (j) if any event occurs which has an analogous effect to any of the events referred to in paragraphs (g) and (h) inclusive above,

provided that, in the case of paragraph (b) only, such event shall only be a Riyadh Bank Event if, in the opinion of the Delegate, such event is materially prejudicial to the interests of the Certificateholders. In addition, references above to (A) “**debts**” means any debt or other financing arrangement issued (or intended to be issued) in compliance with the principles of Shari’a, in each case whether entered into directly or indirectly by the Bank; and (B) “**Indebtedness**” means any present or future indebtedness of any Person for or in respect of any money borrowed or raised including (without limitation) any liability arising under bonds, sukuk or other securities or any moneys raised under any transaction having the commercial effect of borrowing or raising money including any Shari’a compliant alternative of the foregoing;

“**Sale and Substitution Undertaking**” means the sale and substitution undertaking dated 11 February 2020 (as amended on 16 May 2025 by the Amendment Deed) executed by the Trustee in favour of the Obligor;

“**Saudi Arabia**” means the Kingdom of Saudi Arabia;

“**Scheduled Dissolution Date**” means the date specified as such in the applicable Pricing Supplement;

“**Securitisation Indebtedness**” means any indebtedness incurred in connection with any securitisation of existing or future asset and/or revenues, provided that: (i) any Security given by the Bank or any of its Subsidiaries in connection therewith is limited solely to the assets and/or revenues which are the subject of the securitisation; (ii) each party participating in such securitisation expressly agrees to limit its recourse to the assets and/or revenues so securitised; and (iii) there is no other recourse to the Bank or the relevant Material Subsidiary, as the case may be, in respect of any default by any person under the securitisation;

“**Security**” has the meaning given in Condition 7 (*Obligor Negative Pledge*);

“**Series**” means a Tranche of Certificates together with any further Tranche or Tranches of Certificates which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of Periodic Distribution Amounts (as defined herein) thereon and the Profit Commencement Date;

“**Servicing Agency Agreement**” means the servicing agency agreement dated 11 February 2020 (as amended on 16 May 2025 by the Amendment Deed) between the Trustee and the Servicing Agent;

“**Servicing Agent**” means the Obligor in its capacity as servicing agent pursuant to the Servicing Agency Agreement;

“**Specified Currency**” means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Certificates are denominated;

“**Specified Denominations**” means the amount(s) specified as such in the applicable Pricing Supplement;

“**Subsidiary**” means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Bank;

“**Supplemental Purchase Contract**” has the meaning given to it in the Master Purchase Agreement;

“**TARGET Business Day**” means any day on which T2 is open for the settlement of payments in euro;

“**Tax Event**” has the meaning given to it in Condition 9(b) (*Early Dissolution for Taxation Reasons*);

“**Tier 2 Event**” means, in respect of any Tier 2 Certificates, a Default or a Winding Up Proceeding;

“**Tranche**” means Certificates which are identical in all respects (including as to Issue Date, listing and admission to trading);

“**Transaction Account**” means, in relation to each Series, the non-interest bearing account maintained in London in the Trustee’s name held with The Bank of New York Mellon, London Branch, details of which are specified in the applicable Pricing Supplement;

“**Transaction Documents**” means, in relation to each Series:

- (a) the Master Purchase Agreement;
- (b) each Supplemental Purchase Contract;
- (c) the Servicing Agency Agreement;
- (d) the Purchase Undertaking (together with each relevant sale agreement executed upon exercise of the Purchase Undertaking);
- (e) the Sale and Substitution Undertaking (together with each relevant sale agreement or transfer agreement executed upon exercise of the Sale and Substitution Undertaking);
- (f) the Master Declaration of Trust;
- (g) each Supplemental Declaration of Trust;
- (h) any Declaration of Commingling of Assets;
- (i) the Agency Agreement;
- (j) the Amendment Agreement;
- (k) the Amendment Deed; and
- (l) the applicable Pricing Supplement,

each as may be amended, restated and/or supplemented from time to time;

“**Trust**” means, in respect of a Series, the trust created by the Trustee over the Trust Assets pursuant to the Declaration of Trust;

“**Trust Assets**” has the meaning given to it in Condition 5(a) (*Trust Assets*);

“**Trustee Administrator**” means MaplesFS Limited;

“**Trustee Call Exercise Price**” has the meaning given to it in the Sale and Substitution Undertaking;

“**Trustee Event**” means, in respect of a Series, any of the following events:

- (a) default is made in the payment of the Dissolution Distribution Amount or any Periodic Distribution Amount and, in the case of the Dissolution Distribution Amount, such default continues for a period of seven days from the due date for payment and, in the case of a Periodic Distribution Amount, such default continues for a period of 14 days from the due date for payment; or
- (b) the Trustee (acting in any capacity) does not perform or comply with any one or more of its covenants or other obligations under these Conditions or any of the Transaction Documents to which it is a party and (except in any case where, in the opinion of the Delegate, such failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the

period of 30 days following the service by the Delegate on the Trustee of written notice requiring the same to be remedied; or

- (c) any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Trustee and is not discharged or stayed within 30 days; or
- (d) the Trustee is adjudicated or found bankrupt or insolvent or to be unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a substantial part of (or a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of any creditors in respect of any of its debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or a particular type of) the debts of the Trustee; or
- (e) an administrator is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Trustee, or the Trustee shall apply or petition for a winding-up or administration order in respect of itself or cease or through an official action of its board of directors threaten to cease to carry on all or substantially all of its business or operations; or
- (f) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order: (i) to enable the Trustee lawfully to enter into, exercise its rights and perform and comply with its obligations under the Certificates and the Transaction Documents to which it is a party; (ii) to ensure that those obligations are legally binding and enforceable; or (iii) to make the Certificates and the Transaction Documents to which it is a party admissible in evidence in the courts of the Cayman Islands is not taken, fulfilled or done except that, provided no other Dissolution Event has occurred, the non-registration of legal title to the Assets in the name of the Trustee will not constitute a Trustee Event for these purposes; or
- (g) the Trustee repudiates or does or causes to be done any act or thing evidencing an intention to repudiate these Conditions or any (or any part of any) Transaction Document to which it is a party; or
- (h) at any time it is or becomes unlawful for the Trustee to perform or comply with any one or more of its obligations under or in respect of any of the Certificates or the Transaction Documents to which it is a party or any of the obligations of the Trustee thereunder cease to be legal, valid, binding and enforceable; or
- (i) any event occurs which under the laws of the Cayman Islands or any other relevant jurisdiction has an analogous effect to any of the events referred to in paragraphs (c), (d) or (e) above.

For the purpose of paragraph (a) above, in relation to such Series, all amounts payable in respect of the Certificates shall be considered due and payable (including for the avoidance of doubt any amounts calculated as being payable under Condition 8 (*Periodic Distribution Amounts*), Condition 9 (*Redemption and Dissolution of the Trust*), Condition 12 (*Taxation*) and Condition 14 (*Dissolution Events*)) notwithstanding that the Trustee has at the relevant time insufficient funds or Trust Assets to pay such amounts (whether as a result of the application of Condition 5(b) (*Application of Proceeds from Trust Assets*) or otherwise);

“**T2**” means the real time gross settlement system operated by the Eurosystem, or any successor system;

“**U.S. Government Securities Business Day**” means any day except for a Saturday, a Sunday or a day on which the U.S. Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities;

“**Value**” has the meaning given to it in the Servicing Agency Agreement; and

“**Winding Up Proceeding**” has the meaning given to it in Condition 4(c) (*Subordination of the Tier 2 Certificates*).

All references to the “**face amount**” of a Certificate shall be deemed to include, as applicable, the relevant Dissolution Distribution Amount, any additional amounts (other than relating to Periodic Distribution Amounts) which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of face amounts payable pursuant to these Conditions.

All references to “**Periodic Distribution Amounts**” shall be deemed to include, as applicable, any additional amounts in respect of profit distributions which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of a profit distribution payable pursuant to these Conditions.

All references to “**U.S.\$**” and “**U.S. dollars**” are to the lawful currency of the United States of America.

All references to “**ISDA**” and related terms are only included for the purposes of benchmarking.

2 Form, Denomination and Title

The Certificates are issued in registered form in the Specified Denominations specified in the applicable Pricing Supplement. The Certificates may be Fixed Rate Certificates, Floating Rate Certificates, Reset Certificates or a combination of the foregoing, depending upon the Profit Basis specified in the applicable Pricing Supplement.

Certificates are represented by registered certificates (“**Registered Certificates**”) and, save as provided in Condition 3(a) (*Transfer of Certificates*), each Registered Certificate shall represent the entire holding of Certificates by the same holder.

Title to the Certificates shall pass by registration in the register that the Trustee shall procure to be kept by the Registrar outside the United Kingdom in accordance with the provisions of the Agency Agreement (the “**Register**”). Each Registered Certificate will be numbered serially with an identifying number which will be recorded on the relevant Registered Certificate and in the Register. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Certificate shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the Registered Certificate representing it or the theft or loss of such Registered Certificate and no person shall be liable for so treating the holder. The holder of a Certificate will be recognised by the Trustee as entitled to his Certificate free from any equity, set-off or counterclaim on the part of the Trustee against the original or any intermediate holder of such Certificate.

In these Conditions, “**Certificateholder**” or “**holder**” means the person in whose name a Certificate is registered.

*Upon issue, the Certificates will be represented by a Global Certificate which will be deposited with, and registered in the name of a nominee for, a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, S.A. (“**Clearstream, Luxembourg**”). Ownership interests in the Global Certificate will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg (as applicable), and their respective participants. These Conditions are modified by certain provisions contained in the Global Certificate.*

Except in certain limited circumstances, owners of interests in the Global Certificate will not be entitled to receive Registered Certificates representing their holdings of Certificates. See “Summary of Provisions relating to the Certificates while in Global Form”.

3 Transfers

(a) Transfer of Certificates

Subject to Condition 3(e) (*Closed Periods*), one or more Certificates may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Registered Certificate representing such Certificates to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Trustee) duly completed and executed and any other evidence as the Registrar or the relevant Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Certificates represented by one Registered Certificate, a new Registered Certificate shall be issued to the transferee in respect of the part transferred and a further new Registered Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of Certificates to a person who is already a holder of Certificates, a new Registered Certificate representing the enlarged holding shall only be issued against surrender of the Registered Certificate representing the existing holding. All transfers of Certificates and entries on the Register will be made subject to and in accordance with the detailed regulations concerning transfers of Certificates scheduled to the Agency Agreement. The regulations may be changed by the Trustee with the prior written approval of the Registrar and the Delegate or by the Registrar with the prior written approval of the Delegate, *provided that* any such change is not materially prejudicial to the interests of the Certificateholders. A copy of the current regulations will be made available by the Registrar to any Certificateholder upon request.

(b) Exercise of Early Dissolution Rights

In the case of an exercise of the Obligor's or the Certificateholders' early dissolution right in respect of a holding of Certificates represented by a single Registered Certificate, a new Registered Certificate shall be issued to the holder to reflect the exercise of such early dissolution right or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an early dissolution right resulting in Certificates of the same holding having different terms, separate Registered Certificates shall be issued in respect of those Certificates of that holding that have the same terms. New Registered Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent.

(c) Delivery of New Registered Certificates

Each new Registered Certificate to be issued pursuant to Condition 3(a) (*Transfer of Certificates*) or Condition 3(b) (*Exercise of Early Dissolution Rights*) shall be available for delivery within five business days (or such longer period as may be required to comply with any applicable fiscal or other regulations) of receipt of the form of transfer or Certificateholder Put Exercise Notice, as the case may be, and surrender of the Registered Certificate for exchange. Delivery of the new Registered Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery of such form of transfer or Certificateholder Put Exercise Notice, as the case may be, and surrender of such Registered Certificate shall have been made or, at the option of the holder making such delivery and surrender as aforesaid and as specified in the relevant form of transfer or Certificateholder Put Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Registered Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/or such insurance or takaful as it may specify. In this Condition 3(c), "**business day**" means a day, other than a Saturday or a Sunday, on which banks are

open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(d) Transfers Free of Charge

Transfers of Certificates and Registered Certificates on registration, transfer or exercise of an early dissolution right shall be effected without charge by or on behalf of the Trustee or the Transfer Agents, but upon payment by the transferee of any tax or other governmental charges that may be imposed in relation to such transfer (or the giving of such indemnity and/or security as the Registrar or the relevant Transfer Agent may require).

(e) Closed Periods

No Certificateholder may require the transfer of a Certificate to be registered (i) during the period of 15 days prior to any date on which Certificates may be called for redemption pursuant to Condition 9(d) (*Dissolution at the Option of the Obligor (Optional Dissolution (Call))*), (ii) after any such Certificate has been called for redemption, or (iii) during the period of seven days ending on (and including) any Record Date.

4 Status

(a) Status of the Senior Certificates

The Senior Certificates represent an undivided ownership interest in the Trust Assets of the relevant Series and are limited recourse obligations of the Trustee. The Senior Certificates constitute direct, unconditional, unsubordinated and unsecured obligations of the Trustee and rank *pari passu* and without any preference or priority among themselves. In the event of the bankruptcy, insolvency, winding-up or dissolution of the Trustee, the payment obligations of the Trustee under the Senior Certificates shall, save for such exceptions as may be provided by applicable legislation, rank at least equally with all other unsubordinated and unsecured obligations of the Trustee.

In respect of each Series of Senior Certificates, the payment obligations of the Obligor (in any capacity) under the Transaction Documents to which it is a party will be direct, unconditional, unsubordinated and (subject to the negative pledge provisions described in Condition 7 (*Obligor Negative Pledge*)) unsecured obligations of the Obligor, which will rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Obligor save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(b) Status of the Tier 2 Certificates

The Tier 2 Certificates represent an undivided ownership interest in the Trust Assets of the relevant Series and are limited recourse obligations of the Trustee. The Tier 2 Certificates constitute direct and unsecured obligations of the Trustee and rank *pari passu* and without any preference or priority among themselves.

(c) Subordination of the Tier 2 Certificates

In respect of each Series of Tier 2 Certificates, the payment obligations of the Obligor (in any capacity) under the Transaction Documents to which it is a party (that are in the nature of profit and principal (corresponding to the Periodic Distribution Amounts and the Dissolution Distribution Amount) and any other amounts payable by the Trustee under the Tier 2 Certificates of the relevant Series) (together the “**Relevant Obligations**”), will be direct, unsecured and subordinated (as described below) obligations of the Obligor which shall, in the case of a Winding Up Proceeding, rank:

- (i) subordinate to claims in respect of Senior Obligations;
- (ii) at least *pari passu* with claims in respect of all Parity Obligations; and
- (iii) in priority to claims in respect of Junior Obligations.

The Trustee, the Certificateholders and the Delegate (acting on behalf of the Certificateholders) irrevocably waive their rights to the extent necessary to give effect to the subordination provisions set out in this Condition 4(c).

The provisions of this Condition 4(c) apply only to the Relevant Obligations and nothing in this Condition 4(c) shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Delegate or the rights and remedies of the Delegate in respect thereof and in such capacity the Delegate shall rank as an unsubordinated creditor of the Obligor.

By virtue of such subordination, if a Winding Up Proceeding occurs, no amount will be paid by the Obligor in respect of the Relevant Obligations relating to the Tier 2 Certificates until all claims in respect of Senior Obligations have been satisfied.

In these Conditions:

“Junior Obligations” means all claims of the holders of all classes of share capital (including ordinary and preferred shares) of the Obligor and all payment obligations of the Obligor which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 1 Capital and all payment obligations of the Obligor which rank, or are expressed to rank, junior to the Relevant Obligations;

“Parity Obligations” means any subordinated payment obligations of the Obligor which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital or its other payment obligations of the Obligor that rank, or are expressed to rank, *pari passu* with the Relevant Obligations;

“Senior Obligations” means all unsubordinated payment obligations of the Obligor (including its payment obligations to its depositors) and all subordinated payment obligations of the Obligor (if any) except Parity Obligations and Junior Obligations;

“Tier 1 Capital” means capital qualifying as (or which, but for any applicable limitation on the amount of such capital, would qualify as), and approved by the Financial Regulator as, tier 1 capital in accordance with the Capital Regulations; and

“Winding Up Proceeding” means an order is made by any competent court or the government of Saudi Arabia or an effective resolution is passed for the winding-up, liquidation, dissolution or similar event of the Bank in accordance with applicable law or the Bank applies or petitions for a winding-up or an administration order in respect of itself (except, in any such case, a solvent winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation, the terms of which reorganisation, reconstruction or amalgamation have previously been approved by an Extraordinary Resolution).

(d) No Set-off or Counterclaim

In the case of Tier 2 Certificates only, no Certificateholder may exercise or claim any right of set-off in respect of any amount owed to it by the Trustee or the Obligor or arising under or in connection with the Relevant Obligations and each Certificateholder, by virtue of its subscription, purchase or holding of any Tier 2 Certificates, shall be deemed to have waived all such rights of set-off to the fullest extent permitted by law.

(e) Limited Recourse and Agreement of the Certificateholders

Save as provided in this Condition 4(e), the Certificates do not represent an interest in any of the Trustee, the Delegate, the Bank or any of their respective affiliates.

The proceeds of the realisation of, or enforcement with respect to, the Trust Assets are the sole source of payments on any Certificates. Such proceeds may not be sufficient to make all payments due in respect of any Certificates. Certificateholders, by subscribing for or acquiring any Series of Certificates, acknowledge and agree that notwithstanding anything to the contrary contained in these Conditions or any Transaction Document:

- (i) no payment of any amount whatsoever shall be made by the Trustee (acting in any capacity) or any of its agents on its behalf except to the extent funds are available therefor from the relevant Trust Assets and no recourse shall be had for the payment of any amount owing hereunder or under any Transaction Document, whether for the payment of any fee, indemnity or other amount under, or any other obligation or claim arising out of or based upon, the Transaction Documents, against the Trustee (acting in any capacity) to the extent the relevant Trust Assets have been exhausted following which all obligations of the Trustee (acting in any capacity) shall be extinguished;
- (ii) the Trustee may not sell, transfer, assign or otherwise dispose of the Trust Assets to a third party, and may only realise its rights, title, interests, benefits and entitlements, present and future, in, to and under the Trust Assets in the manner expressly provided in the Transaction Documents;
- (iii) if the proceeds of the relevant Trust Assets are insufficient to make all payments due in respect of any Certificates, Certificateholders will have no recourse to any assets of the Trustee (acting in any capacity) (and/or its directors, officers, shareholders or corporate services providers in their capacity as such) (other than the relevant Trust Assets in the manner and to the extent contemplated by the Transaction Documents), or of the Trustee Administrator, the Delegate, the Agents or any of their respective directors, officers, employees, agents, shareholders or affiliates, in each case in respect of any shortfall or otherwise;
- (iv) prior to the date which is one year and one day after the date on which all amounts owing by the Trustee (acting in any capacity) under the Transaction Documents to which it is a party have been paid in full, no Certificateholders will be able to institute against, or join with any other person in instituting against, the Trustee (acting in any capacity) any bankruptcy, reorganisation, arrangement or liquidation proceedings or other proceedings under any bankruptcy or similar law;
- (v) no recourse (whether by institution or enforcement of any legal proceeding or assessment or otherwise) in respect of any breaches of any duty, obligation or undertaking of the Trustee (acting in any capacity) arising under or in connection with any Transaction Document to which it is a party and any Certificates by virtue of any law, statute or otherwise shall be had against any shareholder, officer, director or corporate services provider of the Trustee (acting in any capacity) in their capacity as such and any and all personal liability of every such shareholder, officer, director or corporate services provider in their capacity as such for any breaches by the Trustee (acting in any capacity) of any such duty, obligation or undertaking is hereby expressly waived and excluded to the extent permitted by law; and
- (vi) it shall not be entitled to claim or exercise any right of set-off or counterclaim in respect of any sums due under such Certificate. No collateral is or will be given for the payment obligations

under the Certificates (without prejudice to the negative pledge provisions described in Condition 7 (*Obligor Negative Pledge*) in respect of Senior Certificates).

Pursuant to the terms of the Transaction Documents, the Obligor is obliged to make certain payments directly to or to the order of the Trustee. Such payment obligations form part of the Trust Assets and the Trustee and the Delegate (failing which the Certificateholders pursuant to Condition 15(b) (*Realisation of Trust Assets*)) will thereby have direct recourse against the Obligor to recover payments due to the Trustee from the Obligor pursuant to such Transaction Documents notwithstanding any other provision of this Condition 4(e). Such right of the Trustee and the Delegate shall (subject to the negative pledge provisions described in Condition 7 (*Obligor Negative Pledge*) in respect of Senior Certificates) constitute an unsecured claim against the Obligor. None of the Certificateholders, the Trustee or the Delegate shall be entitled to claim any priority right in respect of any specific assets of the Obligor in connection with the enforcement of any such claim.

5 The Trust

(a) Trust Assets

Pursuant to the terms of the Declaration of Trust, the Trustee holds the Trust Assets for each Series upon trust absolutely for and on behalf of the Certificateholders of such Series *pro rata* according to the face amount of Certificates held by each holder. The term “**Trust Assets**” in respect of each Series means the following:

- (i) the cash proceeds of the issue of Certificates, pending application thereof in accordance with the terms of the Transaction Documents;
- (ii) any and all of the rights, title, interests, benefits and entitlements, present and future, of the Trustee in, to and under the Portfolio;
- (iii) any and all of the rights, title, interests, benefits and entitlements, present and future, of the Trustee in, to and under the Transaction Documents (other than in relation to the Excluded Representations and the covenant given to the Trustee by the Bank pursuant to clause 13.1 of the Master Declaration of Trust);
- (iv) any and all moneys standing to the credit of the Transaction Account from time to time; and
- (v) any and all proceeds of the foregoing listed in paragraphs (i) to (iv) above.

See “Summary of the Principal Transaction Documents” appearing elsewhere in this Base Offering Circular for more information on the Trust Assets and the Transaction Documents.

(b) Application of Proceeds from Trust Assets

On each Periodic Distribution Date and on any Dissolution Date, the Principal Paying Agent shall apply the moneys standing to the credit of the relevant Transaction Account in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

- (i) *first*, (to the extent not previously paid) to the Delegate in respect of all amounts owing to it under the Transaction Documents in its capacity as Delegate (including any amounts owing to the Delegate in respect of its Appointees (as defined in the Master Declaration of Trust)), in each case as notified to the Trustee and the Obligor on or before such Periodic Distribution Date or Dissolution Date, as the case may be;

- (ii) *second*, only if such payment is made on a Periodic Distribution Date, in or towards payment *pari passu* and rateably of all Periodic Distribution Amounts due but unpaid;
- (iii) *third*, only if such payment is made on a Dissolution Date, in or towards payment *pari passu* and rateably of the relevant Dissolution Distribution Amount; and
- (iv) *fourth*, only if such payment is made on a Dissolution Date on which all Certificates of the relevant Series are redeemed in full and *provided that* all amounts required to be paid in respect of such Certificates have been discharged in full, in payment of any residual amount to the Obligor in its capacity as Servicing Agent as an incentive payment for its performance as Servicing Agent under the Servicing Agency Agreement.

(c) Transaction Account

The Trustee will establish a Transaction Account in London in respect of each Series prior to the relevant Issue Date. The Transaction Account shall be operated by the Principal Paying Agent on behalf of the Trustee and shall be the account into which the Obligor will deposit all amounts payable by it to the Trustee pursuant to the terms of the Transaction Documents.

6 Trustee Covenants

The Trustee has covenanted in clause 7 of the Declaration of Trust to comply with this Condition 6 that, *inter alia*, for so long as any Certificate is outstanding, it shall not:

- (a) incur any indebtedness in respect of borrowed or raised money whatsoever (whether structured (or intended to be structured) in accordance with the principles of *Shari'a* or otherwise), or give any guarantee or indemnity in respect of any obligation of any person or issue any shares (or rights, warrants or options in respect of shares or securities convertible into or exchangeable for shares) or any other certificates except, in all cases, as contemplated in the Transaction Documents;
- (b) grant or permit to be outstanding any lien, pledge, charge or other security interest upon any of its present or future assets, properties or revenues (other than those arising by operation of law (if any) or permitted under or pursuant to any of the Transaction Documents);
- (c) sell, lease, transfer, assign, participate, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (by security interest, lien (statutory or otherwise), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise) (or permit such to occur or suffer such to exist), any part of its interests in any of the Trust Assets except pursuant to any of the Transaction Documents;
- (d) except as provided in Condition 16 (*Meetings of Certificateholders, Modification and Waiver*), amend or agree to any amendment of any Transaction Document to which it is a party (other than in accordance with the terms thereof) or its constitutional documents;
- (e) except as provided in the Declaration of Trust, act as trustee in respect of any trust other than the Trust or in respect of any parties other than the Certificateholders;
- (f) have any subsidiaries or employees;
- (g) redeem or purchase any of its shares or pay any dividend or make any other distribution to its shareholders;
- (h) use the proceeds of the issue of the Certificates for any purpose other than as stated in the Transaction Documents;

- (i) put to its directors or shareholders any resolution for, or appoint any liquidator for, its winding-up or any resolution for the commencement of any other bankruptcy or insolvency proceeding with respect to it; or
- (j) enter into any contract, transaction, amendment, obligation or liability other than the Certificates and the Transaction Documents to which it is a party or any permitted amendment or supplement thereto or as expressly contemplated, permitted or required thereunder or engage in any business or activity other than:
 - (i) as contemplated, provided for or permitted in the Transaction Documents;
 - (ii) the ownership, management and disposal of the Trust Assets as provided in the Transaction Documents; and
 - (iii) such other matters which are incidental thereto.

7 Obligor Negative Pledge

In respect of Senior Certificates only, the Bank undertakes in the Purchase Undertaking that, so long as any Senior Certificate remains outstanding (as defined in the Master Declaration of Trust), it will not, and will ensure that none of its Material Subsidiaries, will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest (“**Security**”), upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Senior Certificates the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as either (a) the Delegate shall in its absolute discretion deem not materially less beneficial to the interest of the Certificateholders or (b) shall be approved by an Extraordinary Resolution (as defined in the Master Declaration of Trust) of the Certificateholders of the Senior Certificates.

8 Periodic Distribution Amounts

(a) Fixed Rate Certificates:

Each Fixed Rate Certificate bears profit on its outstanding face amount from, and including, the Profit Commencement Date at the rate per annum (expressed as a percentage) equal to the Profit Rate, such profit being payable (subject, in the case of Tier 2 Certificates only, to Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*)) in arrear on each Periodic Distribution Date, *provided that* if the Specified Currency is Renminbi or Hong Kong dollars and any Periodic Distribution Date falls on a day which is not a Business Day, the Periodic Distribution Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Periodic Distribution Date shall be brought forward to the immediately preceding Business Day. The amount of profit payable shall be determined in accordance with Condition 8(h) (*Calculations*).

(b) Reset Certificates:

(i) Periodic Distribution Amounts and Periodic Distribution Dates

Each Reset Certificate bears profit on its outstanding face amount at the rate per annum (expressed as a percentage) equal to the Profit Rate determined in accordance with this Condition 8(b) as follows:

- (A) in respect of the period from (and including) the Profit Commencement Date up to (but excluding) the Reset Certificate Reset Date (or, if there is more than one Reset Certificate Reset Period, the first Reset Certificate Reset Date occurring after the Profit Commencement Date), at the Initial Profit Rate; and
- (B) in respect of the Reset Certificate Reset Period (or, if there is more than one Reset Certificate Reset Period, each successive Reset Certificate Reset Period thereafter), at such rate per annum as is equal to the relevant Subsequent Reset Periodic Distribution Rate, as determined by the Calculation Agent on the relevant Reset Determination Date in accordance with this paragraph (i),

such profit being payable (subject, in the case of Tier 2 Certificates only, to Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*)) in arrear on each Periodic Distribution Date, provided that if the Specified Currency is Renminbi or Hong Kong dollars and any Periodic Distribution Date falls on a day which is not a Business Day, the Periodic Distribution Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Periodic Distribution Date shall be brought forward to the immediately preceding Business Day.

The amount of profit payable shall be determined in accordance with Condition 8(h) (*Calculations*). Save as otherwise provided herein, the provisions applicable to Fixed Rate Certificates shall apply to Reset Certificates.

(ii) Fallback Provisions for Reset Certificates

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, other than in the circumstances provided for in Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*) or Condition 8(e) (*Benchmark Discontinuation (SOFR)*), the Trustee shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the relevant Reset Determination Date.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the Subsequent Reset Periodic Distribution Rate for the relevant Reset Certificate Reset Period shall be the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations plus or minus (as appropriate) the applicable Reset Margin (if any), all as determined by the Calculation Agent.

If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the Mid-Market Swap Rate Quotation will be (a) in the case of each Reset Certificate Reset Period other than the first Reset Certificate Reset Period, the Mid-Swap Rate in respect of the immediately preceding Reset Certificate Reset Period or (b) in the case of the first Reset Period, an amount set out in the Pricing Supplement as the **“First Reset Period Fallback”**.

In this Condition 8(b), the following expressions have the following meanings:

“Initial Profit Rate” means the initial profit rate per annum specified in the applicable Pricing Supplement;

“Mid-Market Swap Rate” means for any Reset Certificate Reset Period, the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Fixed Leg Swap Duration specified in the applicable Pricing Supplement during the relevant Reset Certificate Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (a) has a term equal to the relevant Reset Certificate Reset Period and commencing on the relevant Reset Certificate Reset Date, (b) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (c) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (in each case, as specified in the applicable Pricing Supplement) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

“Mid-Market Swap Rate Quotation” means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

“Mid-Swap Floating Leg Benchmark Rate” means EURIBOR if the Specified Currency is euro or as otherwise specified in the applicable Pricing Supplement;

“Mid-Swap Rate” means, in relation to a Reset Determination Date and subject to Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*), the applicable semi-annual or annualised (as specified in the applicable Pricing Supplement) mid-swap rate for swap transactions in the Specified Currency (with a maturity equal to that of the relevant Swap Rate Period specified in the applicable Pricing Supplement) as displayed on the Relevant Screen Page at 11.00 a.m. (in the principal financial centre of the Specified Currency) on such Reset Determination Date (which rate, if the relevant Periodic Distribution Dates are other than semi-annual or annual Periodic Distribution Dates, shall be adjusted by, and in the manner determined by, the Calculation Agent);

“Reference Banks” means the principal office in the Relevant Financial Centre of four major banks in the swap, money, securities or other market most closely connected with the Reset Certificate Reset Rate as selected by the Bank on the advice of an investment bank of international repute;

“Reference Certificate” means for any Reset Certificate Reset Period, a government security or securities issued by the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Bank on the advice of an independent investment bank of international repute as having an actual or interpolated maturity comparable with such Reset Certificate Reset Period that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the relevant Reset Certificate Reset Period;

“Reference Certificate Dealer” means each of five banks (selected by the Bank on the advice of an independent investment bank of international repute), or their affiliates, which are (a) primary government securities dealers, and their respective successors or (b) market makers in pricing corporate debt issues;

“Reference Certificate Dealer Quotations” means, with respect to each Reference Certificate Dealer and the relevant Reset Determination Date, the arithmetic mean, as determined by the

Calculation Agent, of the bid and offered prices for the relevant Reference Certificate (expressed in each case as a percentage of its face amount) at or around 11.00 a.m. in the principal financial centre of the Specified Currency on the relevant Reset Determination Date and quoted in writing to the Calculation Agent by such Reference Certificate Dealer;

“Reference Certificate Price” means, with respect to any Reset Determination Date, (a) the arithmetic mean of the Reference Certificate Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reference Certificate Dealer Quotations or (b) if the Calculation Agent obtains fewer than four such Reference Certificate Dealer Quotations, the arithmetic mean of all such quotations. If one or no quotations are provided, the “Reference Certificate Rate” will be (i) in the case of each Reset Certificate Reset Period other than the first Reset Certificate Reset Period, the Reference Certificate Rate in respect of the immediately preceding Reset Certificate Reset Period or (ii) in the case of the first Reset Certificate Reset Period, as specified in the applicable Pricing Supplement as the **“First Reset Period Fallback”**;

“Reference Certificate Rate” means the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the relevant Reference Certificate, assuming a price for such Reference Certificate (expressed as a percentage of its face amount) equal to the relevant Reference Certificate Price, as calculated by the Calculation Agent;

“Relevant Financial Centre” means the financial centre specified as such in the applicable Pricing Supplement;

“Reset Certificate Reset Date(s)” means the date(s) specified in the applicable Pricing Supplement; provided, however, that if any date specified in the relevant Pricing Supplement is not a Business Day, then such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day;

“Reset Certificate Reset Period” means, if there is only one Reset Certificate Reset Period, the period from (and including) the first Reset Certificate Reset Date to (but excluding) the Scheduled Dissolution Date or, if there is more than one Reset Certificate Reset Period, each period from (and including) one Reset Certificate Reset Date (or the first Reset Certificate Reset Date) to (but excluding) the next Reset Certificate Reset Rate up to (but excluding) the Scheduled Dissolution Date;

“Reset Certificate Reset Rate” means either: (a) if “Mid-Swap Rate” is specified in the applicable Pricing Supplement, the relevant Mid-Swap Rate or (b) if “Reference Certificate” is specified in the Pricing Supplement, the relevant Reference Certificate Rate;

“Reset Determination Date” means, for each Reset Period, the second Business Day prior to the relevant Reset Certificate Reset Date or as otherwise specified in the applicable Pricing Supplement;

“Reset Margin(s)” means the margin(s) specified in the applicable Pricing Supplement; and

“Subsequent Reset Periodic Distribution Rate” means, for any Reset Certificate Reset Period and subject to Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*), the sum of (i) the applicable Reset Certificate Reset Rate and (ii) the applicable Reset Margin (rounded down to four decimal places, with 0.00005 being rounded down).

(c) **Floating Rate Certificates:**

- (i) *Periodic Distribution Amounts and Periodic Distribution Dates:* Each Floating Rate Certificate bears profit on its outstanding face amount from, and including, the Profit Commencement Date at the rate per annum (expressed as a percentage) equal to the Profit Rate, such profit being payable (subject, in the case of Tier 2 Certificates only, to Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*)) in arrear on each Periodic Distribution Date, *provided that* if the Specified Currency is Renminbi or Hong Kong dollars and any Periodic Distribution Date falls on a day which is not a Business Day, the Periodic Distribution Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Periodic Distribution Date shall be brought forward to the immediately preceding Business Day. The amount of profit payable shall be determined in accordance with Condition 8(h) (*Calculations*). Such Periodic Distribution Date(s) is/are either specified in the applicable Pricing Supplement as Specified Periodic Distribution Dates or, if no Specified Periodic Distribution Date(s) is/are specified in the applicable Pricing Supplement, “**Periodic Distribution Date**” shall mean each date which falls the number of months or other period specified in the applicable Pricing Supplement as the Periodic Distribution Period after the preceding Periodic Distribution Date or, in the case of the first Periodic Distribution Date, after the Profit Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Profit Rate for Floating Rate Certificates:* The Profit Rate in respect of Floating Rate Certificates for each Periodic Distribution Period shall be determined in the manner specified in the applicable Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Pricing Supplement.

(A) **ISDA Determination for Floating Rate Certificates**

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Profit Rate is to be determined, the Profit Rate for each Periodic Distribution Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this paragraph (A) “**ISDA Rate**” for a Periodic Distribution Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction (as defined in the relevant ISDA Definitions) under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) if the Pricing Supplement specifies either “**2006 ISDA Definitions**” or “**2021 ISDA Definitions**” as the applicable ISDA Definitions:
 - (1) the Floating Rate Option (as defined in the relevant ISDA Definitions) is as specified in the applicable Pricing Supplement;
 - (2) the Designated Maturity (as defined in the relevant ISDA Definitions), if applicable, is a period specified in the applicable Pricing Supplement;
 - (3) the relevant Reset Date (as defined in the relevant ISDA Definitions) is the first day of that Periodic Distribution Period unless otherwise specified in the applicable Pricing Supplement;
 - (4) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the relevant ISDA Definitions), Compounding is specified to be applicable in the applicable Pricing Supplement and:
 - (I) Compounding with Lookback is specified as the Compounding Method in the applicable Pricing Supplement, then (a) Compounding with Lookback is the Overnight Rate Compounding Method; and (b) Lookback is the number of Applicable Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Pricing Supplement;
 - (II) Compounding with Observation Period Shift is specified as the Compounding Method in the applicable Pricing Supplement, then (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Pricing Supplement and (c) Observation Period Shift Additional Business Days (as defined in the relevant ISDA Definitions), if applicable, are the days specified in the applicable Pricing Supplement; or
 - (III) Compounding with Lockout is specified as the Compounding Method in the applicable Pricing Supplement, then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Pricing Supplement and (c) Lockout Period Business Days (as defined in the relevant ISDA Definitions), if applicable, are the days specified in the applicable Pricing Supplement;
 - (5) if the specified Floating Rate Option is an Index Floating Rate Option (as defined in the relevant ISDA Definitions) and Index Provisions are specified to be applicable in the applicable Pricing Supplement, the Compounded Index Method with Observation Period Shift shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the relevant ISDA Definitions) if applicable, specified in the applicable Pricing Supplement and (b) Observation Period Shift Additional Business Days (as defined in the relevant ISDA

Definitions) are the days, if applicable, specified in the applicable Pricing Supplement); and

(6) references in the relevant ISDA Definitions to:

- (I) “**Confirmation**” shall be deemed to be references to the applicable Pricing Supplement;
- (II) “**Calculation Period**” shall be deemed to be references to the relevant Periodic Distribution Period;
- (III) “**Termination Date**” shall be deemed to be references to the Scheduled Dissolution Date; and
- (IV) “**Effective Date**” shall be deemed to be references to the Profit Commencement Date; and

(b) if the Pricing Supplement specifies “**2021 ISDA Definitions**” as the applicable ISDA Definitions:

- (1) Administrator/Benchmark Event shall be disappplied; and
- (2) If the Temporary Non-Publication Fallback for any specified Floating Rate Option is specified to be “**Temporary Non-Publication Fallback – Alternative Rate**” in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to “**Calculation Agent Alternative Rate Determination**” in the definition of “**Temporary Non-Publication Fallback –Alternative Rate**” shall be replaced by “**Temporary Non-Publication Fallback –Previous Day’s Rate**”;

(B) Screen Rate Determination for Floating Rate Certificates

(a) Subject to Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*), where Screen Rate Determination not referencing SOFR or SONIA is specified in the applicable Pricing Supplement as the manner in which the Profit Rate is to be determined:

- (1) the Profit Rate for each Periodic Distribution Period will, subject as provided below, be either:
 - (I) the offered quotation; or
 - (II) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (as specified in the applicable Pricing Supplement) which appears or appear, as the case may be, on the Relevant Screen Page at the Relevant Time on the Profit Rate Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

- (2) If the Profit Rate cannot be determined in accordance with the foregoing provisions of paragraph (1) above, the Profit Rate shall be (i) that determined as at the last preceding Profit Rate Determination Date (through substituting, where a different Margin or Maximum Profit Rate or Minimum Profit Rate is to be applied to the relevant Periodic Distribution Period from that which applied to the last preceding Periodic Distribution Period, the Margin or Maximum Profit Rate or Minimum Profit Rate relating to the relevant Periodic Distribution Period, in place of the Margin or Maximum Profit Rate or Minimum Profit Rate relating to that last preceding Periodic Distribution Period) or (ii) if there is no such preceding Profit Rate Determination Date, the initial Profit Rate applicable to such Certificates on the Profit Commencement Date (through substituting, where a different Margin or Maximum Profit Rate or Minimum Profit Rate is to be applied to the relevant Periodic Distribution Period from that which applied to the last preceding Periodic Distribution Period, the Margin or Maximum Profit Rate or Minimum Profit Rate relating to the relevant Periodic Distribution Period, in place of the Margin or Maximum Profit Rate or Minimum Profit Rate relating to that last preceding Periodic Distribution Period).
- (b) Where Screen Rate Determination Referencing SOFR is specified in the applicable Pricing Supplement as the manner in which the Profit Rate is to be determined, the Profit Rate for each Periodic Distribution Period will, subject to Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*) and as provided below, be equal to the relevant SOFR Benchmark plus or minus the Margin (if any, as indicated in the applicable Pricing Supplement), all as determined by the Calculation Agent on the relevant Profit Rate Determination Date. The “**SOFR Benchmark**” will be determined based on Simple SOFR Average, Compounded Daily SOFR or Compounded SOFR Index, as follows (subject in each case to Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*)):
- (1) If Simple SOFR Average (“**Simple SOFR Average**”) is specified in the applicable Pricing Supplement as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Periodic Distribution Period shall be the arithmetic mean of the SOFR reference rates for each day during the Periodic Distribution Period, as calculated by the Calculation Agent, and (i) for each day during the period which is not a U.S. Government Securities Business Day, the SOFR reference rate shall be deemed to be the SOFR reference rate on the immediately preceding U.S. Government Securities Business Day and (ii) where, if applicable and as specified in the applicable Pricing Supplement, the SOFR reference rate on the SOFR Rate Cut-Off Date shall be used for the days in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Profit Period Date;
 - (2) If Compounded Daily SOFR (“**Compounded Daily SOFR**”) is specified in the applicable Pricing Supplement as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Periodic Distribution Period shall be equal to the compounded average of daily SOFR reference rates for each day during (x) where SOFR Observation

Lag, SOFR Payment Delay or SOFR Lockout is specified as applicable to determine Compounded Daily SOFR, the relevant Periodic Distribution Period or (y) where SOFR Observation Shift is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR, the SOFR Observation Period, in each case as calculated by the Calculation Agent in accordance with one of the formulas referenced below depending upon which is specified as applicable in the applicable Pricing Supplement.

(I) SOFR Observation Lag:

$$\left(\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_{i-xUSBD} \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

- (AA) “**SOFR_{i-xUSBD}**” for any U.S. Government Securities Business Day “i” in the relevant Periodic Distribution Period, is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day “i”;
- (BB) “**Lookback Days**” means such number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement;
- (CC) “**d**” means the number of calendar days in the relevant Periodic Distribution Period;
- (DD) “**d_o**” for any Periodic Distribution Period, means the number of U.S. Government Securities Business Days in the relevant Periodic Distribution Period;
- (EE) “**i**” means a series of whole numbers ascending from one to do, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Periodic Distribution Period; and
- (FF) “**n_i**” for any U.S. Government Securities Business Day “i” in the relevant Periodic Distribution Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day.

(II) SOFR Observation Shift:

$$\left(\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

- (AA) “**SOFR_i**” for any U.S. Government Securities Business Day “i” in the relevant SOFR Observation Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day “i”;
 - (BB) “**SOFR Observation Period**” means, in respect of each Periodic Distribution Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of the relevant Periodic Distribution Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Profit Period Date for such Periodic Distribution Period;
 - (CC) “**SOFR Observation Shift Days**” means the number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement, which shall (unless otherwise agreed by the Calculation Agent) be no less than five U.S. Government Securities Business Days;
 - (DD) “**d**” means the number of calendar days in the relevant SOFR Observation Period;
 - (EE) “**d₀**” for any SOFR Observation Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;
 - (FF) “**i**” means a series of whole numbers ascending from one to do, representing each U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period; and
 - (GG) “**n_i**” for any U.S. Government Securities Business Day “i” in the relevant SOFR Observation Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day.
- (III) SOFR Payment Delay:

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

- (AA) “**SOFR_i**” for any U.S. Government Securities Business Day “i” in the relevant Periodic Distribution Period, is equal to the

SOFR reference rate for that U.S. Government Securities Business Day “i”;

- (BB) **“Periodic Distribution Date”** shall be the number of Periodic Distribution Delay Days following each Profit Period Date; *provided that* the Periodic Distribution Date with respect to the final Periodic Distribution Period will be the Scheduled Dissolution Date, the relevant Dissolution Date or the Non-Viability Event Write-down Date (if applicable);
- (CC) **“Periodic Distribution Delay Days”** means the number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement;
- (DD) **“d”** means the number of calendar days in the relevant Periodic Distribution Period;
- (EE) **“d”** for any Periodic Distribution Period, means the number of U.S. Government Securities Business Days in the relevant Periodic Distribution Period;
- (FF) **“i”** means a series of whole numbers ascending from one to do, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Periodic Distribution Period; and
- (GG) **“n”** for any U.S. Government Securities Business Day “i” in the relevant Periodic Distribution Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day.

For the purposes of calculating Compounded Daily SOFR with respect to the final Periodic Distribution Period where SOFR Payment Delay is specified in the applicable Pricing Supplement, the SOFR reference rate for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Scheduled Dissolution Date or the relevant Dissolution Date on which all Certificates of the relevant Series shall be redeemed in full, as applicable, shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date.

- (IV) SOFR Lockout:

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

- (AA) **“SOFR_i”** for any U.S. Government Securities Business Day “i” in the relevant Periodic Distribution Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day “i”, except that the SOFR for any U.S. Government Securities Business Day “i” in respect of the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Profit Period Date for such Periodic

Distribution Period shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date;

- (BB) “d” means the number of calendar days in the relevant Periodic Distribution Period;
 - (CC) “d_o” for any Periodic Distribution Period, means the number of U.S. Government Securities Business Days in the relevant Periodic Distribution Period;
 - (DD) “i” means a series of whole numbers ascending from one to do, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Periodic Distribution Period; and
 - (EE) “n_i” for any U.S. Government Securities Business Day “i” in the relevant Periodic Distribution Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day.
- (3) If Compounded SOFR Index (“**Compounded SOFR Index**”) is specified as applicable in the applicable Pricing Supplement, the SOFR Benchmark for each Periodic Distribution Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Calculation Agent as follows:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \left(\frac{360}{d_c} \right)$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

- (I) “**SOFR Index**”, in respect of a U.S. Government Securities Business Day, means the SOFR Index value as published on the SOFR Administrator’s Website at the SOFR Index Determination Time on such U.S. Government Securities Business Day, *provided that*:
 - (AA) if the value specified above does not appear and a Benchmark Event (or, if Condition 8(e) (*Benchmark Discontinuation (SOFR)*) applies, a SOFR Benchmark Transition Event and its related Benchmark Replacement Date) have not occurred, the “**Compounded SOFR Index**” shall be calculated on any Periodic Distribution Determination Date with respect to a Periodic Distribution Period, in accordance with the Compounded Daily SOFR formula described above in paragraph (B)(b)(1) above, and the term “**SOFR Observation Shift Days**” (unless otherwise agreed by the Calculation Agent) shall mean five U.S. Government Securities Business Days; or

- (BB) if the value specified above does not appear and a Benchmark Event (or, if Condition 8(e) (*Benchmark Discontinuation (SOFR)*) applies, a SOFR Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the provisions set forth in Condition 8(d) (*Benchmark Discontinuation– Reference Rate other than SOFR*) or Condition 8(e) (*Benchmark Discontinuation (SOFR)*) shall apply as specified in the applicable Pricing Supplement;
 - (II) “**SOFR Index_{End}**” means, in respect of a Periodic Distribution Period, the SOFR Index value on the date that is the number of SOFR Index_{End} Days specified in the applicable Pricing Supplement prior to the Profit Period Date for such Periodic Distribution Period (or in the final Periodic Distribution Period, the Scheduled Dissolution Date);
 - (III) “**SOFR Index_{Start}**” means, in respect of a Periodic Distribution Period, the SOFR Index value on the date that is the number of SOFR Index_{End} Days specified in the applicable Pricing Supplement prior to the first day of such Periodic Distribution Period;
 - (IV) “**SOFR Index Determination Time**” means, in respect of a U.S. Government Securities Business Day, approximately 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;
 - (V) “**SOFR Observation Period**” means, in respect of a Periodic Distribution Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of the relevant Periodic Distribution Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Profit Period Date for such Periodic Distribution Period;
 - (VI) “**SOFR Observation Shift Days**” means the number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement; and
 - (VII) “**d_c**” means the number of calendar days in the applicable SOFR Observation Period.
- (c) Where Screen Rate Determination Referencing SONIA is specified in the applicable Pricing Supplement as the manner in which the Profit Rate is to be determined:
- (1) If SONIA Compounded Index Rate is specified in the applicable Pricing Supplement as being applicable, the Profit Rate for each Periodic Distribution Period will, subject to Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*), be the SONIA Compounded Index Rate as follows, plus or minus (as indicated in the applicable Pricing Supplement) the Margin.

For the purposes of this paragraph (c)(1):

“**SONIA Compounded Index Rate**” means with respect to a Periodic Distribution Period, the rate of return of a daily compound profit investment during the Observation Period corresponding to such Periodic Distribution Period (with the daily Sterling overnight reference rate as reference rate for the calculation of profit) and will be calculated by the Calculation Agent on the Periodic Distribution Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded upwards)

$$\left(\frac{SOFR\ Compound\ Index_{END}}{SOFR\ Compounded\ Index_{START}} - 1 \right) \times \left(\frac{360}{d} \right)$$

provided, however, that and subject to Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*), if the SONIA Compounded Index Value is not available in relation to any Periodic Distribution Period on the Relevant Screen Page for the determination of either or both of SONIA Compounded Index_{START} and SONIA Compounded Index_{End}, the Profit Rate shall be calculated for such Periodic Distribution Period on the basis of the SONIA Compounded Daily Reference Rate as set out in paragraph (c)(2) as if SONIA Compounded Daily Reference Rate with Observation Shift had been specified in the applicable Pricing Supplement and the “Relevant Screen Page” shall be deemed to be the “Relevant Fallback Screen Page” as specified in the applicable Pricing Supplement,

where:

- (AA) “*d*” means the number of calendar days in the relevant Observation Period;
- (BB) “**London Business Day**”, means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;
- (CC) “**Observation Period**” means, in respect of a Periodic Distribution Period, the period from (and including) the date falling “p” London Business Days prior to the first day of such Periodic Distribution Period (and the first Observation Period shall begin on and include the date which is “p” London Business Days prior to the Issue Date) and ending on (but excluding) the date which is “p” London Business Days prior to the Periodic Distribution Date for such Periodic Distribution Period (or the date falling “p” London Business Days prior to such earlier date, if any, on which the Certificates become due and payable);
- (DD) “*p*” means, for any Periodic Distribution Period the whole number specified in the applicable Pricing Supplement (or, if

no such number is so specified, five London Business Days) representing a number of London Business Days;

- (EE) “**SONIA Compounded Index**” means the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);
- (FF) “**SONIA Compounded Index_{START}**” means, in respect of a Periodic Distribution Period, the SONIA Compounded Index Value on the date falling “p” London Business Days prior to (i) the first day of such Periodic Distribution Period, or (ii) in the case of the first Periodic Distribution Period, the Issue Date;
- (GG) “**SONIA Compounded Index_{END}**” means the SONIA Compounded Index Value on the date falling “p” London Business Days prior to (i) in respect of a Periodic Distribution Period, the Periodic Distribution Date for such Periodic Distribution Period, or (ii) if the Certificates become due and payable prior to the end of a Periodic Distribution Period, the date on which the Certificates become so due and payable; and
- (HH) “**SONIA Compounded Index Value**” means in relation to any London Business Day, the value of the SONIA Compounded Index as published by authorised distributors on the Relevant Screen Page on such London Business Day or, if the value of the SONIA Compounded Index cannot be obtained from such authorised distributors, as published on the Bank of England’s Website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) on such London Business Day.

- (2) If SONIA Compounded Daily Reference Rate is specified in the applicable Pricing Supplement as being applicable, the Profit Rate for each Periodic Distribution Period will, subject to Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*), be equal to the SONIA Compounded Daily Reference Rate as follows, plus or minus (if any) (as indicated in the applicable Pricing Supplement) the Margin.

“**SONIA Compounded Daily Reference Rate**” means, in respect of a Periodic Distribution Period, the rate of return of a daily compound profit investment (with the daily Sterling overnight reference rate as reference rate for the calculation of profit) and will be calculated by the Calculation Agent on the Periodic Distribution Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the nearest one

hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded upwards),

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

Where:

- (AA) “**London Business Day**”, “**Observation Period**” and “***p***” have the meanings set out under paragraph (c)(1) above;
- (BB) “***d***” is the number of calendar days in the relevant:
 - (aaa) Observation Period where Observation Shift is specified in the applicable Pricing Supplement; or
 - (bbb) Periodic Distribution Period where SOFR Lag is specified in the applicable Pricing Supplement;
- (CC) “***do***” is the number of London Business Days in the relevant:
 - (aaa) Observation Period where Observation Shift is specified in the applicable Pricing Supplement; or
 - (bbb) Periodic Distribution Period where SOFR Lag is specified in the applicable Pricing Supplement;
- (DD) “***i***” is a series of whole numbers from one to *do*, each representing the relevant London Business Day in chronological order from, and including, the first London Business Day in the relevant:
 - (aaa) Observation Period where Observation Shift is specified in the applicable Pricing Supplement; or
 - (bbb) Periodic Distribution Period where SOFR Lag is specified in the applicable Pricing Supplement;
- (EE) “***ni***”, for any London Business Day “***i***”, means the number of calendar days from and including such London Business Day “***i***” up to but excluding the following London Business Day;
- (FF) “**SONIA_{*i*}**” means, in relation to any London Business Day the SONIA reference rate in respect of:
 - (aaa) that London Business Day “***i***” where Observation Shift is specified in the applicable Pricing Supplement; or
 - (bbb) the London Business Day (being a London Business Day falling in the relevant Observation Period) falling “***p***” London Business Days prior to the relevant London Business Day “***i***” where SOFR Lag is specified in the applicable Pricing Supplement; and

- (GG) the “**SONIA reference rate**”, in respect of any London Business Day, is a reference rate equal to the daily SONIA rate for such London Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page on the next following London Business Day or, if the Relevant Screen Page is unavailable, as published by authorised distributors on such London Business Day or, if SONIA cannot be obtained from such authorised distributors, as published on the Bank of England’s Website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA reference rate)
- (3) Subject to Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*) where SONIA is specified as the Reference Rate in the applicable Pricing Supplement and either (i) SONIA Compounded Daily Reference Rate is specified in the applicable Pricing Supplement, or (ii) the SONIA Compounded Index Rate is specified in the applicable Pricing Supplement and paragraph (c)(1) above applies, if, in respect of any London Business Day, the SONIA reference rate is not available on the Relevant Screen Page or Relevant Fallback Screen Page as applicable, (or as otherwise provided in the relevant definition thereof), such Reference Rate shall be:
- (I) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at close of business on the relevant London Business Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which the SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate, or
 - (II) if such Bank Rate is not available, the SONIA reference rate published on the Relevant Screen Page (or as otherwise provided in the relevant definition thereof) for the first preceding London Business Day on which the SONIA reference rate was published on the Relevant Screen Page (or as otherwise provided in the relevant definition thereof),
- and, in each case, SONIA_i shall be interpreted accordingly.
- (4) If the *Profit Rate* cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*), the Profit Rate shall be (i) that determined as at the last preceding Periodic Distribution Determination Date (through substituting, where a different Margin or Maximum Profit Rate or Minimum Profit Rate is to be applied to the relevant Periodic Distribution Period from that which applied to the last

preceding Periodic Distribution Period, the Margin or Maximum Profit Rate or Minimum Profit Rate relating to the relevant Periodic Distribution Period, in place of the Margin or Maximum Profit Rate or Minimum Profit Rate relating to that last preceding Periodic Distribution Period) or (ii) if there is no such preceding Periodic Distribution Determination Date, the initial Profit Rate which would have been applicable to such Series of Certificates for the first Periodic Distribution Period had the Certificates been in issue for a period equal in duration to the scheduled first Periodic Distribution Period but ending on (and excluding) the Profit Commencement Date (but applying the Margin and any Maximum Profit Rate or Minimum Profit Rate applicable to the first Periodic Distribution Period).

The following defined terms shall have the meanings set out below for the purpose of this Condition 8(c)(iii)(B):

“Bloomberg Screen SOFRRATE Page” means the Bloomberg screen designated **“SOFRRATE”** or any successor page or service;

“Reuters Page USDSOFR=” means the Reuters page designated **“USDSOFR=”** or any successor page or service;

“SOFR” means, in respect of any U.S. Government Securities Business Day, the reference rate determined by the Calculation Agent in accordance with the following provision:

- (a) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator’s Website;
- (b) if the reference rate specified in paragraph (a) above does not appear and a SOFR Benchmark Transition Event and its related Benchmark Replacement Date have not occurred, the SOFR reference rate shall be the reference rate published on the SOFR Administrator’s Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website; or
- (c) if the reference rate specified in paragraph (a) above does not appear and a SOFR Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the provisions set forth in Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*) or Condition 8(e) (*Benchmark Discontinuation (SOFR)*) shall apply as specified in the applicable Pricing Supplement;

“SOFR Administrator’s Website” means the website of the Federal Reserve Bank of New York (currently, being <https://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index>), or any successor source; and

“SOFR Benchmark Transition Event” means the occurrence of a SOFR Benchmark Event with respect to the then-current SOFR Benchmark.

- (iv) *Linear Interpolation*: Where Linear Interpolation is specified as applicable in respect of a Periodic Distribution Period in the applicable Pricing Supplement, the Profit Rate for such

Periodic Distribution Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Pricing Supplement) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Pricing Supplement), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Periodic Distribution Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Periodic Distribution Period, *provided however that*, if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Obligor (in consultation with an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Obligor) shall determine such rate at such time and by reference to such sources as it, in consultation with the Trustee and the Obligor, determines appropriate.

“**Applicable Maturity**” means, (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate and (b) in relation to ISDA Determination, the Designated Maturity.

(d) Benchmark Discontinuation – Reference Rate other than SOFR:

- (i) This Condition 8(d) shall apply unless Condition 8(e) (*Benchmark Discontinuation (SOFR)*) is specified as applicable in the applicable Pricing Supplement.
- (ii) Independent Adviser

Notwithstanding the other provisions of this Condition 8, if a Benchmark Event occurs in relation to the relevant Reference Rate specified in the applicable Pricing Supplement when any Profit Rate (or the relevant component part thereof) remains to be determined by reference to such Reference Rate, then the following provisions shall apply:

- (A) the Obligor shall use its reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine no later than five Business Days prior to the relevant Profit Rate Determination Date relating to the next succeeding Periodic Distribution Period (the “**IA Determination Cut-Off Date**”), a Successor Rate or, alternatively, if there is no Successor Rate, an Alternative Reference Rate and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with paragraph (E) below) for the purposes of determining the Profit Rate (or the relevant component part thereof) applicable to the Certificates;
- (B) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Periodic Distribution Periods in respect of such Certificates (subject to the subsequent operation of, and to adjustment as provided in this Condition 8(d)(ii));
- (C) the Adjustment Spread (or the formula or methodology for determining the Adjustment Spread), shall be applied to the Successor Rate or the Alternative Reference Rate (as the case may be). If the Independent Adviser (following consultation with the Obligor) or the Obligor, as applicable, is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread;

- (D) if (A) the Obligor is unable to appoint an Independent Adviser in accordance with this Condition 8(d)(ii); or (B) the Independent Adviser appointed by the Obligor fails to determine a Successor Rate or, failing which, an Alternative Reference Rate in accordance with this Condition 8(d)(ii) prior to the relevant IA Determination Cut-Off Date, the Obligor (acting in good faith and in a commercially reasonable manner) may elect to determine the Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and, in either case, an Adjustment Spread itself for the purposes of determining the Profit Rate (or the relevant component part thereof) applicable to the Certificates or, if applicable, any Benchmark Amendments, to ensure the proper operation of such Successor Rate or Alternative Reference Rate and/or (in either case) the applicable Adjustment Spread (with the relevant provisions in this Condition 8(d)(ii) applying *mutatis mutandis* to allow such determinations to be made by the Obligor without consultation with the Independent Adviser, by no later than five Business Days prior to the Profit Rate Determination Date relating to the next Periodic Distribution Period for which the Profit Rate (or any component part thereof) is to be determined by reference to the original Reference Rate. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Periodic Distribution Period only and any subsequent Periodic Distribution Periods are subject to the subsequent operation of, and to adjustment as provided, in this Condition 8(d)(ii);
- (E) if any Successor Rate, Alternative Reference Rate or Adjustment Spread is determined in accordance with this Condition 8(d)(ii) and the Independent Adviser (following consultation with the Obligor) or the Obligor, as applicable, determines in good faith: (A) that amendments to these Conditions and/or any of the Transaction Documents (including, without limitation, amendments to the definitions of Day Count Fraction, Business Day, Business Day Convention, Profit Rate Determination Date or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate, Alternative Reference Rate and/or Adjustment Spread (such amendments, the “**Benchmark Amendments**”); and (B) the terms of the Benchmark Amendments, then, at the direction and expense of the Obligor and subject to delivery of a notice and certificate in accordance with paragraph (F) below: (x) the Obligor shall vary these Conditions and/or any of the Transaction Documents to give effect to such Benchmark Amendments with effect from the date specified in such notice; and (y) the Delegate and the Agents shall (at the Obligor’s expense), without any requirement for the consent or sanction of Certificateholders, be obliged to concur with the Trustee and the Obligor in effecting such Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Declaration of Trust), *provided that* neither the Delegate nor any Agent shall be obliged so to concur if doing so would impose, in its opinion, more onerous obligations upon it or expose it to any liability against which it is not adequately indemnified and/or secured and/or prefunded to its satisfaction or impose any additional duties, responsibilities or liabilities or reduce or amend its rights and/or the protective provisions afforded to it.

Notwithstanding any other provision of this Condition 8(d), no Successor Rate or Alternative Reference Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Trustee or the Obligor, the same could reasonably be expected to prejudice the qualification of the Tier 2 Certificates as tier 2 capital (in accordance with

the applicable requirements of SAMA (or any successor thereto as the relevant regulator of banks in the Kingdom));

- (F) the Obligor shall promptly, following the determination of any Successor Rate, Alternative Reference Rate and Adjustment Spread (as applicable) and the specific terms of any Benchmark Amendments, give notice to the Delegate, the Agents and, in accordance with Condition 19 (*Notices*), the Certificateholders confirming: (A) that a Benchmark Event has occurred; (B) the Successor Rate or Alternative Reference Rate (as applicable); (C) any applicable Adjustment Spread; and (D) the specific terms of the Benchmark Amendments (if any). Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Certificateholders of the same, the Obligor shall deliver to the Delegate, the Calculation Agent and the Paying Agents a certificate signed by two Authorised Signatories of the Obligor:

- (I) confirming: (1) that a Benchmark Event has occurred; (2) the Successor Rate or, as the case may be, the Alternative Reference Rate; (3) the applicable Adjustment Spread and (4) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 8(d)(ii); and
- (II) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Reference Rate and (in either case) the applicable Adjustment Spread.

Each of the Delegate, the Trustee, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Reference Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of wilful default, manifest error or bad faith in the determination of the Successor Rate or Alternative Reference Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Delegate's or the Trustee's or the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Obligor, the Trustee, the Delegate, the Calculation Agent, the Agents and the Certificateholders.

Notwithstanding any other provision of this Condition 8, if following the determination of any Successor Rate, Alternative Reference Rate, Adjustment Spread or Benchmark Amendments (if any), in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 8, the Calculation Agent shall promptly notify the Trustee and the Obligor thereof and the Trustee and the Obligor shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Trustee and the Obligor thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so;

- (G) if, following the occurrence of a Benchmark Event and in relation to the determination of the Profit Rate (or the relevant component thereof) on the next succeeding Profit Rate Determination Date, no Successor Rate or Alternative Reference Rate (as applicable) is determined pursuant to this provision, then the Profit Rate applicable to the next succeeding Periodic Distribution Period shall be equal to the Profit Rate last determined in relation to the Certificates in respect of the immediately preceding Periodic Distribution Period (through substituting, where a different Margin or Maximum Profit Rate or Minimum Profit Rate is to be applied to the relevant Periodic Distribution Period from that which applied to the last preceding Periodic Distribution Period, the Margin or Maximum Profit Rate or Minimum Profit Rate relating to the relevant Periodic Distribution Period, in place of the Margin or Maximum Profit Rate or Minimum Profit Rate relating to that last preceding Periodic Distribution Period). If there has not been a first Periodic Distribution Date, the Profit Rate shall be determined using the Reference Rate last displayed on the relevant Screen Page prior to the relevant Profit Rate Determination Date. For the avoidance of doubt, this paragraph (G) shall apply to the relevant immediately following Periodic Distribution Period only and any subsequent Periodic Distribution Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 8(d)(ii);
- (H) the Independent Adviser appointed pursuant to this Condition 8(d)(ii) shall act and make all determinations pursuant to this Condition 8(d)(ii) in good faith and in a commercially reasonable manner and the Independent Adviser shall act as an expert. In the absence of bad faith, wilful default or fraud, neither the Independent Adviser nor the Obligor shall have any liability whatsoever to the Paying Agents or the Certificateholders in connection with any determination made by it or, in the case of the Independent Adviser, for any advice given to the Obligor in connection with any determination made by the Obligor pursuant to this Condition 8(d)(ii);
- (I) without prejudice to the obligations of the Obligor under paragraphs (A), (B), (C), (D) and (E) above, the original Reference Rate and the fallback provisions provided for in paragraph (iii)(B) of Condition 8(c) (*Floating Rate Certificates*) will continue to apply unless and until a Benchmark Event has occurred; and
- (iii) The following defined terms shall have the meanings set out below for the purpose of this Condition 8(d) is specified as applicable in the applicable Pricing Supplement.
- “**Adjustment Spread**” means either (a) a spread (which may be positive, negative or zero), or (b) a formula or methodology for calculating a spread, in each case, to be applied to the Successor Rate or the Alternative Reference Rate (as the case may be) and is the spread, formula or methodology which:
- (a) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (b) (if no such recommendation has been made, or in the case of an Alternative Reference Rate) the Independent Adviser (following consultation with the Trustee and the Obligor) determines is customarily applied to the relevant Successor Rate or the Alternative Reference Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or

- (c) (if the Independent Adviser (following consultation with the Trustee and the Obligor) determines that no such spread, formula or methodology is customarily applied) the Independent Adviser (following consultation with the Trustee and Obligor) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as the case may be); or
- (d) (if the Independent Adviser (following consultation with the Trustee and the Obligor) determines that there is no such industry standard) the Independent Adviser (following consultation with the Trustee and the Obligor) or the Obligor (as applicable) determines (acting in good faith and in a commercially reasonable manner) in their sole discretion to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances and solely for the purposes of this paragraph (d) only, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the Certificateholders;

“Alternative Reference Rate” means an alternative benchmark or screen rate which the Independent Adviser (following consultation with the Trustee and Obligor) determines, in accordance with this paragraph (iii), is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest or profit (or the relevant component part thereof) in the same Specified Currency as the Certificates;

“Benchmark Amendments” has the meaning given to it in paragraph (ii)(E) of this Condition 8(d);

“Benchmark Event” means the occurrence of one or more of the following events with respect to the then-current Reference Rate (including any daily published component used in the calculation thereof): (i) the relevant Reference Rate (or such component) ceasing to be published as a result of such benchmark ceasing to be calculated or administered for a period of at least 5 Business Days or ceasing to exist; or (ii) a public statement or publication of information by the administrator of the relevant Reference Rate (or such component) that it has ceased or that it will cease publishing the relevant Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the relevant Reference Rate); or (iii) a public statement or publication of information by the supervisor of the administrator of the relevant Reference Rate (or such component), that the relevant Reference Rate (or such component) has been or will be permanently or indefinitely discontinued; or (iv) a public statement by the supervisor of the administrator of the relevant Reference Rate (or such component) as a consequence of which the relevant Reference Rate (or such component) will be prohibited from being used either generally, or in respect of the Certificates or that its use will be subject to restrictions or adverse consequences; or (v) a public statement by the supervisor of the administrator of the relevant Reference Rate (or such component) that the relevant Reference Rate (or such component) is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market or the methodology to calculate such Reference Rate has materially changed; or (vi) it has become unlawful for the Obligor, the Trustee, the Calculation Agent or any Paying Agent or any other party to calculate any payments due to be made to any Certificateholder using the relevant Reference Rate; provided that the Benchmark Event shall be deemed to occur (a) in the case of paragraphs (ii) and (iii) above, on the date of the cessation of publication of the relevant Reference Rate (or such component) or the discontinuation of the relevant Reference Rate (or such component), as the case may be, (b) in

the case of paragraph (iv) above, on the date of the prohibition of use of the relevant Reference Rate (or such component) and (c) in the case of paragraph (v) above, on the date with effect from which the relevant Reference Rate (or such component) will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement or publication of information, as the case may be. The occurrence of a Benchmark Event shall be determined by the Trustee and the Obligor and promptly notified to the Delegate, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Delegate, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination;

“Financial Stability Board” means the organisation established by the Group of Twenty (G20) in April 2009;

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser of recognised standing with appropriate expertise appointed by the Trustee and the Obligor at the Obligor’s expense;

“Relevant Nominating Body” means, in respect of a benchmark or screen rate: (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of: (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates; (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); (C) a group of the aforementioned central banks or other supervisory authorities; or (D) the Financial Stability Board or any part thereof; and

“Successor Rate” means a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

(e) Benchmark Discontinuation (SOFR):

This Condition 8(e) shall only apply where this Condition 8(e) is specified as applicable in the applicable Pricing Supplement.

- (A) If the Obligor or its designee determines on or prior to the relevant Reference Time that a SOFR Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Certificates in respect of all determinations on such date and for all determinations on all subsequent dates.
- (B) In connection with the implementation of a Benchmark Replacement, the Obligor or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. The Delegate and each of the Agents shall, at the direction and expense of the Obligor effect such consequential amendments to the Master Declaration of Trust, Agency Agreement and these Conditions as may be required to give effect to this Condition 8(e), *provided that* neither the Delegate nor any Agent shall be obliged so to concur if doing so would impose, in its opinion, more onerous obligations upon it or expose it to any liability against which it is not adequately indemnified and/or secured and/or prefunded to its satisfaction or impose any additional duties, responsibilities or liabilities or reduce or amend its rights and/or the protective provisions

afforded to it. Certificateholders' consent shall not be required in connection with effecting any such changes, including the execution of any documents or any steps to be taken by any of the Delegate or the Agents (if required). Further, none of the Delegate, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Obligor or its designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

- (C) Any determination, decision or election that may be made by the Trustee, the Obligor or any of their respective designees pursuant to this Condition 8(e), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (i) will be conclusive and binding absent manifest error or bad faith, (ii) will be made in the sole discretion of the Obligor, and (iii) notwithstanding anything to the contrary in the documentation relating to the Certificates, shall become effective without consent from the Certificateholders or any other party.
- (D) The Obligor shall promptly, following the determination of any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under this Condition 8(e), give notice to the Certificateholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Certificateholders of the same, the Obligor shall deliver to the Delegate, the Calculation Agent and the Paying Agents a certificate signed by two Authorised Signatories of the Obligor:

- (1) confirming: (1) that a SOFR Benchmark Event has occurred; (2) the relevant Benchmark Replacement and, (3) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 8(e); and
- (2) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

Each of the Delegate, the Trustee, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Benchmark Replacement, Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement, Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes (if any) and without prejudice to the Delegate's or the Trustee's or the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Obligor, the Trustee, the Delegate, the Calculation Agent, the Agents and the Certificateholders.

Notwithstanding any other provision of this Condition 8, if following the determination of any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or

calculation under this Condition 8(e), the Calculation Agent shall promptly notify the Trustee and the Obligor thereof and the Trustee and the Obligor shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Trustee and the Obligor thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so.

- (E) The following defined terms shall have the meanings set out below for the purpose of this Condition 8(e):

“Benchmark” means, initially, the relevant SOFR Benchmark specified in the applicable Pricing Supplement; *provided that* if the Obligor or its designee determines that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the relevant SOFR Benchmark (including any daily published component used in the calculation thereof) or the then-current Benchmark, then **“Benchmark”** means the applicable Benchmark Replacement;

“Benchmark Replacement” means the first alternative set forth in the order below that can be determined by the Obligor or its designee as of the Benchmark Replacement Date:

- (a) the sum of:
 - (i) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and
 - (ii) the Benchmark Replacement Adjustment;
- (b) the sum of:
 - (i) the ISDA Fallback Rate; and
 - (ii) the Benchmark Replacement Adjustment; or
- (c) the sum of:
 - (i) the alternate reference rate that has been selected by the Obligor or its designee for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) for U.S. dollar-denominated Floating Rate Certificates at such time; and
 - (ii) the Benchmark Replacement Adjustment;

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Obligor or any of its designees as of the Benchmark Replacement Date:

- (a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

- (b) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (c) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Obligor or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated Floating Rate Certificates at such time;

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of profit, rounding of amounts or tenors, and other administrative matters) the Obligor or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Obligor or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Obligor or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Obligor or its designee determines is reasonably necessary);

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (a) in the case of paragraph (a) or (b) of the definition of **“SOFR Benchmark Event”**, the later of:
 - i. the date of the public statement or publication of information referenced therein; and
 - ii. the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (b) in the case of paragraph (c) of the definition of **“SOFR Benchmark Event”**, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“designee” means a designee as selected and separately appointed by the Trustee or the Obligor in writing;

“ISDA Definitions” means the 2006 ISDA Definitions or 2021 ISDA Interest Rate Derivatives Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“ISDA Fallback Adjustment” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“Reference Time” with respect to any determination of the Benchmark means (1) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Simple SOFR Average or Compounded Daily SOFR is specified as applicable in the applicable Pricing Supplement) or SOFR Index Determination Time (where Compounded SOFR Index is specified as applicable in the applicable Pricing Supplement), or (2) if the Benchmark is not the SOFR Benchmark, the time determined by the Obligor or its designee after giving effect to the Benchmark Replacement Conforming Changes;

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

“SOFR Benchmark Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (a) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, *provided that*, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, *provided that*, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (c) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“SOFR Determination Time” means approximately 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day; and

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

- (f) **Entitlement to Profit:** Subject, in the case of Tier 2 Certificates only, to Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*), profit shall cease to accumulate in respect of any Certificate on any Dissolution Date or other due date for redemption in each case where such Certificate

is, or is proposed to be, redeemed unless, upon due presentation of the Registered Certificate representing such Certificate, payment is improperly withheld or refused, in which event profit shall continue to accumulate in respect of such Certificate (both before and after judgment) in the manner provided in this Condition 8 to the earlier of (i) the Relevant Date; or (ii) the date on which the relevant Exercise Price has been paid and a sale agreement has been executed in accordance with the terms of the Purchase Undertaking or the Sale and Substitution Undertaking, as the case may be.

(g) Margin, Maximum Profit Rates/Minimum Profit Rates and Rounding:

- (i) If any Margin is specified in the applicable Pricing Supplement (either (x) generally or (y) in relation to one or more Periodic Distribution Periods), an adjustment shall be made to all Profit Rates, in the case of (x), or the Profit Rates for the specified Periodic Distribution Periods, in the case of (y), calculated in accordance with Condition 8(c) (*Floating Rate Certificates*) by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to paragraph (ii) below.
 - (ii) If any Maximum Profit Rate or Minimum Profit Rate is specified in the applicable Pricing Supplement, then any Profit Rate shall be subject to such maximum or minimum, as the case may be.
 - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (*provided that* if the eighth significant figure is a 5 or greater, the seventh significant figure shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, “**unit**” means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.
- (h) Calculations:** The amount of profit payable per Calculation Amount in respect of any Certificate for any Periodic Distribution Period shall be equal to the product of the Profit Rate, the Calculation Amount specified in the applicable Pricing Supplement and the Day Count Fraction for such Periodic Distribution Period, unless a Profit Amount (or a formula for its calculation) is specified in the applicable Pricing Supplement as being applicable to such Periodic Distribution Period, in which case the amount of profit payable per Calculation Amount in respect of such Certificate for such Periodic Distribution Period shall equal such Profit Amount (or be calculated in accordance with such formula). In respect of any other period for which profit is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which profit is required to be calculated. The amount of profit payable per Calculation Amount in respect of any Certificate shall also (in relation to Tier 2 Certificates only) be subject to Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*).
- (i) Publication of Profit Rates, Profit Amounts and Dissolution Distribution Amounts:** The Calculation Agent shall, as soon as practicable on each Profit Rate Determination Date, Reset Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Profit Amounts for the relevant Periodic Distribution Period, calculate the Dissolution Distribution Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Profit Rate and the Profit Amounts for each Periodic Distribution Period and the relevant Periodic Distribution Date and, if required to be calculated, the relevant Dissolution Distribution Amount, to be

notified to the Delegate, the Trustee, the Obligor, each of the Paying Agents, the Certificateholders, any other Calculation Agent appointed in respect of the Certificates that is to make a further calculation upon receipt of such information and, if the Certificates are listed and/or admitted to trading on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Periodic Distribution Period, if determined prior to such time, in the case of notification to such exchange of a Profit Rate and Profit Amount, (ii) in the case of Reset Certificates, the relevant Reset Certificate Reset Date or (iii) in all other cases, the fourth Business Day after such determination. To the extent that the Calculation Agent is unable to notify a stock exchange or other relevant authority, the Calculation Agent shall notify the Obligor who shall perform such obligation. Where any Periodic Distribution Date or Profit Period Date is subject to adjustment pursuant to paragraph (ii) of Condition 8(c) (*Business Day Convention*), the Profit Amounts and the Periodic Distribution Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Delegate by way of adjustment) without notice in the event of an extension or shortening of the Periodic Distribution Period. If the Certificates become due and payable under Condition 14 (*Dissolution Events*), the accrued profit and the Profit Rate payable in respect of the Certificates shall nevertheless continue to be calculated as previously in accordance with this Condition 8 but no publication of the Profit Rate or the Profit Amount so calculated need be made unless the Delegate otherwise requires.

- (j) **Determinations of Calculation Agent binding:** All communications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 8 by the Calculation Agent will (in the absence of wilful default, bad faith or manifest or proven error) be binding on the Trustee, the Delegate, the Bank, the Agents and all Certificateholders and (save in the absence of wilful default or bad faith) no liability shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition 8.

(k) **Definitions:**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Business Day**” means:

- (i) in the case of a currency other than euro or Renminbi, and unless the applicable Pricing Supplement specifies that the Floating Rate Certificate Provisions apply and the Reference Rate is SOFR Benchmark or SONIA, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in London and each Business Centre (other than the T2) specified in the applicable Pricing Supplement;
- (ii) in the case of Renminbi, a day in which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong;
- (iii) if the applicable Pricing Supplement specifies that the Floating Rate Certificate Provisions apply and the Reference Rate is SOFR Benchmark, day which is a U.S. Government Securities Business Day and is not a legal holiday in New York and is not a date on which banking institutions in those cities are authorised or required by law or regulation to be closed;

- (iv) if the applicable Pricing Supplement specifies that the Floating Rate Certificate Provisions apply and the Reference Rate is SONIA, any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;
- (v) if the T2 is specified as a Business Centre in the applicable Pricing Supplement, a day on which the T2 is open; and
- (vi) either (A) in the case of a currency other than euro or Renminbi, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency or (B) in the case of euro, on a TARGET Business Day.

“**Day Count Fraction**” means, in respect of the calculation of an amount of profit on any Certificate for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Periodic Distribution Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual – ISDA**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/365 (Sterling)**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 or, in the case of a Periodic Distribution Date falling in a leap year, 366;
- (iv) if “**Actual/360**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and **D₁** is greater than 29, in which case **D₂** will be 30;

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D₁** will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D₂** will be 30;

- (vii) if “**30E/360 (ISDA)**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D₁** will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Scheduled Dissolution Date or (ii) such number would be 31, in which case **D₂** will be 30;

- (viii) if “**Actual/Actual-ICMA**” is specified in the applicable Pricing Supplement:

- (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (B) if the Calculation Period is longer than one Determination Period, the sum of:
 - (a) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (b) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“Determination Date” means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Periodic Distribution Date(s);

- (I) **Calculation Agent:** The Trustee shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the applicable Pricing Supplement and for so long as any Certificate is outstanding. Where more than one Calculation Agent is appointed in respect of the Certificates, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under these Conditions. If the Calculation Agent is unable or unwilling to act as such, or if the Calculation Agent fails duly to establish the Profit Rate for a Periodic Distribution Period or to calculate any Profit Amount or any Dissolution Distribution Amount, as the case may be, or to comply with any other requirement, the Trustee shall (with the prior approval of the Delegate) appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

9 Redemption and Dissolution of the Trust

- (a) **Dissolution on the Scheduled Dissolution Date:** Unless previously redeemed, or purchased and cancelled, in full, or, in the case of the Tier 2 Certificates, written-down in full, as provided below, each Certificate shall be finally redeemed at its Dissolution Distribution Amount on the Scheduled Dissolution Date specified in the applicable Pricing Supplement and following the payment of all such amounts in full and the execution of a sale agreement pursuant to the Purchase Undertaking, the Trustee shall be bound to dissolve the Trust. In the case of Fixed Rate Certificates where the Specified Currency is Renminbi or Hong Kong dollars, if the Scheduled Dissolution Date falls on a day which is not a Business Day, the Scheduled Dissolution Date will be the next succeeding Business Day unless it would thereby

fall in the next calendar month in which event the Scheduled Dissolution Date shall be brought forward to the immediately preceding Business Day.

(b) Early Dissolution for Taxation Reasons

Following:

- (i) the determination by the Trustee that (1) the Trustee has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the most recent Tranche of the relevant Series and (2) such obligation cannot be avoided by the Trustee taking reasonable measures available to it; or
- (ii) the receipt by the Trustee of notice from the Bank that (1) the Bank has or will become obliged to pay additional amounts pursuant to the terms of the Servicing Agency Agreement, the Purchase Undertaking and/or the Sale and Substitution Undertaking as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the most recent Tranche of the relevant Series and (2) such obligation cannot be avoided by the Bank taking reasonable measures available to it,

(the occurrence of an event described in paragraph (i) or (ii) above being a “**Tax Event**”), the Trustee shall, upon receipt of a duly completed Exercise Notice from the Obligor in accordance with the Sale and Substitution Undertaking (and in the case of Tier 2 Certificates only, subject to Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*)), on giving not less than the minimum period nor more than the maximum period of irrevocable notice specified in the applicable Pricing Supplement to the Delegate and the Certificateholders, redeem the Certificates in whole, but not in part, on any Periodic Distribution Date (if this Certificate is a Floating Rate Certificate) or at any time (if this Certificate is a Fixed Rate Certificate) (such dissolution date being an “**Early Tax Dissolution Date**”), at their Dissolution Distribution Amount, *provided that* no such notice of dissolution may be given earlier than 60 days prior to the earliest date on which the Trustee or the Obligor, as the case may be, would be obliged to pay such additional amounts were a payment in respect of the Certificates (in the case of the Trustee) or to the Trustee pursuant to the relevant Transaction Document (in the case of the Obligor) then due.

Prior to the publication of any notice of dissolution pursuant to this Condition 9(b), the Trustee or the Obligor, as the case may be, shall deliver to the Delegate:

- (A) in the case of payment of any such additional amounts by the Obligor, a certificate signed by two Authorised Signatories of the Obligor setting forth a statement of facts showing that the conditions precedent above have occurred; and
- (B) an opinion of independent legal advisers of recognised standing to the effect that the Trustee or the Obligor, as the case may be, has or will become obliged to pay such additional amounts as a result of such change or amendment,

and the Delegate shall be entitled to accept and rely on (without liability to any person) such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out in paragraph (i) above or, as the case may be, paragraph (ii) above, in which event it shall be conclusive and binding on Certificateholders.

Upon expiry of any such notice given in accordance with this Condition 9(b) and payment in full of the Dissolution Distribution Amount to Certificateholders, the Trustee shall be bound to dissolve the Trust.

(c) Early Dissolution following a Capital Disqualification Event:

This Condition 9(c) is only applicable to Tier 2 Certificates.

Subject to Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*), the Tier 2 Certificates may be redeemed by the Trustee in whole, but not in part on any Periodic Distribution Date (if this Certificate is a Floating Rate Certificate), or at any time (if this Certificate is a Fixed Rate Certificate) (such dissolution date, being a “**Capital Disqualification Event Dissolution Date**”) on giving not less than the minimum period nor more than the maximum period of irrevocable notice specified in the applicable Pricing Supplement to the Certificateholders in accordance with Condition 19 (*Notices*) and to the Delegate, at their Dissolution Distribution Amount, if a Capital Disqualification Event has occurred, provided that no such notice of redemption shall be given, unless a duly completed Exercise Notice has been received by the Trustee from the Bank under the Sale and Substitution Undertaking, the delivery of which is subject to the Bank having delivered to the Delegate: (i) a certificate signed by two directors and/or Authorised Signatories of the Bank stating that (A) a Capital Disqualification Event has occurred and cannot be avoided by the Bank taking reasonable measures available to it and (B) the conditions set out in Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*) have been satisfied; and (ii) if required by the Capital Regulations at such time, a copy of the notice received from the Financial Regulator to the effect that a Capital Disqualification Event has occurred and approving the redemption of the Certificates. The Delegate shall be entitled to accept (without further investigation or formality and without liability to any person) and rely upon any such certificate and notice as sufficient evidence thereof in which event it shall be conclusive and binding on the Delegate and the Certificateholders.

Upon the expiry of any such notice as is referred to in this Condition 9(c), the Trustee shall be bound to redeem the Certificates at their Dissolution Distribution Amount and, upon payment in full of such amounts to the Certificateholders, the Trust will terminate, the Certificates shall cease to represent undivided ownership interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

In these Conditions:

“**Capital Disqualification Event**” shall be deemed to have occurred if, as a result of any change in any applicable law (including any Capital Regulations), or in the application or official interpretation thereof, in each such case becoming effective after the Issue Date of the most recent Tranche of Tier 2 Certificates, the Bank is notified in writing by the Financial Regulator that the payment obligations of the Bank under the Transaction Documents to which it is a party in an amount equal to the face amount of the outstanding Certificates is excluded in full (or, to the extent not prohibited by the Capital Regulations at the time of the proposed redemption, in part) from the Tier 2 Capital of the Bank (save where such exclusion is only as a result of either: (a) any applicable limitation on the amount of such capital; or (b) such capital ceasing to count towards the Bank’s capital base through any amortisation or similar process or any changes thereto (including any amortisation or similar process imposed through any grandfathering arrangement));

“**Capital Regulations**” means, at any time, the regulations, standards, requirements, guidelines and policies relating to the maintenance of capital and/or capital adequacy then in effect in Saudi Arabia, including those of the Financial Regulator;

“Financial Regulator” means SAMA or such other governmental authority which assumes or performs the functions of SAMA, as at the Issue Date of the first Tranche of Tier 2 Certificates, or such other successor authority exercising primary banking supervision, in each case with respect to prudential matters in relation to the Bank;

“SAMA” means the Saudi Central Bank and/or any of its successors or assigns; and

“Tier 2 Capital” means capital qualifying as (or which, but for any applicable limitation on the amount of such capital, would qualify as), and approved by the Financial Regulator as, tier 2 capital in accordance with the Capital Regulations.

(d) Dissolution at the Option of the Obligor (Optional Dissolution (Call)):

If Optional Dissolution (Call) is specified in the applicable Pricing Supplement, subject to Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*) in the case of Tier 2 Certificates only, the Trustee shall, upon receipt of a duly completed Exercise Notice from the Obligor in accordance with the Sale and Substitution Undertaking, on giving not less than the minimum period nor more than the maximum period of irrevocable notice specified in the applicable Pricing Supplement to the Delegate and the Certificateholders, redeem the Certificates in whole, but not in part, on any Optional Dissolution Date. Any such redemption of Certificates shall be at their Dissolution Distribution Amount.

The Certificates in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 9(d).

Upon payment in full of the Dissolution Distribution Amount to all Certificateholders, the Trustee shall be bound to dissolve the Trust.

The Optional Dissolution (Call) and the Certificateholder Put Option may not both be specified in the applicable Pricing Supplement in respect of any Series.

(e) Dissolution at the Option of Certificateholders (Certificateholder Put Option)

This Condition 9(e) is only applicable to Senior Certificates.

If Certificateholder Put Option is specified in the applicable Pricing Supplement, the Trustee shall, at the option of the holder of any Certificate, upon the holder of such Certificate giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Pricing Supplement to the Trustee, redeem such Certificate on the Certificateholder Put Option Date at its Dissolution Distribution Amount. For the purposes thereof, the Trustee or the Delegate shall deliver to the Obligor a duly completed Exercise Notice in accordance with the provisions of the Purchase Undertaking. If the Certificates are to be redeemed in whole, but not in part, on any Certificateholder Put Option Date in accordance with this Condition 9(e), upon payment in full of the Dissolution Distribution Amount to all Certificateholders, the Trustee shall be bound to dissolve the Trust.

To exercise such option, the holder must deposit the Registered Certificate representing such Certificate(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed exercise notice (a **“Certificateholder Put Exercise Notice”**) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period.

Any Certificateholder Put Exercise Notice shall be irrevocable, except where, prior to the due date of redemption, a Dissolution Event has occurred and the Certificates are to be redeemed pursuant to

Condition 14 (*Dissolution Events*), in which event such holder, at its option, may elect by notice to the Trustee to withdraw the notice given pursuant to this Condition 9(e).

The Certificateholder Put Option and the Optional Dissolution (Call) may not both be specified in the applicable Pricing Supplement in respect of any Series.

- (f) **Dissolution following a Dissolution Event:** Upon the occurrence of a Dissolution Event which is continuing, the Certificates may be redeemed at their Dissolution Distribution Amount, subject to Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*) in the case of Tier 2 Certificates. For the purposes thereof, the Trustee or the Delegate may deliver to the Obligor a duly completed Exercise Notice in accordance with the Purchase Undertaking and, following the payment of all such amounts in full, the Trustee shall dissolve the Trust, in each case subject to and as more particularly described in Condition 14 (*Dissolution Events*).
- (g) **Purchases:** Subject to Condition 9(j) (*Conditions to Redemption and Repurchase of Tier 2 Certificates*) in the case of Tier 2 Certificates only, each of the Obligor and/or any Subsidiary of the Obligor may at any time purchase Certificates at any price in the open market or otherwise. Any Certificates held by the Obligor or any of the Obligor's Subsidiaries shall not entitle the holder to exercise any voting rights and shall not be deemed to be outstanding for the purposes of calculating quorums, meetings or for passing Extraordinary Resolutions for the purposes of Condition 16(a) (*Meetings of Certificateholders*).
- (h) **Cancellation:** All Certificates purchased by or on behalf of the Obligor or any of the Obligor's Subsidiaries may be surrendered for cancellation by surrendering the Registered Certificate representing such Certificates to the Registrar and by the Obligor delivering to the Trustee a duly completed Cancellation Notice in accordance with the terms of the Declaration of Trust. Any Certificates so surrendered, together with all Certificates that are redeemed in accordance with this Condition 9 and/or Condition 14 (*Dissolution Events*), shall be cancelled forthwith and may not be held, reissued or resold and the obligations of the Trustee in respect of any such Certificates shall be discharged. If all (and not some only) of the Certificates are cancelled in accordance with this Condition 9(h), the Trustee shall be bound to dissolve the Trust.
- (i) **No Other Dissolution:** The Trustee shall not be entitled to redeem the Certificates or dissolve the Trust other than as provided in this Condition 9 and Condition 14 (*Dissolution Events*). Upon payment in full of all amounts due in respect of the Certificates of any Series, the Trustee shall be bound to dissolve the Trust. Upon such dissolution, the Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable, and the Trustee shall have no further obligations, in respect thereof.
- (j) **Conditions to Redemption and Repurchase of Tier 2 Certificates:**

This Condition 9(j) is only applicable to Tier 2 Certificates.

Tier 2 Certificates may only be redeemed, purchased or cancelled (as applicable) pursuant to Condition 9(b) (*Early Dissolution for Taxation Reasons*), Condition 9(c) (*Early Dissolution following a Capital Disqualification Event*), Condition 9(d) (*Dissolution at the Option of the Obligor (Optional Dissolution (Call))*), Condition 9(f) (*Dissolution following a Dissolution Event*) or Condition 14 (*Dissolution Events*), or Conditions 9(g) (*Purchase*) and 9(h) (*Cancellation*) as the case may be, if:

- (i) (except to the extent that the Financial Regulator no longer so requires) the Bank has obtained the prior written approval of the Financial Regulator;

- (ii) (except to the extent that the Financial Regulator no longer so requires) at the time when the relevant notice of redemption is given, the Bank is in compliance with the Applicable Regulatory Capital Requirements; and
- (iii) (except to the extent that the Financial Regulator no longer so requires) immediately following such redemption, the Bank will be in compliance with the Applicable Regulatory Capital Requirements.

In addition, if the Bank has instructed the Trustee to redeem the Tier 2 Certificates of any Series and prior to such redemption a Non-Viability Event occurs, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect and the Trustee shall (upon receiving written notice of the Non-Viability Event) give notice thereof to the Certificateholders (in accordance with Condition 19 (*Notices*)), the Delegate, the Principal Paying Agent, and the Registrar as soon as practicable. Further no notice of redemption shall be given in the period following the giving of a Non-Viability Notice and prior to the relevant Non-Viability Event Write-down Date.

10 Loss Absorption Upon the Occurrence of a Non-Viability Event

(a) Write-down of the Tier 2 Certificates

In the case of Tier 2 Certificates only, if a Non-Viability Event occurs at any time on or after the Issue Date of a Series of Certificates and prior to the date on which the Applicable Statutory Loss Absorption Regime becomes effective in respect of the Certificates subject to and as provided in this Condition 10:

- (i) the Bank will, no later than the third Business Day following the date on which such Non-Viability Event occurs (or such earlier date as determined by the Financial Regulator), notify the Trustee, the Principal Paying Agent (with a copy to the Delegate) and the Certificateholders in accordance with Condition 19 (*Notices*) of the occurrence of such Non-Viability Event (a “**Non-Viability Notice**”). Such Non-Viability Notice shall also (to the extent the relevant information has been received by the Financial Regulator):
 - (A) state that a Write-down of the Certificates and the Trust Assets will take place and, following guidance from the Financial Regulator, whether such Write-down will be a full Write-down of the Certificates and the Trust Assets or a partial Write-down of the Certificates and the Trust Assets;
 - (B) specify, in the case of a partial Write-down of the Certificates and the Trust Assets, (1) the outstanding face amount of the Certificates and the principal notional amount of the Trust Assets that the Financial Regulator has determined to be written-down (such amount being the “**Write-down Amount**”), and (2) the remaining outstanding face amount of the Certificates and the principal notional amount of the Trust Assets as determined by the Financial Regulator and notified to the Bank;
 - (C) specify, in the case of a full Write-down of the Certificates and the Trust Assets, that the Bank has received written confirmation from the Financial Regulator that the Financial Regulator has determined the outstanding face amount of the Certificates and the principal notional amount of the Trust Assets to be zero; and
 - (D) specify the date on which the Write-down of the Certificates and the Trust Assets will take place, which date shall be no later than 10 Business Days (or such other date as determined by the Financial Regulator) after the date of such Non-Viability Notice (such specified date, the “**Non-Viability Event Write-down Date**”); and

- (ii) the Certificates and the Trust Assets (or a portion thereof, as applicable) shall be subject to a Write-down on such Non-Viability Event Write-down Date in accordance with Condition 10(b) (*Write-down of the Certificates and the Trust Assets*).

If the Bank has not received all the information set out in paragraphs (a)(i)(A) to (D) (inclusive) above prior to the date on which the Non-Viability Notice is given, the Bank shall, as soon as reasonably practicable following receipt of such information from the Financial Regulator, notify the Trustee, the Principal Paying Agent (with a copy to the Delegate) and the Certificateholders in accordance with Condition 19 (*Notices*).

Following the occurrence of any reduction in part in the amount due under any Tier 2 Certificates pursuant to this Condition 10(a), any reference to any amount due under such Tier 2 Certificates, or to the outstanding face amount of such Tier 2 Certificates, shall be deemed to mean such amount subject to any applicable reduction pursuant to this Condition 10(a) *mutatis mutandis*.

(b) Write-down of the Certificates and the Trust Assets

- (i) If, at any time, the Financial Regulator determines that a full Write-down is required, on the Non-Viability Event Write-down Date:
 - (A) the rights of the holders of the Tier 2 Certificates under or in respect of the Trust Assets shall automatically be deemed to be irrevocably and unconditionally cancelled;
 - (B) the Dissolution Distribution Amount shall automatically be written down to zero and the Tier 2 Certificates shall be cancelled;
 - (C) subject to payment on such date of accrued and unpaid Periodic Distribution Amounts if and only to the extent that such Periodic Distribution Amounts became due and payable to the Certificateholders prior to the date of the Non-Viability Notice (and provided payment of such amounts are not prohibited by the Financial Regulator or the Capital Regulations at such time), all rights of any Certificateholder for payment of any amounts under or in respect of the Tier 2 Certificates (including, without limitation, any amounts arising as a result of, or due and payable upon the occurrence of, a Tier 2 Event) shall be cancelled and not restored under any circumstances, irrespective of whether such amounts have become due and payable prior to the date of the Non-Viability Notice or the Non-Viability Event Write-down Date;
 - (D) the Trustee shall dissolve the Trust; and
 - (E) (subject to Condition 10(b)(i)(C) above) neither the Trustee nor the Delegate will have any further claim against the Bank in respect of any Tier 2 Certificates.
- (ii) If the Financial Regulator determines that a partial Write-down of the Certificates and Trust Assets is required and provides the Bank with the information required pursuant to Condition 10(a)(i)(B), and where a partial Write-down of the Certificates and Trust Assets is specified in the Non-Viability Notice (or in a subsequent notice in accordance with Condition 10(a) (*Write-down of the Tier 2 Certificates*)), on the Non-Viability Event Write-down Date:
 - (A) the face amount of each Certificate (on a *pro rata* basis) and the notional amount of the Trust Assets shall be written down by the Write-down Amount, in each case as specified in writing by the Financial Regulator and references in these Conditions to “face amount” or “outstanding face amount” shall be construed accordingly;

- (B) the rights of the holders of the Tier 2 Certificates in the proportion of Trust Assets so written-down in accordance with this Condition 10(b)(ii) shall automatically be deemed to be irrevocably and unconditionally cancelled;
- (C) subject to payment on such date of accrued and unpaid Periodic Distribution Amounts if and only to the extent such amounts became due and payable to the Certificateholders prior to the date of the Non-Viability Notice (and provided payment of such amounts is not prohibited by the Financial Regulator or the Capital Regulations at such time), all rights of any Certificateholder for payment of any amounts under or in respect of the proportion of the Tier 2 Certificates so written down (including, without limitation, any amounts arising as a result of, or due and payable upon the occurrence of, a Tier 2 Event) shall be cancelled and not restored under any circumstances, irrespective of whether such amounts have become due and payable prior to the date of the Non-Viability Notice or the Non-Viability Event Write-down Date; and
- (D) (subject to Condition 10(b)(ii)(C) above) neither the Trustee nor the Delegate will have any further claim against the Bank in respect of the proportion of the Tier 2 Certificates written down pursuant to this Condition 10(b)(ii).

(c) Applicable Statutory Loss Absorption Regime

With effect on and from the date on which the Applicable Statutory Loss Absorption Regime becomes effective in respect of the Certificates, the foregoing provisions of this Condition 10 will lapse and cease to have any effect, except to the extent such provisions are required by the Applicable Statutory Loss Absorption Regime. If the Bank becomes Non-Viable on or after such date, the Financial Regulator (or the Bank following instructions from the Financial Regulator) may take such action in respect of the Certificates as is required or permitted by such Applicable Statutory Loss Absorption Regime.

(d) Liability of Delegate and Agents

Neither the Delegate nor the Agents shall have any responsibility for, or liability or obligation in respect of, any loss, claim or demand incurred as a result of or in connection with a Non-Viability Event (or its disapplication, if applicable) or any consequent Write-down or partial Write-down and/or cancellation of any Certificates or termination of the Trust Assets (in whole or in part) or any claims in respect thereof, and the Delegate and the Agents shall not be responsible for any calculation, determination or the verification of any calculation or determination in connection with the foregoing.

(e) Interpretation

In these Conditions:

“Applicable Statutory Loss Absorption Regime” means a Statutory Loss Absorption Regime that is applicable to the Certificates and which, alone or together with any other law(s) or regulation(s), has the effect that Conditions 10(a) (*Write-down of the Tier 2 Certificates*) and 10(b) (*Write-down of the Certificates and the Trust Assets*) could cease to apply to the Certificates without giving rise to a Capital Disqualification Event;

“Basel III” means the set of reforms to the international regulatory capital framework for banks issued by the Basel Committee on Banking Supervision as part of a package of new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards for international credit institutions (including guidance on the eligibility criteria for tier 1 capital and tier 2 capital instruments);

“**Business Day**” means a day, other than a Friday, Saturday, Sunday or public holiday, on which registered banks settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Kingdom of Saudi Arabia, London and the principal financial centre of the Specified Currency;

“**Non-Viability Event**” means that the Financial Regulator has notified the Bank in writing that it has determined that the Bank is, or will become, Non-Viable without:

- (a) a Write-down of the Certificates (and write-down of any of the Bank’s other capital instruments or other obligations constituting Tier 1 Capital and/or Tier 2 Capital of the Bank that, pursuant to their terms or by operation of law, are capable of being written down and/or converted into equity); or
- (b) a public sector injection of capital (or equivalent support), provided that such injection of capital is not made (i) by a shareholder of the Bank or (ii) on terms that are more favourable to the Bank than those that would be accepted by private investors in comparable transactions;

“**Non-Viability Notice**” has the meaning given to it in Condition 10(a) (*Write-down of the Tier 2 Certificates*);

“**Non-Viable**” means, in the case of the Bank, (a) insolvent, bankrupt, unable to pay a material part of its obligations as they fall due or unable to carry on its business or (b) any other event or circumstance which is specified as constituting non-viability by the Financial Regulator or in applicable Capital Regulations or any Applicable Statutory Loss Absorption Regime;

“**Statutory Loss Absorption Regime**” means any statutory regime implemented in Saudi Arabia which provides the Financial Regulator with the powers to implement loss absorption measures in respect of capital instruments (such as the Tier 2 Certificates), including, but not limited to, any such regime which is implemented pursuant to Basel III and/or The Law on the Treatment of Systemically Important Financial Institutions M/38 dated 25/4/1442H (corresponding to 11 December 2020);

“**Write-down**” means the events described in paragraphs (A) through (C) of Condition 10(b)(i) or paragraphs (A) through (C) of Condition 10(b)(ii), as appropriate; and

“**Write-down Amount**” has the meaning given to it in Condition 10(a)(i)(B) (*Write-down of the Tier 2 Certificates*).

11 Payments

(a) Method of Payment

Payments of the Dissolution Distribution Amount shall be made against presentation and (if no further payment falls to be made in respect of the Certificates represented thereby) surrender of

the relevant Registered Certificate at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided below.

Payments of Periodic Distribution Amounts in respect of each Certificate shall be made to the person shown on the Register (or, in the case of a Certificate held by two or more persons, to the person whose name appears first in the Register) at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”).

Payments of Periodic Distribution Amounts and the Dissolution Distribution Amount in respect of each Certificate shall be made in the Specified Currency by transfer to an account in the Specified Currency

maintained by the payee with a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the T2, as notified by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date.

If the amount being paid upon surrender of the relevant Registered Certificate is less than the Dissolution Distribution Amount of such Registered Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested by the Trustee or a Certificateholder) issue a new Registered Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the Periodic Distribution Amount being paid is less than the amount then due, the Registrar will annotate the Register with the amount so paid.

(b) Payments Subject to Laws

Payments are subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or, any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Certificateholders in respect of such payments.

(c) Appointment of Agents

The Principal Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Trustee and the Obligor and their respective specified offices are listed in the Base Offering Circular. The Principal Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Trustee and the Obligor and do not assume any obligation or relationship of agency or trust for or with any Certificateholder. The Trustee reserves the right at any time with the prior written approval of the Delegate to vary or terminate the appointment of the Principal Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, Transfer Agents or Calculation Agent(s), *provided that* the Trustee shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, (iv) one or more Calculation Agent(s) where these Conditions so require, (v) a Paying Agent having a specified office in at least one major European city and (vi) such other agents as may be required by any stock exchange on which the Certificates may be listed and/or admitted to trading, in each case as approved by the Delegate.

Notice of any such change or any change of any specified office shall promptly be given by the Trustee to the Certificateholders.

(d) Payment only on a Payment Business Day

If any date for payment in respect of any Certificate is not a Payment Business Day, the holder shall not be entitled to payment until the next following Payment Business Day, nor to any profit or other sum in respect of such postponed payment. In this Condition 11(d), “**Payment Business Day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as Financial Centres in the applicable Pricing Supplement and:

- (i) (in the case of a payment in a currency other than euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the Specified Currency, on which

foreign exchange transactions may be carried on in the Specified Currency in the principal financial centre of the country of such Specified Currency; or

- (ii) (in the case of a payment in euro) which is a TARGET Business Day; or
- (iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

(e) Renminbi Account

All payments in respect of any Certificate in Renminbi will be made solely by credit to a registered Renminbi account maintained by or on behalf of the payee at a bank in Hong Kong in accordance with applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to the settlement of Renminbi in Hong Kong).

(f) Renminbi Currency Event

If the Specified Currency of the Certificates is Renminbi and a Renminbi Currency Event, as determined by the Trustee or (if applicable) the Obligor acting in good faith, exists on a date for payment of any Dissolution Distribution Amount or Periodic Distribution Amount (in whole or in part) in respect of any Certificate, the Trustee's obligation to make a payment in Renminbi under the terms of the Certificates may be replaced by an obligation to pay such amount (in whole or in part) in the Relevant Currency and converted using the Spot Rate for the relevant Determination Date as promptly notified to the Trustee, the Obligor and the Paying Agents.

Upon the occurrence of a Renminbi Currency Event, the Trustee shall give notice as soon as practicable to the Certificateholders in accordance with Condition 19 (*Notices*) and to the Delegate stating the occurrence of the Renminbi Currency Event, giving details thereof and the action proposed to be taken in relation thereto.

In such event, any payment of U.S. dollars will be made by transfer to a U.S. dollar-denominated account maintained by the payee with, or by a U.S. dollar-denominated cheque drawn on, a bank in New York City; and the definition of "**Payment Business Day**" shall mean any day which (subject to Condition 13 (*Prescription*)) is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in: (A) in the case of Certificates in definitive form only, the relevant place of presentation; and (B) London and New York City.

For the purpose of this Condition 11:

- (a) "**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, London and in the principal financial centre of the country of the relevant Specified Currency;
- (b) "**Determination Date**" means the day which is two Determination Business Days before the due date of the relevant payment under the Certificates, other than where the Trustee or (if applicable) the Obligor properly determines that a Renminbi Currency Event has occurred at any time during the period from and including 10:01 a.m. (Hong Kong time) on the second Determination Business Day preceding the original due date to and including 11:59 p.m. (Hong Kong time) on the original due date, in which case the "**Determination Date**" will be the Determination Business Day immediately following the date on which the determination of the occurrence of a Renminbi Currency Event has been made;

- (c) **“Governmental Authority”** means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong;
- (d) **“Hong Kong”** means the Hong Kong Special Administrative Region of the People’s Republic of China;
- (e) **“Relevant Currency”** means United States dollars;
- (f) **“Renminbi Currency Events”** means any one of Renminbi Illiquidity, Renminbi Non-Transferability and Renminbi Inconvertibility;
- (g) **“Renminbi Illiquidity”** means the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which it is impossible for the Trustee to obtain sufficient Renminbi in order to satisfy its obligation to pay principal or profit (in whole or in part) in respect of the Certificates, as determined by the Trustee acting in good faith and in a commercially reasonable manner following consultation with two independent foreign exchange dealers of international repute active in the Renminbi exchange market in Hong Kong selected by the Trustee;
- (h) **“Renminbi Inconvertibility”** means the occurrence of any event that makes it impossible for the Trustee to convert any amount due in respect of the Certificates into Renminbi on any payment date in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Trustee to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible for the Trustee, due to an event beyond its control, to comply with such law, rule or regulation);
- (i) **“Renminbi Non-Transferability”** means the occurrence of any event that makes it impossible for the Trustee to transfer Renminbi (a) between accounts inside Hong Kong, (b) from an account inside Hong Kong to an account outside Hong Kong (including where the Renminbi clearing and settlement system for participating banks in Hong Kong is disrupted or suspended) or (c) from an account outside Hong Kong to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Trustee to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible for the Trustee, due to an event beyond its control, to comply with such law, rule or regulation); and
- (j) **“Spot Rate”** means the spot CNY/U.S.\$ exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent shall determine the Spot Rate at or around 11:00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by the State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

- (k) All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 11 by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Trustee, the Obligor, the Agents and all Certificateholders.

12 Taxation

All payments in respect of the Certificates shall be made free and clear of, and without withholding, or deduction for, or on account of, any present or future taxes, levies, imposts, duties, fees, assessments or other charges or withholdings of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Relevant Jurisdiction, unless such withholding or deduction is required by law (“**Taxes**”). In that event, the Trustee shall pay such additional amounts as shall result in receipt by the Certificateholders (after such withholding or deduction) of such net amounts as would have been receivable by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Certificate:

- (a) **Other connection:** held by or on behalf of, a holder who is liable to such taxes, levies, imposts, duties, fees, assessments or governmental charges in respect of such Certificate by reason of such holder having some connection with a Relevant Jurisdiction other than the mere holding of the Certificate; or
- (b) **Surrender more than 30 days after the Relevant Date:** in respect of which the Registered Certificate representing it is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting or surrendering such Registered Certificate for payment on the last day of such period of 30 days assuming that day to have been a Payment Business Day (in accordance with Condition 11(d) (*Payment only on a Payment Business Day*)).

As used in these Conditions:

“**Relevant Date**” means, in respect of any Certificate, the date on which payment in respect of it first becomes due or (if the full amount of the money payable has not been duly paid on or prior to such due date) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Certificateholders in accordance with Condition 19 (*Notices*) that, upon further presentation of the Registered Certificate representing such Certificate being made in accordance with these Conditions, such payment will be made, *provided that* payment in full is in fact made upon such presentation; and

“**Relevant Jurisdiction**” means the Cayman Islands or Saudi Arabia or in each case any political subdivision or any authority or agency thereof or therein having power to tax.

References in these Conditions to “**Periodic Distribution Amounts**” and the “**Dissolution Distribution Amount**” shall be deemed to include any additional amounts that may be payable under this Condition 12 or any similar undertaking given in addition to or in substitution for it under the Declaration of Trust.

The Transaction Documents provide that payments thereunder by the Obligor shall be made without any withholding or deduction for, or on account of, any present or future taxes, levies, imposts, duties, fees, assessments or other charges of any nature, unless such withholding or deduction is required by law and without set-off or counterclaim of any kind. If any such withholding or deduction is required by law, the Transaction Documents provide for the payment by the Obligor of all additional amounts as will result in the receipt by the Trustee or the Delegate, as applicable, of such net amounts as would have been receivable by it if no such withholding or deduction had been made.

Further, in accordance with the terms of the Master Declaration of Trust, the Obligor has unconditionally and irrevocably undertaken to (irrespective of the payment of any fee), as a continuing obligation, in the event that the

Trustee fails to comply with any obligation to pay additional amounts pursuant to this Condition 12, pay to or to the order of the Delegate (for the benefit of the Certificateholders) such net amounts as are necessary so that the amount receivable by the Delegate (after any such withholding or deduction) equals any and all additional amounts, required to be paid by it in respect of the Certificates pursuant to this Condition 12.

References in these Conditions to the “Relevant Obligations” and/or payments in the nature of principal or profit shall be deemed to include any additional amounts payable in accordance with the Transaction Documents, as described above.

13 Prescription

Claims against the Trustee for payment in respect of the Certificates shall be prescribed and become void unless made within 10 years (in the case of the Dissolution Distribution Amount), or five years (in the case of Periodic Distribution Amounts) from the appropriate Relevant Date in respect of them.

14 Dissolution Events

(a) Dissolution Events for Senior Certificates

This Condition 14(a) applies only to Senior Certificates.

Upon the occurrence of a Dissolution Event:

- (i) the Delegate, upon receiving written notice thereof under the Declaration of Trust or otherwise becoming aware of a Dissolution Event, shall (subject to it being indemnified and/or secured and/or pre-funded to its satisfaction) promptly give notice of the occurrence of the Dissolution Event to the Certificateholders in accordance with Condition 19 (*Notices*) with a request to the Certificateholders to indicate to the Trustee and the Delegate in writing or by Extraordinary Resolution if they wish the Certificates to be redeemed (in whole but not in part) and the Trust to be dissolved; and
- (ii) the Delegate in its sole discretion may, and if so requested in writing by the holders of at least 20 per cent. of the aggregate face amount of the Series of Certificates then outstanding or if so directed by an Extraordinary Resolution shall, (subject, in each case, to being indemnified and/or secured and/or pre-funded to its satisfaction) give a Dissolution Notice to the Trustee, the Obligor and the Certificateholders in accordance with Condition 19 (*Notices*) that the Certificates are immediately due and payable at the Dissolution Distribution Amount specified in such notice, whereupon the Certificates shall become so due and payable. A Dissolution Notice may be given pursuant to this paragraph (ii) whether or not notice has been given to Certificateholders as provided in paragraph (i) above.

Upon receipt of such Dissolution Notice, the Trustee (or the Delegate) shall deliver an Exercise Notice to the Obligor under the Purchase Undertaking. The Trustee (or the Delegate) shall use the proceeds thereof to redeem the Certificates at the Dissolution Distribution Amount on the date specified in the relevant Dissolution Notice (the relevant “**Dissolution Event Redemption Date**”) and the Trust shall be dissolved on the day after the last outstanding Certificate has been so redeemed in full. Upon payment in full of such amounts and dissolution of the Trust as aforesaid, the Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

(b) Dissolution Events for Tier 2 Certificates

This Condition 14(b) applies only to Tier 2 Certificates.

- (i) *Default*: Provided that a Winding Up Proceeding has not occurred, (i) if the Obligor (acting in any capacity) fails to pay an amount in the nature of profit (corresponding to all or part of the Periodic Distribution Amounts payable by the Trustee under the Certificates) payable by it pursuant to any Transaction Document to which it is a party and the failure continues for a period of seven days; or (ii) the Obligor (acting in any capacity) fails to pay an amount in the nature of principal (corresponding to all or part of the Dissolution Distribution Amount payable by the Trustee under the Certificates) payable by it pursuant to any Transaction Document to which it is a party and the failure continues for a period of seven days (each such default in (i) and (ii), a “**Default**”), the Delegate, upon receiving written notice thereof under the Declaration of Trust or otherwise becoming aware of a Default, shall (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction), give notice of the occurrence of such Default to the holders of the Certificates in accordance with Condition 19 (*Notices*) with a request to the Certificateholders to indicate to the Delegate in writing or by Extraordinary Resolution if they wish the Delegate to institute proceedings for the Bank to be declared bankrupt or insolvent or for there otherwise to be a Winding Up Proceeding and prove in the winding-up, dissolution or liquidation of the Bank.
- (ii) *Winding Up Proceeding*: In the event of a Winding Up Proceeding (whether or not instituted by the Delegate pursuant to Condition 14(b)(iii)):
 - (A) subject to the Trustee or the Delegate being indemnified and/or secured and/or prefunded to its satisfaction, the Trustee (failing whom, the Delegate) shall promptly give notice of the occurrence of such Winding Up Proceeding to the Certificateholders in accordance with Condition 19 (*Notices*) with a request to the Certificateholders to indicate to the Trustee or the Delegate in writing or by Extraordinary Resolution if they wish the Certificates to be redeemed (in whole but not in part) and the Trust to be dissolved; and
 - (B) the Delegate in its sole discretion may, and, if so requested in writing by the holders of at least 20 per cent. of the aggregate face amount of the Certificates then outstanding or if so directed by an Extraordinary Resolution (each a “**Dissolution Request**”) shall (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction), (i) prove in the winding-up, dissolution or liquidation of the Bank; and (ii) give notice to the Trustee, the Bank and the Certificateholders in accordance with Condition 19 (*Notices*) that the Certificates are immediately due and payable at their Dissolution Distribution Amount on the date specified in such notice, whereupon the Certificates shall become so due and payable, subject to the subordination provisions described in Condition 4(c) (*Subordination of the Tier 2 Certificates*), the non-viability provisions described in Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*) and the provisions described in this Condition 14.

If it has not already done so, following a Dissolution Request, the Trustee (or the Delegate in the name and on behalf of the Trustee) shall exercise its rights under the Purchase Undertaking by delivering an Exercise Notice to the Obligor. The Trustee (or the Delegate) shall use the proceeds thereof to redeem the Certificates at the Dissolution Distribution Amount. Notice of any such action shall promptly be given to the Certificateholders in accordance with Condition 19 (*Notices*).

- (iii) *Remedy*: If a Tier 2 Event has occurred, the Delegate in its sole discretion may and, if so requested in writing by the holders of at least 20 per cent. of the aggregate face amount of the Certificates then outstanding or if so directed by an Extraordinary Resolution of the holders of the Certificates, shall (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction): (a) in the case of a Default, notwithstanding the provisions of Condition 14(d) (*Enforcement and Exercise of Rights in respect of Tier 2 Certificates*), institute proceedings for the Bank to be declared bankrupt or insolvent or for there otherwise to be a Winding Up Proceeding and prove in the winding-up, dissolution or liquidation of the Bank; and (b) in the case of a Winding Up Proceeding, claim or prove in the winding-up, dissolution and liquidation of the Bank.

(c) Enforcement and Exercise of Rights in respect of Senior Certificates:

In respect of Senior Certificates only, if, following the occurrence of a Dissolution Event, any amount payable in respect of the Certificates of the relevant Series has not been paid in full (notwithstanding the provisions of Condition 14(a) (*Dissolution Events for Senior Certificates*)), the Trustee or the Delegate (subject in either case to it being indemnified and/or secured and/or pre-funded to its satisfaction) may (acting for the benefit of the Certificateholders), failing which the Certificateholders (subject to Condition 15(b) (*Realisation of Trust Assets*)) may, take one or more of the following steps:

- (i) enforce the provisions of the Transaction Documents against the Obligor; and/or
- (ii) take such other actions or steps or institute such proceedings as the Trustee or the Delegate, or as the case may be, the Certificateholders, may consider necessary to recover amounts due to the Certificateholders.

(d) Enforcement and Exercise of Rights in respect of Tier 2 Certificates:

In respect of Tier 2 Certificates only:

- (i) subject to Condition 14(e) (*Limited Recourse and Non-Viability Conditions*), the Delegate may at its discretion and without notice (subject to being indemnified and/or secured and/or prefunded to its satisfaction) institute such steps, actions or proceedings acting in the name and on behalf of the Trustee against the Bank as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Bank under the Transaction Documents (other than any payment obligation of the Bank under or arising from the Transaction Documents), provided that in no event shall the Bank, by virtue of the institution of any such steps, actions or proceedings be obliged to pay any amount or amounts in relation to any amount payable in respect of the Certificates or the Transaction Documents sooner than the same would otherwise have been payable by it; and
- (ii) other than as provided above in this Condition 14(d) or as separately agreed between the Bank, the Trustee and the Delegate, no remedy against the Bank shall be available to the Trustee or the Delegate, nor may any action be taken by the Trustee or the Delegate, whether for the recovery of amounts owing by the Bank pursuant to the Relevant Obligations in respect of any amount due to Certificateholders or in respect of any breach by the Bank of any of its obligations, covenants or undertakings under the Transaction Documents in relation to the Certificates.

Nothing in this Condition 14(d) shall, however, prevent the Delegate instituting proceedings for the winding-up of the Bank and/or proving and/or claiming in any Winding Up Proceeding in respect of any Relevant Obligations (including any damages awarded for breach of any obligations) or otherwise taking

any action described in Condition 14(b) (*Dissolution Events for Tier 2 Certificates*), in each case, in the circumstances provided in this Condition 14.

(e) Limited Recourse and Non-Viability Conditions

The foregoing paragraphs in this Condition 14 are subject to this paragraph. After enforcing or realising the Trust Assets and distributing the proceeds of the Trust Assets in accordance with Condition 5(b) (*Application of Proceeds from Trust Assets*) and the Master Declaration of Trust, the obligations of the Trustee in respect of the Certificates shall be satisfied and no holder of the Certificates may take any further steps against the Trustee or the Delegate to recover any further sums in respect of the Certificates and the right to receive from the Trustee any sums unpaid shall be extinguished. In particular, no holder of the Certificates shall be entitled in respect thereof to petition or to take any other steps for the winding-up of the Trustee.

In respect of Tier 2 Certificates only, all claims by the Trustee (or the Delegate acting in the name and on behalf of the Trustee) against the Bank under the Transaction Documents (including, without limitation, any claim in relation to any unsatisfied payment obligation of the Bank under the Transaction Documents) shall be subject to, and shall be superseded by the provisions of Condition 10 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*), irrespective of whether the relevant Non-Viability Event occurs prior to or after the event which is the subject matter of the claim, provided that nothing in these Conditions shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Delegate or the rights and remedies of the Delegate in respect thereof, all of which shall accordingly remain unsubordinated.

15 Realisation of Trust Assets

- (a) Without prejudice to Condition 14(b) (*Dissolution Events for Tier 2 Certificates*) neither the Trustee nor the Delegate shall be bound in any circumstances to take any action or step or institute any proceedings to enforce or to realise the relevant Trust Assets or take any action or step or institute any proceedings against the Obligor or (in the case of the Delegate) against the Trustee under any Transaction Document to which either of the Trustee or the Obligor is a party unless directed or requested to do so: (i) by an Extraordinary Resolution; or (ii) in writing by the holders of at least 20 per cent. of the aggregate face amount of the Series of Certificates for the time being outstanding and, in each case, only if it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.
- (b) No Certificateholder shall be entitled to proceed directly against the Trustee or the Obligor unless the Delegate or the Trustee, as the case may be, having become bound so to proceed (i) fails to do so within a reasonable period; or (ii) is unable for any reason (including by reason of an order of a court having competent jurisdiction) to do so, and such failure or inability is continuing. Under no circumstances shall the Delegate or any Certificateholder have any right to cause the sale or other disposition of any of the relevant Trust Assets (other than as expressly contemplated in the Transaction Documents) and the sole right of the Delegate and the Certificateholders against the Trustee and the Obligor shall be to enforce the Trustee's and the Obligor's respective obligations under the Certificates and the Transaction Documents to which they are a party.
- (c) Conditions 15(a) and 15(b) are subject to this Condition 15(c). After enforcing or realising the Trust Assets in respect of the Certificates of the relevant Series and distributing the net proceeds thereof in accordance with Condition 5(b) (*Application of Proceeds from Trust Assets*), the obligations of the Trustee in respect of the Certificates shall be satisfied and no Certificateholder may take any further steps against the Trustee or the Delegate to recover any further sums in respect of the Certificates and

the right to receive from the Trustee any such sums remaining unpaid shall be extinguished. In particular, no Certificateholder shall be entitled in respect thereof to petition or to take any other steps for the winding-up of the Trustee.

16 Meetings of Certificateholders, Modification and Waiver

(a) Meetings of Certificateholders

The Declaration of Trust contains provisions for convening meetings (including by way of telephony or electronic platform or facility) of Certificateholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification or abrogation of any of these Conditions or any provisions of the Declaration of Trust or any other Transaction Document. Such a meeting may be convened by the Trustee, the Obligor or the Delegate at any time, or by Certificateholders holding not less than 10 per cent. in aggregate face amount of the Certificates for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing in the aggregate more than 50 per cent. in face amount of the Certificates for the time being outstanding, or at any adjourned meeting one or more persons being or representing Certificateholders whatever the face amount of the Certificates held or represented, unless the business of such meeting includes consideration of proposals which would have the effect of *inter alia*: (i) modifying any date for payment in respect of the Certificates, (ii) reducing or cancelling or varying the method for calculating the face amount of, or any amount or premium payable or due in respect of, the Certificates, (iii) reducing the rate or rates of profit in respect of the Certificates or varying the method or basis of calculating the rate or rates or amount of profit or the basis for calculating any Profit Amount in respect of the Certificates (in each case, other than as provided for in these Conditions (including Condition 8(d) (*Benchmark Discontinuation – Reference Rate other than SOFR*) and the applicable Pricing Supplement), (iv) if a Minimum Profit Rate and/or a Maximum Profit Rate is as specified in the applicable Pricing Supplement, reducing any such Minimum Profit Rate and/or Maximum Profit Rate, (v) varying the currency of payment or denomination of the Certificates, (vi) modifying the provisions concerning the quorum required at any meeting of Certificateholders or the majority required to pass an Extraordinary Resolution, (vii) modifying or cancelling the payment obligations of the Obligor (in any capacity) and/or the Trustee under the Transaction Documents and/or the Certificates (as the case may be), (viii) amending any of the Obligor's or the Trustee's covenants included in the Transaction Documents, (ix) amending the priority of payments as described in Condition 5(b) (*Application of Proceeds from Trust Assets*), (x) amending Condition 4 (*Status*), or (xi) amending the above list, in which case the necessary quorum shall be one or more persons holding or representing in the aggregate not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in aggregate face amount of the Certificates for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all Certificateholders (whether or not they were present and whether or not they voted at the meeting at which such resolution was passed). To be passed, an Extraordinary Resolution requires a majority in favour consisting of not less than 75 per cent. of the votes cast on a show of hands, or, if a poll is duly demanded, not less than 75 per cent. on such poll.

The Declaration of Trust provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in aggregate face amount of the Certificates for the time being outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Certificateholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in like form, each signed by or on behalf of one or more Certificateholders. Such a resolution in writing will be binding on all Certificateholders whether or not they participated in such resolution.

For so long as the Certificates are represented by a Global Certificate, an Extraordinary Resolution may also be passed by Certificateholders giving electronic consent, provided that consent to such resolution is given through the relevant clearing system(s) (in a form satisfactory to the Delegate) by or on behalf of the holders of not less than 75 per cent. in face amount of the Certificates. See “Summary of Provisions relating to the Certificates while in Global Form”.

(b) Waivers, authorisations, determinations and modifications of the Declaration of Trust or any other Transaction Document

- (i) The Delegate may agree, without the consent or sanction of Certificateholders, to any modification of the Declaration of Trust (including these Conditions) or any of the other Transaction Documents if, in the opinion of the Delegate, such modification is:
 - (A) of a formal, minor or technical nature; or
 - (B) made to correct a manifest error; or
 - (C) not materially prejudicial to the interests of the outstanding Certificateholders, is other than in respect of a matter which requires a special quorum resolution (as defined in schedule 3 (*Provisions for Meetings for Certificateholders*)) to the Master Declaration of Trust) and is not in contravention of any express direction by Extraordinary Resolution or request in writing by the holders of at least 20 per cent. of the aggregate face amount of the Certificates of such Series then outstanding.

Any such modification may be made on such terms and subject to such conditions (if any) as the Delegate may determine, shall be binding upon the Certificateholders and, unless the Delegate otherwise decides, shall be notified by the Trustee to Certificateholders in accordance with Condition 19 (Notices) as soon as practicable thereafter.

- (ii) The Delegate may, without the consent or sanction of the Certificateholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time if, in the opinion of the Delegate, such consent, waiver, authorisation or determination is not materially prejudicial to the interests of the outstanding Certificateholders: (i) give its consent under the Declaration of Trust or any other Transaction Document and agree to any waiver or authorisation of any breach or proposed breach of any provision of the Declaration of Trust or any other Transaction Document; (ii) make the relevant determination in accordance with Condition 7 (*Obligor Negative Pledge*); or (iii) determine that any Dissolution Event or Potential Dissolution Event relating to Senior Certificates shall not be treated as such, provided that such consent, waiver, authorisation or determination is not in contravention of an express direction given by an Extraordinary Resolution or request in writing by the holders of at least 20 per cent. of the aggregate face amount of the Certificates of that Series then outstanding. No such direction or request will affect a previous consent, waiver, authorisation or determination. Any such consent, waiver, authorisation or determination shall be binding on the Certificateholders and shall be notified by the Trustee to the Certificateholders in accordance with Condition 19 (*Notices*) as soon as practicable thereafter.

In addition, the Delegate shall (at the Bank's expense), without any requirement for consent or sanction of Certificateholders, concur with the Trustee and the Bank in effecting any Benchmark Amendments subject to, and in accordance with, Condition 8(d) (*Benchmark Discontinuation*).

(c) Entitlement of the Delegate

In connection with the exercise by it of any of its powers, authorities and discretions (including, without limitation, those referred to in this Condition 16), the Delegate shall have regard to the general interests of the Certificateholders as a class and shall not have regard to any interest arising from circumstances particular to individual Certificateholders (whatever their number) and, in particular, but without limitation, shall not have regard to the consequences of any such exercise for individual Certificateholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof or taxing jurisdiction and the Delegate shall not be entitled to require, nor shall any Certificateholder be entitled to claim from the Trustee, the Delegate, the Obligor or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Certificateholders except in the case of the Trustee and the Obligor, to the extent already provided for in Condition 12 (*Taxation*).

17 Delegate

(a) Delegation of Powers

The Trustee will in the Declaration of Trust irrevocably and unconditionally appoint the Delegate to be its delegate and attorney and in its name, on its behalf as its act and deed, to execute, deliver and perfect all documents, and to exercise all the present and future powers (including the power to sub-delegate), rights, authorities (including, but not limited to, the authority to request directions from any Certificateholders and the power to make any determinations to be made under the Transaction Documents) and discretions vested in the Trustee by the Declaration of Trust, that the Delegate may consider to be necessary or desirable in order to, upon the occurrence of a Dissolution Event or Potential Dissolution Event, and subject to its being indemnified and/or secured and/or pre-funded to its satisfaction, exercise all of the powers, rights, authorities and discretions of the Trustee under the Purchase Undertaking and any of the other Transaction Documents and make such distributions from the relevant Trust Assets as the Trustee is bound to make in accordance with the Declaration of Trust (together, the “**Delegation**” of the “**Relevant Powers**”), *provided that*: (i) no obligations, duties, liabilities or covenants of the Trustee pursuant to the Declaration of Trust or any other Transaction Document shall be imposed on the Delegate by virtue of the Delegation; (ii) in no circumstances will such Delegation of the Relevant Powers result in the Delegate holding on trust or managing the relevant Trust Assets; and (iii) such Delegation of the Relevant Powers shall not include any duty, power, trust, right, authority or discretion to dissolve any of the trusts constituted by the Declaration of Trust following the occurrence of a Dissolution Event or Potential Dissolution Event or to determine the remuneration of the Delegate. The Trustee shall ratify and confirm all things done and all documents executed by the Delegate in the exercise of all or any of the Relevant Powers.

In addition to the Delegation of the Relevant Powers under the Declaration of Trust, the Delegate also has certain powers, rights, authorities and discretions which are vested solely in it from the date of the Declaration of Trust.

The appointment of a delegate by the Trustee is intended to be in the interests of the Certificateholders and does not affect the Trustee’s continuing role and obligations as sole trustee.

(b) Indemnification

The Declaration of Trust contains provisions for the indemnification of each of the Delegate and the Trustee in certain circumstances and for its relief from responsibility, including provisions relieving the

Delegate from taking any action, step or proceeding unless indemnified and/or secured and/or pre-funded to its satisfaction.

(c) No Liability

The Delegate makes no representation and assumes no responsibility for the validity, sufficiency or enforceability of the obligations of the Obligor or the Trustee under the Transaction Documents to which each of the Obligor and the Trustee is a party and shall not under any circumstances have any liability or be obliged to account to Certificateholders in respect of any payments which should have been made by the Obligor or the Trustee but are not so made and shall not in any circumstances have any liability arising from the relevant Trust Assets other than as expressly provided in these Conditions or in the Declaration of Trust.

(d) Reliance on Certificates, Reports and/or Information

The Delegate and the Trustee may consult with and/or rely and act on the opinion or advice of or a certificate, report or any information (whether or not addressed to the Delegate or the Trustee) obtained from any professional adviser, lawyer, valuer, banker, broker, accountant (including auditors), surveyor, auctioneer, tax adviser, rating agency, insolvency official or other expert appointed by the Trustee, the Obligor, the Delegate or an Agent or otherwise and shall not be responsible for any Liability occasioned by so acting or relying (or refraining from so acting or relying) notwithstanding that such advice, opinion or information may contain a cap or other limitation (monetary or otherwise) on the liability of any party and notwithstanding that the scope and/or basis of such advice, opinion, certificate or report may be limited by an engagement or similar letter or by the terms of the certificate or report itself and the Delegate or the Trustee shall not in any case be required to call for further evidence or be responsible for any Liability or inconvenience that may be occasioned by its failure to do so.

(e) Proper Performance of Duties

Nothing shall, in any case in which the Trustee or the Delegate has failed to show the degree of care and diligence required of it as trustee, in the case of the Trustee (having regard to the provisions of the Declaration of Trust conferring on it any trusts (in the case of Trustee only), powers, authorities or discretions) or as delegate, in the case of the Delegate (having regard to the powers, rights, authorities and discretions conferred on it by the Declaration of Trust), respectively exempt the Trustee or the Delegate from or indemnify either of them against any liability which by virtue of any rule of law would otherwise attach to either of them in respect of any gross negligence, wilful default or fraud of which either of them may be guilty in relation to their own duties under the Declaration of Trust. The Delegate shall incur no liability in respect of the Transaction Documents save in the case of the Delegate's gross negligence, wilful default or fraud.

(f) Notice of Events

Neither the Delegate nor the Trustee shall be bound to take any steps to ascertain whether any Dissolution Event or Potential Dissolution Event has happened and, until it shall have received express written notice or has actual notice to the contrary, it will be entitled to assume that no such event has happened (without any liability to Certificateholders or any other person for so doing).

(g) Delegate Contracting with the Trustee and the Obligor

The Declaration of Trust contains provisions pursuant to which the directors or officers of a corporation acting as the Delegate may acquire, hold or dispose of any Certificates or other security (or any interest therein) of the Trustee or any other person, may enter into or be interested in any contract or transaction

with any such person and may act on, or as depositary or agent for, any committee or body of holders of any securities of any such person, in each such case with the same rights as they would have had if the Delegate were not acting as Delegate and need not account for any profit made thereby or in connection therewith.

18 Replacement of Registered Certificates

If a Registered Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant regulatory authority regulations, at the specified office of the Registrar or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Trustee for the purpose and notice of whose designation is given to Certificateholders, in each case on payment by the claimant of the costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Trustee may reasonably require (*provided that* such requirement is reasonable in light of prevailing market practice). Mutilated or defaced Registered Certificates must be surrendered before replacements will be issued.

19 Notices

Notices required to be given to the holders of Certificates shall be mailed to them by registered mail (airmail if overseas) at their respective addresses in the Register.

The Trustee shall also ensure that notices required to be given to the holders of the Certificates are duly given in a manner which complies with the rules and regulations of any listing authority, stock exchange and/or quotation system on which any Certificates are for the time being listed and/or admitted to trading including publication on the website of the relevant authority, relevant stock exchange and/or relevant quotation system if required by those rules or regulations. If in the opinion of the Delegate any such publication is not practicable, notice required to be given pursuant to these Conditions shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any notices shall be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing (or on the date of publication, or, if so published more than once or on different dates, on the date of the first publication).

So long as the Certificates are represented by a Global Certificate and such Global Certificate is held on behalf of Euroclear, Clearstream, Luxembourg, or any other clearing system, notices to the holders of the Certificates of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for mailing as required by this Condition 19. Any such notice shall be deemed to have been given to the holders of the Certificates on the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system.

20 Further Issues

In respect of any Series, the Trustee may from time to time without the consent of the Certificateholders, but, in respect of Tier 2 Certificates only, subject to the Bank obtaining the prior approval of the Financial Regulator if so required, create and issue further Certificates having the same terms and conditions as the outstanding Certificates of such Series or terms and conditions which are the same in all respects save for the date and amount of the first payment of the Periodic Distribution Amount and the Profit Commencement Date and so that such further issue shall be consolidated and form a single Series with the outstanding Certificates of such Series. Any further Certificates which are to form a single Series with the outstanding Certificates previously constituted by the relevant Declaration of Trust shall be constituted by a deed supplemental to the Declaration of Trust. References in these Conditions to the Certificates include (unless the context requires otherwise) any other certificates issued pursuant to this Condition and forming a single Series with the Certificates.

21 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Certificates under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

22 Governing Law and Dispute Resolution

(a) Governing Law

The Declaration of Trust (including these Conditions), the Agency Agreement and the Certificates and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Arbitration

The Delegate, the Trustee and the Obligor have in the Declaration of Trust agreed that (subject as provided therein) any dispute, claim, difference or controversy arising out of, relating to or having any connection with the Declaration of Trust (which includes the Certificates, these Conditions and this Condition 22(b)) (including any dispute claim, difference or controversy as to the existence, validity, interpretation, performance, breach or termination of the Declaration of Trust or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it (a “**Dispute**”)) shall be referred to and finally resolved by arbitration, with a seat (or legal place) of arbitration in London, England conducted in the English language by three arbitrators pursuant to the arbitration rules of the LCIA (the “**Rules**”) (such arbitration to also be administered by the LCIA in accordance with those Rules). The claimant (or claimants jointly) shall nominate one arbitrator for appointment by the LCIA Court. The respondent (or respondents jointly) shall nominate one arbitrator for appointment by the LCIA Court. The third arbitrator, who shall act as presiding arbitrator of the tribunal, shall be nominated by the two arbitrators nominated by the parties. If not so nominated within 30 days of the date of nomination of the later of the two party-nominated arbitrators to be nominated, the third arbitrator shall be chosen by the LCIA Court. Sections 45 and 69 of the Arbitration Act 1996 shall not apply.

(c) Consolidation

The Delegate, the Trustee and the Obligor have in the Declaration of Trust:

- (i) agreed that the arbitration agreement set out in this Condition 22 and the arbitration agreement contained in each Relevant Agreement shall together be deemed to be a single arbitration agreement;
- (ii) agreed to the consolidation of any two or more arbitrations commenced pursuant to this Condition 22 and/or the arbitration agreement contained in any Relevant Agreement, subject to and in accordance with the Rules. Notwithstanding anything to the contrary in the Rules, the Delegate, the Trustee and the Obligor have agreed that no arbitrations other than those referred to in this Condition 22(c)(ii) may be consolidated. For the avoidance of doubt, this Condition 22(c)(ii) is an agreement in writing by all parties for the purposes of Article 22.7(i) and Article 22.8(i) of the Rules. The parties to the Declaration of Trust have further agreed that:
 - (A) if a tribunal has been constituted in more than one of the arbitrations in respect of which consolidation is sought pursuant to this Condition 22(c)(ii), the tribunal which shall have the power to order consolidation shall be the tribunal appointed first in time; and

- (B) the requirement in the Rules that a tribunal considering whether to consolidate disputes should give the parties a reasonable opportunity to state their views shall extend to all parties to each of the arbitrations in respect of which consolidation is sought; and
- (iii) to the extent permitted by law, waived any objection, relating to the fact that a Dispute has been resolved in a manner contemplated by this Condition 22(c), to the validity and/or enforcement of any arbitral award.

In this Condition 22(c), 'Relevant Agreement' means each Transaction Document other than the Declaration of Trust.

(d) Waiver of Immunity

Under each of the Transaction Documents, each of the Trustee and the Bank has explicitly acknowledged that its execution of such documents constitutes, and its exercise of its rights and performance of its obligations thereunder will constitute, private and commercial acts done and performed for private and commercial purposes (rather than an act in its or any other sovereign capacity) and agreed not to claim and irrevocably and unconditionally waived with respect to any proceedings or disputes arising under any of such documents any sovereign or other immunity that it or its property, assets or revenues may have including (without limitation) from jurisdiction, suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process or defence and has irrevocably and unconditionally consented to the giving of any relief or the issue of any process, including without limitation, the making, enforcement, or execution against any of its property, assets or revenues whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any proceedings or Disputes.

(e) Waiver of Interest

- (i) Each of the Trustee, the Delegate and the Obligor has irrevocably agreed in the Declaration of Trust that no interest will be payable or receivable under or in connection with the Declaration of Trust and if it is determined that any interest is payable or receivable in connection with the Declaration of Trust by any of the Trustee, the Delegate or the Obligor, whether as a result of any arbitral or judicial award or by operation of any applicable law or otherwise, each such party has agreed to waive any rights it may have to claim or receive such interest and has agreed that if any such interest is actually received by it, it shall hold such amount in a suspense account and promptly donate the same to a registered or otherwise officially recognised charitable organisation.
- (ii) For the avoidance of doubt, nothing in this Condition 22(e) shall be construed as a waiver of rights in respect of Portfolio Revenues, Required Amounts, Periodic Distribution Amounts, Dissolution Distribution Amounts, Exercise Price, Certificateholder Put Option Exercise Price, Trustee Call Exercise Price, Non-Viability Event Exercise Price, Portfolio Exercise Price, Capital Disqualification Exercise Price, Tax Call Exercise Price or profit or principal of any kind howsoever described payable by the Obligor (in any capacity) or the Trustee (in any capacity) pursuant to the Transaction Documents and/or these Conditions and/or any other document or agreement, howsoever such amounts may be described or re-characterised by any court or arbitral tribunal.

(f) Service of Process

Each of the Trustee and the Obligor has in the Declaration of Trust irrevocably appointed Maples and Calder at its registered office at 6th Floor, DUO, 280 Bishopsgate, London EC2M 4RB, United Kingdom to receive for it and on its behalf, service of process in any proceedings in England.

SUMMARY OF PROVISIONS RELATING TO THE CERTIFICATES WHILE IN GLOBAL FORM

Initial Issue of Certificates

Each Tranche of Certificates will initially be represented by a Global Certificate in registered form. Global Certificates will be delivered on or prior to the issue date of the Tranche to a common depositary for Euroclear and Clearstream, Luxembourg (the “**Common Depositary**”).

Upon registration of the Certificates in the name of any nominee for, and deposit of the Global Certificate with, a Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a face amount of Certificates equal to the face amount thereof for which it has subscribed and paid.

Certificates that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Certificates that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Relationship of Accountholders with Clearing Systems

For so long as any of the Certificates is represented by a Global Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular face amount of such Certificates (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the face amount of such Certificates standing to the account of any person shall be conclusive and binding for all purposes) shall be treated by the Trustee, the Delegate and their respective agents as the holder of such face amount of such Certificates for all purposes other than with respect to any payment on such face amount of such Certificates, for which purpose the registered holder of the relevant Global Certificate shall be treated by the Trustee, the Delegate and their respective agents as the holder of such face amount of such Certificates in accordance with and subject to the terms of the relevant Global Certificate and the expressions “**Certificateholder**” and “**holder**” and related expressions shall be construed accordingly.

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) as the holder of a Certificate represented by a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Trustee to the registered holder of the underlying Certificates, and in relation to all other rights arising under the Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Trustee in respect of payments due on the Certificates for so long as the Certificates are represented by such Global Certificate and such obligations of the Trustee will be discharged by payment to the registered holder of the underlying Certificates, as the case may be, in respect of each amount so paid.

Exchange for Definitives

Interests in a Global Certificate will be exchangeable in whole but not in part (free of charge) for definitive Certificates of a particular Series only upon the occurrence of an Exchange Event. The Trustee will promptly give notice to the Certificateholders in accordance with Condition 19 (*Notices*) upon the occurrence of an Exchange Event. For these purposes, an “**Exchange Event**” will occur (i) if the Delegate has given notice in accordance with Condition 19 (*Notices*) that a Dissolution Event has occurred or (ii) if the Trustee has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of

holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor or alternative clearing system satisfactory to the Trustee is available or (iii) with the consent of the Trustee and/or the Delegate. In the event of an occurrence of an Exchange Event, any of the Trustee or Euroclear and/or Clearstream, Luxembourg, as the case may be, acting on the instructions of any holder of an interest in such Global Certificate may give notice to the Registrar requesting exchange. Any exchange shall occur no later than 15 days after the date of receipt of the first relevant notice by the Registrar.

Amendment to Conditions

The Global Certificates contain provisions that apply to the Certificates that they represent, some of which modify the effect of the terms and conditions of the Certificates set out in this Base Offering Circular. The following is a summary of certain of those provisions:

(a) Payments

All payments in respect of Certificates represented by a Global Certificate will be made (against surrender of that Global Certificate if no further payment falls to be made in respect of the Certificates) to, or to the order of, the person whose name is entered on the Register at the close of business on the record date, being the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive, except 25 December and 1 January.

For the purposes of any payments made in respect of Certificates represented by a Global Certificate, the words “in the relevant place of presentation,” shall not apply to the definition of Payment Business Day in Condition 11(d) (*Payment only on a Payment Business Day*).

A record of each payment made will be noted on the relevant Register which shall be *prima facie* evidence that such payment has been made in respect of the Certificates.

(b) Meetings

All holders of Certificates are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Certificates comprising such Certificateholder’s holding.

(c) Delegate’s Powers

In considering the interests of Certificateholders while the Global Certificate is held on behalf of, or registered in the name of any nominee for, a clearing system, the Delegate may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Global Certificate and may consider such interests, and treat such accountholders, as if such accountholders were the holders of the Certificates represented by the Global Certificate.

(d) Optional Dissolution (Call)

If any early dissolution right of the Bank is exercised in respect of some but not all of the Certificates of any Series, the rights of accountholders with a clearing system in respect of the Certificates will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg or any other clearing system (as the case may be).

(e) Certificateholder Put Option

Any early dissolution right of the Certificateholders provided for in Condition 9(e) (*Dissolution at the Option of Certificateholders (Certificateholder Put Option)*) of any Certificates while such Certificates are represented by a Global Certificate may be exercised by the holder of the Certificate(s) in accordance with

the standard procedures of Euroclear, Clearstream, Luxembourg or any other clearing system (as the case may be).

(f) Cancellation

Cancellation of any Certificate represented by a Global Certificate that is surrendered for cancellation (other than upon its redemption in full) will be effected by reduction in the aggregate face amount of the relevant Series of Certificates in the Register.

(g) Notices

Notices required to be given in respect of the Certificates represented by a Global Certificate may be given by their being delivered (so long as this Global Certificate is held on behalf of Euroclear and Clearstream, Luxembourg or any other clearing system) to Euroclear, Clearstream, Luxembourg or such other clearing system, as the case may be, rather than by mailing as required by the Conditions, *provided that* such notices must also be given or published in a manner which complies with the rules and regulations of any listing authority, stock exchange, quotation system or other relevant authority on which the Certificates are for the time being listed or admitted to trading or quotation. Any such notice shall be deemed to have been given to the holders of the Certificates on the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system.

Electronic Consent

While any Global Certificate is held on behalf of, and registered in the name of any nominee for a Common Depositary for, a clearing system, approval of a resolution proposed by the Trustee, the Obligor or the Delegate (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in aggregate face amount of the Certificates for the time being outstanding (an “**Electronic Consent**”) shall, for all purposes (including matters that would otherwise require a special quorum resolution (as defined in paragraph 7 of schedule 3 (*Provisions for Meetings of Certificateholders*)) to the Master Declaration of Trust)), take effect as an Extraordinary Resolution passed at a meeting of Certificateholders duly convened and held, and shall be binding on all Certificateholders whether or not they participated in such Electronic Consent.

Further Issues

Pursuant to the Agency Agreement, the Principal Paying Agent shall arrange that, where a further Tranche is issued which is intended to form a single Series with an existing Tranche at a point after the Issue Date of the further Tranche, the Certificates of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Certificates of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series.

FORM OF PRICING SUPPLEMENT

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

Pricing Supplement

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 (THE “PROSPECTUS REGULATION”) AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE “UK PROSPECTUS REGULATION”) FOR THE ISSUE OF THE CERTIFICATES DESCRIBED BELOW AND THE FINANCIAL CONDUCT AUTHORITY HAS NEITHER APPROVED NOR REVIEWED INFORMATION CONTAINED HEREIN. ANY INSTRUMENTS ISSUED PURSUANT TO THIS PRICING SUPPLEMENT ARE NOT COMPLIANT WITH THE UK PROSPECTUS REGULATION.

[MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Certificates has led to the conclusion that: (i) the target market for the Certificates is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Certificates to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Certificates (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Certificates has led to the conclusion that: (i) the target market for the Certificates is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all channels for distribution of the Certificates to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Certificates (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[Prohibition of Sales to EEA Retail Investors – The Certificates are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a “**retail investor**” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (as amended, “**MiFID II**”)]/[MiFID II]; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Certificates or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore

offering or selling the Certificates or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.]¹

[Prohibition of Sales to UK Retail Investors – The Certificates are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“UK”). For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of [Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA]/[(“UK MiFIR”)]; or (iii) not a qualified investor as defined in Article 2 of the Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Certificates or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Certificates or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]²

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the “SFA”)

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Trustee has determined the classification of the Certificates as [prescribed capital markets products] / [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [Excluded Investment Products] / [Specified Investment Products] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]³

Any person making or intending to make an offer of the Certificates may only do so in circumstances in which no obligation arises for the Trustee, the Bank or any Dealer to publish or supplement a prospectus pursuant to the Prospectus Regulation and/or the UK Prospectus Regulation, in each case, in relation to such offer.

[Date]

¹ To be included in respect of Reset Certificates and Tier 2 Certificates only where Part B item 7(f) of the Pricing Supplement specifies “Applicable”.

² To be included in respect of Reset Certificates and Tier 2 Certificates only where Part B item 7(g) of the Pricing Supplement specifies “Applicable”.

³ Notice to be included only if an offer in Singapore is made to investors other than accredited investors and institutional investors (each as defined in the SFA).

Riyad Sukuk Limited

Legal Entity Identifier (LEI): 549300P8GI2KKEMZUH97

**Issue of [Aggregate Face Amount of Tranche] [Title of Certificates] [to be consolidated and form a single series with the existing] [Aggregate Face Amount of Tranche] [Title of Certificates] issued on [●] (the “Original Certificates”)]⁴
under the U.S.\$3,000,000,000 Trust Certificate Issuance Programme**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Certificates set forth in the Base Offering Circular dated 16 May 2025 [and the supplement[s] to it dated [●] [and [●]] (the “**Base Offering Circular**”). This document constitutes the Pricing Supplement of the Certificates described herein and must be read in conjunction with the Base Offering Circular in order to obtain all the relevant information. [The Base Offering Circular is available for viewing at the registered office of the Trustee at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands] and copies may be obtained from the specified office of the Principal Paying Agent, in each case during usual business hours.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an offering circular with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Certificates (the “**Conditions**”) set forth in the Base Offering Circular dated [original date] [and the supplement[s] to it dated [●] [and [●]] which are incorporated by reference in the Base Offering Circular dated [●] (the “**Base Offering Circular**”). This document constitutes the Pricing Supplement of the Certificates described herein and must be read in conjunction with the Base Offering Circular dated [current date] [and the supplement(s) to it dated [●]], in order to obtain all the relevant information, save in respect of the Conditions which are extracted from the Base Offering Circular dated [original date] [and the supplement(s) to it dated [●]]. The Base Offering Circular is available for viewing at the registered office of the Trustee at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands and copies may be obtained from the specified office of the Principal Paying Agent, in each case during usual business hours.]

- | | | |
|---|---|---|
| 1 | (a) Trustee: | Riyad Sukuk Limited |
| | (b) Obligor: | Riyad Bank |
| 2 | (a) Series Number: | [●] |
| | (b) Tranche Number: | [●] |
| | (c) Date on which the Certificates will be consolidated and form a single Series: | [The Certificates will be consolidated and form a single Series with [<i>identify earlier Tranche(s)</i>] on [<i>insert date/the Issue Date</i>]]
[Not Applicable] |
| 3 | Specified Currency: | [●] |
| 4 | Aggregate Face Amount: | [●] |
| | (i) Series: | [●] |
| | (ii) Tranche: | [●] |
| 5 | Issue Price: | [●] per cent. of the Aggregate Face Amount [plus [<i>Specified Currency</i>]] [●] in respect of [●] days of Periodic Distribution |

⁴ Include only for an issue of further Certificates in accordance with Condition 20.

		Amounts from (and including) <i>[the issue date of the Original Certificates]</i> to (but excluding) the Issue Date] ⁵
6	(a) Specified Denominations:	[●]
	(b) Calculation Amount:	[●]
7	(a) Issue Date:	[●]
	(b) Profit Commencement Date:	[[●]/Issue Date]
8	Scheduled Dissolution Date:	[●]
9	Profit Basis:	[Fixed Rate Certificates/Floating Rate Certificates/Reset Certificates] (further particulars specified at paragraph [15]/[16] [17] below)
10	Dissolution Basis:	Subject to any purchase and cancellation or early redemption, the Certificates will be redeemed on the Scheduled Dissolution Date at [[●] per cent. of their Aggregate Face Amount][their outstanding face amount]
11	Change of Profit Basis:	[[Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 16, 17 and 18 below and identify there]/Not Applicable]
12	Put/Call Rights:	[Not Applicable] [Optional Dissolution (Call)] [Certificateholder Put Option]
13	Status:	[Senior Certificates/Tier 2 Certificates]
14	Date of Trustee's board approval and date of Obligor's board approval for issuance of Certificates:	[●] and [●], respectively
Provisions relating to profit payable		
15	Fixed Periodic Distribution Provisions:	[Applicable]/[Not Applicable]
	(a) Profit Rate(s):	[●] per cent. per annum payable [annually/semi-annually/quarterly/monthly/[●]] in arrear on each Periodic Distribution Date
	(b) Periodic Distribution Date(s):	[[●] in each year up to and including the Scheduled Dissolution Date, commencing on [●]/[●]]
	(c) Fixed Amount(s):	[●] per Calculation Amount
	(d) Broken Amount(s):	[[●] per Calculation Amount, payable on the Periodic Distribution Date falling [in/on] [●]/Not Applicable]
	(e) Day Count Fraction:	[Actual/Actual] [Actual/Actual - ISDA] [Actual/365 (Fixed)] [Actual/365 (Sterling)]

⁵ Include only for an issue of further Certificates in accordance with Condition 20.

	[Actual/360]
	[30/360]
	[360/360]
	[Bond Basis]
	[30E/360]
	[Eurobond Basis]
	[30E/360 (ISDA)]
	[Actual/Actual - ICMA]
(f) Determination Date(s):	[[●] in each year/Not Applicable]
16 Reset Periodic Distribution Provisions:	[Applicable]/[Not Applicable]
(a) Initial Profit Rate:	[●] per cent. per annum [payable annually/semi-annually/quarterly/ monthly] in arrear
(b) Reset Margin:	[+/-][●] per cent. per annum [in respect of the first Reset Margin] [+/-][●] per cent. per annum [in respect of the second Reset Margin]
(c) Reset Certificate Periodic Distribution Date(s):	[●] in each year commencing on [●] up to and including the Scheduled Dissolution Date
(d) Reset Certificate Reset Date:	[●], [●]
(e) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]
(f) Reset Certificate Reset Rate:	[Mid-Swap Rate]/[Reference Certificate]
(g) Relevant Screen Page:	[●]
(h) Mid-Swap Rate:	[annualised/semi-annual]
(i) Swap Rate Periods:	[●]
(j) Mid-Swap Maturity:	[●]
(k) Fixed Leg Swap Duration:	[●]
(l) Mid-Swap Floating Leg Benchmark Rate:	[EURIBOR]/[●]
(m) Fixed Amount(s) for Certificates in definitive form (and in relation to Certificates in global form, see Conditions) to (but excluding) the first Reset Certificate Reset Date:	[[●] per Calculation Amount]
(n) Broken Amount(s) for Certificates in definitive form	[[●] per Calculation Amount, payable on the Periodic Distribution Date falling [in/on] [●]] [Not Applicable]

(and in relation to Certificates
in global form, see
Conditions):

- (o) Day Count Fraction: [Actual/Actual / Actual/Actual – ISDA]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360 / 360/360 / Bond Basis]
[30^E/360 / Eurobond Basis] [30^E/360 (ISDA)]
[Actual/Actual – ICMA]
- (p) Relevant Financial Centre: [●]
- (q) Reset Determination Dates: [[●] in each year/Not Applicable]
- (r) Calculation Agent: [Principal Paying Agent] [*specify other*]
- (s) First Reset Period Fallback: [●]
- 17 Floating Periodic Distribution Provisions: [Applicable]/[Not Applicable]
 - (a) Periodic Distribution Period(s): [●]
[The end date of each Periodic Distribution Period shall be subject to adjustment in accordance with the Business Day Convention specified in paragraph [(e)] below/ Not subject to any adjustment]
 - (b) Specified Periodic Distribution Dates: [●] in each year, commencing on [●], subject to adjustment in accordance with the Business Day Convention set out in paragraph (e) below/, not subject to adjustment, as the Business Day Convention in paragraph (d) below is specified to be Not Applicable]
 - (c) First Periodic Distribution Date [●], subject to adjustment in accordance with the Business Day Convention specified in paragraph (e) below/, not subject to any adjustment]
 - (d) Profit Period Date: [Not Applicable/[●]]
 - (e) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]
 - (f) Business Centre(s): [●] [Not Applicable]
 - (g) Manner in which the Profit Rate and the Periodic Distribution Amount are to be determined: [Screen Rate Determination/ISDA Determination]
 - (h) Party responsible for calculating the Profit Rate and the Periodic Distribution [●] (the “**Calculation Agent**”)

Amount (if not the Principal
Paying Agent):

- | | | |
|-------|--|--|
| (i) | Screen Rate Determination not referencing SOFR or SONIA: | [Applicable]/[Not Applicable] |
| (i) | Reference Rate: | [●] month
[EURIBOR/KIBOR/SHIBOR/HIBOR/CNH
HIBOR/KLIBOR/TLREF/EIBOR/TIBOR/SAIBOR/QIBOR/B
BSW/BKBM] |
| (ii) | Profit Rate
Determination Date(s): | [●] |
| (iii) | Relevant Screen Page: | [●] |
| (iv) | Relevant Time: | [●] |
| (v) | Relevant Financial
Centre: | [●] |
| (j) | Screen Rate Determination
Referencing SOFR | [Applicable]/[Not Applicable] |
| (i) | Profit Rate
Determination Date(s): | [[●] U.S. Government Securities Business Days prior to each
Periodic Distribution Date] ⁶ [The Periodic Distribution Date at
the end of each Periodic Distribution Period; except in respect of
the final Periodic Distribution Period, for which the Profit Rate
Determination Date will be the SOFR Rate Cut-off Date] ⁷ |
| (ii) | SOFR Benchmark: | [Not Applicable/Simple SOFR Average/Compounded Daily
SOFR/Compounded SOFR Index] ⁸ |
| (iii) | Compounded Daily
SOFR: | [Not Applicable/SOFR Observation Lag/SOFR Observation
Shift/SOFR Payment Delay/SOFR Lockout] ⁹ |
| (iv) | Lookback Days: | [Not Applicable/[●]] U.S. Government Securities Business
Day(s)] ¹⁰ |
| (v) | SOFR Observation Shift
Days: | [Not Applicable/[●]] U.S. Government Securities Business
Day(s)] ¹¹ |
| (vi) | Periodic Distribution
Delay Days: | [Not Applicable/[●]] U.S. Government Securities Business
Day(s)] ¹² |

⁶ To be included where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded Daily SOFR: SOFR Observation Shift, SOFR Lockout or SOFR Observation Lag. Where the Principal Paying Agent is appointed as Calculation Agent, it will normally require that this period (and, where applicable, any Lookback Days/SOFR Observation Shift Days or SOFR Rate Cut-Off Date) is at least 5 U.S. Government Securities Business Days.

⁷ Only applicable where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded Daily SOFR: SOFR Payment Delay.

⁸ Only applicable where the Reference Rate is SOFR Benchmark.

⁹ Only applicable in the case of Compounded Daily SOFR.

¹⁰ Only applicable in the case of SOFR Lag.

¹¹ Only applicable in the case of SOFR Observation Shift or Compounded SOFR Index.

¹² Only applicable in the case of SOFR Payment Delay.

(vii) SOFR Rate Cut-Off Date:	[Not Applicable/The day that is the [●] U.S. Government Securities Business Day prior to the end of each Periodic Distribution Period] ¹³
(viii) SOFR Index _{Start} Days:	[Not Applicable/[●]] U.S. Government Securities Business Day(s)] ¹⁴
(ix) SOFR Index _{End} Days:	[Not Applicable/[●]] U.S. Government Securities Business Day(s)] ¹⁵
(x) [d]/[d _c] ¹⁶ :	[365/360/[●]] ¹⁷
(xi) Fallback Provisions:	[Condition 8(d) (<i>Benchmark Discontinuation – Reference Rate other than SOFR</i>)] ¹⁸ [Condition 8(e) (<i>Benchmark Discontinuation (SOFR)</i>)]
(k) Screen Rate Determination Referencing SONIA:	[Applicable]/[Not Applicable]
(i) Reference Rate:	[SONIA Compounded Index Rate / SONIA Compounded Daily Reference Rate [with Observation Shift] / [with Lag] where “p” is: <i>[specify number]</i> London Business Days <i>[being no less than 5 London Business Days]</i>]
(ii) Profit Rate Determination Date(s):	The date which is [“p”] London Business Days prior to each Periodic Distribution Date ¹⁹
(iii) Relevant Screen Page:	[[Bloomberg Screen Page: SONCINDX] ²⁰ / <i>see pages of authorised distributors for SONIA Compounded Index Rate</i>] or [Bloomberg Screen Page: SONIO/N Index] ²¹ / <i>SONIA Compounded Daily Reference Rate as applicable</i>] [●]
(iv) Relevant Fallback Screen Page:	[[Bloomberg Screen Page: SONIO/N Index] / <i>see pages of authorised distributors for SONIA Compounded Daily Reference Rate as applicable</i>] [●]] ²²
(l) ISDA Determination:	[Applicable]/[Not Applicable]
(i) ISDA Definitions:	[2006 ISDA Definitions]/[2021 ISDA Definitions]
(ii) Floating Rate Option:	[●] ²³
(iii) Designated Maturity:	[●]/[Not Applicable]

¹³ Only applicable in the case of Simple SOFR Average, Compounded Daily SOFR: SOFR Payment Delay or Compounded Daily SOFR: SOFR Lockout.

¹⁴ Only applicable in the case of Compounded SOFR Index.

¹⁵ Only applicable in the case of Compounded SOFR Index.

¹⁶ “d_c” in the case of Compounded SOFR Index.

¹⁷ “d” or “d_c” will normally be 360.

¹⁸ To be included in all cases except where the parties have agreed, in respect of an issuance where the Reference Rate is SOFR Benchmark, to the inclusion of the Benchmark Discontinuation (SOFR) fallback provisions instead.

¹⁹ The Profit Rate Determination Date should match the last day of the Observation Period.

²⁰ Where SONIA Compounded Index Rate applies.

²¹ Where SONIA Compounded Daily Reference Rate applies.

²² Only applicable in the case of SONIA Compounded Index Rate.

²³ Ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions) if 2021 ISDA Definitions selected.

- (iv) Reset Date: [●]/[Not Applicable]
- (v) Compounding: [Applicable/Not Applicable]
(If not applicable, delete the remaining items of this paragraph)
- (vi) [Compounding Method: [Compounding with Lookback
 Lookback: [●] Applicable Business Days
 [Compounding with Observation Period Shift Observation
 Period Shift: [●] Observation Period Shift Business Days
 Observation Period Shift Additional Business Days:
 [●]/[Not Applicable]]
 [Compounding with Lockout
 Lockout: [●] Lockout Period Business Days
 Lockout Period Business Days: [●]/[Applicable Business Days]]
- (vii) Index Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining items of this paragraph)
- (viii) [Index Method: Compounded Index Method with Observation Period Shift
 Observation Period Shift: [●] Observation Period Shift Business
 Days
 Observation Period Shift Additional Business Days:
 [●]/[Not Applicable]]
- (m) Margin(s): [+/-][●] per cent. per annum
- (n) Linear Interpolation: [Not Applicable/Applicable – the Profit Rate for the [long/short]
 [first/last] Periodic Distribution Period shall be calculated using
 Linear Interpolation (*specify for each short or long periodic
 distribution period*)]
- (o) Maximum Profit Rate: [●] per cent. per annum
- (p) Minimum Profit Rate: [●] per cent. per annum
- (q) Day Count Fraction: [Actual/Actual]
 [Actual/Actual – ISDA]
 [Actual/365 (Fixed)]
 [Actual/365 (Sterling)]
 [Actual/360]
 [30/360]
 [360/360]
 [Bond Basis]
 [30E/360]
 [Eurobond Basis]
 [30E/360 (ISDA)]
 [Actual/Actual – ICMA]

Provisions relating to dissolution

- 18 Notice periods for Condition 9(b): Minimum period: [●] days

		Maximum period: [●] days
19	Optional Dissolution (Call) ²⁴ :	[Applicable]/[Not Applicable]
	(a) Dissolution Distribution Amount:	[As per Condition 1]/[[●] per Calculation Amount][For Tier 2 Certificates: As per Conditions]
	(b) Optional Dissolution Amount (Call) Percentage:	[100 per cent.][[●] per cent.] ²⁵
	(c) Optional Dissolution Date(s):	[●]
	(d) Notice period:	Minimum period: [●] days Maximum period: [●] days
20	Certificateholder Put Option:	[Applicable]/[Not Applicable]
	(a) Dissolution Distribution Amount:	[As per Condition 1]/[[●] per Calculation Amount]
	(b) Optional Dissolution Amount (Certificateholder Put) Percentage:	[100 per cent.][[●] per cent.] ²⁶
	(c) Certificateholder Put Option Date(s):	[●]
	(d) Notice period:	Minimum period: [●] days Maximum period: [●] days <i>(N.B. When setting notice periods, the Trustee is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days 'notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Trustee and the Agent)</i>
21	Early Dissolution for Capital Disqualification Event Notice Periods:	Minimum period: [45] days Maximum period: [60] days
22	Optional Dissolution Amount (Capital Disqualification Event) Percentage:	[100 per cent.][[●] per cent.] ²⁷

²⁴ "Optional Dissolution (Call)" and "Certificateholder Put Option" may not both be specified as "Applicable" in the same Pricing Supplement.

²⁵ 100 per cent. to be inserted where the Dissolution Distribution Amount is calculated as per Condition 1. Otherwise, to be amended to align with the Dissolution Distribution Amount per Calculation Amount specified above (such that, in each case, the product of the aggregate face amount of the Certificates to be redeemed and the Optional Dissolution Amount (Call) Percentage shall equal the principal amounts payable on the Certificates on the relevant redemption event).

²⁶ 100 per cent. to be inserted where the Dissolution Distribution Amount is calculated as per Condition 1. Otherwise, to be amended to align with the Dissolution Distribution Amount per Calculation Amount specified above (such that, in each case, the product of the aggregate face amount of the Certificates to be redeemed and the Optional Dissolution Amount (Certificateholder Put) Percentage shall equal the principal amounts payable on the Certificates on the relevant redemption event).

²⁷ 100 per cent. to be inserted where the Dissolution Distribution Amount is calculated as per Condition 1. Otherwise, to be amended to align with the Dissolution Distribution Amount per Calculation Amount specified above (such that, in each case, the product of the aggregate face amount of the Certificates to be redeemed and the Optional Dissolution Amount (Capital Disqualification Event) Percentage shall equal the principal amounts payable on the Certificates on the relevant redemption event).

- | | | |
|----|---|---|
| 23 | Dissolution Distribution Amount following redemption on the Scheduled Dissolution Date, on any Early Tax Dissolution Date, on any Capital Disqualification Event Dissolution Date or following the occurrence of a Dissolution Event: | [As per Condition 1]/[●] per Calculation Amount] [for Tier 2 Certificates: As per Conditions] |
|----|---|---|

General provisions applicable to the Certificates

- | | | |
|----|--|--|
| 24 | Form of Certificates: | Registered Certificates: Global Certificate exchangeable for Certificates in definitive registered form in the limited circumstances specified in the Global Certificate Reg S Compliance Category 2; TEFRA not applicable |
| 25 | Financial Centre(s) relating to payment (Condition 11(d)): | [Not Applicable]/[●] |

Provisions in respect of the Trust Assets

- | | | |
|----|---|---|
| 26 | Trust Assets: | Condition 5(a) applies |
| 27 | (a) Details of Transaction Account: | Riyad Sukuk Limited Transaction Account No: [●]for Series No.: [●] |
| | (b) Supplemental Declaration of Trust: | Supplemental Declaration of Trust dated [●] between the Trustee, the Obligor and the Delegate |
| | (c) Supplemental Purchase Contract: | Supplemental Purchase Contract dated [●] between the Trustee and the Obligor |
| | (d) Declaration of Commingling of Assets: ²⁸ | [Declaration of Commingling of Assets dated [●] executed by the Trustee] [Not Applicable] |

Signed on behalf of
Riyad Sukuk Limited

By: _____
Duly authorised

Signed on behalf of
Riyad Bank

By: _____
Duly authorised

Riyad Bank

²⁸ Include only for an issue of further Certificates in accordance with Condition 20.

By: _____
Duly authorised

PART B – OTHER INFORMATION

1 Admission to Trading

- (a) Admission to trading: [Application [has been] [is expected to be] made by the Trustee (or on its behalf) for the Certificates to be admitted to trading on [the London Stock Exchange's International Securities Market] / [●] with effect from [●]] / [Not applicable]
- (b) Estimate of total expenses related to admission to trading: [●]

2 Ratings

Ratings: [The Certificates to be issued [are not rated] [have been/are expected to be] rated:

[Fitch: [●]]

[Moody's: [●]]

[S&P: [●]]

[Each of [●] and] [●] is established in the European Economic Area and registered under Regulation (EC) No 1060/2009, as amended (the “**EU CRA Regulation**”)] [Each of [●] and][*] is not established in the European Economic Area and has not applied for registration under Regulation (EC) No. 1060/2009 (the “**EU CRA Regulation**”). The ratings [have been][are expected to be] endorsed by [●] in accordance with the EU CRA Regulation. [●] is established in the European Economic Area and registered under the EU CRA Regulation.]

[Each of [●] and][●] is not established in the European Economic Area and has not applied for registration under Regulation (EC) No. 1060/2009 (the “**EU CRA Regulation**”), but it is certified in accordance with the EU CRA Regulation.]

[Each of [●] and][●] is established in the UK and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law in the UK by virtue of the EUWA (the “**UK CRA Regulation**”).] [The ratings [have been][are expected to be] endorsed by [●] in accordance with the EU CRA Regulation. [●] is established in the European Economic Area and is registered under the EU CRA Regulation.]

[Each of [●] and] [●] is not established in the UK and has applied for registration under Regulation (EC) No. 1060/2009 as it forms part of domestic law in the UK by virtue of the EUWA (the “**UK CRA Regulation**”), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[Each of [●] and] [●] is not established in the UK and has not applied for registration under Regulation (EC) No. 1060/2009 as it forms part of domestic law in the UK by virtue of the EUWA

(the “UK CRA Regulation”) but is certified in accordance with the UK CRA Regulation.

3 Interests of Natural and Legal Persons involved in the Issue

[Save for any fees payable to the [Managers/Dealer], so far as each of the Trustee and the Obligor is aware, no person involved in the issue of the Certificates has an interest material to the offer.]

[The [Managers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Trustee or the Obligor and their affiliates in the ordinary course of business/[●]].

4 Sustainable Certificates

Sustainable Certificates: [Applicable]/[Not Applicable]

Type of Sustainable Certificates:

[“Sustainability Certificates”]/[“Green Certificates”]/[“Social Certificates”]

[See “Use of Proceeds” in the Base Offering Circular]

5 Indication of profit or return

[●] per cent. per annum

(Fixed Rate Certificates only):

The indication of profit or return is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future profit or return.

6 Operational Information

(a) ISIN:

[●]/[Until the Certificates are consolidated, become fungible with and form a single series with the Original Certificates, the Certificates will have the temporary ISIN [●]. After that, the Certificates will have the same ISIN as the Original Certificates, which is [●].

(b) Common Code:

[●]/Until the Certificates are consolidated, become fungible with and form a single series with the Original Certificates, the Certificates will have the temporary Common Code [●]. After that, the Certificates will have the same Common Code as the Original Certificates, which is [●].

(c) FISN:

[[See/[include code]²⁹, as updated, as set out on] the website of the Association of National Numbering Agencies (“ANNA”) or alternatively sourced from the responsible national numbering agency that assigned the ISIN/Not Applicable/Not Available]

(d) CFI:

[[See/[include code]³⁰, as updated, as set out on] the website of ANNA or alternatively sourced from the responsible national numbering agency that assigned the ISIN/Not Applicable/Not Available]

(e) Any clearing system(s) other than Euroclear Bank SA/NV and

[Not Applicable/give name(s), address(es) and number(s)]

²⁹ The actual code should only be included where the Trustee is comfortable that it is correct.

³⁰ The actual code should only be included where the Trustee is comfortable that it is correct.

Clearstream Banking, S.A. and the relevant identification number(s):

- (f) Names and addresses of additional Paying Agent(s) (if any): [●]
- (g) Delivery: Delivery [against / free of] payment
- (h) Name and address of the Registrar(s): [●]
- (i) Relevant Benchmark[s]: [[*specify benchmark*] is provided by [*administrator legal name*]][*repeat as necessary*]. As at the date hereof, [[*administrator legal name*][appears]/[does not appear]][*repeat as necessary*] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of Regulation (EU) 2016/1011]/[As far as each of the Trustee and the Obligor is aware, as at the date hereof, [*specify benchmark*] does not fall within the scope of Regulation (EU) 2016/1011]/ [As far as each of the Trustee and the Obligor is aware, the transitional provisions in Article 51 of Regulation (EU) 2016/1011, as amended apply, such that [*name of administrator*] is not currently required to obtain recognition, endorsement or equivalence)]/[Not Applicable]

7 Distribution

- (a) Method of distribution: [Syndicated] / [Non-syndicated]
- (b) If syndicated, names of Managers: [●] / [Not Applicable]
- (c) Stabilisation Manager(s): [●] / [Not Applicable]
- (d) If non-syndicated, name of Dealer: [●] / [Not Applicable]
- (e) U.S. Selling Restrictions: Regulation S, Category 2
- (f) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
(If the Certificates clearly do not constitute “packaged” products or the Certificates do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Certificates may constitute “packaged” products and no key information document will be prepared in the EEA, “Applicable” should be specified)
- (g) Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]
(If the Certificates clearly do not constitute “packaged” products or the Certificates do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Certificates may constitute “packaged” products and no key information

document will be prepared in the UK, “Applicable” should be specified)

8 Third Party Information

[[●] has been extracted from [●]. The Trustee and the Bank confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.] / [Not Applicable].

9 Use of Proceeds

[See “Use of Proceeds” in the Base Offering Circular]/[Specify use of proceeds if different to what is contemplated in the “Use of Proceeds” section of the Base Offering Circular.]

USE OF PROCEEDS

The net proceeds from the issue of each Tranche of Certificates will be applied by the Trustee pursuant to the terms of the relevant Transaction Documents towards the purchase from the Bank of all of its rights, title, interests, benefits and entitlements in, to and under the relevant Assets in the Initial Portfolio or the relevant Assets in the Additional Portfolio, as the case may be, pursuant to the relevant Purchase Agreement (as defined in the Conditions).

The amounts so received by the Bank will be applied by it for its general banking purposes, or as otherwise described in the applicable Pricing Supplement.

If the applicable Pricing Supplement specifies that a Series of Sustainable Certificates are “Green Certificates”, “Social Certificates”, or “Sustainability Certificates”, then an amount at least equal to the equivalent amount will be applied by the Bank to finance and/or refinance, in whole or in part, in a *Shari’a* compliant manner, a portfolio of Eligible Sustainable Projects in eligible green project categories (in the case of Green Certificates), social project categories (in the case of Social Certificates), or a combination of green and social project categories (in the case of Sustainability Certificates), respectively, as set out in the Bank’s Sustainable Finance Framework dated 7 February 2022 and published on its website (the “**Sustainable Finance Framework**”).

None of the Sustainable Finance Framework or the contents of the Bank’s website referred above are incorporated in or form part of this Base Offering Circular.

See further “*Risk Factors—Risk factors relating to the Certificates—The use of proceeds of any issue of Certificates identified as Sustainable Certificates in the applicable pricing supplement may not meet investor expectations or requirements or be suitable for an investor’s investment criteria*”.

DESCRIPTION OF THE TRUSTEE

General

Riyad Sukuk Limited, a Cayman Islands exempted company with limited liability, was incorporated on 6 June 2018 under the Companies Act (As Revised) of the Cayman Islands with company registration number 338136. The Trustee has been established as a special purpose vehicle for the sole purpose of issuing Certificates under the Programme and entering into the transactions contemplated by the Transaction Documents. The registered office of the Trustee is at MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman KY1-1102, Cayman Islands and its telephone number is +1 345 945 7099.

The authorised share capital of the Trustee is U.S.\$50,000 divided into 50,000 ordinary shares of U.S.\$1.00 par value each, 250 of which have been issued. All of the issued shares (the “**Shares**”) are fully- paid and are held by MaplesFS Limited as share trustee (the “**Share Trustee**”) under the terms of a share declaration of trust (the “**Share Declaration of Trust**”) dated 6 February 2020 under which the Share Trustee holds the Shares in trust until the Termination Date (as defined in the Share Declaration of Trust). Prior to the Termination Date, the trust is an accumulation trust, but the Share Trustee has the power to benefit Qualified Charities (as defined in the Share Declaration of Trust). It is not anticipated that any distribution will be made whilst any Certificate is outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee for acting as Share Trustee) from, its holding of the Shares.

Business of the Trustee

The Trustee has no prior operating history or prior business and will not have any substantial liabilities other than in connection with the Certificates to be issued under the Programme. The Certificates are the obligations of the Trustee alone and not the Share Trustee.

The objects for which the Trustee is established are set out in clause 3 of its Memorandum of Association as registered or adopted on 6 June 2018.

Financial Statements

Since the date of its incorporation, no financial statements of the Trustee have been prepared. The Trustee is not required by Cayman Islands law, and does not intend, to publish audited financial statements.

Directors of the Trustee

The Directors of the Trustee are as follows:

Name	Principal Occupation
Stacy Bodden	Senior Vice President at MaplesFS Limited
Anand VinodKumar	Vice President at MaplesFS Limited
Norbert Neijzen	Regional Head of Fiduciary, Middle East at Maples Fund Services (Middle East) Limited

The business address of Norbert Neijzen is c/o Maples Fund Services (Middle East) Limited, Level 14, Burj Daman, Dubai International Financial Centre, P.O. Box 506734, Dubai, United Arab Emirates.

The business address of Stacy Bodden and Anand VinodKumar is c/o MaplesFS Limited, P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

There are no potential conflicts of interest between the private interests or other duties of the Directors listed above and their duties to the Trustee.

The Administrator

MaplesFS Limited acts as the administrator of the Trustee (in such capacity, the “**Trustee Administrator**”). The office of the Trustee Administrator serves as the general business office of the Trustee. Through the office, and pursuant to the terms of the Corporate Services Agreement, the Trustee Administrator has agreed to perform in the Cayman Islands, or such other jurisdiction as may be agreed by the parties from time to time, various management functions on behalf of the Trustee and the provision of certain clerical, administrative and other services until termination of the Corporate Services Agreement. The Trustee Administrator will also provide registered office services to the Trustee in accordance with its standard terms and conditions for the provision of registered office services as published at <http://www.maples.com/terms> (the “**Registered Office Terms**”). In consideration of the foregoing, the Trustee Administrator receives various fees payable by the Trustee at rates agreed upon from time to time, plus expenses. The terms of the Corporate Services Agreement and the Registered Office Terms provide that either the Trustee or the Trustee Administrator may terminate such appointments upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreements. In addition, the Corporate Services Agreement and the Registered Office Terms provide that either party shall be entitled to terminate such agreements by giving at least three months’ notice in writing to the other party with a copy to any applicable rating agency.

The Trustee Administrator is subject to the overview of the Trustee’s Board of Directors.

The Trustee Administrator’s principal office is P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman KY1-1102, Cayman Islands.

The Directors of the Trustee are all employees or officers of the Trustee Administrator (or an affiliate thereof). The Trustee has no employees and is not expected to have any employees in the future.

SELECTED FINANCIAL INFORMATION

The following summary information has been extracted from the Annual Financial Statements or calculated based on information derived from the Annual Financial Statements and should be read in conjunction with, and is qualified in its entirety by reference to, the Annual Financial Statements as incorporated by reference in this Base Offering Circular. The information presented below should also be read in conjunction with the information set out in "Presentation of Financial and Other Information".

CONSOLIDATED STATEMENT OF FINANCIAL POSITION DATA

The table below sets out the Group's consolidated statement of financial position data as at 31 December in each of 2024, 2023 and 2022.

	As at 31 December		
	2024	2023	2022
	(SAR thousand)		
ASSETS			
Cash and balances with Saudi Central Bank (SAMA), net	22,599,973	26,175,226	33,366,652
Due from banks and other financial institutions, net	22,574,084	15,433,725	20,613,232
Positive fair value of derivatives.....	5,568,952	3,668,130	3,790,841
Investments, net	69,668,963	58,108,824	52,196,120
Loans and advances, net	320,089,491	274,398,246	242,364,947
Other assets	2,204,083	2,547,120	3,175,946
Investment in associates.....	402,419	379,941	371,215
Other real estate	753,700	670,470	465,249
Property, equipment and right of use assets, net	6,517,129	5,467,247	3,308,655
Total assets	450,378,794	386,848,929	359,652,857
LIABILITIES AND EQUITY			
Liabilities			
Due to banks and other financial institutions	43,949,020	42,464,026	38,760,068
Negative fair value of derivatives	5,165,593	3,428,575	2,854,285
Customer deposits.....	306,423,391	254,907,624	240,007,085
Debt securities in issue and term loan.....	13,324,453	13,372,622	8,758,419
Other liabilities	13,574,238	12,418,011	13,099,651
Total liabilities	382,436,695	326,590,858	303,479,508
Shareholders' equity			
Share capital.....	30,000,000	30,000,000	30,000,000
Treasury shares	(165,105)	(165,912)	—
Statutory reserve	15,283,989	12,953,515	10,942,054
Other reserves	77,216	(369,203)	(790,260)
Retained earnings.....	13,359,899	11,277,171	7,500,430
Proposed dividends	—	—	1,950,000
Equity attributable to shareholders of the Bank	58,555,999	53,695,571	49,602,224
Tier 1 sukuk	9,386,100	6,562,500	6,571,125
Total equity	67,942,099	60,258,071	56,173,349
Total liabilities and equity	450,378,794	386,848,929	359,652,857

CONSOLIDATED STATEMENT OF INCOME DATA

The table below shows the Group's consolidated statement of income data for each of 2024, 2023 and 2022.

	2024	2023	2022
		(SAR thousand)	
Special commission income.....	24,182,126	20,606,115	12,907,561
Special commission expense.....	11,308,859	8,191,837	2,855,116
Net special commission income.....	12,873,267	12,414,278	10,052,445
Fee and commission income	4,539,492	3,730,796	3,559,071
Fee and commission expense	1,548,552	1,346,175	1,130,404
Fees and commission income, net	2,990,940	2,384,621	2,428,667
Exchange income, net	779,396	608,106	633,379
Trading income, net	529,420	419,944	219,029
Dividend income.....	43,374	40,801	79,861
Gains/(losses) on disposal of non-trading investments, net	16,802	(43,630)	121,775
Other operating income.....	51,332	74,718	64,210
Total operating income, net.....	17,284,531	15,898,838	13,599,366
Salaries and employee-related expenses	2,752,215	2,542,164	2,257,505
Rent and premises-related expenses.....	216,327	219,979	195,409
Depreciation of property, equipment and right of use assets...	683,579	695,356	540,532
Other general and administrative expenses	1,591,137	1,463,518	1,336,308
Other operating expenses	42,343	47,607	80,423
Total operating expenses before impairment charge	5,285,601	4,968,624	4,410,177
Impairment charge for credit losses and other financial assets, net	1,620,728	1,875,464	1,027,400
Impairment charge for investments, net.....	11,618	96,224	253,115
Total operating expenses, net	6,917,947	6,940,312	5,690,692
Net operating income.....	10,366,584	8,958,526	7,908,674
Share in income/(losses) of associates, net	30,354	12,273	(80,238)
Income before Zakat.....	10,396,938	8,970,799	7,828,436
Zakat	1,075,044	924,955	809,114
Net income	9,321,894	8,045,844	7,019,322

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME DATA

The table below shows the Group's consolidated statement of comprehensive income data for each of 2024, 2023 and 2022.

	2024	2023	2022
		(SAR thousand)	
Net income	9,321,894	8,045,844	7,019,322
Other comprehensive income (OCI):			
<i>Items that will be reclassified to consolidated statement of income in subsequent periods</i>			
Fair value through other comprehensive income (FVOCI debt instruments):			
Net change in fair value	333,042	211,552	(1,988,932)
Net amounts transferred to consolidated statement of income	(16,802)	43,630	(86,145)
Net changes in allowance for expected credit losses (ECL) of debt instruments	10,987	98,820	261,430
Effective portion of net change in fair value of cash flow hedge	(68,820)	(13,118)	149,612
<i>Items that will not be reclassified to consolidated statement of income in subsequent periods</i>			
Actuarial gains/(losses) on defined benefit plans	173,368	(127,711)	201,103
Net change in fair value and transfers of equity instruments at FVOCI	539	207,884	(69,264)
Other comprehensive income/(loss)	432,314	421,057	(1,532,196)
Total comprehensive income	9,754,208	8,466,901	5,487,126

SUMMARY CONSOLIDATED STATEMENTS OF CASH FLOWS DATA

The table below summarises the Group's consolidated statement of cash flows data for each of 2024, 2023 and 2022.

	2024	2023	2022
		(SAR thousand)	
Net cash from/(used in) operating activities	14,065,931	(5,920,495) ⁽¹⁾	1,998,305
Net cash (used in)/from investing activities	(10,439,201)	(7,264,748)	3,683,118
Net cash (used in)/from financing activities	(2,370,621)	(10,258) ⁽²⁾	3,397,972
Increase/(decrease) in cash and cash equivalents	1,256,109	(13,195,501)	9,079,395
Cash and cash equivalents at beginning of the year	28,290,580	41,486,081	32,406,686
Cash and cash equivalents at end of the year	29,546,689	28,290,580	41,486,081

Notes:

- (1) This balance is derived from the comparative information for 2023 included in the 2024 Financial Statements. The 2024 Financial Statements include certain comparative amounts for 2023 that have been reclassified to conform with the presentation of the 2024 Financial Statements. In the 2023 Financial Statements, this balance was SAR (6,181,721) thousand.
- (2) This balance is derived from the comparative information for 2023 included in the 2024 Financial Statements. The 2024 Financial Statements include certain comparative amounts for 2023 that have been reclassified to conform with the presentation of the 2024 Financial Statements. In the 2023 Financial Statements, this balance was SAR 250,968 thousand.

SELECTED CONSOLIDATED RATIOS

The table below contains information relating to selected consolidated ratios of the Group. These ratios are presented in this Base Offering Circular because the Group considers them an important supplemental measure of the Group's operating performance and financial position and the Group believes they may be used by securities analysts, investors and other interested parties in the evaluation of banks in the banking industry. None of the information in

the table below has been audited or reviewed by PwC, EY or Deloitte. See further “*Presentation of Financial and other information—Presentation of financial information—Certain non-IFRS financial information*”.

The table below shows selected consolidated ratios for the Group as at 31 December in each of 2024, 2023 and 2022 and for each of 2024, 2023 and 2022.

	As at/years ended 31 December		
	2024	2023	2022
	(per cent.)		
Performance measures			
Return (after Zakat) on assets ⁽¹⁾	2.07	2.08	1.95
Return (after Zakat) on equity ⁽²⁾	15.92	14.98	14.15
Expenses to income ratio ⁽³⁾	30.58	31.25	32.43
Net special commission margin ⁽⁴⁾	3.4	3.61	3.11
Asset quality			
NPL ratio ⁽⁵⁾	0.98	1.24	1.72
Loan loss coverage ratio ⁽⁶⁾	167.06	142.11	112.04
Liquidity coverage ratio ⁽⁷⁾	145	160	182
Loans to deposits ratio ⁽⁸⁾	100.11	102.28	97.43
Other ratios			
CET 1 capital adequacy ratio ⁽⁷⁾	14.13	15.72	15.93
Tier 1 capital adequacy ratio ⁽⁷⁾	16.40	17.65	18.05
Total capital adequacy ratio ⁽⁷⁾	18.94	20.73	21.05
Equity to total assets ratio ⁽⁹⁾	13.00	13.88	13.79
Leverage ratio ⁽⁷⁾	12.10	12.34	12.80

Notes:

- (1) Net income divided by total assets at the end of the year.
- (2) Net income divided by total equity attributable to shareholders of the Bank at the end of year.
- (3) Total operating expenses before impairment charge divided by total operating income, net.
- (4) Net special commission income divided by average interest earning assets for the period, with average interest earning assets calculated as the daily average for the period. Interest earning assets comprise loans and advances, net, investments, net (excluding equity investments) and due from banks and other financial institutions, net.
- (5) NPLs as a percentage of total loans and advances, each as set out in note 8(a) to each of the Annual Financial Statements.
- (6) Allowance for impairment/ECL (as set out in note 8(a) to each of the Annual Financial Statements) as a percentage of NPLs.
- (7) Calculated in accordance with Basel III as implemented in Saudi Arabia.
- (8) Loans and advances, net divided by the sum of customer deposits and debt securities in issue and term loan.
- (9) Total equity attributable to shareholders of the Bank at the end of the year divided by total assets at the same date.

SUMMARY OPERATING PERFORMANCE AND FINANCIAL REVIEW

Set out below is a brief discussion of the Group's consolidated operating performance and financial position as at, and for the years ended, 31 December in each of 2024, 2023 and 2022.

OPERATING PERFORMANCE

Total operating income, net

The Group's total operating income, net for 2024 was SAR 17,285 million compared to SAR 15,899 million for 2023 and SAR 13,599 million for 2022, an increase of SAR 1,386 million, or 8.7 per cent., in 2024 compared to 2023 and an increase of SAR 2,300 million, or 16.9 per cent., in 2023 compared to 2022.

2024 compared to 2023

The SAR 1,386 million increase in the Group's total operating income, net in 2024 compared to 2023 principally reflected:

- an increase of SAR 606 million, or 25.4 per cent., in the Group's fee and commission income, net from SAR 2,385 million in 2023 to SAR 2,991 million in 2024, which was driven mainly by an increase in credit facilities and advisory and share brokerage and fund management services;
- an increase of SAR 459 million, or 3.7 per cent., in the Group's net special commission income from SAR 12,414 million in 2023 to SAR 12,873 million in 2024, which was driven by an increase in income from investments at amortised cost and income from loans and advances;
- an increase of SAR 171 million, or 28.2 per cent., in the Group's exchange income, net from SAR 608 million in 2023 to SAR 779 million in 2024, which was driven by favourable rates and increased volumes; and
- an increase of SAR 109 million, or 26.1 per cent., in the Group's trading income, net from SAR 420 million in 2023 to SAR 529 million in 2024. The Group's trading income, net principally comprises income from derivatives transactions and this increase was driven by an increase in income from derivatives and from fair value hedges mainly due to higher volumes compared to 2023.

2023 compared to 2022

The SAR 2,299 million increase in the Group's total operating income, net in 2023 compared to 2022 principally reflected:

- an increase of SAR 2,362 million, or 23.5 per cent., in the Group's net special commission income from SAR 10,052 million in 2022 to SAR 12,414 million in 2023, which was driven by a higher increase in special commission income (which was mainly driven by higher volumes of loans and advances as well as the impact of higher rates on the Group's special commission earning assets) than in special commission expense (which was mainly driven by the impact of higher rates on the Group's special commission expense bearing liabilities); and
- an increase of SAR 201 million, or 91.7 per cent., in the Group's trading income, net from SAR 219 million in 2022 to SAR 420 million in 2023. The increase principally reflected a decrease of SAR 142 million in derivatives expenses.

The increases in the Group's total operating income, net in 2023 compared to 2022 were partly offset principally by SAR 44 million in losses on disposal of non-trading investments, net in 2023 compared to SAR 122 million in gains on disposal of non-trading investments, net in 2022, which related to both FVOCI investments and investments held at amortised cost and were driven by market conditions.

Total operating expenses before impairment charge

The Group's total operating expenses before impairment charge for 2024 were SAR 5,286 million compared to SAR 4,969 million for 2023 and SAR 4,410 million for 2022, an increase of SAR 317 million, or 6.4 per cent., in 2024 compared to 2023 and an increase of SAR 558 million, or 12.7 per cent., in 2023 compared to 2022.

2024 compared to 2023

The SAR 317 million increase in the Group's total operating expenses before impairment charge in 2024 compared to 2023 principally reflected:

- an increase of SAR 210 million, or 8.3 per cent., in salaries and employee-related expenses from SAR 2,542 million in 2023 to SAR 2,752 million in 2024, which was mainly due to an increase in other employees' related expenses and incremental salary increases; and
- an increase of SAR 127 million, or 8.7 per cent., in other general and administrative expenses from SAR 1,464 million in 2023 to SAR 1,591 million in 2024, which was mainly due to an increase in consultancy, audit and professional services availed, as well as miscellaneous expenditures.

2023 compared to 2022

The SAR 558 million increase in the Group's total operating expenses before impairment charge in 2023 compared to 2022 principally reflected:

- an increase of SAR 284 million, or 12.6 per cent., in salaries and employee-related expenses from SAR 2,258 million in 2022 to SAR 2,542 million in 2023, which was mainly due to a higher number of employees and incremental salary increases;
- an increase of SAR 155 million, or 28.6 per cent., in depreciation of property, equipment and right of use assets from SAR 541 million in 2022 to SAR 695 million in 2023, which principally reflected increased depreciation on computer hardware, software programmes, automation projects and motor vehicles driven by increases in depreciable fixed assets; and
- an increase of SAR 128 million, or 9.5 per cent., in other general and administrative expenses from SAR 1,336 million in 2022 to SAR 1,464 million in 2023.

Impairment charges

The Group's total impairment charges (which reflect the sum of its impairment charge for credit losses and other financial assets, net and its impairment charges for investments, net) were SAR 1,632 million in 2024 compared to SAR 1,972 million in 2023 and SAR 1,281 million in 2022.

2024 and 2023 compared

The SAR 339 million, or 17.2 per cent., decrease in the Group's total impairment charges in 2024 compared to 2023 principally reflected:

- an SAR 229 million, or 12.5 per cent., decrease in its impairment charge for credit losses, net;
- an SAR 85 million, or 87.9 per cent., lower impairment charge for investments, net; and
- an SAR 25 million, or 61.4 per cent., lower impairment charge for other financial assets, net.

The decrease in the Group's impairment charge for credit losses and other financial assets, net in 2024 was driven by a net decrease of SAR 611 million, or 41.3 per cent., in impairment charge for credit losses and other financial

assets, net in 2024 in the corporate banking segment offset by a net increase of SAR 358 million, or 90.9 per cent., in impairment charge for credit losses and other financial assets, net in 2024 in the retail banking segment. The decrease in the Group's impairment charge for investments, net in 2024 compared to 2023 principally reflected a decrease in ECL by SAR 85 million.

2023 and 2022 compared

The SAR 691 million, or 54.0 per cent., increase in the Group's total impairment charges in 2023 compared to 2022 principally reflected an SAR 848 million, or 82.5 per cent., increase in its impairment charge for credit losses and other financial assets, net offset in part by an SAR 157 million, or 62.0 per cent., lower impairment charge for investments, net. The increase in the Group's impairment charge for credit losses in 2023 was driven by higher impairment charges for financing losses, which principally related to the commercial loans portfolio. The reduction in the Group's impairment charge for investments, net in 2023 principally reflected a decrease in ECL by SAR 157 million.

Net income

Principally reflecting the above factors, the Group recorded net income of SAR 9,322 million in 2024 compared to SAR 8,046 million in 2023 and SAR 7,019 million in 2022, an increase of SAR 1,276 million, or 15.9 per cent., in 2024 compared to 2023 and an increase of SAR 1,027 million, or 14.6 per cent., in 2023 compared to 2022.

FINANCIAL POSITION

Funding

Sources of funding

The Group's principal source of funding is its customer deposits. In addition, the Group's funding comprises its debt securities in issue and term loan and its due to banks and other financial institutions (being the interbank deposits accepted by it).

The Group also has access to a pool of unencumbered and liquid securities in the form of fixed income debt securities, mutual fund and equity securities that it can access to meet liquidity needs, in addition to its cash balances and placements with central banks and other financial institutions.

The Group's customer deposits were SAR 306,423 million, or 80.1 per cent. of its total liabilities, as at 31 December 2024, SAR 254,908 million, or 78.1 per cent. of its total liabilities, as at 31 December 2023 and SAR 240,007 million, or 79.1 per cent. of its total liabilities, as at 31 December 2022.

Maturity profile of the Group's funding

A significant proportion of the Group's funding (as described in the first paragraph of this section) is short term in nature, with 82.9 per cent. of such funding being repayable on demand or within three months and a further 10.4 per cent. being repayable within one year, in each case calculated according to when the funding is expected to be recovered or settled. See "*Risk Factors—Risk factors relating to the Group—The Group is subject to the risk that liquidity may not always be readily available*". The issue of the Certificates under the Programme is intended to help the Group diversify its sources of funding and to extend the average maturity of its funding base.

Customer deposits

The Group's customer deposits principally comprise demand deposits which amounted to 49.9 per cent. of its total customer deposits as at 31 December 2024 compared to 46.9 per cent. as at 31 December 2023 and 51.4 per cent. as at 31 December 2022.

The Group's demand accounts mostly do not pay special commission and amounts may be withdrawn from these accounts at any time without notice. The Group's time accounts do pay special commission and amounts can be withdrawn from these accounts at their maturity.

The Group believes that its demand accounts are diversified and sticky in nature and constitute a stable and secure source of low cost funding.

The Group accepts deposits in both riyal and a range of other currencies.

Geographical breakdown of customer deposits

The Group's customer deposits are geographically concentrated in Saudi Arabia, which comprised 99.0 per cent. of customer deposits as at 31 December 2024, 99.8 per cent. as at 31 December 2023 and 99.7 per cent. as at 31 December 2022.

See “*Risk Factors—Risk factors relating to the Group—The Group has significant customer and sector concentrations*” and “*Risk Factors—Risk factors relating to the Group—The Group is subject to the risk that liquidity may not always be readily available*”.

Given the state-run and oil-driven nature of the domestic economy, the Group's deposit base is, at least in the near future, expected to remain concentrated by depositor type, namely cash-rich Government and quasi- Government entities. See “*Risk Factors—Risk factors relating to the Group—The Group has significant customer and sector concentrations*”.

Total loans and advances

The Group's total loans and advances, net was SAR 320,089 million as at 31 December 2024, SAR 274,398 million as at 31 December 2023 and SAR 242,365 million as at 31 December 2022.

The Group's loans and advances, net are principally denominated in riyal. The Group believes that there is only limited structural cross-currency exposure as the majority of its assets and liabilities are match-funded in currency terms. In addition, the Group hedges a part of its currency exposure through derivative contracts.

The majority of the Group's loans and advances contain terms permitting it to adjust the special commission rate payable by the customer upon any change in the relevant interbank benchmark rate.

Distribution of loans and advances, net by maturity

The table below shows the distribution of the Group's loans and advances, net by maturity (based on when they are expected to be recovered or settled) as at 31 December in each of 2024, 2023 and 2022.

	Within 3 months	3-12 months	1-5 years	Over 5 years	Total
			(SAR million)		
As at 31 December 2024.....	88,971	54,621	71,573	104,924	320,089
As at 31 December 2023.....	49,558	53,438	79,781	91,621	274,398
As at 31 December 2022.....	39,959	49,411	74,714	78,281	242,365

Sectoral and geographical breakdowns of loans and advances, net

The Group's total loans and advances, net are concentrated on the commerce sector, which accounted for 26.2 per cent. of the Group's total loans and advances, net as at 31 December 2024. In addition, the Group's loans to the electricity, gas, water and health; manufacturing; services; banks and other financial institutions; and building and construction sectors, together comprised 36.0 per cent. of the Group's total loans and advances, net as at 31 December

2024. The Group's consumer loans and credit cards accounted for 30.0 per cent. of the Group's total loans and advances, net as at 31 December 2024.

The Group's NPLs are also concentrated in its principal sectors. As at 31 December 2024, consumer loans and credit cards accounted for 39.6 per cent. of the Group's NPLs, commerce accounted for 32.2 per cent., manufacturing accounted for 12.4 per cent. and services accounted for 7.0 per cent.

The table below shows the geographical breakdown of the Group's loans and advances, net as at 31 December in each of 2024, 2023 and 2022.

	Saudi Arabia	Other GCC and Middle East	Europe	North America	Other countries	Total
	<i>(SAR million)</i>					
As at 31 December 2024.....	307,283	5,811	5,226	1,228	542 ⁽¹⁾	320,089
As at 31 December 2023.....	262,795	6,872	4,292	18	421 ⁽²⁾	274,398
As at 31 December 2022.....	231,307	5,546	4,717	795	0	242,365

Notes:

(1) Of which, Latin America was SAR 405 million and South East Asia was SAR 82 million.

(2) Of which, Latin America was SAR 333 million and South East Asia was SAR 61 million.

The Group's loans and advances, net are geographically concentrated on Saudi Arabia, which comprised 96.0 per cent. of the Group's total loans and advances, net as at 31 December 2024, 95.8 per cent. as at 31 December 2023 and 95.4 per cent. as at 31 December 2022. See "*Risk factors relating to the Group—The Group's customer financing portfolio, investment securities portfolio and customer deposits are concentrated in Saudi Arabia*" and "*Risk Factors—Risk factors relating to the Group—The Group has significant customer and sector concentrations*".

See also "*Risk Factors—Credit Risk Management*" for a discussion of the Group's loan origination and monitoring procedures, its loan classification system, collateral policy and an analysis of its NPLs and provisioning and write-off policies.

Investment securities portfolio

The Group's investment securities portfolio, which is reflected in its statement of financial position as investments, net, comprises fixed rate securities, floating rate securities, equity and investments in mutual funds which are held either as FVIS, FVOCI or at amortised cost. The securities are issued by both domestic and international issuers. The Group invests in these securities both to generate returns (as interest, dividend and capital gains) and to provide an additional source of liquidity when needed.

Counterparties and geographic concentration

The table below shows the Group's investment securities portfolio as at 31 December in each of 2024, 2023 and 2022 by type of counterparty.

	As at 31 December		
	2024	2023	2022
	<i>(SAR million)</i>		
Government and quasi-government.....	44,486	35,241	32,616
Corporate.....	19,442	16,955	15,554
Banks and financial institutions.....	5,741	5,913	4,026
Total.....	69,669	58,109	52,196

As at 31 December 2024, government and quasi-government issuers accounted for 63.9 per cent. of the total investment portfolio in the Group's investment securities portfolio.

The table below shows the geographical breakdown of the Group's investment securities portfolio as at 31 December in each of 2024, 2023 and 2022.

	Saudi Arabia	Other GCC and Middle East	Europe	North America	Other countries	Total
	<i>(SAR million)</i>					
As at 31 December 2024.....	48,971	1,487	14,930	4,246	35 ⁽¹⁾	69,669
As at 31 December 2023.....	37,400	1,554	4,268	10,257	4,630 ⁽²⁾	58,109
As at 31 December 2022.....	34,768	1,449	3,339	8,005	4,635 ⁽³⁾	52,196

Notes:

(1) Of which, Latin America was SAR 29 million and South East Asia was SAR 5 million.

(2) Of which, Latin America was SAR 999 million and South East Asia was SAR 546 million.

(3) Of which, Latin America was SAR 962 million and South East Asia was SAR 470 million.

The Group's investment securities portfolio is geographically concentrated in Saudi Arabia, which comprised 70.3 per cent. of the Group's investment securities portfolio as at 31 December 2024, 64.4 per cent. as at 31 December 2023 and 66.6 per cent. as at 31 December 2022.

See “Risk Factors—Risk factors relating to the Group—The Group's customer financing portfolio, investment securities portfolio and customer deposits are concentrated in Saudi Arabia” and “Risk Factors—Risk factors relating to the Group—The Group has significant customer and sector concentrations”.

RECENT DEVELOPMENTS

INTERIM FINANCIAL STATEMENTS

On 28 April 2025, the Group published the Interim Financial Statements. The selected financial information and related analysis below uses figures derived from the Interim Financial Statements, which have not been audited.

Selected financial information

Interim condensed consolidated statement of financial position data

The table below summarises the Group's unaudited interim condensed consolidated statement of financial position data as at 31 March 2025.

	As at 31 March 2025
	<i>(SAR thousand)</i>
ASSETS	
Cash and balances with Saudi Central Bank (SAMA), net.....	26,910,416
Due from banks and other financial institutions, net.....	15,227,443
Positive fair value of derivatives.....	4,867,967
Investments, net.....	69,270,797
Loans and advances, net.....	338,991,099
Other assets.....	2,108,867
Investment in associates.....	415,060
Other real estate.....	761,873
Property, equipment and right of use assets, net.....	6,791,692
Total assets	465,345,214
LIABILITIES AND EQUITY	
Liabilities	
Due to banks and other financial institutions.....	47,820,037
Negative fair value of derivatives.....	4,341,033
Customer deposits.....	304,092,494
Debt securities in issue and term loans.....	22,752,011
Other liabilities.....	13,823,463
Total liabilities	392,829,038
Shareholders' equity	
Share capital.....	30,000,000
Treasury shares.....	(165,105)
Statutory reserve.....	15,283,989
Other reserves.....	279,732
Retained earnings.....	13,045,385
Proposed dividends.....	2,695,525
Equity attributable to shareholders of the Bank	61,139,526
Tier 1 sukuk.....	11,376,650
Total equity	72,516,176
Total liabilities and equity	465,345,214

Interim condensed consolidated statement of income data

The table below shows the Group's unaudited interim condensed consolidated statement of income data for the three-month periods ended 31 March in each of 2025 and 2024.

	Three months ended 31 March	
	2025	2024
	<i>(SAR thousand)</i>	
Special commission income.....	6,350,556	5,669,418
Special commission expense.....	3,068,074	2,618,537
Net special commission income.....	3,282,482	3,050,881
Fee and commission income.....	1,189,926	1,066,194
Fee and commission expense.....	378,747	362,871
Fees and commission income, net.....	811,179	703,323
Exchange income, net.....	174,647	154,744
Trading income, net.....	215,948	158,923
Dividend income.....	4,894	7,876
(Losses)/gains on disposal of non-trading investments, net.....	(7,891)	2,033
Other operating income.....	22,382	9,907
Total operating income, net.....	4,503,641	4,087,687
Salaries and employee-related expenses.....	734,137	694,846
Rent and premises-related expenses.....	69,979	57,222
Depreciation of property, equipment and right of use assets.....	188,744	187,954
Other general and administrative expenses.....	363,442	388,130
Other operating expenses.....	22,582	17,563
Total operating expenses before impairment charge.....	1,378,884	1,345,715
Impairment charge for credit losses and other financial assets, net.....	370,793	437,907
Impairment charge for investments, net.....	(9,070)	(1,319)
Total operating expenses, net.....	1,740,607	1,782,303
Net operating income.....	2,763,034	2,305,384
Share in income of associates, net.....	8,744	5,620
Income before zakat.....	2,771,778	2,311,004
Zakat.....	285,771	238,281
Net income for the period.....	2,486,007	2,072,723

Interim condensed consolidated statement of comprehensive income data

The table below shows the Group's unaudited interim condensed consolidated statement of comprehensive income data for the three-month periods ended 31 March in each of 2025 and 2024.

	Three months ended 31 March	
	2025	2024
	<i>(SAR thousand)</i>	
Net income for the period.....	2,486,007	2,072,723
<i>Other comprehensive income (OCI):</i>		
<i>Items that will be reclassified to interim condensed consolidated statement of income in subsequent periods</i>		
Fair value through other comprehensive income (FVOCI - debt instruments):		
Net change in fair value.....	236,932	72,442
Net amounts transferred to interim condensed consolidated statement of income.....	7,891	(2,033)
Net changes in allowance for expected credit losses (ECL) of debt instruments.....	(13,322)	(1,938)
Effective portion of net change in fair value of cash flow hedge.....	(85,576)	(8,009)
<i>Items that will not be reclassified to interim condensed consolidated statement of income in subsequent periods</i>		

Net change in fair value and transfers of equity instruments at fair value through other comprehensive income (FVOCI – equity instruments).....	50,874	36,991
Other comprehensive income for the period	196,799	97,453
Total comprehensive income for the period	2,682,806	2,170,176

Summary interim condensed consolidated statements of cash flows data

The table below summarises the Group’s unaudited interim condensed consolidated statement of cash flows data for the three-month periods ended 31 March in each of 2025 and 2024.

	Three months ended 31 March	
	2025	2024
	<i>(SAR thousand)</i>	
Net cash (used in)/from operating activities	(15,793,948)	5,535,278
Net cash from/(used in) investing activities	86,449	(1,039,276)
Net cash from/(used in) financing activities	11,287,913	(334,025)
Net (decrease)/increase in cash and cash equivalents	(4,419,586)	4,161,977
Cash and cash equivalents at beginning of the period	29,546,689	28,290,580
Cash and cash equivalents at end of the period.....	25,127,103	32,452,557

Selected consolidated ratios

The table below contains information relating to selected consolidated ratios of the Group. These ratios are presented in this Base Offering Circular because the Group considers them an important supplemental measure of the Group’s operating performance and financial position and the Group believes they may be used by securities analysts, investors and other interested parties in the evaluation of banks in the banking industry. None of the information in the table below has been audited or reviewed by EY or Deloitte. See further “*Presentation of Financial and other information—Presentation of financial information—Certain non-IFRS financial information*”.

The table below shows selected unaudited consolidated ratios for the Group as at 31 March 2025 and for the three-month period ended 31 March 2025.

	As at/three months ended 31 March 2025
	<i>(per cent.)</i>
Performance measures	
Annualised return (after zakat) on assets ⁽¹⁾	2.14
Annualised return (after Zakat) on equity ⁽²⁾	16.26
Expenses to income ratio ⁽³⁾	30.62
Annualised net special commission margin ⁽⁴⁾	3.09
Asset quality	
NPL ratio ⁽⁵⁾	1.14
Loan loss coverage ratio ⁽⁶⁾	133.01
Liquidity coverage ratio ⁽⁷⁾	146.13
Loans to deposits ratio ⁽⁸⁾	103.72
Other ratios	
CET 1 capital adequacy ratio ⁽⁷⁾	13.9
Tier 1 capital adequacy ratio ⁽⁷⁾	16.4
Total capital adequacy ratio ⁽⁷⁾	17.5
Equity to total assets ratio ⁽⁹⁾	13.14
Leverage ratio ⁽⁷⁾	12.50

Notes:

- (1) Annualised net income for the period divided by total assets at the end of the period. For the purposes of this table, annualised figures are presented solely to enable comparisons and are not forecasts of future performance. "Annualised" means that the relevant figure has been multiplied by four.
- (2) Annualised net income for the period divided by total equity attributable to shareholders of the Bank at the end of period.
- (3) Total operating expenses before impairment charge divided by total operating income, net.
- (4) Annualised net special commission income divided by average interest earning assets for the period, with average interest earning assets calculated as the daily average for the period. Interest earning assets comprise loans and advances, net, investments, net (excluding equity investments) and due from banks and other financial institutions, net.
- (5) NPLs as a percentage of total loans and advances, each as set out in note 8(a) to the Interim Financial Statements.
- (6) Allowance for impairment/ECL (as set out in note 8(a) to the Interim Financial Statements) as a percentage of NPLs.
- (7) Calculated in accordance with Basel III as implemented in Saudi Arabia.
- (8) Loans and advances, net divided by the sum of customer deposits and debt securities in issue and term loan.
- (9) Total equity attributable to shareholders of the Bank at the end of the period divided by total assets at the same date.

Analysis of key income statement line items

Total operating income, net

The Group's total operating income, net in the three months ended 31 March 2025 was SAR 4,504 million compared to SAR 4,088 million in the three months ended 31 March 2024, an increase of SAR 416 million, or 10.2 per cent. This increase principally reflected:

- an increase of SAR 232 million, or 7.6 per cent., in net special commission income, which was driven by an increase in income from investments and increased income from loans and advances;
- an increase of SAR 108 million, or 15.3 per cent., in fee and commission income, net, which was driven by an increase in credit facilities and advisory; and
- an increase of SAR 57 million, or 35.9 per cent., in trading income, net, which was driven by an increase in income from derivatives mainly due to higher volumes in the three months ended 31 March 2025 compared to the three months ended 31 March 2024.

Total operating expenses before impairment charge

The Group's total operating expenses before impairment charge in the three months ended 31 March 2025 were SAR 1,379 million compared to SAR 1,346 million in the three months ended 31 March 2024, an increase of SAR 33 million, or 2.5 per cent. This increase reflected an SAR 58 million, or 6.0 per cent., aggregate increase in all categories of operating expense in the three months ended 31 March 2025 compared to the three months ended 31 March 2024 except other general and administrative expenses (which decreased by SAR 25 million, or 6.4 per cent., mainly due to decreases in miscellaneous expenditure, communication, cash shipment and insurance, publication, advertisement and stationery expenses) over the same periods.

Impairment charges

The Group's total impairment charges (which reflect the sum of its impairment charge for credit losses and other financial assets, net and its impairment charges for investments, net) were SAR 362 million in the three months ended 31 March 2025 compared to SAR 437 million in the three months ended 31 March 2024. The SAR 75 million, or 17.1 per cent., decrease in the Group's total impairment charges in the three months ended 31 March 2025 compared to the three months ended 31 March 2024 principally reflected an SAR 77 million, or 25.5 per cent., decrease in impairment charge for credit losses and other financial assets, net relating to the corporate banking operating segment.

Net income for the period

Principally reflecting the above factors, the Group recorded net income of SAR 2,486 million in the three months ended 31 March 2025 compared to SAR 2,073 million in the three months ended 31 March 2024, an increase of SAR 413 million, or 19.9 per cent.

DESCRIPTION OF THE GROUP

OVERVIEW

The Bank was the first joint stock banking company to be established in Saudi Arabia. It is the third largest bank in Saudi Arabia in terms of consolidated total assets, which amounted to SAR 450,379 million, as at 31 December 2024.

The Group offers a wide range of banking products and financial services to individuals, small- and medium- sized enterprises (SMEs) and large businesses. The Group's principal business segments are:

- retail banking, which provides services to more than 3.8 million retail and SME customers in Saudi Arabia;
- corporate banking, serving institutional banking, corporate and government customers in Saudi Arabia;
- treasury and investment; and
- investment banking and brokerage (which is provided through a wholly-owned subsidiary, Riyadh Capital, in accordance with Saudi Arabian regulatory requirements).

The Group also offers a range of Islamic banking products across these segments as it believes that Islamic finance provides the most inclusive means of accessing Saudi Arabian and regional liquidity and growth in Islamic finance is being supported by product innovation and impetus from regulators across the GCC. As one of the major Islamic banking participants in the region, the Group believes that it is well-placed to enhance its role and contribution in this growing market.

As at the date of this Base Offering Circular, the Bank has 333 licensed branches in Saudi Arabia, a London branch, an agency in Houston and a representative office in Singapore.

As at 31 December 2024, the Group's total equity was SAR 67,942 million and its total assets were SAR 450,379 million. The Group generated total operating income, net of SAR 17,285 million and had net income of SAR 9,322 million in 2024, compared to total operating income, net of SAR 15,899 million and net income of SAR 8,046 million in 2023.

As at 31 December 2024, the Group's loans and advances, net was SAR 320,089 million and its customer deposits were SAR 306,423 million.

As at 31 December 2024, the Group's total Tier 1 and total capital adequacy ratios, calculated in accordance with Basel III as implemented in Saudi Arabia, were 16.40 per cent. and 18.94 per cent., respectively.

The Bank's shares are currently traded on the Saudi Exchange Company ("**Tadawul**"). As at 31 December 2024, the Bank's total market capitalisation was SAR 85.8 billion.

HISTORY

The Bank is a joint stock company incorporated under the laws of Saudi Arabia. It was established by Royal Decree and Council of Ministers' Resolution No. 91 dated 23 November 1957 with registered number 1010001054. The Bank operates under a banking licence granted by SAMA, which permits it to operate as a commercial bank. It is authorised under its by-laws to conduct all types of banking activities within Saudi Arabia and abroad. The Bank's head office is located at Granada Oasis – A1 Tower, Riyadh – Al Shuhada District, P.O. Box 22622, Riyadh 11416, Saudi Arabia, and its telephone number is +966-011-401-3030.

The Bank's London branch was established in 1983. In 1990, the Bank also established a representative office in Singapore and an agency in Houston, USA.

The Bank's shares were floated on Tadawul in 1991. In 2005, it increased its share capital to SAR 5.0 billion and the share capital was further increased to SAR 6.25 billion in 2006. In 2008, Riyadh Capital was formed to conduct the Group's investment banking and brokerage services and the Bank's share capital was further increased to SAR 15 billion. The Bank secured SAMA licences to provide mortgages and conduct auto leasing activities in 2013. In 2014, its capital was increased to SAR 30 billion.

The Bank's ability to deliver a strong performance has been acknowledged by third parties through a number of awards, including:

- "Best Bank for SMEs in Saudi Arabia" presented by Euromoney and "Best Bank for SMEs in the Middle East" presented by EMEA Finance Magazine, in each case in 2024; and
- "Best Private Bank in Saudi Arabia" and "Best Local Bank in Saudi Arabia", in each case presented by EMEA Finance Magazine in 2024.

STRATEGY

The Bank's strategy, initially established in 2017 and further refined in 2022, is committed to positioning the Bank as the "most innovative and trusted financial solutions partner". The strategy is crafted to accelerate growth and innovation through four essential strategic pillars, which represent the Bank's aspirations for 2025:

- becoming the most profitable bank in Saudi Arabia, by providing sustainable profit growth and returns to shareholders;
- becoming the most efficient bank in Saudi Arabia, by generating the highest return on spend, operational excellence and achieving the lowest cost to income ratio relative to its peers;
- becoming the bank of choice for customers, employees and society, by achieving a net promoter score within the top third quartile and maintaining a healthy employee engagement and satisfaction index; and
- becoming the most innovative and digitally enabled bank, by increasing its share of digitally active customers in Saudi Arabia as measured by SAMA to more than 60 per cent, and improving other digital performance indicators as monitored by the Bank using an internal digital maturity index.

The Bank's success in achieving its aspirations is being driven by three strategic drivers:

- ***Value through innovation:*** Within its strategy, value is being driven by innovation across the entire customer experience, including through developing tailored value propositions for the various customer segments in the Saudi market, offering products and services beyond banking, developing personalised relationships with customers, offering customised pricing and providing state-of-the-art digital platforms for customers to conveniently interact with the Bank.
- ***Efficiency through digitalisation:*** A key focus of the strategy is the continuous enhancement of digital maturity across the Bank, to enable faster customer service, operational efficiency and cost optimisation. Digitalisation covers all aspects of the Bank's operations, including customer touch points (for example, the Bank's mobile application), customer journeys and internal processes.
- ***Enablement through next generation operating model:*** Successful implementation of the strategy is supported by improvements across departments, including through pioneering new ways of working, upgrading existing systems (for example, modernising the Bank's core IT infrastructure) and elevating the Bank's culture.

The Bank has also expanded its strategy to formally incorporate environmental, social and governance ("ESG") considerations as a key focus area. The Bank has developed a comprehensive sustainability strategy with a detailed three-year roadmap to ensure effective execution and widespread impact. The sustainability strategy aligns with the

achievement of Vision 2030 and Government green initiatives and aims to deliver enhanced long-term value to the Bank's stakeholders. The strategy also aims to leverage the Bank's existing strengths while building new, future-proof capabilities to seize emerging opportunities, markets, and products.

The Bank's strategy has driven an increase in revenue and deposits from its customer base. The Bank has also significantly developed its technical infrastructure and digital capabilities to meet customer's needs.

Overall, the Bank's brand value was measured by Brand Finance at U.S.\$2.53 billion in 2024 compared to U.S.\$2.06 billion in 2023 and U.S.\$1.76 billion in 2022.

STRENGTHS

The Group's key strengths highlighted by its rating agencies are a strong capital position, sound asset quality, a strong liquidity and funding position, resilient operating income with stable margins, improved diversification through an expanding retail book and a well-established domestic franchise underpinned by a large branch network and reasonable market shares in both corporate and retail banking.

The Bank believes that the Group's principal strengths are:

Excellent Government and corporate relationships

In part reflecting the fact that the Government is an indirect shareholder in the Bank, the Bank currently provides services to approximately 70 per cent. of all Government entities in Saudi Arabia and it has a banking relationship with approximately 60 per cent. of listed corporations in the Saudi Arabia.

Strong and well-capitalised balance sheet and solid income statement fundamentals

The Group has solid and stable capital adequacy ratios. Its Basel III total capital adequacy ratio was 18.94 per cent. as at 31 December 2024 and its Basel III Tier 1 capital ratio was 16.40 per cent. as at 31 December 2024.

The Group's net income for 2024 was SAR 9,322 million, compared to SAR 8,046 million for 2023. The Group's profitability is also supported by an efficient cost structure, with its expense to income ratio at 30.6 per cent. in 2024 and 31.3 per cent. in 2023.

Well positioned for growth in line with and to support the Saudi Vision 2030

The Group believes that it remains well positioned to continue to gain from the implementation of the Government's Saudi Vision 2030. Key aspects of this vision include:

- diversification of the Saudi Arabian economy away from its historical reliance on the hydrocarbon sector, as well as opening the Saudi Arabian economy and developments which the Bank has benefitted from, and expects to continue to benefit from, given its solid position in trade finance, the strong franchise of its subsidiary, Riyadh Capital, and its risk appetite which takes into account increased demand for funding from entities in non-oil sectors such as entertainment, tourism and hospitality, which are all focus sectors for the Bank;
- strengthening the private sector and promoting SMEs, where the Bank is well positioned in both areas given its strategic focus on expanding its SME business and its position as a bank to approximately 50 per cent. of all private sector Saudi corporations listed on the Tadawul;
- increasing home ownership, which the Bank is exploiting through its branch network (which is the third largest in Saudi Arabia) and through its significant focus on developing its mortgage business, including through partnerships with developers;
- a focus on developing digital infrastructure, which is an important element of the Bank's strategy;

- the creation of new job opportunities, particularly for women, which is benefitting the Bank as it already has one of the highest female workforce penetrations in the Saudi Arabian banking sector; and
- a focus on environmental and social project financing in Saudi Arabia. The establishment of the Bank's Sustainable Finance Framework in 2022 has enabled the mapping of each financed project under the related ESG category, ensuring an accurate classification of the Bank's financing facilities. During 2023, the Bank's net green and renewable loan commitments grew by over SAR 16 billion, with disbursements amounting to approximately SAR 6.8 billion, net of repayments. In 2024, the Bank issued a second AT1 Sustainability Sukuk, in the amount of U.S.\$750 million. In addition to its direct operations, the Bank has set a target of SAR 20 billion in sustainable finance advanced or committed by 2030 which demonstrates its robust commitment to fostering sustainable development through targeted financial support.

Strong liquidity

The Group benefits from a strong liquidity position, with its Basel III liquidity coverage ratio at 145 per cent. as at 31 December 2024 compared to 160 per cent. as at 31 December 2023 and 182 per cent. as at 31 December 2022. The Bank's net loans/customer deposits (including debt securities in issue) ratio was 100.11 per cent. as at 31 December 2024, 102.28 per cent. as at 31 December 2023 and 97.43 per cent. as at 31 December 2022. The Group's customer deposits increased by 20.2 per cent. in 2024, from SAR 255 billion as at 31 December 2023 to SAR 306 billion as at 31 December 2024 and by 6.2 per cent. in 2023, from SAR 240 billion as at 31 December 2022 to SAR 255 billion as at 31 December 2023.

Strong Board and senior management team

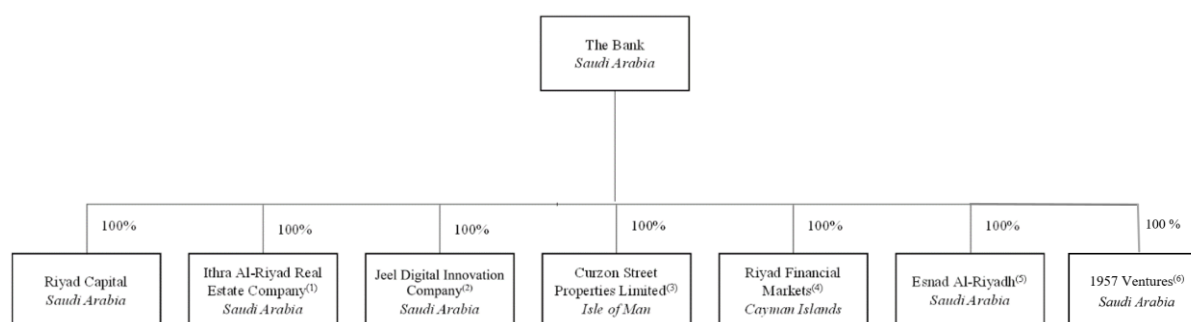
The Bank's Board comprises 10 members with wide ranging experience. The current Chairman, who was appointed in October 2016, has been a Board member since 2007 and four other members have more than five years' experience on the Board. The Bank's Board includes persons who were members of the Boards of Directors of prominent Saudi Arabian companies, such as Saudi Basic Industries Corporation ("SABIC") and Saudi Arabian Mining Company.

The Bank believes that its senior management has strong expertise and knowledge of the local market. The Bank's Board and senior management team are described in more detail under "*Management and Employees*".

GROUP STRUCTURE AND SHAREHOLDERS

Group structure

The chart below shows the Bank and its consolidated subsidiaries as at 31 December 2024.



Notes:

- (1) This company holds, manages, sells and purchases real estate assets for owners or third parties for financing activities.
- (2) This company engages in systems analysis, application and operating systems development, hosting websites, financial technology solutions and related activities.

- (3) This company is a special purpose company incorporated to acquire the Bank's London branch's premises.
- (4) This company executes derivative transactions with international counterparties on behalf of the Bank.
- (5) This company provides operational human resources services exclusively for Riyadh Bank and its subsidiaries.
- (6) This company engages in fostering innovation by investing in building FinTech ventures.

Shareholders

The table below shows the shareholders which owned more than 5 per cent. of the Bank's share capital as at 31 December 2024.

	Percentage of issued share capital
PIF	21.8
GOSI.....	10.4
Al Nahla Trading and Contracting Company	8.7
Aseela Investment Company	8.0
Foreign shareholders.....	11.9
Other shareholders	39.2
	100.0

PIF and the GOSI are Government-controlled entities, which gives the Government an indirect holding of 32.14 per cent. of the Bank's shares as at 31 December 2024.

BUSINESS

The Group has four reporting segments which correspond to its principal operating businesses and are:

- **Retail banking** – which provides a range of products and services designed for individual customers and SMEs, including time deposits, current, call and savings accounts, credit cards, retail investment products and individual and consumer loans;
- **Corporate banking** – which provides a range of products and services designed for corporate customers, including time deposits, current and call accounts, cash management and trade services, overdrafts, loan and other credit facilities;
- **Treasury and investments** – which manages the Bank's investments, foreign exchange and money market liquidity within set parameters. It also caters to evolving customer needs by offering tailored commodity, foreign exchange and interest rate services; and
- **Investment banking and brokerage** – which engages in wealth management, corporate investment banking, asset management, custody and brokerage activities. This reporting segment reflects the activities of Riyadh Capital described below.

The table below shows the relative significance of each reporting segment in terms of its contribution to Group total assets, Group total liabilities, Group total operating income, net and Group income before Zakat as at and for the year ended 31 December 2024.

	Corporate banking	Retail banking	Treasury and investments	Investment banking and brokerage	Total
			(per cent.)		
Total assets	51.1	25.1	23.0	0.8	100.0
Total liabilities	54.7	30.8	14.2	0.2	100.0
Total operating income, net	52.8	28.0	13.5	5.7	100.0
Income before Zakat	63.9	9.8	20.0	6.4	100.0

Corporate banking

The Group's corporate banking business has over 13,600 clients and provides banking and financial services to approximately 50 per cent. of Saudi Arabian companies listed on the Tadawul. The principal products and services offered include a current account that offers both riyal and foreign currency options, a range of time deposit options at competitive rates, a range of financing options, liquidity management solutions, payment and collection processing solutions, cash collection and delivery services, electronic payment solutions for merchants, automated payroll processing, a wide range of import and export services (including LCs, banker's acceptances, bills discounting and documentary collections) and guarantees (including standby LCs, letters of guarantee, performance guarantees, bid bonds, advance payment bonds and retention bonds).

The corporate banking business operates in four customer segments:

- wholesale banking (corporate finance, international corporates, banking and non-banking financial institutions and government and public sector entities);
- corporate banking (customers with a turnover of more than SAR 200 million);
- micro, small- and medium- sized enterprises ("MSME") banking (comprising customers with a turnover of up to SAR 200 million); and
- overseas branches.

The Bank has two specialised and dedicated service units to enhance its service delivery to its customer segments, namely:

- the Customer Strategy and Planning Department, whose mandate is to define the target market for each customer segment and develop detailed marketing plans for each customer segment; and
- the Customer Services Department, which provides support in handling customers' operational requirements.

The Bank is one of the market leaders in syndicated lending and project finance in Saudi Arabia. Its substantial capital base has enabled it to play an important role in lending, underwriting and arranging large, syndicated loans in the petrochemical, mining, telecommunications and infrastructure sectors. The Bank's syndicated loans business continues to grow, with the Bank being involved in 71 financings raising SAR 29,431 million in 2022, 111 financings raising SAR 40,371 million in 2023 and 77 financings raising SAR 78,300 million in 2024.

The Bank's corporate banking segment continues to focus on trade finance and receivables financing where it is one of the market leaders based on published information of banks in Saudi Arabia. Additional services provided include short- and medium-term financing, contracting finance, trade finance services, foreign exchange, cash management, payroll, hedging products and investment products.

The Bank sees the greatest potential for growth in the market serving medium enterprises with a local footprint, and it is actively targeting this sector. The Bank believes that it is well placed to take advantage of strong growth in the

medium enterprise sector and has developed its strategy in consultation with the International Finance Corporation. The Kafala programme, in which the Bank is a market leader in terms of funds lent according to the Saudi Industrial Development Fund (the “SIDF”) is an initiative backed by the Ministry of Finance, represented by the SIDF, which aims to promote economic growth and financing to SMEs within Saudi Arabia.

The Bank also intends to maintain its leading position with multinational corporations, particularly for large corporate and project finance transactions, although this is a competitive market with comparatively lower returns.

The Bank’s commitment to deliver quality service to its customers has been strengthened by continuous upgrading of technology and training. This provides a simple online point-of-access to customers from anywhere around the globe, assisting clients to easily manage their global trading activities.

Retail banking

The Group had approximately 2.48 million active retail customers as at 31 December 2024. The Group offers a wide spectrum of retail banking products to individuals and SMEs (for this segment being entities with annual sales up to SAR 2 million) through its network of 333 licensed branches and 1,738 ATMs located throughout Saudi Arabia. Many of the Group’s retail banking services are also available through direct access channels such as 24-hour telephone banking, online banking and mobile banking. See “—*Delivery channels*” below.

The retail banking business has adopted a digitally enabled customer-centric approach which allows it not only to meet customer expectations, but also to respond to the rapidly evolving way in which customers want to access financial services. Retail banking continues to invest in the design and delivery of innovative services that reflect the values of its customers and are delivered when and where its customers need them. The Group’s retail banking business has prioritised investment in digital channels to improve its delivery capabilities, offer customers an innovative and convenient banking experience and maintain its competitive edge.

The Group continues to concentrate on intelligent lending and strict controls, with a view to maintain a healthy and steady performance.

The products and services provided by the Group’s retail banking segment include deposits, consumer loans, auto leasing, mortgage finance, credit cards, debit cards, remittance services, ATMs, interactive teller machines, kiosks, internet banking, mobile banking, Bouki, Apple Pay, a standalone mobile application “Token” for children, short messaging service (“SMS”) banking and telephone banking, including interactive voice recognition (“IVR”).

The retail banking segment also offers business banking through its versatile product and service offerings including trade financing, cash deposit cards, payroll processing and e-services for SMEs. The SME market is rapidly expanding as Saudi Arabia’s economy continues to grow and develops a broader industrial and service base through Saudi Vision 2030. The Group believes that its retail banking segment is strategically better placed than its competitors, due to (a) a large retail footprint and retail customer base, (b) well-developed digital channels and (c) a wide range of products.

The retail banking segment continues to introduce innovative service offerings that adhere to *Shari’a* principles, including Islamic savings accounts, Islamic overdraft accounts, Islamic personal finance, auto and real estate mortgage products. All Islamic products are reviewed and approved by an independent *Shari’a* Committee, comprising qualified *Shari’a* scholars, to ensure compliance with the principles of *Shari’a*.

The retail banking segment offers bespoke services to its high net-worth private banking clients through three dedicated centres. The product offering includes sophisticated banking services, investment solutions and credit services to cater to the needs of this niche client segment.

Under the brand of “affluent banking”, the Group’s retail banking segment operates ‘Diamond’ and ‘Golden’ banking segments. As at 31 December 2024, the retail banking segment had 46 dedicated Diamond banking centres with

exclusive relationship managers serving the needs of the Diamond banking clients. Additionally, the retail banking segment offers banking services to its Golden banking customers through a large footprint of 104 golden banking offices.

Treasury and investments

The Group's treasury and investments business offers a wide range of products to the Group's corporate, commercial and private clients. These products include basic foreign exchange and interest rate protection, money market and Government bonds and sophisticated hedging structures tailored on an individual basis.

The treasury and investments business also ensures that the Group's internal funding requirements are met and manages risks associated with liquidity, foreign exchange and interest rate exposures.

The Group also offers a variety of *Shari'a*-compliant products, including murabaha, tawaruq, Islamic return account and foreign exchange waad. The Group continues to develop new products to meet the growing needs of its customers for *Shari'a*-compliant products.

The treasury and investments business also manages the Group's fixed income portfolio of fixed rate and floating rate securities, as well as the Group's equity and mutual fund investments. See "*Summary Operating Performance and Financial Review—Investment securities portfolio*".

Derivatives are used by the Group for its own account to hedge interest rate and currency positions and for customer-related transactions and, to a limited extent, for proprietary trading.

The Group's treasury has an established limit structure covering various risk aspects, including gap limits, stop loss limits and value at risk ("VaR") limits. Oversight and review of these limits is provided by the Bank's asset and liability management committee (the "ALCO").

Investment banking and brokerage – Riyadh Capital

Riyad Capital is a wholly owned subsidiary of the Bank licensed by the CMA. Its principal activities are dealing in securities (both as principal and agent), underwriting, managing investment funds and clients' portfolios and providing advisory and custody services.

Riyad Capital operates the following businesses:

Wealth management

Riyad Capital's wealth management segment has a team of experienced investment advisers to support its corporate and individual clients' investment decisions. Its wealth management services include a comprehensive advisory process, customised advisory solutions, including tailored investment portfolios and discretionary portfolio management, investments in Riyad Capital's CMA-registered mutual funds which are managed in-house and by third party providers and advice on local and international equity markets and related brokerage services.

Corporate investment banking

Riyad Capital's corporate investment banking activities include a broad range of services across equity and debt capital markets and advisory services (including mergers and acquisitions). Riyad Capital participates in both public and private equity capital raisings in Saudi Arabia through initial public offerings ("IPOs"), rights issues, follow-on offerings and private placements. In addition, Riyad Capital is also active in arranging issues of riyal-denominated fixed income debt securities (such as bonds and sukuk) and advises both local and international clients on mergers, acquisitions and divestitures across a number of industries.

Asset management

Riyad Capital's total assets under management were SAR 93.6 billion as at 31 December 2024.

To accommodate its clients' various risk and return tolerance, Riyad Capital provides 25 public domestic and international investment funds with different asset mixes and risk profiles. These funds comprise nine Saudi equity funds, one GCC equity fund, two international equity funds (sub-managed by international fund managers), two money market funds, two fixed income funds and nine funds of funds.

Brokerage

Riyad Capital's securities services business provides a range of services including custody, clearing, trustee and funds administration services.

Delivery channels

The Bank's delivery channels include:

- *branches* – the Bank has the third largest branch network in Saudi Arabia with 333 licensed branches as at 31 December 2024 across Saudi Arabia;
- *online banking* – which allows customers to open current and saving accounts, apply for loans and credit cards, monitor their account activity, transfer funds locally and internationally, pay bills, pay for numerous government services, manage their credit cards, arrange time deposits, subscribe to and trade IPO shares, request services and update information;
- *digital wallets* – which allow customers to perform payment transactions using Bouki and Apple Pay;
- *mobile banking* – which allows customers to open current and savings accounts, apply for personal loans, and to perform everyday banking transactions, including fund transfers, remittance, bill and government services payments, beneficiary management, managing credit cards and redeeming loyalty points on their mobile telephone. In addition, 'Token' is a stand alone mobile application for children and offers current and saving accounts, setting goals and earning rewards;
- *more than 2,800 ATMs* – through which customers can withdraw cash, makes certain transfers and payments, access IPO services and initiate certain enquiries;
- *Riyad Self Service* – which allows customers to issue and renew debit cards, print account statements and manage their accounts; and
- *over 254,000 POS terminals* – which are located at merchants' premises and enable them to accept card payments from their customers.

The Group has implemented Government services, such as SADAD, on all relevant remote channels and provides "Riyad Alerts" for all customer transactions on current accounts and credit cards. It also provides cash deposit cards, business banking credit cards and e-services for SMEs to extend customer reach for this segment. The Group's digital strategy has resulted in the evolution of its website and mobile banking application from classical branding and service channels into dynamic marketing and sales engines that provide the Group with an opportunity to gain a competitive advantage in the marketplace through improved service and productivity, greater efficiency, lower costs and improved customer acquisition and retention.

International operations

The Group's international operations comprise its London branch, an agency in Houston and a representative office in Singapore as set out below. The Bank is also in the process of establishing a representative office in mainland

China, subject to approval from the relevant regulatory authority. This representative office, once established, will assist the international business requirements of the Bank's private and corporate customers in mainland China, particularly in the areas of trade and finance.

London branch

The Bank's London branch assists its Saudi Arabian-based customers in meeting their business and/or investment requirements in European markets. The branch has also developed relationships with several major European corporations engaged in business and/or investment activities in Saudi Arabia and other GCC countries. The London branch's products and services include providing short and medium-term credit facilities, syndicated credit facilities, project financing (within Saudi Arabia), real estate financing, trade finance, foreign exchange and money markets.

Houston agency

The Bank is the only Saudi Arabian bank with a physical presence in the United States. Its agency in Houston, Texas, was established in 1990 to assist the Bank's Saudi Arabian-based customers in meeting their business and/or investment requirements in the U.S. market. The agency has also developed business relationships with several major U.S. corporations engaged in business and/or investment activities in Saudi Arabia and the other GCC countries. The agency offers a range of products and services on a wholesale banking basis, including trade finance and documentary credits, project finance (within Saudi Arabia), short and medium-term credit facilities and real estate financing.

Singapore representative office

The Bank established a representative office in Singapore in 1997 to assist the international business requirements of its private and corporate customers in the Asia/Pacific region, particularly in the areas of trade and finance.

The representative office's services include regional marketing and relationship management, liaising with the Bank's domestic branch network in Saudi Arabia and maintaining the Bank's correspondent banking network in the Asia/Pacific region.

COMPETITION

The Group faces competition from foreign and domestic banks in each of the different business areas in which it operates. As at 8 May 2025 and based on SAMA's website, 30 banks (comprising 11 Saudi banks, seven branches or subsidiaries of banks based in countries of the GCC other than Saudi Arabia, 10 international banks and two digital banks) conducted commercial banking activities in Saudi Arabia through permanent establishments. For further details, see "*Saudi Arabia's Banking Sector and Regulations—General*". In addition, seven other banks are in a pilot phase of operations.

In the corporate and investment banking sector, the Group competes to attract large national corporate clients that can provide significant volumes of business and that present opportunities to cross sell other banking services. In consumer banking, the Group primarily competes to attract the large Saudi Arabian and expatriate populations, and in particular, high net worth customers.

The Group believes that it has a strong position in the Saudi Arabian corporate, investment banking and consumer banking segments. It believes that its strong market position is attributable to its competitive advantages, including:

- its domestic systemically important bank ("**D-SIB**") status in Saudi Arabia;
- its branch network, which is the third largest in Saudi Arabia;
- its strong risk management policies – the Group believes that its risk management policies and practices are comparable to "best practice" in the banking sector internationally;

- its size and financial strength – the Bank was the third largest Saudi Arabian bank in terms of consolidated total assets as at 31 December 2024, with a strong balance sheet and liquidity position, providing it with operational and financial flexibility;
- its wide range of banking products that cater to the needs of its corporate, retail and other customers; and
- its digital banking initiatives, such as contactless payment initiatives (including the Riyadh Pay wallet app, the Riyadh mobile sticker and the Smart wristband), Riyadh mobile and online services, including the ability to open a second account online, SADAD account services, the immediate issuance of virtual credit cards for online transactions and the Wazen programme for *Shari'a*-compliant savings and Riyadh foreign currency ATMs that enable customers to make withdrawals in U.S. dollars, euro, pounds sterling and UAE dirham.

BUSINESS TECHNOLOGY

The Group's Business Technology Division (the “**BTD**”) helps the Group's businesses to manage customer and regulatory requirements through well-defined processes and the effective use of technology. Its mandate is to embrace the latest and best technology to improve business processes, in line with the Bank's goals of generating revenue while enhancing customer experience.

The BTD continually undertakes projects to introduce new technologies and enhance existing technology infrastructure to yield better services to internal and external users. Each year the BTD undertakes a significant number of technology projects, with an average of 125 major projects per year over the three-year period from 2022 through 2024.

The BTD continuously monitors and improves its business continuity management process. The Bank has disaster recovery centres in several locations, which are periodically tested to ensure that they are ready to handle disruptive business situations.

The BTD also places particular emphasis on data protection and its IT infrastructure is backed up by an alternative data centre with a handling capacity similar to the primary data centre.

The Bank is committed to protecting the privacy and confidentiality of personal data about its employees, customers, business partners and other identifiable individuals and seeks to ensure compliance with all laws and regulations relating to data protection and privacy. The Bank also has an integrated set of cybersecurity requirements that are uniformly applied across all its information assets to reduce cyber risks and protect the assets from internal and external threats by focusing on primary security objectives of confidentiality, integrity and availability.

COMPLIANCE

The compliance function plays a vital role in identifying, assessing and providing advice relating to compliance with applicable laws and regulatory requirements. In addition to monitoring and reporting on compliance-related risks (which may give rise to legal and administrative penalties, financial loss or reputational damage), the compliance function is also responsible for oversight of the implementation of anti-financial crime operating systems, controls and guidelines.

The compliance division is independent and it is organised into the five major departments set out below, each responsible for specific activities in line with the Bank's policies and SAMA requirements.

Compliance monitoring section and compliance quality assurance department

The compliance monitoring section reviews the post-implementation of regulations, using a risk-based approach, to ensure compliance with all applicable regulations. The nature, timing and extent of the monitoring activities are based on numerous factors, including a risk assessment of the activities and products offered by the Bank. The compliance monitoring department's activities are approved and driven by a fit-for-purpose compliance monitoring

programme. The compliance monitoring plan is approved by the Board Audit Committee. Progress against the approved plan is presented to the Board Audit Committee on a quarterly basis.

The compliance quality assurance department is responsible for ensuring that the compliance division is aligned with regulatory requirements, internal policies and procedures and quality standards, by conducting frequent and ad hoc reviews and engaging in the significant processes. In addition, the department maintains a database of all regulatory requirements and validates their implementation.

Compliance advisory department

The compliance advisory department determines the impact of all regulatory updates on the Group's business processes. Regulatory updates include new rules, regulations, amendments to existing regulations, clarifications of existing rules and regulations and notifications. It also ensures the implementation of the rules, regulations across the Bank by conducting self-assessment and gap analysis.

The compliance advisory department is responsible for providing interpretation and advice to the business units on an ongoing basis in relation to applicable rules and regulations.

The compliance advisory department is also responsible for conducting a review of internal policies, procedures and frameworks to ensure they comply with regulatory requirements and for verifying that new products, services, outsourcing and systems are consistent with all rules and regulations and internal procedures and instructions.

Regulatory affairs and business ethics department

The regulatory affairs and business ethics department manages the relationship between the Bank and SAMA through effective communication, receiving and responding to incoming requests, monitoring actions raised from the regulatory violations, managing regulatory visits and inspections, and following up on transactions and inquiries submitted to and raised with SAMA. The department periodically reviews and updates the policies related to compliance ethics, ensures the compliance manual, policies and procedures are updated on an ongoing basis, prepares the relevant compliance reports, which are submitted to top management and the Board, and approves investment accounts and stock transactions for relevant employees according to the Bank's insider trading policy.

Anti-financial crimes department

The anti-financial crimes department comprises three units as follows:

AML/CTF unit – The AML/CTF unit ensures the Bank's compliance with anti-money laundering ("AML") and counter-terrorist financing ("CTF") regulations. The Money Laundering Reporting Officer is the focal point for monitoring all AML/CTF-related policies and activities within the Bank and is responsible for assessing whether suspicious activities require a Suspicious Activity Report to be filed with the Saudi Arabian Financial Intelligence Unit.

Sanctions unit – The sanctions unit's core business revolves around the implementation of sanctions-related controls. The unit conducts research about global challenges that might affect sanctions banking practice and responds to enquiries from SAMA and correspondent banks related to economic sanctions.

Client acceptance and financial crime risk assessment unit – This unit is responsible for reviewing the high-risk accounts in line with AML rules and SAMA classifications and working closely with the business to ensure that enhanced due diligence and comprehensive documents are in place to onboard customers, in addition to conducting the Bank-wide risk assessment of geographies, products, services and customers.

RISK MANAGEMENT

INTRODUCTION

The role of risk management is to understand, measure and manage risk in all aspects of the Group's business. Management aims to embed a risk management culture in all the Group's business processes and to ensure that a risk management culture is adopted throughout the organisation. Accordingly, management continually seeks to improve the Group's risk management in line with industry standards and SAMA guidelines and by investing in the right people and systems.

The Group's enterprise risk management framework is focused on fully integrating enterprise-wide risk management into its operations and culture. The risk management structure broadly covers credit risk, market risk, liquidity risk, legal risk, operational risk, technology risk, cyber security and information security risks, financial crime risk, compliance and remedial management. Management seeks to ensure that risks are proactively identified and managed and it aims to achieve an appropriate balance between risk and return and to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Group's risk management policies and systems are reviewed regularly to reflect changes in market conditions, emerging best practices and the products and services offered. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

RISK GOVERNANCE STRUCTURE

The Board is responsible for ensuring that the Group is organised effectively and efficiently and is run in accordance with all appropriate regulatory and corporate governance requirements. Relevant corporate governance and risk-related Board committees include the Executive Committee, the Audit Committee, the Risk Management Committee, the Nominations and Compensations Committee and the Strategic Planning Group and each of these is described further in "*Management and Employees—Management—Board of Directors—Committees of the Board*". In addition, the Board has delegated certain risk monitoring and management responsibilities to management committees.

The Board carries out the core responsibilities of setting the Group's risk statement, approving the Group-wide risk frameworks and relevant policies, monitoring compliance with Board approved risk limits and monitoring progress on implementation of risk strategy-related projects as well as compliance with all regulatory matters. These high-level frameworks and policies provide the fundamental corporate governance principles and guidance for risk taking, managing and monitoring activities throughout the Group.

Risk management is an independent function from the business, headed by the Chief Risk Officer ("CRO") and comprises the Credit division, the Enterprise Risk Management ("ERM") division, and the anti-fraud and cyber security and information security risk functions. Risk management's responsibilities in the Bank cover all aspects of credit, market and operational risks as well as liquidity and interest rate risks in the banking book and technology risk, cyber security and information security risks and financial crime risk. The Credit division screens credit applications, monitors the credit approval process, and reviews and manages the credit portfolio and problem accounts. The ERM division assists the business areas in managing their risks by providing advice on procedural evaluation and design, risk assessment services, operational risk monitoring and investigation, the building of effective historical records, loss management capture methodology, exceptions reporting and market and fiduciary risk review and monitoring. It also manages the enterprise risk management framework, risk appetite and internal capital adequacy assessment process ("ICAAP") based on a comprehensive risk profile of the Bank.

Risk management supports the Group's capital markets businesses and the ALCO by conducting regular analysis of the Group's interest rate, foreign exchange and liquidity risks using simulation models, and monitors the risks and profitability of the treasury and investment and investment banking and brokerage businesses.

The Group's fundamental risk management goal is to build a culture of risk understanding so that better decisions can be made at every level. Risk culture is an integral part of the Group's overall corporate culture. The risk profile is embedded in the risk culture by means of internal communications and training and is monitored through periodic performance assessment.

The CRO is responsible for the actual risk profile and risk processes in the Group for all risk types (including credit, market, operational and liquidity risk,) across all products and business segments. The CRO is responsible for the actual risk profile and risk processes in the Group for all risk types (including credit, market, operational, liquidity, technology, cyber and information security and financial crime risks) across all products and business segments.

ENTERPRISE RISK MANAGEMENT FRAMEWORK ("ERMF")

Enterprise risk management enables the Bank to identify, measure, manage and control its risks. The fully embedded ERMF covers the Bank's risk universe. In addition, the Bank's capital management framework is designed and implemented with a focus to maintain the adequacy of Bank's capital in relation to its risk profile.

RISK APPETITE FRAMEWORK

The Bank's risk appetite framework is an integral component of the Bank's ERMF and is embedded in the Bank's strategy and annual operating plan. The risk appetite framework establishes the overall approach through which the Bank ensures prudent risk-taking. It is established based on best practices and outlines the process of developing the risk appetite statement, governance, monitoring and reporting. The risk appetite statement is integrated with the Bank's strategic planning process and is approved by the Board on an annual basis. Strategic risk objectives containing a full suite of risk appetite metrics and qualitative statements are defined in the risk appetite statement for different risk types and monitored regularly by relevant oversight bodies. The Bank also expresses its risk appetite qualitatively in terms of policies, processes, procedures and controls to manage risks that may or may not be quantifiable. Specific policies have been developed for all types of risks which, taken together, create a holistic system of risk management.

CREDIT RISK MANAGEMENT

Introduction

Credit risk is the risk of losses arising from a counterparty of the Group not fulfilling its contractual obligations in accordance with the agreed terms or the quality of a counterparty deteriorating. Credit risk principally arises from the Group's lending activities (for both conventional and non-conventional banking products) that lead to loans and advances, and investment activities. There is also credit risk in off-balance sheet financial instruments, such as letters of credit, guarantees and acceptances and in loan commitments. The Group's overall credit exposure is evaluated on an ongoing basis to ensure a broad diversification of credit risk. Potential concentrations by counterparty, country, product, industry and risk grade are regularly reviewed to avoid excessive exposure and ensure broad diversification.

Credit approval process

The Bank has separate credit approval processes for its retail and commercial loans.

Retail loans

The Bank uses sophisticated risk management techniques for consumer loan acquisition and for managing its consumer loan and credit card portfolios. The 'Origination Manager Decision Module', which is used to host and

automate the Bank's risk acceptance criteria for each retail product, is updated on a periodic basis and supported by origination and behavioural scorecard models in the approval and line management process.

Detailed risk acceptance criteria and limits for approving new loans, renewals, limits increases, rescheduling, deletions and other cases are set out for consumer loan and credit card products to streamline the processing of large volumes of transactions. These criteria are established based on discussions of portfolio performance among the departmental management teams responsible for each line of business and senior management committees. Provisions are calculated based on IFRS 9 rules and guidelines using an integrated modular approach in an automated environment for business and regulatory reporting. This calculation methodology uses the ECL impairment model for all performing loans and NPLs.

The Retail Risk Management Committee, which is a management committee, is tasked with oversight responsibilities for ensuring effective implementation of the Board-approved credit strategy and credit risk management framework specifically designed for credit risk arising from the Bank's retail banking business.

Commercial loans

All applications for commercial and corporate credit facilities are subject to the Bank's credit policies, including economic sector limits, underwriting standards and regulatory requirements. The credit applications generation function is handled by the relevant relationship manager. An analysis of the client's financial statements and business operations is carried out by the relationship manager and the analytics unit to confirm the client's ability to repay the proposed credit facilities and any other debt obligations. This analysis along with the Bank's understanding of the client's business model and environment are presented to the relevant approving committees.

The Bank evaluates the credit risk of all corporate and commercial customers. The financial analysis process includes assessment of revenues and profitability, operations, liquidity, cash flow, work progress (for contractor finance), capital structure and business analysis covering industry risk, management quality and company standing.

Country limits have been defined to manage cross-border risk. The Bank uses international credit risk ratings issued by international credit rating agencies to evaluate the credit risk of sovereign, international corporate and financial institutions, as well as to assign the risk rating for each country and obligor. The country and obligor credit limits are regularly reviewed by the Credit department.

Commercial credit requests must be in line with the underwriting criteria specified in the Bank's credit risk policies and product policies. Initial credit risks are analysed by the originating business segments, analytics and the line manager before being independently assessed by the credit review function.

The Bank continues to introduce new initiatives such as risk-based pricing and updating provision methodology, to address newly introduced risk assessment, control and reporting requirements. The effective implementation of these initiatives in the past has enhanced the risk management and decision-making processes at the Bank. In addition, it has also improved the infrastructure for reporting key risk-related information, particularly that used by the Board and senior management to identify, monitor and manage risks, as well as enhanced the communication of information to outside stakeholders.

General

Every extension of credit or material change to a credit facility (such as its tenor, collateral structure or major covenants) to any counterparty (whether business or personal) requires a credit approval at the appropriate authority level.

Credit rating and measurement

The Bank's risk rating system is the basis for determining the credit risk of its asset portfolio and, therefore, appropriate asset pricing, the portfolio management strategy and loss provisions and reserves. The risk rating system is also the basis for credit approval authority delegation.

The Bank uses a standard numeric credit risk-grading system which is based on its internal estimate of probability of default ("PD"), with customers or portfolios assessed against a range of quantitative and qualitative factors, including the counterparty's financial position, past experience and other factors.

Performing clients are rated on a 20-point scale of 1 to 20, each grade being associated with a defined level of PD. Non-performing clients are rated 21, 22 and 23. Each individual borrower is rated based on an internally developed debt rating model that evaluates risk based on financial as well as qualitative inputs. The risk rating categories drive the due diligence and approval process, and these ratings are reviewed at least annually or sooner if any adverse signs are visible.

The Bank uses Moody's credit risk system to grade customer exposures and uses historical data to calculate the PD for each obligor. The Bank also considers factors influencing the internal risk rating process such as the provision of accurate and timely financial information, timeliness of payments, the nature of the industry, the level of experience of the borrower's management, facility usage patterns and comparisons with externally available data and economic trends for the industry concerned. Upgrades and downgrades in risk ratings may take place at any time based on assessment of the above factors.

The rating of retail lending is carried out using Fair Isaac automated risk scoring tools.

Credit monitoring

The Bank attempts to control credit risk by deploying various credit risk management techniques and processes, such as risk acceptance criteria as credit risk screening tools, appropriate credit structuring, credit review process, post-disbursement monitoring of credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of counterparties. The Bank's risk management policies are designed to identify and to set appropriate risk limits and to monitor the risks and adherence to limits. Actual exposures against limits are monitored daily. In addition to monitoring credit limits, the Bank manages the credit exposure relating to its trading activities by entering into master netting agreements and collateral arrangements with counterparties in appropriate circumstances and limiting the duration of the exposure. In certain cases, the Group may also close out transactions or assign them to other counterparties to mitigate credit risk.

The Bank monitors its credit exposures on a regular basis as well as any external trends which may impact risk management outcomes. Internal risk management reports, containing information on key variables, portfolio delinquency and impairment performance, are presented to the CRO and the Board Risk Management Committee. All corporate exposures are monitored carefully for performance and reviewed formally on an annual basis or earlier. The Bank's policies mandate client visits and monitoring of accounts to make sure that any concerns on the quality of the accounts are addressed proactively.

All non-performing accounts are monitored closely by the Bank. Loans with watch list or special mention ratings are monitored and managed by a dedicated team. The CRO takes responsibility for managing and monitoring loans rated as substandard and doubtful with a view to improving the chances of collection and/or the status of the loans. All loans rated as loss are dealt with by the specialised collection and recovery function. Remedial actions include, but are not limited to, exposure reduction, security enhancement and exit of the account.

The asset quality of the Bank's retail finance portfolio is monitored closely and all 30-, 60- and 90-day past due accounts and delinquency trends are monitored continuously for each product. Individual customer behaviour is also

tracked and this forms an input for future financing decisions. Accounts which are past due are subject to a collection process, which is managed independently by the Bank's operations with oversight by the Retail Risk Management department. Write-offs and provisioning for the retail finance portfolio are carried out in accordance with SAMA guidelines.

Credit risk mitigation

The Bank seeks to mitigate potential credit losses from any given account, customer or portfolio using a range of tools, including taking collateral and/or guarantees. The reliance that can be placed on these credit mitigation resources is carefully assessed considering their legal enforceability, the market value of any collateral and the counterparty risk of any guarantor.

The Bank's credit risk for derivatives represents the potential cost to replace the derivative contracts if counterparties fail to fulfil their obligations, and to control the level of credit risk taken, the Group assesses counterparties using the same techniques as for its lending activities.

Concentration risk refers to the risk from an uneven distribution of counterparties in credit or in other business relationships or from concentration in business sectors or geographical regions. Accordingly, concentration risk in the credit portfolios comes into existence through a skewed distribution of financing to (a) individual borrowers (name concentration), (b) industry/economic sectors (sector concentration) and (c) geographical regions (regional concentration). Concentrations of credit risk indicate the relative sensitivity of the Bank's performance to developments affecting any particular category of concentration. The Bank seeks to manage its credit risk exposure through diversification of lending activities to ensure that there is no undue concentration of risks with individuals or groups of customers in specific locations or business.

The Bank accepts a range of collateral types, including cash deposits; residential, commercial and industrial property; fixed assets such as motor vehicles, aircraft, plant and machinery; marketable securities; commodities; individual, corporate and bank guarantees; and LCs. The amount and type of collateral collected mainly depends on the nature of transaction and the Bank's risk mitigation policies control the approval of different collateral types.

The Bank's credit risk policy acknowledges the role played by credit risk mitigation in the management of credit risk but emphasises that collateral on its own is not necessarily a justification for financing. The primary consideration for any financing opportunity must be the borrower's financial position and ability to repay the facility from its own resources and cash flow.

The Bank's credit risk policy and procedures ensure that credit risk mitigation techniques are acceptable, used consistently, valued appropriately and with the frequency required by the policy and meet the risk requirements of operational management for legal, practical and timely enforceability.

Security valuations are made at the time of financing and the security is revalued appropriately if there are indications that the value may have fallen over time. Guarantees and related legal contracts are often required, particularly in support of credit extended to groups of companies and weaker counterparties. Guarantor counterparties include banks, parent companies, shareholders and associated counterparties. Creditworthiness is established for the guarantor as for other counterparty credit approvals.

The Bank repossesses collateral where appropriate and this collateral is realised in accordance with its approved credit policy and credit manual pertaining to collateral management.

The credit quality of the Group's financial assets, LCs, guarantees and acceptances as at 31 December 2024 is disclosed in note 34.3 to the 2024 Financial Statements. Information on credit risk as at 31 December 2024 relating to derivative instruments is provided in note 6 to the 2024 Financial Statements and credit risk as at 31 December 2024 relating to commitments and contingencies is provided in note 20 to the 2024 Financial Statements.

Performing loans, NPLs and provisioning

The tables below show the Group's loans and advances, net by type and status as at 31 December in each of 2024, 2023 and 2022.

	Overdrafts	Credit cards	Consumer loans ⁽¹⁾	Commercial loans	Others	Total
	(SAR million)					
As at 31 December 2024						
Performing loans and advances	6,094	1,727	94,477	217,284	2,636	322,218
Non-performing loans and advances	85	73	1,184	1,829	2	3,173
Total loans and advances	6,179	1,800	95,661	219,113	2,638	325,391
Allowance for impairment/ECL	(498)	(85)	(1,426)	(3,290)	(3)	(5,302)
Total	5,681	1,715	94,235	215,823	2,635	320,089
As at 31 December 2023						
Performing loans and advances	5,691	1,473	93,840	173,080	1,773	275,857
Non-performing loans and advances	106	46	1,194	2,115	2	3,464
Total loans and advances	5,798	1,519	95,034	175,195	1,775	279,321
Allowance for impairment/ECL	(169)	(54)	(1,075)	(3,623)	(2)	(4,922)
Total	5,628	1,465	93,959	171,572	1,773	274,398
As at 31 December 2022						
Performing loans and advances	4,193	1,133	84,958	151,767	825	242,876
Non-performing loans and advances	238	46	1,264	2,690	5	4,244
Total loans and advances	4,431	1,180	86,223	154,457	830	247,120
Allowance for impairment/ECL	(180)	(60)	(986)	(3,526)	(3)	(4,755)
Total	4,251	1,120	85,236	150,931	827	242,365

Note:

(1) Includes consumer mortgage loans

The table below analyses changes in the Group's loss allowance for total loans and advances for each of 2024, 2023 and 2022.

	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL – not credit impaired)	Stage 3 (lifetime ECL – credit impaired)	Total
	(SAR million)			
2024				
Balance at 1 January 2024	811	2,086	2,025	4,922
Transfer from Stage 2 and Stage 3 to Stage 1	173	(83)	(90)	—
Transfer from Stage 1 and Stage 3 to Stage 2	(22)	56	(34)	—
Transfer from Stage 1 and Stage 2 to Stage 3	(5)	(114)	119	—
Other movements (including remeasurement)	24	353	1,473	1,850
Charge-off and write-offs	—	—	(1,471)	(1,471)
Balance at 31 December 2024	982	2,297	2,022	5,302
2023				
Balance at 1 January 2023	529	1,550	2,676	4,755

Transfer from Stage 2 and Stage 3 to Stage 1	227	(107)	(120)	—
Transfer from Stage 1 and Stage 3 to Stage 2	(10)	38	(28)	—
Transfer from Stage 1 and Stage 2 to Stage 3	(6)	(47)	53	—
Other movements (including remeasurement)	72	652	1,136	1,859
Charge-off and write-offs	—	—	(1,692)	(1,692)
Balance at 31 December 2023	811	2,086	2,025	4,922
2022				
Balance at 1 January 2022	629	1,472	2,413	4,514
Transfer from Stage 2 and Stage 3 to Stage 1	104	(53)	(52)	—
Transfer from Stage 1 and Stage 3 to Stage 2	(11)	70	(59)	—
Transfer from Stage 1 and Stage 2 to Stage 3	(8)	(37)	45	—
Other movements (including remeasurement)	(185)	98	1,451	1,363
Charge-off and write-offs	—	—	(1,123)	(1,123)
Balance at 31 December 2022	529	1,550	2,676	4,755

LIQUIDITY RISK MANAGEMENT

Liquidity risk is the risk that the Bank will be unable to meet its net funding requirements. Liquidity risk can be caused by market disruptions or credit downgrades, which may cause certain sources of funding to dry up. To mitigate this risk, the Bank has diversified its funding sources and assets are managed with liquidity in mind, maintaining an appropriate balance of cash, cash equivalents and readily marketable securities. Management monitors the maturity profile of the balance sheet to ensure that adequate liquidity is maintained. The daily liquidity position is monitored and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions.

All liquidity policies and procedures are subject to review and approval by the ALCO. Daily reports cover the liquidity position of the Group. A summary report, including any exceptions and remedial action taken, is submitted regularly to ALCO. In accordance with the Banking Control Law and the regulations issued by SAMA, the Bank maintains a statutory deposit with SAMA equal to 7 per cent. of its average demand deposits and 4 per cent. of its average saving and time deposits. In addition to the statutory deposit, the Bank also maintains liquid reserves of not less than 20 per cent. of its deposit liabilities, in the form of cash, gold, Government bonds, Treasury bills or assets which can be converted into cash within a period not exceeding 30 days. The Bank can raise additional funds through repo facilities with SAMA, from 85 per cent. to 100 per cent. of the nominal value of qualifying bonds and bills held by the Bank.

Note 36(a) to the 2024 Financial Statements contains a table summarising the maturity profile of the Group's financial liabilities as at 31 December in each of 2024 and 2023 based on contractual undiscounted repayment obligations and note 36(b) to the 2024 Financial Statements contains tables showing an analysis of the Group's assets and liabilities as at 31 December 2024 and 31 December 2023, respectively, according to when they are expected to be recovered or settled.

MARKET RISK MANAGEMENT

Introduction

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as special commission rates, foreign exchange rates and commodity and equity prices. The Group classifies exposures to market risk into trading risks and non-trading risks (also referred to as banking book risks). The market risk for the trading book is managed and monitored using VaR methodology as further discussed in note 35.1 to the 2024 Financial Statements. Market risk for the banking book is managed and monitored using a combination of VaR, stress testing and sensitivity analysis, see note 35.2 to the 2024 Financial Statements.

Special commission rate risk

Special commission rate risk arises from the possibility that changes in special commission rates will affect either the fair values or the future cash flows of the Group's financial instruments. The Group is exposed to special commission rate risk as a result of mismatches or gaps in the amounts of assets and liabilities and off statement of financial position instruments that mature or re-price in a given period. The Group manages this risk by matching the re-pricing of assets and liabilities through risk management strategies. The Group has also established net special commission income at risk and market value at risk limits that are monitored by the ALCO. The Bank monitors positions daily and uses hedging strategies to ensure the maintenance of positions within the established gap limits.

Currency risk

Currency risk represents the risk of changes in the value of financial instruments due to changes in foreign exchange rates. The Bank has set limits on positions by currencies, which are monitored daily, and hedging strategies are also used to ensure that positions are maintained within the limits. See note 35.2 to the 2024 Financial Statements for further information on the Group's currency exposures.

Risk reporting

Risks and control effectiveness are reported to the Bank's management to ensure that managers within the business lines, and at senior levels, can engage in an informed decision-making process. As the first line of defence against risks, it is the responsibility of line and senior managers to be able to manage risks in accordance with the Board's approved risk appetite.

Risk reports are provided to managers and senior management on a regular basis to ensure that management can assure themselves that the Bank's risk positions are within limits and in line with its current strategy. Typically, these are provided to senior management on a monthly or weekly basis for the purposes of holding the various risk committee meetings and reviews. Line managers, supervisors and staff directly responsible for managing risk on a day-to-day basis receive full position reports on a more frequent basis.

The general policy within the Bank is for risk issues to be raised with the line manager first, then to escalate such issues to the senior manager responsible for that area. Risk matters are also escalated to the relevant risk committee, either immediately, if critical, or as part of the normal reporting process, if less urgent. If insufficient action is taken in response to this reporting and escalation process, staff and risk managers have the authority to take matters further, such as to the CRO, the CEO, the Bank's Internal Audit department or, in extreme cases, to the Board or to the external auditors.

Independent risk reporting is also a key component of the risk reporting controls. Separation between the group creating the risk (the risk-taking business unit) and the unit reporting the risk level (the risk-monitoring unit) is common throughout the Bank. The internal audit department continuously monitors this segregation of duties within the Bank. The Risk Management division also takes this into account when assessing the risk within business units. Much of the Bank's risk reporting is prepared and delivered by various units within the Risk Management division as an independent check.

For enterprise-wide risk reporting purposes, a tabular risk weight has been developed to provide a comprehensive description of the risk coverage in the Bank. It is based on all risk types relevant to the Bank and how each respective risk weight is governed, evaluated, managed, monitored and reported within the Bank as well as the frequency of such reporting.

The Bank deploys risk management systems for effective measurement, monitoring and reporting. For market risk, Kamakura Risk Manager is used by the Bank, which is widely acknowledged and used for VaR and other liquidity

risk measures such as net interest income at risk and economic VaR. The systems are regularly assessed and upgraded for improvement in risk measurement and adherence to regulatory changes.

OPERATIONAL RISK MANAGEMENT

Operational risk is the risk of direct or indirect loss arising from inadequate or failed people, processes, technology and infrastructure within the Group, and also from external events (other than credit, market and liquidity risks), such as those arising from disruptive business events, natural disasters, non-compliance with legal and regulatory requirements and failure to apply generally accepted standards of corporate behaviour. The Group's objective is to manage operational risk to balance the avoidance of financial losses and damage to its reputation, assets and personnel with overall cost effectiveness.

The Group uses a comprehensive approach towards operational risk management. Its operational risk management department ("ORMD") is an independent second line function within the Risk group. The primary responsibility of ORMD is to ensure that all the associated risks are adequately addressed and mitigated to address operational risks. The key responsibility is to have an appropriate oversight on the risk owners to ensure the existence of overall standards for the management of operational risk in the following areas:

- segregation of duties, including the independent authorisation of transactions;
- monitoring transactions and the reconciliation process;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- reporting of operational losses and proposed remedial action;
- risk awareness programmes and training;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective;
- maintaining the key risk register covering key risks and controls; and
- periodic control testing of key risks and controls.

On an annual basis, ORMD certifies the effectiveness of the internal controls across the Bank to provide reasonable assurance to the Board in ensuring the internal controls have been adequately designed and are operating effectively across the Bank to mitigate various types of risks.

MANAGEMENT AND EMPLOYEES

MANAGEMENT

Board of Directors

In accordance with the Companies Law (as defined under “*Saudi Arabia’s Banking Sector and Regulations—Management of liquidity and credit risk*” below) and the Bank’s by-laws, the Bank’s executive management comprises the Board and a Management Executive Committee (the “MEC”).

The Board has 10 members, including the Chairman who is required to be a Saudi national. Each member of the Board is appointed by the Bank’s shareholders and is elected every three years. The current members of the Board were all most recently elected or re-elected in October 2022. There were nine meetings of the Board in 2024, seven in 2023 and four in 2022. The Board is required to meet at least four times a year and no less than once every three months.

The business address of each of the directors is Granada Oasis – A1 Tower, Riyadh - Al Shuhada District, P.O. Box 22622, Riyadh 11416, Saudi Arabia. There are no potential conflicts of interest between the duties owed to the Bank by the persons listed below and their private interests or other duties.

The current members of the Board are:

Name	Position
Eng. Abdullah Mohammed Al-Issa ⁽¹⁾	Chairman
Eng. Mutaz Kusai AlAzzawi ⁽²⁾⁽³⁾	Vice Chairman
Mr. Ibrahim Hassan Sharbatly ⁽⁴⁾	Member
Mr. Jamal Abdul-Karim Al-Rammah ⁽⁵⁾⁽⁶⁾	Member
Eng. Abdul Rahman Ismail Tarabzouni ⁽⁴⁾⁽³⁾	Member
Eng. Omar Hamad Al-Madhi ⁽⁷⁾⁽⁴⁾	Member
Ms. Mona Mohammed Al-Tawil ⁽⁸⁾⁽³⁾	Member
Mr. Nader Ibrahim Al-Wehibi ⁽¹⁰⁾⁽⁷⁾	Member
Mr. Hani Abdullah Al-Johani ⁽⁹⁾⁽⁴⁾	Member
Mr. Yasser Abdullah Al-Salman ⁽³⁾	Member

Notes:

- (1) Chairman of the Strategic Planning Group
- (2) Chairman of the Nomination and Compensation Committee
- (3) Member of the Executive Committee
- (4) Member of the Strategic Planning Group
- (5) Chairman of the Audit Committee
- (6) Member of the Risk Management Committee
- (7) Member of the Nomination and Compensation Committee
- (8) Member of the Audit Committee
- (9) Chairman of the Risk Management Committee
- (10) Chairman of the Executive Committee

Set out below is brief biographical information about each member of the Board.

Eng. Abdullah Mohammed Al-Issa (“Chairman”)

Mr. Al-Issa has been a member of the Board since 2007 and has been the Chairman of Riyad Bank since October 2016. He holds a Bachelor’s degree in Industrial Engineering and a Master’s degree in Engineering Project Management from Southern Methodist University, USA, with extensive experience in management, investment and banking.

Mr. Al-Issa is currently the Chairman of the board of directors of Amias Holding Co., Amias Holding Company and Amias Real Estate Co., Assila Investment Company and Shipping and Travel Services Co. Ltd.

He was also a member of the board of directors of various companies, including Saudi Basic Industries Corporation (SABIC) and Saudi Arabian Mining Company (Ma'aden).

Eng. Mutaz Kusai AlAzzawi (“Vice Chairman”)

Mr. Al-Azzawi has been a member of the Board since 2016. He holds a Bachelor’s degree in Computer Engineering from King Saud University, with experience in business, commerce and investment in the financial markets.

Mr. Al-Azzawi is currently Chairman of the board of directors of Herfy Food Services and Arabian Cement Company and a member of the board of directors of Savola Group and Etihad Telecom Company. He is also a board member of various other companies in Saudi Arabia and abroad.

Mr. Ibrahim Hassan Sharbatly

Mr. Sharbatly has been a member of the Board since 2016. He holds a Bachelor’s degree in Business Administration from College of Commerce and Business Administration, Bristol UK, with extensive experience in business, investment and real estate development.

Mr. Sharbatly is currently the Chairman of the board of directors of the First International Business Group, and the Vice Chairman of Al-Nahla Group and Contracting Company, the Saudi Arabian Marketing and Agencies Company Ltd (SAMACO), Al-Ameen Distinctive for Urban Development, Fast Auto Technic (Fast), and Al-Ameed Distinctive for Real Estate Investment and a member of the board of directors of Smile Communications, Africa.

Mr. Jamal Abdul-Karim Al-Rammah

Mr. Al-Rammah has been a member of the Board since 2016. He holds a Bachelor’s degree in Management and Economics from Basrah University and attended the Management Executive Program at Harvard University, USA.

Mr. Al-Rammah’s previous positions include Chairman of the board of directors of Saudi Aramco Insurance (Stellar), a member of the boards of directors of Saudi Aramco Investment Management Company, Fujian Refining and Petrochemicals Company, Gard Company, Bandlewood Corporation NV, Motor Oil Hellas Company, and Jeddah Oil Refining Company and he also served as the Treasurer of Saudi Aramco, the world’s largest oil company. He was in charge of various financial risk departments at Saudi Aramco. He also managed the local and global pension fund’s investments, insurance programmes, financing programmes, joint ventures, subsidiaries and affiliates.

Eng. Abdul Rahman Ismail Tarabzouni

Mr. Tarabzouni has been a member of the Board since 2022. He holds a Bachelor’s degree in Computer Science and Engineering and Master’s degree in Electrical Engineering and Computer Science from the Massachusetts Institute of Technology, USA. He has extensive experience in the banking, technology and advisory sectors.

Mr. Tarabzouni is currently the CEO and Founder of STV (Technology Investment Platform), a member of the board of directors of Jarir Marketing Company and a member of the board of trustees of King Fahd National Library.

His previous positions include Chairman and Founder of Saudi Arabia’s Venture Capital and Private Equity Association and a member of the boards of directors of Saudi Digital Payments Company, Saudi Technology Development and Investment Company, Careem, IKEA Saudi Arabia, Intigral and Jawwy. He was also Head of Global Business Development, Android – Google.

Eng. Omar Hamad Al-Madhi

Mr Al-Madhi has been a member of the Board since 2022, representing the PIF. He holds a Bachelor's of Science degree in Engineering from the University of Pennsylvania and an MBA from Massachusetts Institute of Technology, USA. He has extensive experience in the investment field.

Mr. Al-Madhi's current position is Head of Direct Investments within the PIF's MENA Investments Division. He has previously held various roles including Senior Executive Director and Board Member at Abdul Latif Jameel Investments, Senior Executive Director of Volkswagen Group Saudi Arabia, Assistant Deputy Governor at SAGIA, Associate at McKinsey and Company and Research Engineer at Saudi Aramco.

Mr. Al-Madhi is currently the Chairman of the boards of directors of Saudi Iron and Steel Company, Tasaru Mobility Investments, Awad Capital, UAE and Iliad Partners Tech Ventures, UAE, Vice Chairman of the boards of directors of Saudi Fund of Funds Company and Regional Voluntary Carbon Market Company and a member of the boards of directors of Aqua Power Company, Saudi Arabian Industrial Investment Company, El Seif Engineering Contracting and Saudi Military Industries Company.

Ms. Mona Mohammed Al-Tawil

Ms. Al-Tawil has been a member of the Board since 2022. She holds a Bachelor's degree in Accounting from King Saud University and Master's degree in Business Management from George Washington University, USA. She has with extensive experience in the management, financial and investment sectors.

Ms. Al-Tawil's previous positions include Chief Executive Officer of FAB Capital and Emirates NBD Capital, Advisor in the Ministry of Finance and a member of Investment and Securities Committee in the Riyadh Chamber of Commerce.

Mr. Nader Ibrahim Al-Wehibi

Mr. Al-Wehibi has been a member of the Board since 2011, representing GOSI. He holds a Bachelor's degree with honours in Insurance and Risk Management from Indiana State University, USA, and a Master's degree in Social Protection Policies from Maastricht University, The Netherlands, with extensive experience in corporate planning and development.

Mr. Al-Wehibi is currently the Chief Executive Officer of Gulf Catering Company and Abdullah Ali Almunajem Sons Company and a member of the board of directors at SABIC. His previous board memberships include Mudad Business Company, Clariant, Switzerland, Future Work Company, Jarir Marketing Company and The National Medical Care Company.

Mr. Hani Abdullah Al-Johani

Mr. Al-Johani has been a member of the Board since 2022, representing the GOSI. He holds a Bachelor's degree in Commerce from Saint Mary's University, Canada. He has extensive experience in the investment and financial transactions sectors.

Mr. Al-Johani is currently Head of International Investments in Hassana Investment Company. He is also a board member at Maarif Holding Company and Maarif Education and Training, as well as a member of the Audit Committees in Jawda Integrated Real Estate Company, Osool Integrated Real Estate Company and RAZA Company.

Mr. Yasser Abdullah Al-Salman

Mr. Al-Salman has been a member of the Board since 2022, representing the PIF. He holds a Bachelor's degree in Accounting from King Saud University and Master's degree in Accounting Information System from Middle Tennessee State University, USA. He has extensive experience in the management and investment sectors.

Mr. Al-Salman is currently the Head of the General Department of Finance of the PIF. His previous positions include Executive Director, Financial Department of Saudi Agricultural and Livestock Investment Company (SALIC), the General Investment Manager in Mobily and Executive Director of Financial Affairs of the Kingdom Holding Company.

Mr. Al-Salman is a Vice Chairman of the board of directors of King Abdullah Financial District Company and he is a member of the boards of directors at Saudi Arabian Military Industries, Water Solutions Company, and the Saudi Agricultural and Livestock Investment Company. His previous board memberships include National Maritime Transport Company, National Water Company and Saudi Railways Company.

External members of the Board Audit Committee

In addition to the two Board members identified above, the Board Audit Committee also has three external members named below:

Mr. Tareq Abdullah Al-Qaraawy

Mr. Al-Qaraawy has been a member of the Board Audit Committee of Riyadh Bank since 2019. He holds a Master's degree in Accounting from George Washington University, USA, and a Bachelor's degree in Accounting from King Saud University, with experience in the banking sector.

Mr. Al-Qaraawy is currently Vice Chairman of the Board of Directors of Amana Cooperative Insurance Company and a member of boards of directors of Osool, Bakheet Investment Company, Evening Cups for Beverages Co. and OceanX. He is a member of the Audit Committee of Savola Group.

Mr. Eid Faleh Al-Shamri

Mr. Al-Shamri has been a member of the Board Audit Committee since 2022. He holds a Bachelor's degree in Industrial Management Sciences from King Fahd University of Petroleum and Minerals and has experience in the banking, investment and management sectors.

Mr. Al-Shamri is currently a member of the boards of directors and the audit committee of Taiba Investment Company, Al Hassan Ghazi Ibrahim Shaker, Taiba Investments, ALDREES Petroleum and Transport Services Company and Seera Group Holding. He is also a member of the Audit Committee of Almarai, Sports Boulevard and King Salman Park Foundation.

Mr. Abdullah Ahmed Al Shehri

Mr. Al Shehri has been a member of the Board Audit Committee of Riyadh Bank since 2025. He holds a Master's degree in Accounting from the University of Miami, USA and a Bachelor's degree in Accounting from King Abdulaziz University, Jeddah. He has extensive experience in financial management, business development and investment.

Mr. Al Shehri is currently Chairman of the board of Tamkeen Human Resource Co., Vice Chairman of First Mills Co. and a board member of Saudi Industrial Investment Group, Innovative Care Co, Almozaini Real-Estate and Al Suliman Group.

External members of the Nominations and Compensations Committee

In addition to the three Board members identified above, the Nominations and Compensations Committee also has the two external members named below:

Eng. Ahmad Mohammed Al-Faleh

Mr. Al-Faleh has been a member of the Nominations and Compensations Committee of Riyadh Bank since 2019. He holds a Bachelor's degree in Civil Engineering from King Fahad University of Petroleum and Minerals, with experience in the corporate and construction sectors.

Mr. Al-Faleh is currently Vice Chairman of the board of directors, member of the executive committee and Chairman of the nominations and remuneration committee of Al Jouf Cement Company. He is also a member of the boards of directors of Herfy Food Services Company, Technical United and Maharah Human Resources Company (where he is also a member of the nominations and remuneration committee).

Mr. Ali Ahmed AlGhamdi

Mr. AlGhamdi has been a member of the Nominations and Compensations Committee since 2022. He holds a Bachelor's degree in Business Administration (Management Systems) from the Arab Open University and has experience in the human resources sector.

Mr. AlGhamdi is currently the General Manager of the Executives Benefits and Compensations and Human Resources Business Partner at SABIC and a member of the board of directors at Petrokemya, a SABIC subsidiary.

External member of the Risk Management Committee

In addition to the two Board members identified above, the Risk Management Committee also has one external member named below:

Abdul Latif Ali Al-Rasheed

Mr. Al Rasheed is a member of the Risk Management Committee. He holds a Bachelor's degree in Computer Engineering from the University of New Haven and a Master of Information Security from the Georgia Institute of Technology.

Mr. Al-Rasheed is currently Director General, Cyber Security at the Ministry of Industry and Mineral Resources.

Committees of the Board

There are currently five Board committees, as described below:

Executive Committee

The Executive Committee exercises the credit, banking, financial and administrative powers of the Bank which are granted by the Board.

The Executive Committee comprises five directors, namely Nader Ibrahim Al-Wehibi (Chairman), Abdul Rahman Ismail Tarabzouni, Mutaz Kusai Al-Azzawi, Mona Mohammed Al-Tawil and Yasser Abdullah Al-Salman. The committee held 11 meetings in 2024, four meetings in 2023 and 13 meetings in 2022.

Board Audit Committee

The Board Audit Committee helps the Board meet its responsibility to monitor the Group's financial reporting and internal control systems, control the work of the external and internal auditors, review the interim and annual financial statements, review the accounting policy in force and review compliance with regulations. The internal audit and risk management groups assess and report on the effectiveness of internal control structures across the Group and this information is included in internal audit department reports, reflecting a risk-based approach. Risk assessment of business units determines the timeframe for audits during the development of the annual audit plan. While the Board Audit Committee adopts the audit plan, it also receives all audit reports and reviews quarterly updates relating to the implementation of the audits, notes issues resulting therefrom and monitors corrective actions taken in

response. The Board Audit Committee comprises two directors, namely Jamal Abdul- Karim Al-Rammah (Chairman) and Mona Mohammed Al-Tawil and two external non-Board members, namely Tareq Abdullah Al-Qaraawy and Eid Faleh Al-Shamri. The committee held 10 meetings in 2024, four meetings in 2023 and 10 meetings in 2022.

Risk Management Committee

The Risk Management Committee assists the Board in its responsibility to fully supervise the Bank’s risk strategy and oversee the Group-wide risk management framework. This committee reviews acceptable risk levels, makes recommendations to the Board and monitors the Executive Management’s compliance with Board approved risk limits and their consistency with the levels approved by the Board. To this end, it has access to all aspects of the risk to which the Bank is exposed and is entitled to review the extent of compliance of the Executive Management with controls to manage such risks and the adequacy of measures taken to hedge them.

The committee comprises two directors, namely Hani Abdullah Al-Johani (Chairman) and Jamal Abdul-Karim Al-Rammah and one external non-Board member, namely Abdulatif Ali Al-Rusheed. The committee held five meetings in 2024, six meetings in 2023 and six meetings in 2022.

Nominations and Remuneration Committee

The Nomination and Remuneration Committee supports the Board in respect of the Board’s governance, proposes a policy of remuneration for board members, its committees and senior management officers, reviews and evaluates the adequacy and effectiveness of the remuneration, compensation and incentive policy on a regular basis. This is to ensure that the objectives are met, and that the methods of paying remuneration and adherence of the remuneration policy to SAMA rules are reviewed.

It also establishes the policy of candidacy and selection for membership of the Board and ensures that all members meet the statutory requirements of membership of the Board in accordance with the relevant regulations.

The Nomination and Remuneration Committee comprises three directors, namely Mutaz Kusai AlAzzawi (Chairman), Omar Hamad Al-Madhi and Nader Ibrahim Al-Wehibi, and two external non-board members, namely Ahmad Mohammed Al-Faleh and Ali Ahmed AlGhamdi. The committee held six meetings in 2024, five meetings in 2023 and six meetings in 2022.

Strategic Planning Group

The Strategic Planning Group oversees the formulation of the Bank’s strategic direction while monitoring and evaluating progress towards achieving strategic objectives. It extends crucial support to the Board in strategic planning processes and strategic matters such as business development and expansion. Additionally, the Strategic Planning Group monitors the Bank’s advancement towards its long-term financial and strategic objectives.

The Strategic Planning Group comprises five directors, namely Abdullah Mohammed Al-Issa (Chairman), Ibrahim Hassan Sharbatly, Abdul Rahman Ismail Tarabzouni, Omar Hamad Al-Madhi and Hani Abdullah Al-Johani. The Strategic Planning Group held two meetings in each of 2024, 2023 and 2022.

EXECUTIVE MANAGEMENT

The current members of the Bank’s executive management team are:

Name and position	Brief CV
Nadir S Al-Koraya	Nadir has been Chief Executive Officer since February 2024 and was previously Chief Treasury and Investment Officer

<i>Chief Executive Officer (“CEO”)</i>	<p>since 2014. He joined the Bank in 2013 where he worked in the Treasury division as Treasurer.</p> <p>Prior to joining the Bank, he was with Samba Financial Group from 1993 to 2013.</p> <p>Nadir holds a Bachelor’s degree in Civil Engineering and a Master’s degree in Business Administration from California State University, USA.</p>
<p>Abdullah A Al-Oraini</p> <p><i>Chief Financial Officer (“CFO”)</i></p>	<p>Abdullah joined the Bank as its Chief Financial Officer in 2019. His experience stem from diversified work engagements in local and international banking sectors.</p> <p>Prior to joining the Bank, Abdullah held leadership positions at various banks, including Chief Financial Officer of AlAwwal Bank, Deputy Chief Financial Officer of SABB, and Head of Capital and Liquidity Management at NCB.</p> <p>Abdullah holds a Bachelor’s degree in Electrical Engineering from King Fahd University of Petroleum and Minerals and a Master’s degree in Management Sciences from the University of Waterloo in Canada.</p>
<p>Majed Hamdan Al Ghamdi</p> <p><i>Chief Wholesale Officer (“CWO”)</i></p>	<p>Majed joined the Bank as its Chief Wholesale Officer in October 2024. He was previously the chief executive officer of Retail Banking at Saudi National Bank and before that he held various positions in the retail and corporate banking groups at National Commercial Bank.</p> <p>Majed holds a Bachelor’s degree in Industrial Engineering from King Abdul Aziz University and a Master’s degree in Risk Management from New York University, Stern School of Business.</p>
<p>Abdulrahman Mohammed Abdulrahman Al-Huthail</p> <p><i>Chief Operating Officer (“COO”)</i></p>	<p>Abdulrahman was appointed as Chief Operating Officer in March 2025. Prior to this appointment, he served as Executive Vice President of Operations, where he led transformation programmes focused on automation and operational excellence. He has spent over two decades in banking operations, driving cost optimisation initiatives and strengthening portfolio quality through enhanced collection strategies.</p> <p>Abdulrahman holds a degree in Banking Operations from Institute of Public Administration and has completed executive training in strategic management and leadership.</p>
<p>Enji Ahmed Al-Ghazzawi</p> <p><i>Chief Human Capital Officer</i></p>	<p>Enji was appointed Chief Human Capital Officer in March 2025. She started her career with the Bank in 1988 and has held a range of roles within the operations function since then, including Chief Operating Officer between 2022 and 2025. Enji holds a Bachelor’s degree in Administrative Science from King Saud University.</p>

Abdulaziz Abdullah Al-Askar

Chief Risk Officer (“CRO”)

Abdulaziz has been Chief Risk Officer since 2023. Previously he had been Executive Vice President, Credit since 2014. He has spent almost all his career with the Bank, starting as a trainee in 1998 and subsequently holding different corporate credit-related roles.

Abdulaziz holds a Bachelor’s degree in Administrative Science from King Saud University.

Houssam Humaidan AlHumaidan

Chief Compliance Officer (“CCO”)

Houssam was appointed as Chief Compliance Officer on 1 September 2024. Previously he had been Executive Director, Chief Country Compliance at Credit Suisse, Head of Compliance & Anti-Financial Crime at Deutsche Bank, Vice President, Compliance & MLRO at BNP Paribas, Assistant Vice President, Regulatory Affairs & Development Manager at the Bank and Assistant Compliance Manager at Samba Financial Group.

Houssam holds a Bachelor’s degree in Administrative Science from King Saud University.

Mazen Ghassan Pharaon

Chief Digital Officer

Mazen has been Chief Digital Officer since December 2020. He has innovation and digital experience. Prior to joining the Bank, he was a partner with Deloitte ME and Chief Technology Officer at Samba Financial Group.

Mazen holds a Bachelor’s degree in Computer Engineering from King Saud University.

Mohammed Abo Al-Naja

Chief Corporate Banking Officer (“CCBO”)

Mohammed has been Chief Corporate Banking Officer since 2018, before which he was Head of the Corporate Banking Services Division (from 2014 to 2018).

Having originally joined the Bank as a Senior Account Manager in 1996, Mohammed then worked as a senior manager at Samba Financial Group from 2004 until his return to the Bank in 2005.

Mohammed holds a Bachelor’s degree in Law from King Saud University.

Haifa Othman Bin Ahmed

Chief Experience Officer (“CXO”)

Haifa was appointed as Chief Experience Officer in 2022. Haifa has assumed various leading roles in Riyadh Bank, including the Senior Vice President of Customer Champion.

Haifa holds a Bachelor’s degree in Accounting and Business Management from King Saud University.

Hanadi Abdulrahman Al-Sheikh

Chief Transformation officer

Hanadi was appointed as Chief Transformation Officer in 2021. Hanadi has assumed different roles and responsibilities including the Chief Strategy Officer at the Saudi Stock Exchange (Tadawul).

Hanadi holds a Bachelor of Science degree in Computer Science from the George Washington University, USA.

Ahmed Rabie Al-Rowaili*General Counsel*

Ahmed was appointed as General Counsel in 2022. Ahmed has legal and governance experience including serving as the General Board Secretary of the Saudi National Bank and Head of Governance.

Ahmed holds a Master's degree in Law from Seattle University, USA, and a Bachelor's degree in Administrative Science from King Saud University.

Fawaz Naif Al-Kassar*Chief Internal Auditor*

Fawaz was appointed Executive Vice President, Head of Internal Audit in 2020.

Prior to joining the Bank, Fawaz was the Chief Internal Auditor at Arab National Bank and prior to that Chief Audit Executive at Alawaal Bank.

Fawaz has diversified banking experience in risk management, corporate banking, retail banking, remedial management and audit.

Fawaz holds a Master's in Business Administration from the University of Oregon, USA.

Abdalmohsen Altwaijri*Chief Treasury and Investment Officer*

Abdalmohsen was appointed Chief Treasury and Investment Officer in 2025.

Abdalmohsen has experience in the financial sector and has held various leadership positions within the bank, including Chief Treasury & Investment Officer, Treasurer and Head of Money Market.

Abdalmohsen holds a Bachelor's degree in Finance and a minor in Psychology from Roger Williams University in the USA.

Omar AlSaffaf*Chief Retail Banking Officer*

Omar was appointed as Chief Retail Banking Officer in May 2025. Prior to this appointment, he served as Chief Executive Officer at Dar Al Tamleek where he oversaw strategic growth and operational excellence.

Omar holds a degree from the American University of Beirut.

The business address of each member of the Bank's senior management is Riyadh, Al Shuhada District, Eastern Ring Road, Granada Oasis, A1 Tower, P.O. Box 22622, Riyadh 11416, Kingdom of Saudi Arabia. There are no potential conflicts of interest between the duties owed to the Bank by the persons listed above and their private interests or other duties.

Management committees

The Bank has the following management committees responsible for overseeing various day to day business activities, risk management and the operations of the Group in general:

ALCO

The ALCO is an executive level management committee responsible for monitoring the asset and liability management of the Group, monitoring current economic and business conditions and setting strategic and tactical targets for instruments and portfolios that make up the Group's balance sheet risk, within the limits approved by the Board. The ALCO does not have primary responsibility for managing the allocation of retail and corporate credit portfolios which are managed through the credit process, but must assess the impact of these portfolios on the balance sheet from a liquidity perspective. The ALCO is also responsible for ensuring wholesale trading and banking book positions are maintained within the limits approved by the Board, reviewing and approving the Group's funds transfer pricing system, tactical review of wholesale funding and investment activities, and overseeing the regulatory capital allocation and regulatory capital limits management processes.

The ALCO meets once each month and is chaired by the CEO. The other members of the ALCO are the CFO, the ALCO deputy chairman and the other members of the ALCO management committee (being the CWO, CRO, Chief Treasury and Investment Officer ("CTIO"), Chief Retail Banking Officer ("CRBO"), CCBO, Executive Vice President, Internal Control and Market Risk and Manager, Assets, Liabilities and Capital Management department).

Main credit committee (the "MCC")

The MCC is an executive management committee that is primarily responsible for reviewing and approving the Group's large exposures in accordance with the credit authorities delegated by the Board. The MCC's principal responsibility is to act as the approving authority for credit limits that are higher than the Bank's existing co-signature credit authorities.

The MCC reviews individual exposures, related party exposures and portfolios of exposures of a similar nature or type. The MCC also has an important role in monitoring the performance of loan portfolios and other credit instruments. The MCC makes strategic decisions on pricing credit exposures, maintenance of credit exposures, recovery of non-performing credit exposures and recommendations of write-offs on large credit exposures that cannot reasonably be recovered.

Credit risk management committee (the "CRMC")

In line with the Board approved credit risk management framework and credit risk strategy statement, the CRMC is an executive committee that oversees the Group's credit risk functions and undertakes the necessary measures to ensure the development and adoption of credit policies that are compliant with applicable regulatory guidelines and best international banking practices.

The main objectives of the CRMC include ensuring that the Group's credit risk management organisation structure is adequate and reflects best international banking practices, reviewing all credit risk-related policies covering new initiatives, credit programmes, IFRS 9 rules and guidelines and other credit risk-related issues, reviewing the corporate portfolio credit quality and monitoring the performance of corporate analytical models and methodologies.

Retail risk management committee (the "RRMC")

The RRMC is a management committee tasked with oversight responsibilities for ensuring proper implementation of the Board's approved Credit Strategy and Credit Risk Management Framework specifically for credit risk arising from the Bank's retail banking business. The RRMC reviews and approves the retail credit risk acceptance criteria and business acceptance criteria to ensure that they are compatible with the overall lending and credit strategies and policies approved by the Board as well as associated guidelines issued by the competent authority of the Bank.

Risk management and compliance committee (the “RMCC”)

The RMCC is an executive committee responsible for implementing, reviewing and monitoring compliance with the policies and procedures covering risk management and regulatory compliance throughout the Bank. The RMCC, as needed or as requested, will provide guidance to other management committees which are responsible for governance of other risk types that fall under their responsibilities and authorities.

The RMCC is chaired by the CRO. The other members of the RMCC are the other members of the management committee and the Senior Compliance Manager. The composition and charter of the RMCC is approved by the CEO and documents members’ responsibilities and the committee’s core objectives.

One or more representatives of internal audit also attend all RMCC meetings to report on internal audit and internal control matters to management and also act as an independent observer to discharge internal audit’s responsibility for independent monitoring and reporting to the Board’s Audit Committee.

Investment committee (the “IC”)

The Group maintains a substantial domestic and international investment portfolio to provide an alternative income source for the Group through investment in countercyclical investments which are expected to perform well during periods when other sources of the Group’s income may not perform as well. The IC is responsible for establishing investment guidelines and mandates (including limits and parameters) for the investment managers who manage the portfolio, and for monitoring and reviewing the risks and performance of the investment portfolio. The IC is chaired by the CEO with CRO being the Vice Chairman.

People Committee

The People Committee is chaired by the CEO and comprises the management committee members of the Bank’s main business functions. The People Committee considers any major employee-related issues that are either within the delegation of the executive management team or such matters as will subsequently be presented to the Bank’s Board committees.

SHARI’AH COMMITTEE

The Bank’s internal Shari’ah Committee consists of three Saudi Arabian scholars who specialise in Islamic jurisprudence and economics. The committee is responsible for reviewing and supervising all proposed Islamic banking policies and business practices, to ensure that the Bank complies with all relevant Shari’a principles. The committee also provides advice and explanations relating to Shari’a matters and fatwas related to the Group’s Islamic products. The Shari’ah Committee provides final authorisation for the Bank to proceed with an Islamic banking product.

EMPLOYEES

The Bank had 5,683 full time employees as at 31 December 2024 compared to 5,870 as at 31 December 2023 and 5,593 at 31 December 2022. Companies in Saudi Arabia are required by the Ministry of Labour to ensure that a certain percentage of their staff are Saudi nationals. This requirement is known as Saudization. The Bank’s Saudization ratio, that is the ratio of Saudi nationals to non-Saudi nationals, was 96 per cent. as at 31 December 2024.

The Bank reviews its remuneration and reward practices to ensure that they continue to encourage the Bank’s employees to perform to the maximum of their capabilities while also providing the Bank with access to external talent.

In addition to a base salary and incentive and longevity-of-employment bonuses, the Bank offers its employees a housing and holiday allowance, as well as in-kind benefits such as medical insurance, life insurance, a savings incentive scheme and voluntary pension plans.

The Bank has a structured approach to the acquisition and development of talent to meet the needs of the business. Critical positions are systematically identified and comprehensive succession plans and individual development plans are aligned to ensuring that a capable and high-performing talent pipeline is maintained.

Development activities focus on the continuous improvement of employees' behavioural as well as technical capability with clarity provided through well-defined career plans leading from entry-level positions through to senior executive roles.

To achieve this, the Bank partners with recognised international learning and leadership institutions to provide employees with a clear understanding of best global practice, tailored to the local operating environment.

The CEO sponsors the Bank's annual engagement survey which seeks employee feedback. The positive impact of this survey has been demonstrated by a marked increase in the Bank's annual engagement, with over 78 per cent. of the Bank's employees participating in the most recent survey.

Training is an important component of the Bank's strategic aim of attracting and retaining highly qualified and motivated personnel. To that end, the Bank has an extensive training programme for its new and existing employees designed to equip them with the skills and know-how necessary to perform their functions with efficiency and to enhance their internal promotion opportunities. As part of its efforts to build and test its recruitment pool, the Bank also offers training programmes to high school and university graduates. The Bank has three regional training centres, one each in Riyadh and the Eastern and Western provinces.

SAUDI ARABIA'S BANKING SECTOR AND REGULATIONS

GENERAL

According to SAMA's website as at 8 May 2025, there were 38 commercial banks licensed to operate in Saudi Arabia, of which eight are still to commence business although seven are in a pilot phase of operations and the eighth, PT Bank Syariah Indonesia Tbk, secured permission in April 2025 to open a branch. Of the 30 operating licensed banks, 11 are incorporated in Saudi Arabia, seven are branches or subsidiaries of banks based in countries of the GCC other than Saudi Arabia (namely Emirates NBD, National Bank of Bahrain, National Bank of Kuwait, First Abu Dhabi Bank, Bank Muscat, Qatar National Bank and Sohar International Bank), 10 are international banks (namely JPMorgan Chase, BNP Paribas, Deutsche Bank, T.C. Ziraat Bankası A.Ş., MUFG Bank Ltd, National Bank of Pakistan, Industrial and Commercial Bank of China, UBS AG (previously Credit Suisse), Standard Chartered Bank and National Bank of Iraq) and two (D360 Bank and STC Bank) are digital banks. The seven banks in a pilot phase of operations are Vision Bank, a digital bank, and Trade Bank of Iraq, Bank of China Limited, Banque Misr, National Bank of Egypt, Bank of Jordan and Abu Dhabi Commercial Bank.

Of the 11 Saudi operating banks, 10 are publicly listed joint stock companies and their shares are traded on Tadawul (Gulf International Bank Saudi Arabia is not listed on Tadawul).

All 11 banks incorporated in Saudi Arabia provide a broad range of retail and wholesale banking products and services. Al Rajhi Bank, Bank Albilad, Bank AlJazira and Alinma Bank provide Shari'a-compliant products and services only. The remaining seven banks (including the Bank) provide a combination of Shari'a-compliant and conventional banking products and services.

In addition to the commercial banks, there are state-run credit institutions, including the Saudi Industrial Development Fund, the Real Estate Development Fund and the Saudi Arabian Agricultural Bank.

The PIF is the investment arm of the Government while the Islamic Development Bank is a multilateral development financing institution headquartered in Jeddah. SAMA does not regulate either of these entities.

As of 31 March 2025, there were 1,903 bank branches, 14,932 ATMs and 2,082,249 points of sale terminals in Saudi Arabia (source: SAMA March 2025 Monthly Statistics).

According to SAMA's 2024 Financial Stability Report:

- Saudi Arabian banking sector assets and credit continued to grow in 2023, driven primarily by corporate credit which outpaced the growth in household credit, and asset quality remained high, with a low level of non-performing loans and a sufficiently high level of provisioning coverage in 2023;
- banks in Saudi Arabia continued to maintain sound credit underwriting standards and to adhere to SAMA's requirements for responsible lending, credit risk management and loan to value ratios;
- liquidity remained adequate in 2023 with continued growth in the deposit base and a notable shift to time and savings deposits which reinforced the stickiness of deposits and was supported by other sources of long-term funding;
- the Saudi Arabian banking sector had a solid prudential liquidity position, with the liquidity coverage ratio and the net stable funding ratio above SAMA's regulatory minimum requirements as at 31 December 2023; and
- the Saudi Arabian banking sector remained well capitalised, with the capital adequacy ratio increasing as growth in equity exceeded the growth rate of risk-weighted assets, driven by factors such as improved profitability and greater capital issuances throughout 2023.

HISTORY

Prior to 1976, a number of wholly foreign-owned banks operated branches and subsidiaries in Saudi Arabia.

In 1976, the Government issued a directive requiring all banks operating within its borders to convert to entities incorporated locally with at least 60 per cent. of the shares held by Saudi nationals.

In 2000, the first branch of a foreign bank was authorised to open in Saudi Arabia in over 40 years, in connection with changes in GCC countries' policies concerning cross-border banking. The new entrant was Gulf Investment Bank (“**GIB**”), an offshore bank based in Bahrain and owned by the six GCC states. GIB had been active in Saudi Arabia for many years, but having a Saudi Arabian branch allowed it to compete at close hand. SAMA has since granted banking licences to branches of numerous foreign banks.

In June 2019, Alawwal Bank and Saudi British Bank merged to form Saudi Awwal Bank, In May 2020, GIB converted its branch into a locally incorporated bank jointly owned by the PIF and GIB. In April 2021, NCB and Samba merged to form Saudi National Bank.

There are also non-bank competitors in brokerage and personal finance. The Saudi banking sector has seen an accelerating competitive convergence focused on Islamic banking, private and affluent segments and brokerage and investment banking, as well as significant investment in new distribution, marketing and technology.

The Government also developed the capital markets sector in Saudi Arabia with the enactment of the Capital Market Law, issued by Royal Decree No. (M/30) dated 2/6/1424H (corresponding to 31 July 2003) as amended by Royal Decree No. (M/16) dated 19/1/1441H (corresponding to 18 September 2019) (the “**CML**”) which also established the CMA. In line with the Government's overall desire to develop and boost the capital markets in Saudi Arabia, the CMA has encouraged the participation of foreign investment banks. According to its website, the CMA had licensed 192 capital market institutions, although many of those have not yet commenced business.

CORPORATE BANKING SEGMENT

The majority of commercial banking assets in Saudi Arabia are loans to the private sector and, as at 31 March 2025, banks' claims on the private sector constituted 63.5 per cent. of total commercial banks' assets compared to 58.8 per cent. as at 31 December 2019 (source: SAMA, March 2025 Monthly Statistics). This proportionate growth in claims on the private sector has been driven by economic growth and increased investment within Saudi Arabia in various sectors such as electricity, water and health services, building and construction, commercial and Government projects in oil and gas, infrastructure and education.

Investment banking activities have been growing rapidly in Saudi Arabia. Project finance has also been a strong growth area with several projects being financed in recent years. While volatile oil prices may pose challenges to the Saudi economy at times of prolonged low prices, leading to both lower Government spending and weaker GDP growth, project finance is expected to continue to be a strong area for banking business as a result of planned investments in infrastructure and industry in line with the Saudi Vision 2030 programmes being implemented to reduce the economy's dependency on oil-related revenue.

PERSONAL BANKING SEGMENT

Individual's loans increased from SAR 1,019 billion at 31 December 2021 to SAR 1,390 billion as at 31 March 2025 (source: SAMA, March 2025 Monthly Statistics). These loans include retail real estate lending, consumer lending, residential mortgage lending and credit card loans. Historically, growth in consumer finance has been driven by several factors, including:

- economic growth coupled with favourable consumer demographics;
- growth of the credit card market;

- product innovation and a rapidly expanding range of product and service offerings; and
- the creation of the Saudi Credit Bureau (“SIMAH”).

Retail real estate lending

The amount of retail real estate lending outstanding increased from SAR 446 billion at 31 December 2021 to SAR 681 billion at 31 December 2024 (source: SAMA, March 2025 Monthly Statistics).

Consumer lending

The total amount of consumer loans outstanding increased from SAR 428 billion at 31 December 2021 to SAR 480 billion at 31 March 2025 (source: SAMA, March 2025 Monthly Statistics).

Residential mortgage lending for individuals

In 2021, 201,481 contracts for residential new mortgage lending for individuals provided by banks were entered into with SAR 153 billion advanced during the year. In 2024, 122,302 contracts were entered into and SAR 91 billion was advanced during the year. In the three months ended 31 March 2025, 36,280 contracts were entered into and SAR 27.8 billion was advanced compared to 30,239 contracts entered into and SAR 22.1 billion advanced in the three months ended 31 March 2024 (source: SAMA, March 2025 Monthly Statistics).

Credit card loans

Credit card loans outstanding increased from SAR 19 billion at 31 December 2021 to SAR 31 billion at 31 March 2025 (source: SAMA, March 2025 Monthly Statistics). The credit card market is expected to continue to grow due to increasing use of electronic forms of payment within Saudi Arabia.

THE SAUDI CREDIT BUREAU

SIMAH was established in 2002 and began operating in 2004. In 2008, the Council of Ministers issued a decision approving the Credit Information Law (issued pursuant to Royal Decree M/37 dated 5/7/1429H (corresponding to 8 July 2008)), which sets out general principles and controls for the collection, exchange and protection of credit information of consumers. SIMAH, which is supervised by SAMA, was the first credit information company to be established in Saudi Arabia and aggregates credit-related information from participating members to provide its member credit providers with credit risk information. SIMAH’s strategy is to provide an effective information infrastructure to enhance the ability of assessing and managing risks.

ISLAMIC FINANCE

The Islamic banking industry in Saudi Arabia encompasses a blend of institutions of different categories ranging from fully dedicated Islamic banks to conventional banks offering Islamic banking services through separate divisions or windows. Many banks in Saudi Arabia have Shari’a boards opining as to the application of Shari’a principles in financing structures and approving all Islamic products. Currently, a wide range of Shari’a-compliant products are available in the market for the corporate and personal banking segments covering credit, deposit, investment and treasury offerings.

The personal banking segment has experienced the strongest demand for Islamic banking products and services with consumer Islamic assets forming the bulk of total consumer assets. In addition to deposit products, Islamic financing solutions include personal finance, home finance and Islamic credit cards. With growing business activity in the real estate sector and a growing population, Shari’a-compliant home financing is expected to be a major driver of Islamic personal banking asset growth in the future.

Credit demand from the corporate banking segment is rapidly growing following the launch of infrastructure projects and increasing interest in manufacturing. Main product offerings include *Ijarah* and *Murabaha* and are offered as

bilateral facilities, as well as through syndications. To cater to this market segment, Islamic banks have also introduced innovative Shari'a-compliant solutions. In recent years, there have been several large size Islamic project finance transactions attracting participation from banks.

The Islamic banking segment is expected to continue to grow with credit demand anticipated from corporate and consumer segments. It is also expected to be accompanied by an increase in innovative Islamic product offerings and growing awareness and demand for sophisticated Shari'a-compliant solutions.

TREASURY

The treasury activities of Saudi Arabian banks have increased over the past few years as the financial markets have become more sophisticated with the increased use of financial instruments. Some Saudi banks also offer their customers structured products that make use of derivatives and that are also Shari'a-compliant.

INVESTMENT BANKING AND ASSET MANAGEMENT

The closing level of the Tadawul All Share Index was 11,282 on 31 December 2021, 10,478 on 31 December 2022, 11,967 as at 31 December 2023 and 12,036 as at 31 December 2024.

Banks in Saudi Arabia, including the Bank, have established subsidiaries which are licensed by the CMA to engage as principal or as an agent in equity lead arrangements, equity management arrangements and/or advisory and securities custody services. Foreign financial institutions have been permitted to buy and sell shares directly in companies listed on Tadawul since 2015 in accordance with the Rules for Qualified Financial Institutions Investment in Listed Securities.

In August 2020, Tadawul launched a new derivatives market as part of its strategy to diversify its product offering and provide more investment opportunities for market participants. Investors have been able to trade the Saudi Futures 30, based on the MSCI Tadawul 30 Index, since 30 August 2020.

SAUDI CENTRAL BANK (PREVIOUSLY SAUDI ARABIAN MONETARY AUTHORITY)

Overview and functions

SAMA is the regulator and supervisor of licensed financial institutions, including banks, finance companies (including leasing and real estate finance companies), money exchange companies, payment service providers and credit information companies in Saudi Arabia. In November 2023, the regulation of insurance companies was transferred from SAMA to a newly established regulator, The Insurance Authority.

SAMA was established pursuant to Royal Decree No. 30/4/1/1046 dated 25/7/1371H (corresponding to 20 March 1952), and that Royal Decree was replaced by the Royal Decree No. M/36 dated 11/4/1442H (corresponding to 26 November 2020), which changed the name to Saudi Central Bank while maintaining the acronym SAMA. SAMA's principal functions include:

- issuing the national currency;
- dealing with the banking affairs of the Government;
- supervising commercial banks and exchange dealers;
- managing Saudi Arabia's foreign exchange reserves;
- carrying out the role of the Government's bank and advisor in monetary, banking, and financial matters;
- managing monetary policy for maintaining price and exchange rate stability;
- promoting the growth of the financial system and ensuring its soundness;

- supervising finance companies; and
- supervising credit information companies.

Banking Control Law

The BCL was issued by Royal Decree No. M/5 dated 22/02/1386H (corresponding to 12 June 1966) with the aim of protecting banks, customers' deposits and shareholders and securing adequate liquidity levels. The law prohibits banks from undertaking certain activities that might cause damage to their shareholders and customers. In addition, the law prohibits individuals and companies from using the word "bank" or its synonyms in their names or conducting any banking activities without obtaining a licence from SAMA. The BCL sets out the framework within which banks must operate in Saudi Arabia and is supplemented by circulars, directives and guidelines issued by SAMA from time to time.

Consumer Protection

SAMA has been a strong advocate of consumer protection since obtaining its charter in 1952 and the issuance of the BCL in 1966. Consequently, SAMA has played an important role in ensuring that the financial institutions under its supervision deal with consumers fairly and honestly.

As Saudi Arabia's financial sector evolves and grows, SAMA continues to review these developments and decides on appropriate legislative, regulatory and organisational changes to provide the level of consumer protection expected from a country that is a member of the world's main economic and financial organisations.

SAMA's current objective is to ensure that all consumers who have dealings with licensed financial institutions in Saudi Arabia receive the expected level of consumer protection, including fair treatment, honesty and ease of access to financial products and services.

SAMA has set out the conduct expected from such financial institutions through various regulations, policies and issued instructions, including the "Banking Consumer Protection Principles" (the "**Principles**") issued in June 2013 which are based on the General Principles for Financial Consumer Protection developed by the Organisation for Economic Co-operation and Development (the "**OECD**") in 2011.

The Principles set out key guidelines to enable licensed banking institutions to deliver the required level of fair treatment, honesty and financial inclusiveness thereby meeting SAMA's strategic objective for financial consumer protection in Saudi Arabia. The Principles apply to the activities of banks operating by way of a licence, which are under the supervision of SAMA and which are dealing with persons who are, or may become, consumers. They also apply to the activities of any third party engaged by such banks to undertake any outsourced activities. The Principles are binding on all such banks, complementary to the instructions and internal regulations issued by any such bank and applicable to all transactions that are made with individual consumers.

The Principles were issued pursuant to powers granted to SAMA under the following legislation and regulations:

- Charter of the Saudi Arabian Monetary Authority – Article (3d), issued by Royal Decree No. 23 dated 23/5/1377H (corresponding to 15 December 1957), as replaced by the Law of the Saudi Central Bank – Article (4.3), issued by Royal Decree No. M/36 dated 11/4/1442H (corresponding to 26 November 2020);
- Banking Control Law issued by Royal Decree No. M/5 dated 22/02/1386H (corresponding to 12 June 1966); and
- Ministerial Decree No.3/2149 dated 14/10/1406H (corresponding to 22 June 1986).

In September 2022, SAMA published updated Financial Consumer Protection Principles and Rules (the **Consumer Finance Regulations**). The Consumer Finance Regulations contain provisions relating to the protection of consumer rights, including:

- requiring financial institutions in Saudi Arabia to develop appropriate data protection and information privacy policies;
- unifying fees, commissions and administrative service charges across all banks in Saudi Arabia;
- providing customers with summaries of their financings, which include basic details of the financing and also reference key provisions of the financing;
- prescribing rules and standards in relation to how banks deal with customers; and
- emphasising the principles of transparency and disclosure in consumer finance contracts.

The Consumer Finance Regulations are aimed at ensuring that consumer finance contracts have enhanced levels of disclosure and transparency and are aimed at, among other things, enabling customers to be better informed of their rights and obligations under their financings.

Real Estate Financing and Finance Leasing

In August 2012, the Saudi Council of Ministers issued a package of legislation approved by Royal Decrees in relation to the finance industry, including real estate financing (the “**Real Estate Finance Law**”), leasing (the “**Finance Lease Law**”) and supervision of financial companies (the “**Financial Companies Control Law**”), in each case, as further described below. In February 2013, SAMA issued the implementing regulations of these laws.

Real Estate Finance Law

This law provides the regulatory architecture for the authorisation and licensing of banks and finance companies to enter the real estate market. In particular:

- banks may own real estate for the purposes of real estate finance – a key feature of Islamic financing products;
- the Government publicises real estate market activity and financiers are granted access to courts and notary registers;
- the Council of Ministers is entitled to grant tax incentives in connection with investing in real estate securities; and
- a credit check must be conducted against customers through one of the authorised credit bureaus.

The Implementing Regulations of the Real Estate Finance Law define the role of finance companies and set out the requirements for entering into and registering a real estate finance lease. They also set out the SAMA’s requirements for licensing re-finance companies as well as the rules governing the activities of re-finance companies. In 2020, SAMA issued guidelines on the provision of real-estate financing products to individuals setting out minimum requirements on entities providing such products.

Finance Lease Law

This law prescribes the rules relating to finance leasing and specifically states that:

- the responsibilities of the lessor and lessee must be carried out in a Shari’a-compliant manner (placing asset risk on the lessor during the lease term but making the lessee responsible for the relevant use);
- the transfer of leased assets is permitted to the lessee upon maturity of the lease term; and

- the lessor is permitted to request payments of future rentals if the lessee is in payment default, provided the number of such payments is not greater than the number of late payments.

The Implementing Regulations of the Finance Lease Law set out the rights and obligations of the lessor and lessee in a finance lease, outline rules relating to assignment of rights, instalment payments and ownership rights of the relevant parties and specify the requirements for establishing a company that registers finance leases and the requirements for such companies to register finance leases.

Financial Companies Control Law

This law provides a regulatory and supervisory framework for Shari'a-compliant finance companies to provide SAMA approved forms of financing, including real estate financing.

The Implementing Regulations of the Financial Companies Control Law set out SAMA's rules and requirements for licensing finance companies and contain corporate governance requirements, internal auditing requirements and other rules which the finance companies must comply with to maintain their licence.

CAPITAL MARKET AUTHORITY

The CMA was established by the CML. The CMA is a governmental organisation with financial, legal and administrative independence.

The CMA regulates Saudi Arabia's capital markets. It issues the required rules and regulations for the implementation of the provisions of the CML aimed at creating an appropriate investment environment. Some of the CMA's major objectives are to:

- regulate and develop the capital market;
- protect investors and the general public from unfair and unsound practices involving fraud, deceit, cheating, manipulation and insider trading;
- achieve fairness, efficiency and transparency in securities transactions;
- develop measures to reduce the risks pertaining to securities transactions;
- develop, regulate and monitor the issuance of, and trading in, securities;
- regulate and monitor the activities of entities subject to the control of the CMA;
- regulate and monitor full disclosure of information related to securities and their issuers; and
- regulate proxy and purchase requests and public share offerings.

In addition, pursuant to the CML, the CMA has formed the Committee for the Resolution of Securities Disputes and the Council of Ministers has, also pursuant to the CML, formed the Appeal Committee for the Resolution of Securities Disputes. Both of these committees are quasi-judicial bodies authorised to adjudicate disputes and violations in respect of the CML or the rules and regulations of the CMA and/or Tadawul.

In 2016 the Financial Leadership Program 2020 (the “**Programme**”) was launched, under which a set of initiatives on the Financial Sector Development Program (i.e. one of Saudi Arabia's 2030 vision executive programmes) were enacted, including achieving the strategic objectives and initiatives of the second strategic pillar with respect to developing an advanced capital market.

Through the Programme, the CMA seeks to position the Saudi capital market as the main market in the Middle East and one of the leading financial markets in the world, while being an advanced market and attractive to domestic and

foreign investment, enabling it to play a pivotal role in developing the economy and diversifying its sources of income. The Programme consists of four main pillars, as follows:

- **Facilitating Funding:** Deepening the capital markets and promoting its role in raising capital;
- **Encouraging Investment:** Supporting the growth of asset management and promoting institutional investment;
- **Promoting Confidence:** Reinforcing the capital markets' regulatory structure; and
- **Building Capacities:** Supporting the development of market participants.

The Programme also has a focus on the developing regulatory environment for the Saudi financial markets to ensure investor protection, as well as enhancing adherence to international standards.

The CMA intends to increase the number of listed companies in both the main and junior parallel markets to more than 250 companies as well as doubling the invested capital via managed channels to reach SAR 650 billion of assets under management.

In accordance with the CMA's objective of developing market-leading international best practices and with a view to collaborating with other similar institutions internationally, the CMA is an active participant in the International Organisation of Securities Commissions which is recognised as the leader in setting the standards for securities and capital markets sectors globally. In addition, the CMA is also a participant in the Ministerial Committee of the Chairpersons of GCC Capital Markets Regulators as well as the Union of Arab Securities Authorities.

FORMATION OF THE SAUDI EXCHANGE (TADAWUL)

In the early 1980s, the Government embarked on forming a regulated market for trading. In 1984, a Ministerial Committee comprising the Ministry of Finance and National Economy, the Ministry of Commerce and SAMA was formed to regulate and develop the market. SAMA was the government body charged with regulating and monitoring market activities until the establishment of the CMA in July 2003. As the sole regulator and supervisor of the capital markets, the CMA issues the required rules and regulations to protect investors and ensure fairness and efficiency in the market.

On 19 March 2007, the Saudi Council of Ministers approved the formation of The Saudi Exchange (Tadawul) Company. This was in accordance with Article 20 of the CML establishing Tadawul as a joint stock company for the purposes of issuing and managing mechanisms for listing and trading securities and disclosure of related information. Tadawul is responsible for the executive and operational functions in the market. It is the only authorised body to manage the stock market and it aims to provide efficiency and justice in trading as well as transparency in listing requirements, technical trading systems, securities information systems in the market in addition to providing systems with high levels of efficiency for settlements and clearing and applying professional standards for brokers and their agents in the market.

In April 2021 a holding company called Saudi Tadawul Group was established in anticipation of an initial public offering of its shares later that year. Four subsidiaries were established under the holding company: the Saudi Exchange, a dedicated stock exchange business previously called Saudi Stock Exchange (Tadawul) Company, the Securities Clearing Center Company (Muqassa), the Securities Depository Center Company (Edaa) and Wamid, a new technology services business. The Saudi Exchange was established in March 2021. As Saudi Arabia's dedicated stock exchange and the largest stock exchange in the Middle East, the Saudi Exchange carries out listing and trading in securities for local and international investors. The official source of all market information, the Saudi Exchange is instrumental to achieving long-term growth plans for the Saudi Tadawul Group and providing market participants with attractive and diversified investment opportunities.

Based on data published by the World Federation of Exchanges, the Saudi Exchange was the 12th largest stock market by market capitalisation as at 31 December 2024 and is the dominant market in the GCC. It is an affiliate member of the International Organization of Securities Commissions, the World Federation of Exchanges, and the Arab Federation of Exchanges.

The legal status, duties, and responsibilities of the Saudi Exchange and Depository Center are defined in the CML.

MANAGEMENT OF LIQUIDITY AND CREDIT RISK

Under the BCL, a bank's deposit liabilities must not exceed 15 times its reserves and paid-up share capital or invested capital. The current percentage specified by SAMA for a statutory deposit is 7 per cent. of total customers' demand deposits and 4 per cent. of balances due to banks and other financial institutions (excluding balances due to SAMA and non-resident foreign currency deposits), savings deposits, time deposits and margins on letters of credit and guarantees (excluding all types of repo deposits).

In addition to the statutory deposit, each bank in Saudi Arabia is also required to maintain a liquid reserve of at least 20 per cent. of its total deposit liabilities. The liquid reserve must comprise cash, gold or assets which can be converted into cash within a period not exceeding 30 days in order to comply with the requirements of the BCL.

Previously, the BCL set a maximum limit on the amount of financial liability that a bank may incur in respect of any one person. This was replaced by the SAMA Rules on Large Exposures of Banks which became effective in October 2019. Under these rules, a bank may not grant a loan, extend a credit facility, give a guarantee or incur any other financial liability in respect of any one person in an aggregate amount exceeding:

- in the case of banks, 25 per cent. of the lending bank's total eligible capital (although if the lending bank and/or the counter party bank is/are classified as a "Domestically Systematically Important Bank" or a "Globally Systematically Important Bank", then the sum of all exposures of the lending bank to its counterparty bank cannot exceed 15 per cent. of the lending bank's available eligible capital base at all times);
- in the case of companies, 15 per cent. of the lending bank's total eligible capital; and
- in the case of individuals, 5 per cent. of the lending bank's total eligible capital.

SAMA also has the power to regulate the liquidity and credit risk of a bank by restricting, among other things, the maximum amount of money which may be financed by a bank and the categories of financings which a bank can make. These restrictions may vary from bank to bank depending on the relevant circumstances and are in addition to the statutory deposit and liquid reserve requirements provided for in the BCL.

SAMA carries out a full review of the operations of each bank every three years and more regular assessments of specific functions within each institution. SAMA has also intervened to support banks that have found themselves in difficulties. Similarly, it allowed distressed banks to benefit from low-cost funding in the 1980s and provided support to banks during the COVID-19 pandemic.

Over the years, SAMA has developed a reputation as a strict regulator. In 1989, SAMA introduced accounting and disclosure standards for commercial banks in Saudi Arabia, which essentially comply with IFRS. All banks in Saudi Arabia are now in compliance with IFRS that are endorsed in Saudi Arabia and other standards and pronouncements issued by SOCPA. The banks also prepare their financial statements to comply with the BCL and the Companies Law.

REPORTING REQUIREMENTS

Banks are required to submit monthly statements of the consolidated financial position of their domestic and foreign branches. Banks also have to submit quarterly, semi-annual and annual reports to SAMA. These reports are comprehensive and deal with matters such as the maturity schedule of credit facilities, risk concentrations, large

exposures, foreign exchange exposure, analysis of specific loan loss reserves and a calculation of the relevant bank's risk asset-based capital adequacy.

Banks are required to submit their audited consolidated annual financial statements to SAMA within six months of each financial year end and listed banks are required to report within three months in accordance with the Rules on the Offer of Securities and Continuing Obligations. Annual consolidated financial statements have to be audited by two independent joint auditors. The published audited consolidated financial statements of Saudi banks are required to adopt all IFRS as endorsed in Saudi Arabia and other standards and pronouncements issued by SOCPA. The consolidated financial statements are also required to comply with the BCL and the Companies Law. Listed joint stock companies have to publish quarterly financial statements as their stocks are listed on Tadawul. However, quarterly financial statements are reviewed by the auditors in accordance with the International Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" that is endorsed in Saudi Arabia and are limited in terms of the scope of procedures performed.

Since SAMA introduced mandatory disclosure standards, there has been an improvement in the level of disclosure by Saudi banks. Banks now publish a breakdown of loans by sector and geography, in addition to loans to the Government and related parties. Banks also report doubtful loans, loan loss reserves and write-offs.

ANTI-MONEY LAUNDERING AND COUNTER-TERRORIST FINANCING

Saudi Arabia is a signatory to, and has implemented measures required by, the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, the International Convention for the Suppression of the Financing of Terrorism and various other international conventions and agreements relating to money laundering and terrorist financing. In June 2019, Saudi Arabia was the first Arab country to join the Financial Action Task Force (the "**FATF**") as a full member. On a regional level, Saudi Arabia is a founding member of the Middle East and North Africa Financial Action Task Force (the "**MENA-FATF**") which was created in 2004.

Money laundering is considered an offence under Shari'a law. Over the past 10 years, Saudi Arabia has put into place a relatively comprehensive legislative and regulatory framework that deals with money laundering and terrorist financing and is consistent with FATF recommendations and Wolfsberg Group principles. Saudi Arabia implemented its first customer identification procedure in 1975.

Saudi Arabia has comprehensive rules covering KYC, AML and counter-terrorist financing ("**CTF**") requirements for the banking sector. In April 2003, SAMA issued updated Rules Governing the Opening of Bank Accounts and General Operational Guidelines (SAMA No. 3222/BCI/60: dated 8 April 2003) (the "**Account Opening Rules**") which have been updated on numerous occasions since then. These rules contain comprehensive requirements governing customer identification, the opening and maintenance of bank accounts, the transmission of funds and the deposit of cash and also contain detailed rules controlling the operation of bank accounts for charitable and welfare organisations.

In October 2017, Saudi Arabia's existing Anti-Money Laundering Law and Implementing Rules were replaced by (i) the Anti- Money Laundering Law and Implementing Rules issued pursuant to Royal Decree No. M/20 dated 05/02/1439H (corresponding to 25 October 2017) and (ii) the Combating-Terrorism Crimes and its Financing Law and its implementing regulations issued pursuant to Royal Decree No. M/21 dated 12/02/1439H (corresponding to 1 November 2017) (together, the "**AML Law**") which provides an up-to-date legal framework for money laundering and terrorist financing offences.

In November 2019, SAMA issued the Anti-Money Laundering and Counter-Terrorism Financing Guide setting out the requirements of the updated AML Law for financial institutions and requiring all financial institutions operating in Saudi Arabia and supervised by SAMA to strictly comply with such requirements as well as requesting financial institutions to put in place additional appropriate measures as required by the result of their internal risk assessment.

Similarly, the CMA required capital market institutions to comply with the AML Law under the Capital Market Institutions Regulations issued by the Board of the CMA pursuant to its resolution number 1-83-2005, dated 21/5/1426H (corresponding to 28 June 2005), as last amended by the Board of the CMA pursuant to its resolution number 1-94-2022 dated 24/1/1444H (corresponding to 22 August 2022).

In 2020, SAMA issued guidelines to combat financial fraud in banks operating in Saudi Arabia. The guidelines aim to institutionally tackle fraud, bribery and corruption by requiring all banks operating in Saudi Arabia to implement and comply with specified controls as minimum standards.

In April 2021, Saudi Arabia issued the Law on Combating Financial Fraud and Deceit, which set out certain penalties (including fines and imprisonment) for fraudulent and deceitful activities. Saudi Arabia's public prosecution body has authority to institute lawsuits in relation to acts that constitute a violation of this law.

In September 2018, the FATF and the MENA-FATF jointly assessed Saudi Arabia's anti- money laundering and counter-terrorism financing system. The key findings, priority actions and recommendations for Saudi Arabia of this assessment were discussed in June 2018 in the joint plenary meeting of the MENA-FATF in Paris. The assessment report of Saudi Arabia can be found on the websites of MENA-FATF and FATF. In January 2020, a follow-on report was published analysing Saudi Arabia's progress in addressing the technical compliance deficiencies that were identified in the 2018 mutual evaluation report issued by the FATF and the MENA-FATF. The report found that Saudi Arabia has made some progress in addressing the technical compliance deficiencies previously identified but will remain in enhanced follow-up and continue to report back to the FATF on the progress made to strengthen its implementation of AML and CTF measures. Saudi Arabia is compliant with 17 of the 40 FATF recommendations, largely compliant with 21 and partially compliant on two, relating to statistics and international instruments, respectively.

FINANCIAL REQUIREMENTS

SAMA has introduced regulations to ensure that banks do not have disproportionate concentrations of risk in any one sector or client and that sufficient liquidity and capitalisation is maintained to support bank activities.

The most significant regulations are summarised below:

Doubtful and Past Due Loans/Loan Loss Reserves

In 2004, SAMA issued regulations regarding the classification of assets, as well as provisioning norms. The table below shows the classifications and the reserves required for prudential regulation purposes:

Classification	Defined as	Reserve requirement
Current.....	No problems	1 per cent. of outstanding
IA (Special mention)	Potential weakness	1 per cent. of outstanding
II (Substandard)	Inadequate capacity to pay and/or profit or principal overdue by more than 90 days	25 per cent. of outstanding
III (Doubtful).....	Full collection questionable and/or overdue by more than 180 days	50 per cent. of outstanding
IV (Loss).....	Uncollectible and/or overdue by more than 360 days	100 per cent. of outstanding

All banks in Saudi Arabia also calculate impairment provisions in accordance with IFRS 9 on a forward-looking “Expected Credit Loss” basis.

Liquidity

Saudi banks are required to maintain liquid assets of at least 20 per cent. of deposit liabilities. For the purposes of this calculation, cash, gold, treasury bills, government bonds, up to one month placements and any asset that can be liquidated within 30 days are included. The breakdown of call deposits, savings accounts and time deposits must also be shown on the balance sheet. The maturity of assets and liabilities has to be disclosed to determine the sensitivity to commission rate risk.

Capital Adequacy

The GCC has introduced a common standard for capital adequacy based on Bank for International Settlements capital adequacy standards. The GCC standard applicable in Saudi Arabia recommends a minimum 8 per cent. ratio of capital to risk weighted assets, including off-balance sheet risk. Assets are categorised into four risk groups carrying varying risk weights according to the risk assessment of the counterparty. There are also two levels of country risk, one for the GCC and member countries of the OECD and others that have special lending arrangements with the IMF under its general agreement to borrow, which is considered a preferred risk. All other countries are considered full risk. In contrast, BIS only counts Saudi risk and not all of the GCC at par with OECD. The other major difference is that the GCC standards account for mortgage loans as 100 per cent. risk, which differs from the BIS approach (which is applied by SAMA).

Deposit liabilities of banks are limited to 15 times capital and reserves. In cases where this ratio is exceeded, banks must place interest-free deposits of half the excess amount with SAMA. Furthermore, 25 per cent. of net profits (after deduction of Zakat liabilities) has to be transferred to statutory reserves until the reserve balance equals paid-up capital.

Basel III Framework

In response to the global financial crisis which commenced in 2007, the Basel Committee enhanced its capital measurement and capital standards by issuing a new capital framework (the “**Basel III Framework**”). The Basel III Framework focuses on strengthening the quality of regulatory capital, raising the minimum capital requirements, enhancing risk coverage and reducing cyclicity of regulatory capital. It introduces new leverage and liquidity ratio requirements and capital buffers (including in the form of a capital conservation buffer) to promote the build-up of capital. These enhancements were implemented by means of a staggered approach up to 2019.

SAMA has introduced the main elements of the Basel III Framework in accordance with the timelines agreed by the Basel Committee. This includes the introduction of the leverage ratio, the liquidity coverage ratio, the net stable funding ratio and the capital adequacy framework as well as the sound management and operational risk guidelines, the standardised approach for measuring counterparty credit-risk exposures and capital requirements for banks’ exposures to central counterparties. The final pillar of the Basel III reforms changed the methodology for calculating risk-weighted assets for credit, operational and market risk. On 28 December 2022, SAMA issued its final guidelines on these changes, which became effective on 1 January 2023.

The Basel III Framework requires banks’ exposures to be backed by a high-quality capital base. To this end, the predominant form of Tier 1 capital must be common shares and retained earnings. The Basel Committee principles adopted by SAMA ensure that banks hold high-quality Tier 1 capital that represents “Pure Capital” which is highly “Loss Absorbent” through the following measures:

- deductions from capital and prudential filters to be generally applied at the level of common equity or its equivalent;

- subordinated debt of high quality;
- fully discretionary non-cumulative dividends or coupons;
- neither a maturity date nor an incentive to redeem;
- innovative hybrid capital instruments with an incentive to redeem through features such as step-up clauses, currently limited to 15 per cent. of the Tier 1 capital base, will be phased out;
- Tier 3 capital instruments to cover market risks are eliminated; and
- to improve market discipline, the transparency of the capital base will be improved, with all elements of capital required to be disclosed along with a detailed reconciliation to the reported accounts.

Following the implementation of Basel III standards related to capital, the minimum requirements for regulatory capital, excluding capital buffers, in Saudi Arabia are:

- common equity tier 1 must be at least 4.5 per cent. of risk-weighted assets at all times;
- Tier 1 Capital must be at least 6.0 per cent. of risk-weighted assets at all times; and
- Total Capital (Tier 1 Capital plus Tier 2 Capital) must be at least 8.0 per cent. of risk-weighted assets at all times.

Basel IV Regulation

In response to the ongoing evolution of the banking sector following the 2007 financial crisis, the Basel Committee introduced further reforms known as the Basel IV Regulation, building upon the Basel III Framework. The implementation of the Basel IV Regulation, initially proposed for 2022, was deferred to January 2023 due to the COVID-19 pandemic. These measures aim to increase the resilience of the banking system, ensuring higher capital adequacy, reducing variability in risk assessments, and enhancing transparency and comparability in banks' capital ratios.

SAMA has implemented the Basel IV Regulation, with full implementation taking effect from 1 January 2023. This includes an updated approach to calculating risk-weighted assets (“RWA”) thresholds, emphasising an improved standardised approach and reducing reliance on an internal ratings-based approach. Additionally, such implementation incorporates a revised leverage framework and introduces minimum output floors for RWA calculations, which are key components in aligning with the Basel IV Regulation.

Treatment of Systemically Important Financial Institutions Law

The SIFI Law relates to the treatment of systemically important financial institutions (“SIFIs”). As at the date of this Base Offering Circular, the implementing regulations to the SIFI Law which will contain detailed provisions have not yet been issued. Therefore, there is a current uncertainty as to the exact scope and effect of the SIFI Law and whether and to what extent it will apply to the Bank in the future.

The SIFI Law gives the relevant regulator (being SAMA and the CMA in relation to financial institutions regulated by each entity) the authority to determine, from time to time, whether a financial institution should be deemed to be systematically important. As at the date of this Base Offering Circular, no financial institution in Saudi Arabia has been deemed to be a systematically important financial institution by SAMA under the SIFI Law.

In light of the uncertainty as to whether the Bank will be classified by SAMA as a SIFI and SAMA's powers in relation to SIFIs, it cannot be discounted that, in the event that the Bank meets the requirements for a treatment plan to be applied as discussed below, any of the following actions could be imposed by SAMA on Certificateholders:

- conversion of the Certificates or other debt of the Bank into equity; or
- write-down or write-off of the value of the Certificates.

Among other things, the SIFI Law provides that:

- the management of the relevant financial institution shall be required to notify SAMA when the financial institution is distressed or likely to become distressed;
- within 180 days of being requested by SAMA, the relevant financial institution shall submit, for review by SAMA, a recovery plan detailing the steps and procedures to be taken for the restoration of the financial institution's financial position;
- any application for bankruptcy procedures in respect of the relevant financial institution is subject to approval by SAMA, such that SAMA may instead commence a Treatment Plan (as defined below);
- subject to the Treatment Conditions (as defined below) being met, SAMA may prepare a treatment plan (a "**Treatment Plan**") for the relevant financial institution group which, subject to review and input from the financial institution, and subject to approval by the Council of Economic and Development Affairs, may provide for:
 - (a) the sale of all or part of the shares, stocks, assets and/or liabilities of the Financial Institution to a third party;
 - (b) incorporation of a bridge institution, to which all or part of the shares, stocks, assets and/or liabilities of the financial institution or bridge institution are transferred;
 - (c) establishment of an asset management institution to whom the assets or liabilities of the financial institution are transferred; and/or
 - (d) an amendment of the rights of creditors and/or holders of capital instruments of the financial institution, including, without limitation, the reduction, cancellation or conversion thereof.

The SIFI Law also provides that in implementing the relevant Treatment Plan, shareholders and creditors shall not receive less, or shall not incur greater losses, than what is estimated would have been received or lost, had the relevant financial institution been wound-up at the time of the Treatment Plan.

The "**Treatment Conditions**" are:

- The financial institution is in distress (as further explained below), or is likely to become distressed in a way that affects its continuity and ability to fulfil its obligations.
- The financial institution is unable to fulfil its obligations, affecting its ability to continue in due course, if a treatment plan is not undertaken.
- The treatment plan achieves any of the objectives of the SIFI Law.
- Implementing a treatment plan for the financial institution is better than it being wound-up.

Pursuant to the SIFI Law, in this context, "**distress**" includes:

- a lack of financial and administrative resources necessary to achieve the requirements of financial adequacy, liquidity, risk management or institution management in general, and to meet the continuing obligations of licensing which, if not met, justify licensing revocation;

- where the value of the financial institution's assets fall below, or is expected to fall below the value of its liabilities in near future;
- where the financial institution is unable, or is expected to become unable, to pay its debts when due; and
- a need for exceptional government support.

SAMA SUPPORT PROGRAMME AND INITIATIVES

As part of SAMA's role in activating monetary policy tools and preserving financial stability, as well as in support of the Government's efforts to mitigate the expected financial and economic effects on the private sector of the COVID-19 pandemic, SAMA injected over SAR 50 billion into the banking sector to enhance banking liquidity and enable banks to continue providing credit facilities for the private sector. Through this support measure, SAMA intended to help banks revise or restructure their private sector loans with no additional charges, support plans to maintain employment levels in the private sector and provide certain e-banking services for free.

SAMA's programme was aimed at supporting and enabling the private sector to promote economic growth through a package of measures, including depositing approximately SAR 50 billion for banks and financing companies to delay the payment of dues to the financial sector (banks and finance companies) from MSMEs for defined periods. This programme was completed in March 2022. Other support included a guaranteed facility programme and a loan guarantee programme, both also aimed at supporting the MSME sector.

In addition, SAMA provided support to payment service providers to enable them to forego fees of payment services transactions for a limited period.

SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS

The following is a summary of certain provisions of the principal Transaction Documents and is qualified in its entirety by reference to the detailed provisions of the principal Transaction Documents. Copies of the Transaction Documents will be available for inspection and/or via email as set out under “General Information – Documents Available”. Words and expressions defined elsewhere in this Base Offering Circular shall have the same meanings in this section.

Master Purchase Agreement

The Master Purchase Agreement was entered into on 11 February 2020 (as amended on 16 May 2025 by the Amendment Agreement) between the Trustee (in its capacities as Trustee and as Purchaser) and the Bank (in its capacity as Seller) and is governed by the laws of the Kingdom. A Supplemental Purchase Contract (together with the Master Purchase Agreement, each a “**Purchase Agreement**”) between the same parties will be entered into on the Issue Date of each Tranche and will also be governed by the laws of the Kingdom. Pursuant to the Purchase Agreement, the Seller will irrevocably and unconditionally sell, transfer and assign to the Purchaser, and the Purchaser will buy from the Seller, (i) (on the issue date of the first Tranche of a Series) the relevant Initial Portfolio together with the transfer and/or assignment (as applicable) by the Seller to the Purchaser of all of the Seller’s rights, title, interests, benefits and entitlements in, to and under the Assets which comprise the relevant Initial Portfolio and (ii) (on each date on which any additional Certificates are issued) the relevant Additional Portfolio together with the transfer and/or assignment (as applicable) by the Seller to the Purchaser of all of the Seller’s rights, title, interests, benefits and entitlements in, to and under the Assets which comprise the relevant Additional Portfolio.

Servicing Agency Agreement

The Servicing Agency Agreement was entered into on 11 February 2020 (as amended on 16 May 2025 by the Amendment Deed) between the Trustee (in its capacity as Trustee) and the Bank (as Servicing Agent of each Portfolio) and is governed by English law.

Services

Pursuant to the Servicing Agency Agreement, the Trustee has appointed the Servicing Agent to service the Portfolio applicable to each Series. In particular, the Servicing Agent will, in relation to each Series, perform, amongst other things, the following services (the “**Services**”) as agent of the Trustee:

- (a) it will service the Portfolio in accordance with the investment plan in or substantially in the form of the Schedule to the Servicing Agency Agreement (a copy of which will be scheduled to the relevant Supplemental Purchase Contract), which includes the amount of expected Portfolio Income Revenues (as defined below) of the Portfolio (the “**Expected Portfolio Income Revenues Amount**”), which shall be completed by the Servicing Agent at the time of issue of the first Tranche of the relevant Series upon receipt from the Trustee of the relevant Supplemental Purchase Contract;
- (b) if the Trustee issues an Additional Tranche, the Servicing Agent will as soon as practicable after such issuance amend the Investment Plan (as defined in the Servicing Agency Agreement) for that Series to take into account the issuance of such Additional Tranche;
- (c) it will at no time substitute any Asset(s) for any Asset(s) of a Value less than the Value of the Asset(s) so substituted;
- (d) it will use its best endeavours promptly to place (for and on behalf of the Trustee) all Portfolio Principal Revenues in acquiring, for and on behalf of the Trustee, further Assets and, to the extent insufficient Assets are available, to invest the cash sums representing such Portfolio Principal Revenues in *Shari’a*-

Compliant Investments (being an investment product which is structured to comply with *Shari'a* principles and includes any investment deposit with a *Shari'a*-compliant financial institution) until it can, using its best endeavours, place those sums in further Assets and such sums and *Shari'a* Compliant Investments shall form part of the relevant Portfolio until they can be so placed;

- (e) it will do all acts and things (including execution of such documents, issue of notices and commencement of any proceedings) that it considers (and without the need for the consent of the Trustee) reasonably necessary to ensure the assumption of, and compliance by, each Asset Obligor with its covenants, undertakings or other obligations under the Asset Contract to which it is a party in accordance with applicable law and the terms of the Asset Contract, in each case in respect of the Assets;
- (f) it will discharge or procure the discharge of all obligations to be discharged by the Trustee and the Bank (in whatever capacity) in respect of any of the Assets under all Asset Contracts, it being acknowledged that the Servicing Agent may appoint one or more agents to discharge these obligations on its behalf;
- (g) it will pay on behalf of the Trustee any actual costs, expenses, losses and Taxes (as defined in the Servicing Agency Agreement) which would otherwise be payable by the Trustee as a result of the Trustee's ownership of the Portfolio, such actual costs, expenses, losses and Taxes will be reimbursed in accordance with the Servicing Agency Agreement;
- (h) it will use all reasonable endeavours to ensure the timely receipt of all Portfolio Revenues, investigate non-payment of Portfolio Revenues and generally make all reasonable efforts to collect or enforce the collection of such Portfolio Revenues under all Asset Contracts as and when the same shall become due;
- (i) it will ensure that all Portfolio Income Revenues are received free and clear of, and without withholding or deduction for, Taxes (as defined therein);
- (j) it will use all reasonable endeavours to ensure that the Portfolio Income Revenues are at least equal to the Expected Portfolio Income Revenues Amount;
- (k) it will maintain the Collection Accounts as described further under "*Collection Accounts*";
- (l) it will obtain all necessary authorisations in connection with any of the Assets and its obligations under or in connection with the Servicing Agency Agreement;
- (m) it will use its reasonable endeavours to maintain the Portfolio Value at least equal to the outstanding face amount of the relevant Certificates;
- (n) it will use its reasonable endeavours to ensure that all Asset Obligors maintain industry standard insurances and fulfil all structural repair and major maintenance obligations in respect of the relevant Assets (each in accordance with the terms of the relevant Asset Contracts relating to the Assets);
- (o) (other than in cases where no Tier 2 Certificates remain outstanding following a Write-Down), if on the Scheduled Dissolution Date or on a Dissolution Date, as the case may be, the Bank fails to pay an Exercise Price (as defined in the Purchase Undertaking or the Sale and Substitution Undertaking, as the case may be) in accordance with clauses 2 and 3 of the Purchase Undertaking or clauses 2 and 3 of the Sale and Substitution Undertaking, as the case may be:
 - (i) the Trustee shall maintain its ownership interest in the relevant Portfolio;
 - (ii) the Servicing Agent shall continue to perform the Services in respect of such Portfolio; and

- (iii) unless otherwise instructed by the Delegate, the Servicing Agent will, for the period for which any Exercise Price remains outstanding, continue to credit all Portfolio Revenues in accordance with clause 6 of the Servicing Agency Agreement; and

- (p) it shall carry out any incidental matters relating to any of the above.

For the purposes of the Servicing Agency Agreement, “**Value**” means, in respect of any Asset, the amount in the Specified Currency (following conversion, if necessary, of any relevant amount(s) at the spot rate of exchange) determined by the Servicing Agent on the relevant date as being equal to: (i) in the case of Ijara Assets which are leased on an *ijara muntahiah bittamleek* (financial lease) basis, the aggregate of all outstanding fixed rental instalment amounts payable by the lessee or other equivalent fixed instalment amounts payable by the obligor, in each case in the nature of capital or principal payments in respect of the relevant asset, (ii) in the case of Ijara Assets which are not leased on an *ijara muntahiah bittamleek* (financial lease) basis, the initial agreed value or the outstanding base amounts or other equivalent of aggregate fixed instalment amounts payable by the obligor or any other amounts in the nature of capital or principal payments in respect of the relevant asset and, (iii) in the case of Other Shari’a Compliant Assets (as defined in the Master Purchase Agreement), the outstanding capital or investment amounts.

Records and documents

The Servicing Agent has undertaken, in relation to each Series, that it will keep and maintain (and provide to the Trustee within 60 days of receiving a request in writing) all documents, books, records and other information reasonably necessary or advisable for the collection of all amounts due in respect of the Assets and all amounts credited to the Collection Accounts (including, without limitation, records adequate to permit the identification of all amounts received in respect of each Asset) and except to the extent it is under any duty or obligation to keep such information confidential, make such documents, books, records and other information available to the Trustee or such other person as the Trustee may reasonably request.

The Servicing Agent has agreed in the Servicing Agency Agreement:

- (a) to provide the Services in accordance with all applicable laws and regulations;
- (b) to provide the Services with the degree of skill and care that it would exercise in respect of its own assets; and
- (c) to service the Assets in accordance with *Shari’a* principles as laid down by its Fatwa and *Shari’a* Supervisory Board.

Service Agency Liabilities Amounts and Fees

The Trustee and the Servicing Agent have agreed that any Service Agency Liabilities Amounts incurred by the Servicing Agent in providing the Services in relation to a Series shall be paid by the Trustee by way of the application of amounts standing to the credit of the Income Collection Account by the Servicing Agent on the Trustee’s behalf in payment of such amounts (as described below) or otherwise on the final Dissolution Date. For these purposes, “**Service Agency Liabilities Amount**” means, in relation to each Series, the amount of any claims, losses, costs and expenses properly incurred or suffered by the Servicing Agent or other payments made by the Servicing Agent on behalf of the Trustee, in each case in providing the Services during a “**Distribution Period**” (being, in relation to a Series, the period beginning on (and including) the Issue Date of the first Tranche of such Series and ending on (but excluding) the First Distribution Date and each successive period beginning on (and including) a Distribution Date and ending on (but excluding) the next succeeding Distribution Date), but does not include any amount due to the Servicing Agent (or any third party provider of a Liquidity Facility (as defined below)) under the Servicing Agency Agreement in respect of any Liquidity Facility.

The Trustee has paid to the Servicing Agent a fee of U.S.\$100 payable on the date of the Servicing Agency Agreement. In addition, following payment of all amounts due and payable under the Certificates of each Series on the final Dissolution Date, the Servicing Agent will be entitled to retain any amounts that remain standing to the credit of the Income Reserve Collection Account for its own account as an incentive payment for acting as Servicing Agent.

Asset Substitutions

In the Servicing Agency Agreement, the Trustee and the Servicing Agent have agreed that, in relation to each Series and provided that no Dissolution Event has occurred and is continuing, the Bank may at any time exercise its rights under the Sale and Substitution Undertaking to substitute (and, upon any Asset ceasing to be an Eligible Asset, the Servicing Agent will procure that the Bank uses all reasonable endeavours to so substitute) any one or more of the Assets as the Bank may select (subject to any such Substituted Asset(s) being the Asset(s) ceasing to be Eligible Asset(s), if applicable) in accordance with the Sale and Substitution Undertaking. The new Asset(s) for these purposes will be Eligible Assets (as defined in the Master Purchase Agreement) of a Value not less than the Value of the Substituted Asset(s), and any such substitution shall otherwise be undertaken on the terms and subject to the conditions of the Servicing Agency Agreement and the Sale and Substitution Undertaking.

Collection Accounts

In relation to each Series, the Servicing Agent will maintain three ledger accounts (such accounts being the “**Principal Collection Account**”, the “**Income Collection Account**” and the “**Income Reserve Collection Account**”) in its books (each of which shall be denominated in the Specified Currency) in which all revenues from the Assets (the “**Portfolio Revenues**”) will be recorded. The Portfolio Revenues include all rental and other amounts payable by the relevant Asset Obligor under the terms of the relevant Asset Contract, and all sale proceeds or consideration, damages, insurance proceeds, compensation or other sums, in each case as received by the Servicing Agent or the Bank in whatever currency in respect of or otherwise in connection with the relevant Assets. All Portfolio Revenues in relation to each Series will be recorded:

- (i) to the extent that any such amounts comprise amounts in the nature of sale, capital or principal payments in respect of the relevant Assets, expressed, whenever applicable, as an amount in the Specified Currency (following conversion, if necessary, of any relevant amounts at the spot rate of exchange determined by the Bank) (“**Portfolio Principal Revenues**”) in the Principal Collection Account; and
- (ii) to the extent that any such amounts comprise amounts other than Portfolio Principal Revenues (“**Portfolio Income Revenues**”), in the Income Collection Account.

Amounts standing to the credit of the Income Collection Account relating to each Series will be applied by the Servicing Agent on each “**Distribution Determination Date**” (being the Business Day immediately prior to the relevant Periodic Distribution Date under the Certificates of the relevant Series) in the following order of priority:

- (a) *first*, in repayment of any outstanding amounts advanced prior to such Distribution Determination Date by way of a Liquidity Facility;
- (b) *secondly*, in payment of any Service Agency Liabilities Amounts for the Distribution Period ending immediately before the immediately following “**Distribution Date**” (being the date which corresponds with the relevant Periodic Distribution Date under the Certificates of the relevant Series);
- (c) *thirdly*, to pay into the relevant Transaction Account an amount equal to the lesser of the Required Amount (as defined below) payable on the immediately following Periodic Distribution Date and the balance of the Income Collection Account; and

- (d) *fourthly*, any amounts still standing to the credit of the Income Collection Account immediately following payment of all of the above amounts shall be debited from the Income Collection Account and credited to the Income Reserve Collection Account.

For the purposes of the Servicing Agency Agreement, the “**Required Amount**” will mean an amount equal to the aggregate of the Periodic Distribution Amounts and any other amounts payable by the Trustee in respect of the relevant Certificates on each relevant Periodic Distribution Date.

The Servicing Agent will be entitled to deduct amounts standing to the credit of the Income Reserve Collection Account at any time during the Ownership Period and use such amounts for its own account, provided that such amounts are used for *Shari’a*-compliant purposes only, as determined by the Riyadh Bank Shari’ah Committee, and provided that such amounts shall be repaid by it if so required to fund a Shortfall (as defined and described below).

Shortfalls and Liquidity Facilities

If on a Distribution Determination Date (after (i) payment of the relevant amounts standing to the credit of the Income Collection Account into the relevant Transaction Account in accordance with paragraph (c) under “– *Collection Accounts*” and (ii) taking into account any other payments made or to be made into the relevant Transaction Account pursuant to any other Transaction Document) there is a shortfall (each a “**Shortfall**”) between:

- (a) the amounts standing to the credit of the relevant Transaction Account; and
- (b) the Required Amount payable on the immediately following Periodic Distribution Date,

the Servicing Agent will pay into the relevant Transaction Account on that Distribution Determination Date from the amounts standing to the credit of the Income Reserve Collection Account (if any) an amount equal to the Shortfall (or such lesser amount as is then standing to the credit of the Income Reserve Collection Account). If any Shortfall still remains after payment to the relevant Transaction Account of the amounts credited to the Income Reserve Collection Account (as described in this paragraph) and after payment to the relevant Transaction Account of all other amounts payable pursuant to any other Transaction Document, the Servicing Agent may either (A) provide *Shari’a*-compliant funding itself or (B) procure *Shari’a*-compliant funding from a third party, in each case, to the extent necessary, by payment of the same into the relevant Transaction Account, on terms that such funding is repayable (i) from Portfolio Income Revenues in accordance with the Servicing Agency Agreement or (ii) on the date on which the Certificates of the relevant Series are redeemed in full, to ensure that the Trustee receives on each Distribution Determination Date the Required Amount payable by it in accordance with the Conditions of the relevant Series on the immediately following Periodic Distribution Date (such funding in relation to a Series, a “**Liquidity Facility**”).

Payments under the Servicing Agency Agreement

The Servicing Agent has agreed in the Servicing Agency Agreement that all payments by it under the Servicing Agency Agreement will be made free and clear of, and without deduction or withholding for, any Taxes unless required by law and without set-off or counterclaim of any kind and, in the event that there is any such deduction or withholding, the Servicing Agent shall pay all additional amounts as will result in the receipt by the Trustee of such net amounts as would have been received by it if no such deduction or withholding had been made. The payment obligations of the Servicing Agent under the Servicing Agency Agreement in relation to a Series will be: (i) (in the case of Senior Certificates) direct, unconditional, unsubordinated and (subject to the provisions of the Purchase Undertaking) unsecured obligations of the Bank which rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Bank save for such obligations as may be preferred by provisions of law that are both mandatory and of general application; and (ii) (in the case of Tier 2 Certificates) direct, unsecured and subordinated obligations of the Bank which shall, in the case of a Winding Up Proceeding, rank: (a) subordinate to claims in respect of Senior Obligations; (b) at least *pari passu* with claims in respect of Parity Obligations and (c) in priority to claims in respect of Junior Obligations.

The Trustee has irrevocably waived its rights to the extent necessary to give effect to the subordination provisions in (ii) above.

Purchase Undertaking

The Purchase Undertaking was executed as a deed on 11 February 2020 (as amended on 16 May 2025 by the Amendment Deed) by the Bank in favour of Riyad Sukuk Limited (in its capacity as Trustee) and the Delegate, and is governed by English law.

The Bank has, in relation to each Series, irrevocably undertaken in favour of the Trustee and the Delegate to purchase or procure the purchase of all the Trustee's rights, title, interests, benefits and entitlements in, to and under the relevant Portfolio on the relevant Scheduled Dissolution Date or any earlier Dissolution Date (other than where the Dissolution Date is a Certificateholder Put Option Date, as to which see below) for the relevant Series at the "**Portfolio Exercise Price**", which shall be an amount in the Specified Currency equal to the aggregate of:

- (a) the aggregate outstanding face amount of the Certificates of the relevant Series on the relevant Dissolution Date;
- (b) an amount equal to all accrued and unpaid Periodic Distribution Amounts (if any) relating to the Certificates of the relevant Series; and
- (c) an amount equal to the sum of any outstanding (i) amounts repayable in respect of any Liquidity Facility and (ii) Service Agency Liabilities Amounts.

The Trustee will also be entitled to exercise the Purchase Undertaking following any exercise by the Certificateholders of any relevant Series of their right to require the Trustee to redeem their Certificates on a Certificateholder Put Option Date, in which case the Bank will be required to purchase or procure the purchase of a portion of the relevant Portfolio (such portion to comprise the "**Certificateholder Put Option Assets**") with an aggregate Value no greater than the aggregate face amount of the Certificates to be redeemed. The exercise price (the "**Certificateholder Put Option Exercise Price**" and, together with the Portfolio Exercise Price and the Non-Viability Event Exercise Price (as defined below), each an "**Exercise Price**") payable for the Certificateholder Put Option Assets will be an amount in the Specified Currency equal to the aggregate of:

- (a) the product of (i) the aggregate face amount of the relevant Certificateholder Put Option Certificates and (ii) the Optional Dissolution Amount (Certificateholder Put) Percentage specified in the applicable Pricing Supplement;
- (b) an amount equal to all accrued and unpaid Periodic Distribution Amounts (if any) relating to the relevant Certificateholder Put Option Certificates; and
- (c) (only where no Certificate of the relevant Series remains outstanding following the exercise of the Certificateholder Put Option) an amount equal to the sum of any outstanding (i) amounts repayable in respect of any Liquidity Facility and (ii) any Service Agency Liabilities Amounts.

In the case of Tier 2 Certificates only, provided that a Non-Viability Event (as defined below) has occurred, the Trustee will be entitled to require the Bank, on the date specified in the Non-Viability Notice (the "**Non-Viability Event Write-down Date**"), to purchase or procure the purchase of all of the Trustee's rights, title, interests, benefits and entitlements in, to and under the Write-down Portfolio Assets at the Non-Viability Event Exercise Price (as defined below) specified in the Exercise Notice (as defined in the Purchase Undertaking).

"**Non-Viability Event**" means that the Financial Regulator has notified the Bank in writing that it has determined that the Bank is, or will become, Non-Viable without:

- (a) a Write-down of the Certificates (and write-down of any of the Bank's other capital instruments or other obligations constituting Tier 1 Capital and/or Tier 2 Capital of the Bank that, pursuant to their terms or by operation of law, are capable of being written down and/or converted into equity); or
- (b) a public sector injection of capital (or equivalent support), provided that such injection of capital is not made (i) by a shareholder of the Bank or (ii) on terms that are more favourable to the Bank than those that would be accepted by private investors in comparable transactions;

“Non-Viability Event Exercise Price” means, in relation to each Series (if applicable), the price payable by the Bank to the Trustee in respect of the purchase by the Bank of all of the Trustee's rights, title, interests, benefits and entitlements in, to and under the Write-down Portfolio Assets, which shall be an amount in the Specified Currency equal to the aggregate of:

- (a) the aggregate face amount of the Non-Viability Event Write-down Certificates as at the Non-Viability Event Write-down Date;
- (b) an amount equal to all accrued and unpaid Periodic Distribution Amounts (if any) relating to the Non-Viability Event Write-down Certificates up to (but excluding) the Non-Viability Event Write-down Date (provided payment of such amounts are not prohibited by the Financial Regulator or the Capital Regulations at such time); and
- (c) (only where no Certificate remains outstanding following the Write-down) an amount equal to the sum of any outstanding (i) amounts repayable in respect of any Liquidity Facility and (ii) Service Agency Liabilities Amounts.

If the Delegate exercises any of the options described above, an exercise notice will be required to be delivered by the Delegate under the Purchase Undertaking.

(Other than in cases where no Tier 2 Certificates remain outstanding following a Write-down), if the Bank fails to pay all or part of any Exercise Price that is due in accordance with the Purchase Undertaking or an equivalent amount by way of indemnity (as further described below), the Bank has agreed in the Purchase Undertaking that it will irrevocably, unconditionally and automatically (without the necessity for any notice or any other action) continue to act as servicing agent for the provision of the Services in respect of the relevant Portfolio on the terms and conditions, *mutatis mutandis*, of the Servicing Agency Agreement.

The Bank has expressly declared in the Purchase Undertaking that:

- (a) the relevant Exercise Price represents a fair price for the purchase of all of the Trustee's rights, title, interests, benefits and entitlements in, to and under the relevant Portfolio or the relevant Certificateholder Put Option Assets, as the case may be; and
- (b) it shall irrevocably, unconditionally and fully accept all or any ownership or other interest the Trustee may have in the relevant Portfolio, the relevant Certificateholder Put Option Assets or the Write-down Portfolio Assets, as the case may be, and, accordingly, shall not dispute or challenge all or any ownership or other interest the Trustee may have in any way.

The Bank has further covenanted and undertaken to the Trustee in the Purchase Undertaking that if the relevant Exercise Price is not paid in accordance with the provisions of the Purchase Undertaking, whether as a result of a dispute or challenge in relation to the rights, benefits and entitlements of the Trustee in, to and under the Portfolio (or any of the assets comprising the Portfolio), the Certificateholder Put Option Assets or the Write-down Portfolio Assets, as the case may be, or for any other reason, the Bank shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the outstanding

Certificates and, accordingly, the amount payable under any such indemnity claim will equal the relevant Exercise Price.

In the Purchase Undertaking, the Bank has acknowledged and agreed (i) in the case of Senior Certificates that the occurrence of any Riyadh Bank Event set out in Condition 14(a) (*Dissolution Events for Senior Certificates*) shall constitute a Dissolution Event and (ii) in the case of Tier 2 Certificates that the occurrence of any Dissolution Event as set out in Condition 14(b) (*Dissolution Events for Tier 2 Certificates*) shall constitute a Dissolution Event, in each case for the purposes of, and in accordance with, the Conditions.

The Bank has also agreed in the Purchase Undertaking that all payments by it under the Purchase Undertaking will be made free and clear of, and without any deduction or withholding for, any Taxes (as defined therein) unless required by law and without set-off or counterclaim of any kind and, in the event that there is any such deduction or withholding, the Bank has undertaken that it shall pay all additional amounts as will result in the receipt by the Trustee of such net amounts as would have been received by it if no such deduction or withholding had been made. The payment obligations of the Bank under the Purchase Undertaking are and will be (i) (in the case of Senior Certificates) direct, unconditional, unsubordinated and (subject to the provisions described above) unsecured obligations of the Bank which rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Bank, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application and (ii) (in the case of Tier 2 Certificates) direct, unsecured and subordinated obligations of the Bank which shall, in the case of a Winding Up Proceeding, rank: (a) subordinate to claims in respect of Senior Obligations; (b) at least *pari passu* with claims in respect of all Parity Obligations; and (c) in priority to claims in respect of Junior Obligations.

Sale and Substitution Undertaking

The Sale and Substitution Undertaking was executed as a deed on 11 February 2020 (as amended on 16 May 2025 by the Amendment Deed) by Riyadh Sukuk Limited (in its capacity as Trustee) in favour of the Bank and is governed by English law.

Pursuant to the Sale and Substitution Undertaking and subject to the Trustee being entitled to redeem the Certificates of the relevant Series for tax reasons in accordance with Condition 9(b) (*Early Dissolution for Taxation Reasons*) or following a Capital Disqualification Event in accordance with Condition 9(c) (*Early Dissolution following a Capital Disqualification Event*), the Bank will, by exercising its right under the Sale and Substitution Undertaking and delivering an exercise notice to the Trustee specifying the Dissolution Date which must be (A) not less than 60 days after the date on which the Exercise Notice is given in the case of the occurrence of a Tax Event, or (B) not less than 45 days after the date on which the Exercise Notice is given in the case of the occurrence of a Capital Disqualification Event Dissolution Date, as the case may be, be able to oblige the Trustee to sell all of its rights, title, interests, benefits and entitlements in, to and under the relevant Portfolio at the relevant Exercise Price. In addition, if Optional Dissolution (Call) is specified in the applicable Pricing Supplement as being applicable (and Certificateholder Put Option is not specified in the applicable Pricing Supplement as being applicable), the Bank will, by exercising its right under the Sale and Substitution Undertaking and delivering an exercise notice to the Trustee specifying the Dissolution Date which must be not less than 60 days after the date on which the Exercise Notice is given, be able to oblige the Trustee to sell all of its rights, title, interests, benefits and entitlements in, to and under the relevant Portfolio at the relevant Exercise Price.

For these purposes, the “**Exercise Price**” will be an amount equal to the aggregate of:

- (a) (where the Certificates of the relevant Series are to be redeemed for tax reasons in accordance with Condition 9(b) (*Early Dissolution for Taxation Reasons*)) the aggregate outstanding face amount of the Certificates of the relevant Series on the relevant Dissolution Date; (in the case of Tier 2 Certificates only where the Certificates of the relevant Series are to be redeemed following a Capital Disqualification Event in accordance with Condition 9(c) (*Early Dissolution following a Capital Disqualification Event*)), the

product of the (i) aggregate outstanding face amount of the Certificates of the relevant Series on the relevant Dissolution Date and (ii) the Optional Dissolution Amount (Capital Disqualification Event) Percentage specified in the applicable Pricing Supplement; or (where the Certificates of the relevant Series are to be redeemed in accordance with Condition 9(d) (*Dissolution at the Option of the Obligor*)) the product of (i) the aggregate outstanding face amount of the Certificates of the relevant Series on the relevant Dissolution Date and (ii) the Optional Dissolution Amount (Call) Percentage specified in the applicable Pricing Supplement;

- (b) an amount equal to all accrued and unpaid Periodic Distribution Amounts (if any) relating to the Certificates; and
- (c) an amount equal to the sum of any outstanding (i) amounts repayable in respect of any Liquidity Facility and (ii) any Service Agency Liabilities Amounts (save that in respect of redemption in accordance with Condition 9(d) (*Dissolution at the Option of the Obligor*), this paragraph (c) shall apply only where no Certificate remains outstanding following the exercise of the Optional Dissolution (Call)).

The Bank will be able to exercise its rights under the Sale and Substitution Undertaking to effect the in kind substitution of Assets, subject to any substitute Assets being Eligible Assets of a Value not less than the Value of the Substituted Assets subject to, and in accordance with, the provisions of the Sale and Substitution Undertaking. the Bank will also be able to exercise its rights under the Sale and Substitution Undertaking (following any purchase of Certificates by the Bank or any Subsidiary of the Bank pursuant to Condition 9(h) (*Cancellation*)) to provide for the transfer, assignment and conveyance to it of an undivided ownership interest (the “**Cancellation Interest**”) in the relevant Portfolio calculated as the ratio, expressed as a percentage, of the aggregate face amount of the relevant Certificates to be cancelled (the “**Cancellation Certificates**”) to the aggregate face amount of the Certificates of the relevant Series immediately prior to the cancellation of such Cancellation Certificates, all as more particularly described in the Sale and Substitution Undertaking. The Cancellation Interest will be specified in a cancellation notice and will have a Value no greater than the aggregate face amount of the Certificates of the relevant Series so purchased. Transfer of the Cancellation Interest will occur against cancellation of such Certificates by the Principal Paying Agent pursuant to the Conditions.

Declaration of Trust

The amended and restated Master Declaration of Trust was entered into on 16 May 2025 between the Bank, the Trustee, the Delegate and the Retiring Delegate named therein and is governed by English law. A Supplemental Declaration of Trust between the Bank, the Trustee and the Delegate shall be entered into on the Issue Date of each Tranche and shall also be governed by English law.

Upon issue of a Series of Certificates, the Master Declaration of Trust as supplemented by each relevant Supplemental Declaration of Trust shall together constitute the Trust declared by the Trustee in relation to such Series (the Master Declaration of Trust as supplemented by each relevant Supplemental Declaration of Trust for each Series being referred to herein as the “**Declaration of Trust**”).

The Trust Assets in respect of each Series shall comprise:

- (a) the cash proceeds of the issue of Certificates, pending application thereof in accordance with the terms of the Transaction Documents;
- (b) any and all of the rights, title, interests, benefits and entitlements, present and future, of the Trustee in, to and under the Portfolio;

- (c) any and all of the rights, title, interests, benefits and entitlements, present and future, of the Trustee in, to and under the Transaction Documents (other than in relation to the Excluded Representations and the covenant given to the Trustee by the Bank pursuant to clause 13.1 of the Master Declaration of Trust);
- (d) any and all moneys standing to the credit of the Transaction Account from time to time; and
- (e) any and all proceeds of the foregoing listed in paragraphs (a) to (d) above.

Pursuant to the relevant Declaration of Trust, the Trustee will, in relation to each Series of Certificates, amongst other things, hold the relevant Trust Assets on trust absolutely for the Certificateholders of such Series *pro rata* according to the face amount of Certificates held by each Certificateholder and act as trustee in respect of the Trust Assets, distribute the income from the Trust Assets and perform its duties in accordance with the provisions of the relevant Declaration of Trust. Pursuant to the Master Declaration of Trust, the Trustee has, by way of security for the performance of all covenants, obligations and duties of the Trustee to the Certificateholders under the relevant Declaration of Trust, irrevocably and unconditionally appointed the Delegate to be its delegate and attorney and in its name, on its behalf as its act and deed to:

- (a) execute, deliver and perfect all documents; and
- (b) exercise all the present and future powers (including the power to sub-delegate), rights, authorities (including, but not limited to, the authority to request directions from any Certificateholders and the power to make any determinations to be made under the Transaction Documents) and discretions vested in the Trustee by each Declaration of Trust and the Certificates,

that the Delegate may consider to be necessary or desirable in order to, upon the occurrence of a Potential Dissolution Event, Tier 2 Event or a Dissolution Event, and subject to its being indemnified and/or secured and/or pre-funded to its satisfaction, (i) exercise all of the rights, powers, authorities and discretions of the Trustee under the Purchase Undertaking and any of the other Transaction Documents and (ii) make such distributions from the relevant Trust Assets as the Trustee is bound to make in accordance with the Conditions and the Declaration of Trust (together, the “**Delegation**” of the “**Relevant Powers**”), *provided that* (a) no obligations, duties, liabilities or covenants of the Trustee pursuant to the Declaration of Trust or any other Transaction Document shall be imposed on the Delegate by virtue of the Delegation; (b) in no circumstances will such Delegation of the Relevant Powers result in the Delegate holding on trust or managing the relevant Trust Assets; and (c) such Delegation of the Relevant Powers shall not include any duty, power, trust, right, authority or discretion to dissolve any of the trusts constituted by the Declaration of Trust following the occurrence of a Dissolution Event, Tier 2 Event or Potential Dissolution Event or to determine the remuneration of the Delegate. The Trustee has undertaken in the Master Declaration of Trust to ratify and confirm all things done and all documents executed by the Delegate in the exercise of all or any of the Relevant Powers.

The Delegation is to be made by the Trustee to the Delegate for the benefit of the Delegate and the Certificateholders, subject to the terms of the Conditions and the Declaration of Trust.

In addition to the Delegation of the Relevant Powers, certain rights, powers, authorities and discretions under the Master Declaration of Trust will be vested solely in the Delegate, including, amongst other things, the power to convene and conduct meetings at the request of Certificateholders, to determine whether a certain event is, in its opinion, materially prejudicial to the interests of the Senior Certificateholders so as to qualify as a Riyadh Bank Event, and the powers set out in Condition 14 (*Dissolution Events*) to decide, pursuant to the provisions therein, whether the Certificates should become immediately due and payable subject to and in accordance with Condition 14 (*Dissolution Events*) and the power to consent to certain types of amendments to any Transaction Document, as more particularly described in the Master Declaration of Trust.

The Bank has covenanted and undertaken in the Master Declaration of Trust, among other things, as follows:

- (a) to comply with and perform and observe all the provisions of the Conditions which are expressed to be applicable to it including, without limitation and in respect of the Senior Certificates only, the negative pledge provisions described in Condition 7 (*Obligor Negative Pledge*); and
- (b) that it shall forthwith notify the Delegate and the Trustee in writing of any Dissolution Event and/or Tier 2 Event (and the steps, if any, being taken to remedy it), Non-Viability Event, Capital Disqualification Event, Potential Dissolution Event, Benchmark Event, SOFR Benchmark Event and/or Tax Event, in each case promptly upon becoming aware of its occurrence.

In relation to each Series, the Bank has acknowledged in the Master Declaration of Trust that the Riyadh Bank Events and the Tier 2 Events applicable to it are set out in full in the Conditions, that it is fully aware of and understands the terms thereof and that the occurrence of a Riyadh Bank Event and, in the case of Tier 2 Certificates, a Winding Up Proceeding shall constitute a Dissolution Event for the purposes of the Conditions.

In relation to each Series, the Bank has also covenanted and undertaken in the Master Declaration of Trust that if the relevant Exercise Price is not paid in accordance with the provisions of the Purchase Undertaking, whether as a result of a dispute or challenge in relation to the rights, benefits and entitlements of the Trustee in, to and under the Portfolio (or any of the assets comprising the Portfolio or relevant assets being transferred thereunder), the Certificateholder Put Option Assets or the Write-Down Portfolio Assets, as the case may be, or for any other reason, the Bank shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the outstanding Certificates and, accordingly, the amount payable under any such indemnity claim will equal the relevant Exercise Price.

In addition, in the event that the Trustee fails to comply with any obligation to pay additional amounts pursuant to Condition 12 (*Taxation*), the Bank has covenanted and undertaken in the Master Declaration of Trust that it will unconditionally and irrevocably (irrespective of the payment of any fee), as a continuing obligation, pay to or to the order of the Delegate (for the benefit of the Certificateholders) such net amounts as are necessary so that the amount receivable by the Delegate (after any such withholding or deduction) equals any and all additional amounts required to be paid by it in respect of the Certificates pursuant to Condition 12 (*Taxation*).

If and to the extent the Trustee has exercised its rights under Condition 20 (*Further Issues*) to issue additional Certificates in respect of a Series, on the date of issue of such additional Certificates, the Trustee will execute a Declaration of Commingling of Assets for and on behalf of the holders of the existing Certificates and the holders of such additional Certificates so created and issued, declaring that the assets comprising the Additional Portfolio (as defined in the relevant Declaration of Commingling of Assets) and the assets comprising the Portfolio in respect of the relevant Series as in existence immediately prior to the creation and issue of the additional Certificates (along with all rights arising under or with respect thereto) in respect of the relevant Series, are commingled and shall collectively comprise part of the Trust Assets for the benefit of the holders of the existing Certificates and the holders of such additional Certificates as tenants in common *pro rata* according to the face amount of Certificates held by each Certificateholder, in accordance with the Master Declaration of Trust.

Agency Agreement

The amended and restated Agency Agreement was entered into on 16 May 2025 in relation to the Certificates between the Trustee, the Bank, the Delegate, the Principal Paying Agent, the Paying Agent, the Transfer Agent, the Registrar, and the Retiring Entities named therein. The Agency Agreement governs the arrangements between the Trustee and

the agents named therein for the issuance of Certificates and the making of payments in respect thereof. The Agency Agreement is governed by English law.

Shari'a Compliance

Each Transaction Document provides that each of Riyadh Sukuk Limited (to the extent it is a party to the relevant Transaction Document) and Riyadh Bank (to the extent it is a party to the relevant Transaction Document), as the case may be, agrees that it has accepted the *Shari'a*-compliant nature of the Transaction Documents to which it is a party; and, to the extent permitted by law:

- (a) it shall not claim that any of its obligations under the Transaction Documents to which it is a party (or any provision thereof) is *ultra vires* or not compliant with the principles of *Shari'a*;
- (b) it shall not take any steps or bring any proceedings in any forum to challenge the *Shari'a* compliance of the Transaction Documents to which it is a party; and
- (c) none of its obligations under the Transaction Documents to which it is a party shall in any way be diminished, abrogated, impaired, invalidated or otherwise adversely affected by any finding, declaration, pronouncement, order or judgment of any court, tribunal or other body that the Transaction Documents to which it is a party are not compliant with the principles of *Shari'a*.

TAXATION

The following is a general description of certain Cayman Islands, Kingdom of Saudi Arabia and United States tax and Zakat considerations relating to the Certificates in effect at the date of this Base Offering Circular. It does not purport to be a complete analysis of all tax/Zakat considerations relating to the Certificates and does not constitute legal or tax/Zakat advice, whether in those jurisdictions or elsewhere, nor does it address the considerations that are dependent on individual circumstances. Prospective purchasers of Certificates should consult their own tax/Zakat advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Certificates and receiving payments under the Certificates and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Offering Circular and is subject to any change in law (including, with a retrospective effect) that may take effect after such date.

Prospective investors should note that the appointment by an investor in any Certificates, or any person through which an investor holds any Certificates, of a custodian, collection agent or similar person in relation to such Certificates in any jurisdiction may have tax/Zakat implications.

Cayman Islands

The following is a discussion on certain Cayman Islands tax consequences of an investment in the Certificates. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands laws, payments on Certificates to be issued will not be subject to taxation in the Cayman Islands and no withholding will be required on the payments to any holder of the Certificates, nor will gains derived from the disposal of the Certificates be subject to Cayman Islands income or corporation tax. The Cayman Islands currently has no income, corporation or capital gains tax and no estate duty, inheritance or gift tax. On 15 January 2020, the Trustee received an undertaking from the Governor in Cabinet of the Cayman Islands, pursuant to the Tax Concessions Act (As Revised) of the Cayman Islands, that for a period of 20 years from the date of grant of that undertaking no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciation shall apply to the Trustee or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable on or in respect of the shares, debentures or other obligations (which includes the Certificates) of the Trustee or by way of the withholding in whole or part of any relevant payment as defined in the Tax Concessions Act (As Revised). No capital or stamp duties are levied in the Cayman Islands on the issue or redemption of Certificates. However, an instrument transferring title to any Certificates, if brought to or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty. An annual registration fee is payable by the Trustee to the Cayman Islands Registrar of Companies which is calculated by reference to the nominal amount of its authorised capital. At current rates, this annual registration fee is U.S.\$1,128.05. The foregoing is based on current law and practice in the Cayman Islands and this is subject to change therein.

Saudi Arabia

Unless otherwise stated, capitalised terms in this sub-section shall have the meanings given to them in "Taxation-Saudi Arabia-General" below.

The statements herein regarding taxation/Zakat are based on the Kingdom's laws in effect as of the date of this Base Offering Circular and are subject to any changes occurring after such date, which changes could have retroactive effect. These include the Income Tax Law promulgated under Royal Decree No. M/1 dated 15/1/1425H (corresponding to 6 March 2004) and its By-Laws issued under Ministerial Resolution ("MR") No. 1535 dated

11/6/1425H (corresponding to 29 July 2004), as amended from time to time (collectively the Income Tax Law), and the Zakat Collection Regulations issued pursuant to Royal Decree No. 17/2/28/8634 dated 29/06/1370H (corresponding to 7 April 1951) as amended under MR No. 1007 dated 19/08/1445H (corresponding to 29 February 2024) (“**New Zakat Regulations**”), and the Value Added Tax Law promulgated under Royal Decree No. M113 dated 2/11/1438H (Corresponding to 25 July 2017) and its implementing regulations notified under the ZATCA Board of Directors Resolution No. 3839 dated 14/12/1438H (corresponding to 5 September 2017), as amended from time to time, with the most recent being a Royal Order (A/638) issued on 15/10/1441H (corresponding to 7 June 2020) ratifying the amendment, with effect from 1 July 2020, of Article 2 of the Value Added Tax (“**VAT**”) Law, increasing the VAT rate from 5 per cent. to 15 per cent. (the “**KSA VAT Law**”).

The following summary is a general description of certain Saudi Arabian tax and Zakat considerations relating to the Certificates. It does not purport to be a comprehensive description of all the tax and Zakat considerations which may be relevant for a decision to subscribe for, purchase, own or dispose of the Certificates and does not purport to deal with the tax and Zakat consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Certificates are advised to consult their own Saudi Arabian tax and Zakat advisers concerning the overall tax and Zakat consequences of their ownership of the Certificates.

Overview of Saudi Tax and Zakat

Corporate Income Tax

Persons Subject to Taxation include a Resident capital company owned by non-GCC persons and a non-Resident who carries out business in the Kingdom through a Permanent Establishment are subject to corporate income tax in the Kingdom. According to the Income Tax Law, Persons Subject to Taxation are subject to 20 per cent. corporate income tax (other than legal entities Resident in the Kingdom which are engaged in oil and hydrocarbon) in the Kingdom on their gross income, less deduction of allowable costs and certain other tax adjustments.

However, legal entities Resident in the Kingdom (other than legal entities Resident in the Kingdom which are engaged in oil and hydrocarbon and natural gas production), which are owned jointly by GCC persons and non-GCC persons are subject to corporate income tax in respect of the share of their profit attributable to the ownership percentage held by non-GCC persons and Zakat on the ownership percentage held by GCC persons.

Non-GCC natural persons Resident in the Kingdom who are not performing commercial activities in the Kingdom (as defined in Article 1 of the Income Tax Law and Article 2 of the By-laws to the Income Tax Law) are not currently subject to corporate income tax in the Kingdom. However, non-GCC natural persons Resident in the Kingdom who conduct business in the Kingdom, are subject to corporate income tax on the profits deriving from their business activity.

In determining the tax or Zakat profile of a legal entity Resident in the Kingdom, the ZATCA applies a “look-through” approach to determine whether the up-stream shareholding structure at any point exists outside of the GCC. However, the “look-through” approach only applies to shareholders that are GCC resident persons. Therefore, the percentage of the share capital of a legal entity Resident in the Kingdom that is owned by a shareholder entity incorporated outside the GCC is subject to corporate income tax regardless of the nationalities of the ultimate shareholder in such non-GCC incorporated entity.

Finally, as per the Income Tax Law, legal entities Resident in the Kingdom which are engaged in oil and hydrocarbon and natural gas production are subject to corporate income tax in the Kingdom at levels either between 50 per cent. and 85 per cent. (in the case of oil and hydrocarbon production) depending on the level of total capital investment of such entity or 20 per cent. (in the case of natural gas production) on their gross income, less deduction of allowable costs and certain other tax adjustments, regardless of their shareholders being GCC and/or non-GCC persons.

Resident companies engaged in oil and hydrocarbons production activities as well as engaged in related downstream activities are subject to 20 per cent. corporate income tax on their profits attributable to downstream activities for the first five years starting from 1 January 2020 if certain conditions are fulfilled. An extension of the due date to 31 December, 2030 is in progress.

Zakat

Zakat is a religious levy computed based on the zakat regulations and subject to varying interpretations and complex computation rules. Separate Zakat computation rules apply to Zakat payers who are carrying out financing activities licensed by the Saudi Central Bank (SAMA) in the Kingdom and Zakat payers who are engaged in the Kingdom in non-financing activities. Persons Subject to Zakat (as defined below) include Saudi/GCC persons (natural or corporate) licensed to perform an activity in the Kingdom, sole proprietorship of a Saudi/GCC person established in the Kingdom, Resident companies which are owned by Saudi/GCC persons (whether fully or partially) on the Saudi/GCC share, financing funds licensed by the CMA, non-Saudi/GCC persons (other than founding shareholders) who own shares in companies which are listed on a Saudi financial market and Resident in the Kingdom.

This section broadly covers the Zakat consequences of investment in Certificates by investors who are engaged in non-financing activities in the Kingdom. Zakat base comprises equity, provisions, loans and credit balances (subject to certain conditions) reduced by certain deductible long-term investments, fixed assets etc. plus/minus the difference between the adjusted net profit/(loss) and the book net profit/(loss).

There are certain rules that apply to the method of calculating the Zakat liability. The Zakat base for persons engaged in non-financing activities is generally computed by adding the ending balances of equity, loans and credit balances (subject to certain conditions), provisions and the difference between the adjusted net profit/(loss) for Zakat purposes and the book net profit/(loss), reduced by, among other items, certain deductible long-term investments and fixed assets among other deduction items. The Zakat base is currently levied on the higher of the minimum or the actual Zakat base, not exceeding the maximum Zakat base.

Under the New Zakat Regulations, the minimum Zakat base for Zakat payers which are engaged in non-financing activities is the lower of: (i) total non-deductible assets plus the difference between net adjusted profit/(loss) and net accounting profit/(loss) or (ii) net adjusted profit. The maximum Zakat base is the total of equity components and their equivalents (such as profits under distribution classified as a liability, shareholder loans and certain other amounts classified as equity for Zakat purposes) plus the difference between the adjusted net profit/(loss) and the book net profit/(loss).

The Zakat rate under the new Zakat Regulations is 2.5 per cent. based on the Hijri year. If a Zakat payer is following the Gregorian financial year (of 365 days), the Zakat rate would be approximately 2.578 per cent.

Under the New Zakat Regulations, Zakat payers may treat sukuk and bonds they issue as equity for Zakat purposes, regardless of their classification in the issuer's financial statements. In this case, these sukuk and bonds are deducted from the Zakat base for investors if these are not for trading, and the issuer has declared through any document acceptable to ZATCA to treat them as equity in the Zakat return. The issuer may not deviate from this treatment during the period of maturity of the sukuk and bonds.

Zakat Rules for Financing Activities

Under the New Zakat Regulations, resident Zakat payers engaged in financing activities pertain to banking and finance lease activities which are licensed by SAMA and financing funds licensed by the Capital Market Authority. These Zakat rules are based on the attributable method in computing Zakat, by calculating the Zakatable assets and sources of funds subject to Zakat which depend on the residual maturity profile of all assets and liabilities.

The rules provide for minimum and maximum cap amounts for the Zakat base depending on the net profit or net loss of the Zakat payer as per their financial statements:

	If the Zakat payer has reported net profit ⁽¹⁾	If the Zakat payer has not reported net profit ⁽²⁾
Minimum cap	4 times net profit	4 times of 10 per cent. of gross profit
Maximum cap	8 times net profit	8 times of 10 per cent. of gross profit

Notes: _____

(1) Net profit means profit before provision for Zakat.

(2) If there is no gross profit, the minimum and maximum caps shall not apply.

Zakat Rules for Investment Funds

Under the New Zakat Regulations, Investment Funds are not subject to Zakat but are required to register and submit Zakat base calculation (information declaration to ZATCA).

Unitholders in such funds are subject to Zakat, except in the case of:

- a unitholder in a finance fund; and
- a unitholder which (i) is a 100 per cent direct or indirect owner of the fund and (ii) has submitted a consolidated declaration with such fund.

Under the New Zakat Regulations, investments in investment funds are deductible from the Zakat base of unitholders, provided that:

1. such investments are held for non-trading purposes;
2. calculation of Zakat on such investments is performed in accordance with paragraph 3 below and is set out either (i) in unitholders' audited financial statements or (ii) a certificate is prepared in accordance with the New Zakat Regulations and approved by a chartered accountant licensed in the Kingdom; and
3. Zakat on such investment is calculated as follows: the fund's Zakat base \times percentage of the unitholders' share in such fund \times applicable Zakat rate.

Withholding Tax ("WHT")

Residents of the Kingdom and the Permanent Establishment of a non-Resident are required to withhold taxes on certain payments to non-Residents of the Kingdom, including to residents of the other GCC countries if such payment is from a source in the Kingdom. The WHT rate varies from 5 per cent. to 20 per cent. depending on the nature of the underlying payment. Income earned by Certificateholders from their investments in the Certificates in the nature of profit, in substance, is more of a financing activity and as such it should be considered akin to a Loan Charge (akin in interest) as per Article 5(1) of the By-laws to Income Tax Law.

WHT is imposed on payments against services and not on goods. Services are defined to mean any work performed for compensation except for the purchase and sale of goods or any other properties.

A Loan Charge paid to non-Residents attracts 5 per cent. WHT unless such WHT is reduced or eliminated pursuant to the terms of an applicable double tax treaty between Saudi Arabia and the country of such non-Resident beneficiary. As at the date of this Base Offering Circular, no effective tax treaty between Saudi Arabia and the Cayman Islands and the United States is in place. Moreover, as of the date of this Base Offering Circular, the Kingdom had double tax treaties that are currently or about to be effective with 58 countries.

In view of the above, payment of periodic distributions by the Bank to the non-resident Trustee will be subject to a 5 per cent. WHT as a Loan Charge.

The Transaction Documents provide that payments by the Bank (in its relevant capacity) shall be made without withholding or deduction for, or on account of, any present or future Taxes (as defined in the Conditions), unless the withholding or deduction of the Taxes is required by law and, in such case, provide for the payment by the Bank of additional amounts so that the full amount which would otherwise have been due and payable is received by the Trustee. In addition, Condition 12 (*Taxation*) provides that all payments by the Trustee in respect of the Certificates shall be made without withholding or deduction for, or on account of, any present or future Taxes, unless the withholding or deduction of the Taxes is required by law. In such event, the Trustee shall pay additional amounts so that the full amount which otherwise would have been due and payable under the Certificates is received by the parties entitled thereto, subject to certain exceptions described in Condition 12 (*Taxation*). The Declaration of Trust provides that, in the event that the Trustee fails to comply with any obligation to pay additional amounts pursuant to Condition 12 (*Taxation*), the Bank will pay to the Delegate (for the benefit of the Certificateholders) an amount equal to the liability of the Trustee in respect of any and all additional amounts required to be paid by it in respect of the Certificates pursuant to those provisions.

Capital Gains Tax

According to Article 2 of the Income Tax Law, Persons Subject to Taxation (as defined below) include non-residents in the Kingdom with taxable income generated from sources in the Kingdom and without having a Permanent Establishment for tax purposes in the Kingdom.

- Further, Article 1(2) of the By-Laws to the Income Tax Law defined the applicable tax on such a person as to being subject to the following:
- WHT, if the income generated is stipulated under Article 68 of the Income Tax Law (as discussed in “*Withholding Tax*” and “*Certain tax and Zakat implications for Certificateholders—Certificateholders who are not Resident in the Kingdom*”); and
- Capital gains tax, if the income is derived from disposal of fixed and traded assets, or from disposal of shares in a resident company under the general provisions of the Income Tax Law.

Based on the above, if the sale of the Certificates by the Certificateholders is considered a source of income in the Kingdom, then the related income (or capital gain) will be subject to 20 per cent. tax according to the rules for computation of capital gain tax provided in the Income Tax Law for non-residents in the Kingdom.

Capital gains realised from disposal of securities (such as the Certificates) traded inside or outside the Kingdom are exempt from tax in the Kingdom if the following conditions are met:

- The disposal is carried out in accordance with the regulations of Tadawul or the disposal is carried out outside of the Kingdom, but such securities are also traded on Tadawul; and
- The investor did not hold the securities before the effective date of the Income Tax Law (i.e., 30 July 2004).

The above exemption provided in the Income Tax Law is not applicable to the Certificates, as the Certificates will not be listed on a stock exchange in the Kingdom and, therefore, the exemption is not considered in the below taxation summary.

Capital gains realised from disposal of the Certificates by a Resident Certificateholder will not be subject to capital gains tax. However, such gains will be included in the total income of such Certificateholders and subject to corporate income tax or Zakat in the Kingdom.

Certain tax and Zakat implications for Certificateholders

(A) Certificateholders who are GCC persons and Resident in the Kingdom

Legal Entities Resident in Kingdom and Wholly Owned by GCC persons

All income in the nature of profit, Loan Charge or capital gains realised in respect of the Certificates will be part of such Certificateholder's Saudi Arabian reportable gross income subject to Zakat. This summary does not consider the extent to which such Certificateholder would be liable to Zakat as a consequence of acquiring, holding or disposing of its Certificates.

Legal Entities Resident in the Kingdom but not Wholly Owned by GCC Persons

Certificateholders that are legal entities Resident in the Kingdom owned jointly by GCC persons and non-GCC persons are subject to Zakat and corporate income tax in the Kingdom, based on the percentage of shares held by GCC and non-GCC shareholders, respectively in respect of any income received in the nature of a Loan Charge, profit or capital gains realised in respect of the Certificate.

Certificateholders that are GCC Natural Persons and Resident in the Kingdom

Certificateholders that are GCC natural persons and Resident in the Kingdom are not subject to Zakat in the Kingdom in respect of any income received in the nature of a profit, Loan Charge or capital gains realised in respect of the Certificates, unless such Certificateholder's investment in the Certificates is connected to such Certificateholder's business activity in the Kingdom. If such payment is connected to such Certificateholder's business activity in the Kingdom, such amounts generally will be subject to Zakat in the Kingdom. WHT is not applicable on payments to persons who are Resident in the Kingdom.

(B) Certificateholders who are Non-GCC persons and Resident in the Kingdom

Certificateholders that are non-GCC persons and Resident in the Kingdom will be subject to corporate income tax in the Kingdom.

Income in the nature of a profit, Loan Charge or capital gains realised in respect of the Certificates will be part of such Certificateholder's Saudi Arabian reportable gross income. Such gross income, less deduction of allowable costs and certain other tax adjustments, will be subject to 20 per cent corporate income tax (other than in respect of persons engaged in oil and hydrocarbon and natural gas production).

Certificateholders that are Resident in the Kingdom and engaged in oil and hydrocarbon and natural gas production in the Kingdom are subject to corporate income tax in the Kingdom. Any income received in the nature of a profit, Loan Charge or capital gains realised in respect of the Certificates is subject to corporate income tax on the gross income, less deduction of allowable costs and certain other tax adjustments between 50 to 85 per cent. (in the case of oil and hydrocarbon production depending on the level of total capital investment of such entity) or 20 per cent. (in the case of natural gas production).

Certificateholders that are non-GCC natural persons and Resident in the Kingdom are not subject to income tax, be it by way of withholding or by way of direct corporate income tax, in respect of any income received in the nature of a profit, Loan Charge or capital gains realised in respect of the Certificates unless such Certificateholder's investment in the Certificates is connected to such Certificateholder's business activity in the Kingdom. If such payment is connected to such Certificateholder's business activity in the Kingdom (including on capital gains realised from disposal of Certificates), such amounts generally will be subject to 20 per cent. corporate income tax in the Kingdom.

(C) Certificateholders who are not Resident in the Kingdom

Certificateholders, either natural persons or legal entities, that are not Resident and do not have a permanent establishment in the Kingdom, (whether such Certificateholders are GCC persons (other than the Kingdom) or non-GCC persons), prima facie, should not be subject to Saudi Arabian corporate income tax or Zakat.

However, direct payments by the Bank (if any) that are in the nature of a Loan Charge (other than capital gain realised from disposal of Certificate) in respect of the Certificates (as provided by the Terms and Conditions of the Certificates) to Certificateholders that are resident outside the Kingdom are subject to WHT at a rate of 5 per cent. as per Saudi Arabian domestic tax law. In a few limited instances, Certificateholders may claim a refund of the WHT where a double tax treaty is in place between the Kingdom and the country in which the Certificateholder is resident for tax purposes and where such treaty provides for an exemption, lower tax rate or refund, subject to meeting certain conditions and submission of prescribed documents.

Certain Transaction Documents require the Bank to pay additional amounts in the event that any withholding or deduction is required by applicable law to be made in respect of payments made by it to the Trustee, or by the Trustee to Certificateholders, which are intended to fund Periodic Distribution Amounts and Dissolution Distribution Amounts.

Generally, the capital gains arising from the disposal of Certificates will be subject to 20 per cent. capital gains tax provided that the resulting capital gain is considered to be a source of income in the Kingdom.

Certificateholders, either natural persons or legal entities, that are not Resident in the Kingdom with a Permanent Establishment in the Kingdom for tax purposes will be subject to corporate income tax on the income earned by the Permanent Establishment in the nature of profit, Loan Charge or capital gains realised from the disposal of Certificates if such profit, Loan Charge or capital gains are attributable to the Permanent Establishment's activities in the Kingdom.

The income earned by the Permanent Establishment in the nature of profit, Loan Charge or capital gains realised from the Certificates is subject to 20 per cent. corporate income tax (provided that such income from the Certificates is attributable to the Permanent Establishment). Furthermore, any transfer of the profit by the Permanent Establishment (whose profit was subjected to corporate income tax or Zakat) to its head office outside Saudi Arabia will be considered to be a distribution of profit and will be subject to a 5 per cent. WHT.

Transfer Tax and Value Added Tax

There are no transfer taxes currently applicable in Saudi Arabia (other than the applicable rules for real estate transaction/transfer taxes which are not applicable to the Certificateholders).

The Kingdom introduced value added tax ("VAT") with effect from 1 January 2018 pursuant to ratifying the GCC Framework Agreement with the remaining GCC member states. The VAT legislation was implemented in the Kingdom in line with the GCC Framework Agreement.

All goods and services supplied within or imported into the Kingdom are subject to VAT, unless they are classified as exempt or outside the scope for VAT purposes. Certain supplies are prescribed to be subject to VAT at a rate of zero (including qualifying medicines and medical goods, exports and international transportation). From 1 July 2020, the standard rate of VAT was increased from 5 per cent to 15 per cent and is applicable on all the standard-rated taxable supplies made in the Kingdom.

Certain financial services, including those where the consideration payable in respect of the services is by way of an implicit margin or spread (including but not limited to profit, spread, margin or other implicit margin), are treated as exempt supplies from a Saudi Arabian VAT perspective. Further, the exemption also applies to the issue or transfer of a debt security, equity security, or any other transferable document recognising an obligation to pay a monetary amount to the bearer.

“Trust Certificates” is not a defined term for Saudi Arabian VAT purposes, but is akin in nature to a debt security and the sale of Certificates should therefore be exempt for Saudi Arabian VAT purposes where the supply is made by a registered taxpayer in Saudi Arabia as a part of its economic activity. However, the issue of debt security by persons residing outside Saudi Arabia would be outside the scope of VAT in Saudi Arabia on the premise that its issuance is closely connected to the place of residence of the issuer outside Saudi Arabia. According to Article 29(3) of Saudi Arabian VAT Implementing Regulations, Islamic finance products, being financial products are Shari’a-compliant, and which simulate the intention and achieve effectively the same result as a non-Shari’a-compliant financial product will be treated in the same manner as the equivalent non-Shari’a financial product for the purpose of applying VAT exemption. Any explicit fee in respect of a service, such as an administration charge in relation to the issue of a security, would be treated as consideration for a taxable supply subject to VAT at standard rate where the supply is made in Saudi Arabia. Such fee could be subject to VAT under a reverse charge mechanism if it is received by a VAT-registered taxpayer in the Kingdom from a supplier located outside Saudi Arabia.

Profits generated by holding the Certificates or trading gains from its sale should be treated as VAT-exempt or outside the scope of VAT (depending on the client-specific circumstances of the transaction) for Saudi Arabian VAT purposes. The VAT exemption does not apply to fees charged by intermediary parties for their services provided in Saudi Arabia. Notwithstanding, it is worth noting that any Saudi Arabian VAT incurred on expenses, also termed as input tax, can typically be recovered when it can be attributed to the making of a taxable supply. However, if incurred for the purposes of making a VAT exempt transaction, such input tax incurred will not be recoverable.

Further, services provided by a Saudi Arabian VAT registered person that are not related to Saudi Arabian real estate may qualify for zero rating if supplied to a customer without a place of residence in Saudi Arabia, subject to the fulfilment of the relevant conditions as mentioned in Article 33 of the Saudi Arabian VAT Implementing Regulations. Otherwise, the services would be subject to VAT at the standard rate or VAT exempt, depending on the types of services supplied.

The precise reporting requirements related to the various payments and receipts associated with the aforementioned transactions will depend on the residence of the Certificateholders, their types of activity and whether they are registered for Saudi Arabian VAT purposes. However, with the exception of explicit fees or charges, any trading gains should not be subject to VAT as they should either be treated as outside the scope or exempt for the purposes of Saudi Arabian VAT.

General

For the purposes of this summary:

“Dependent Agent” means, as per Article 4(1) of the By-Laws to the Income Tax Law, an agent who:

- (a) is authorised to negotiate on behalf of a non-resident;
- (b) is authorised to enter into contracts on behalf of a non-resident;
- (c) has a stock of goods, owned by a non-resident, located in Saudi Arabia to supply the client’s demands on behalf of the non-resident.

“**GCC**” means the Kingdom of Bahrain, the State of Kuwait, the Sultanate of Oman, the State of Qatar, the Kingdom of Saudi Arabia and the United Arab Emirates.

“**GCC person**” means (a) a citizen of any of the member country of the Cooperation Council of the Arab States of the Gulf (namely, the Kingdom of Saudi Arabia, the United Arab Emirates, the Kingdom of Bahrain, the Sultanate of Oman, the State of Qatar and the State of Kuwait), (b) a legal entity owned by GCC citizens and established under the laws of a GCC country and (c) public shareholders (or persons who hold shares for speculation) in a resident listed company (irrespective of their nationalities).

The following persons are not considered to be a GCC person irrespective of their nationalities:

- (a) shareholders of Resident legal entities engaged in oil and hydrocarbons production;
- (b) shareholders of Resident legal entities engaged in natural gas production; and
- (c) shareholders of Resident legal entities if such shares are ultimately owned by a Resident legal entity engaged in the oil and hydrocarbon production (directly or indirectly). Effective 1 January 2020, this provision will not apply to shares held directly or indirectly in the resident capital companies listed on Tadawul in Saudi Arabia and shares held by such listed companies in other capital companies.

“**Resident**” means any natural person or company that satisfies the residency conditions stipulated in Article 3 of the Income Tax Law, Article 4 of the New Zakat Regulations or any governmental department or ministry, public entity, or other corporate person or entity formed in the Kingdom (Article 1 of the Income Tax Law).

The concept of Residency in the Kingdom as defined in Article 3 of the Income Tax Law is set out below:

- (a) a natural person is considered to be a Resident in the Kingdom for a taxable year if he/she meets either of the two following conditions:
 - (i) he/she has a permanent place of abode in the Kingdom and is physically residing in the Kingdom for a period, in aggregate, of not less than 30 days during the taxable year; or
 - (ii) he/she is physically residing in the Kingdom for a period of not less than 183 days in the taxable year.

For the purposes of this paragraph, residence in the Kingdom for part of a day is considered residence for the whole day, except in the case of a person in transit between two points outside the Kingdom.

- (b) a company is considered resident in the Kingdom during the taxable year if it meets either of the following conditions:
 - (i) it is formed in accordance with the Saudi Arabian Companies Regulations; or
 - (ii) its central management is located in the Kingdom.

“**Loan Charge**” as defined in Article 5(1) of the By-Laws to Income Tax Law means an amount paid for the use of money. This includes income realised from loan transactions of any type, whether secured by guarantees or not, or by giving rights to participate in the profits of the debited person or not. It also includes income realised from governmental and non-governmental bonds.

“**Persons Subject to Taxation**” as defined in Article 2 of the Income Tax Law, are:

- (a) a resident capital company with respect to the shares owned directly or indirectly by non-Saudi partners, as well as the shares owned directly or indirectly by persons working in the production of oil and hydro carbonates (excluding shares owned directly or indirectly by persons working in the

production of oil and hydro carbonates in resident capital companies listed in the Saudi capital markets and the shares owned directly or indirectly by these companies in capital companies);

- (b) a Resident non-GCC natural person who does business in the Kingdom;
- (c) a non-Resident who does business in the Kingdom through a Permanent Establishment;
- (d) a non-Resident having taxable income from sources in the Kingdom without having a Permanent Establishment therein;
- (e) a person engaged in the field of natural gas investment; and
- (f) a person engaged in the field of oil and hydrocarbons production.

Note: A capital company, as per Article 1 of the Income Tax Law, is a joint stock company, a limited liability company or a company limited by shares. For purposes of the Income Tax Law, investment funds shall be considered capital companies.

“Persons Subject to Zakat” as per Article 3 of the New Zakat Regulations, are:

- (a) The Saudi resident person who engages in activities under a license in the Kingdom;
- (b) Sole proprietorship owned by a Saudi/GCC and established in the Kingdom in accordance with the relevant rules and regulations;
- (c) Companies owned by Saudis and established in the Kingdom in accordance with the relevant regulations and rules, including the share of the Saudi partner in foreign companies;
- (d) Financing funds licensed by the Capital Market Authority ;
- (e) State-owned companies and companies owned by the Public Investment Fund in accordance with the provisions of relevant ministerial decisions; or
- (f) Non-Saudi shareholders’ stake in resident companies listed on the Saudi Financial Market excluding the shares of non-Saudi founders in accordance with the articles of incorporation or relevant regulatory documents.

“Permanent Establishment” for income tax purposes means a permanent place of a non-Resident’s activity through which it carries out its business activity, in full or in part; including business carried out through its agent (an agent having the meaning specified in the Article 4(1) of the By-laws to the Income Tax Law). A non-Resident carrying out an activity in the Kingdom through a licensed branch (as defined in Article 4(b) 4 of the Income Tax Law) is considered to have a Permanent Establishment in the Kingdom.

“Saudi National” means an individual holding Saudi Arabian nationality and those treated as such.

“ZATCA” means the Zakat, Tax and Customs Authority.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a foreign financial institution (as defined by FATCA) may be required to withhold on certain payments it makes (**“foreign pass thru payments”**) to persons that fail to meet certain certification, reporting, or related requirements. The Trustee may be a foreign financial institution for these purposes. A number of jurisdictions (including the Cayman Islands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement

FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Certificates, proposed regulations have been issued that provide that including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Certificates, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Certificates, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign pass thru payments are published in the U.S. Federal Register. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. Additionally, Certificates characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign pass thru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Certificates (as described under Condition 20 (*Further Issues*)) that are not distinguishable from previously issued Certificates are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Certificates, including the Certificates offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Certificates. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Certificates, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated dealer agreement (the “**Dealer Agreement**”) dated 16 May 2025 (such Dealer Agreement as modified and/or supplemented and/or restated from time to time), agreed with the Trustee and the Bank a basis upon which they or any of them may from time to time agree to purchase Certificates.

In accordance with the terms of the Dealer Agreement, each of the Trustee and the Bank has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Certificates under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

United States

Each Dealer has acknowledged and agreed that the Certificates have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Each Dealer has represented and agreed that, and each further Dealer appointed under the Programme will be required to represent and agree that, it has not offered or sold the Certificates and each Dealer has agreed that, and each further Dealer appointed under the Programme will be required to agree that, it will not offer or sell any Certificates (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all Certificates of the Tranche of which such Certificates are a part within the United States or to, or for the account or benefit of, U.S. persons.

The Certificates are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

Each Dealer has also agreed that, at or prior to confirmation of sale of Certificates, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Certificates from it during the distribution compliance period a confirmation or notice to substantially the following effect:

“The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Securities as determined and certified by the relevant Dealer, in the case of a non-syndicated issue, or the Lead Manager, in the case of a syndicated issue, and except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S.”

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Certificate, and it and they have complied and will comply with the offering restrictions requirement of Regulation S.

In addition, until 40 days after the commencement of the offering of the Certificates, an offer or sale of the Certificates within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Certificates specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Certificates which are the subject of the offering contemplated by this Base Offering Circular as completed by the applicable Pricing Supplement in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of the Insurance Distribution Directive where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

Public Offer Selling Restriction under the Prospectus Regulation

If the applicable Pricing Supplement in respect of any Certificates specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the EEA (each, a “**Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Certificates which are the subject of the offering contemplated by this Base Offering Circular as completed by the applicable Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Certificates to the public in that Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Trustee and the Bank for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Certificates referred to in paragraphs (a) to (c) above shall require the Trustee, the Bank or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

- (i) the expression “**an offer of Certificates to the public**” in relation to any Certificates in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates; and
- (i) the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended).

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Certificates specifies the “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Certificates which are the subject of the offering contemplated by this Base Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation, and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

Public Offer Selling Restriction under the UK Prospectus Regulation

If the applicable Pricing Supplement in respect of any Certificates specifies the “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Certificates which are the subject of the offering contemplated by this Base Offering Circular as completed by the applicable Pricing Supplement in relation thereto to the public in the UK except that it may make an offer of such Certificates to the public in the UK:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the UK, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Trustee and the Bank for any such offer; or
- (c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Certificates referred to in paragraphs (a) to (c) above shall require the Trustee, the Bank or any Dealer to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

- (i) the expression “**an offer of Certificates to the public**” in relation to any Certificates means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates; and

- (ii) the expression “**UK Prospectus Regulation**” means the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Certificates which have a maturity of less than one year: (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (b) it has not offered or sold and will not offer or sell any Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Trustee;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Certificates in circumstances in which Section 21(1) of the FSMA does not apply to the Trustee or the Bank; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Certificates in, from or otherwise involving the UK.

State of Qatar (including the Qatar Financial Centre).

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any Certificates in the State of Qatar (including the Qatar Financial Centre), except: (a) in compliance with all applicable laws and regulations of the State of Qatar (including the Qatar Financial Centre); and (b) through persons or corporate entities authorised and licensed to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in the State of Qatar (including the Qatar Financial Centre). This Base Offering Circular: (i) has not been, and will not be, registered with or approved by the Qatar Financial Markets Authority, the Qatar Central Bank, the Qatar Stock Exchange or the Qatar Financial Centre Regulatory Authority and may not be publicly distributed in the State of Qatar (including the Qatar Financial Centre); (ii) is intended for the original recipient only and must not be provided to any other person; and (iii) is not for general circulation in the State of Qatar (including the Qatar Financial Centre) and may not be reproduced or used for any other purpose.

Japan

The Certificates have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “**FIEA**”). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold Certificates, and will not, directly or indirectly, offer or sell any Certificates in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Kuwait

Each Dealer has represented and agreed that the Certificates have not been and will not be offered, marketed and/or sold by it in the State of Kuwait, except through a licensed person duly authorised to undertake such activity pursuant to Law No. 7 of 2010 Concerning the Establishment of the Capital Markets Authority and Regulating of Securities Activities and its executive bylaws (each as amended) (the “**CML Rules**”) and unless all necessary approvals from Kuwait Capital Markets Authority pursuant to the CML Rules, together with the various resolutions, regulations, directives and instructions issued pursuant thereto or in connection therewith (regardless of nomenclature or type), or any other applicable law or regulation in the State of Kuwait, have been given in respect of the offering, marketing and/or sale of the Certificates.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Certificates or caused the Certificates to be made the subject of an invitation for subscription or purchase and will not offer or sell any Certificates or cause the Certificates to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Certificates, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “**SFA**”)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong by means of any document any Certificates other than (a) to “**professional investors**” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”) and any rules made thereunder, or (b) in other circumstances which do not result in the document being a “**prospectus**” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMP)O**”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to “**professional investors**” as defined in the SFO and any rules made under the SFO.

Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Certificates. Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a “**Saudi Investor**”) who acquires any Certificates pursuant to an offering should note that the offer of Certificates is a private placement under the Rules on the Offer of Securities and Continuing Obligations, made through a capital market institution licensed to carry out arranging activities by the CMA and following a notification to the CMA under Article 10 of the Rules on the Offer of Securities and Continuing Obligations.

The Certificates may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to “institutional and qualified clients” under Article 8(a)(1) of the Rules on the Offer of Securities and Continuing Obligations or by way of a limited offer under Article 9 of, or as otherwise required or permitted by, the Rules on the Offer of Securities and Continuing Obligations. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer of Certificates made by it to a Saudi Investor will be made in compliance with Article 10 and either Article 8(a)(1) or Article 9 of the Rules on the Offer of Securities and Continuing Obligations.

Each offer of Certificates shall not therefore constitute a “public offer”, an “exempt offer” or a “parallel market offer” pursuant to the Rules on the Offer of Securities and Continuing Obligations, but is subject to the restrictions on secondary market activity under Article 14 of the Rules on the Offer of Securities and Continuing Obligations.

Although HSBC Bank plc is appointed as a Dealer pursuant to the Dealer Agreement and may be appointed as a manager pursuant to the relevant subscription agreement, HSBC Saudi Arabia, which is a Capital Market Institution licensed by the CMA, will be the relevant legal entity for all regulated activities in the Kingdom of Saudi Arabia relating to the issuance of any Certificates, including offering and related applications to the CMA.

United Arab Emirates (excluding the Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Certificates to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Certificates to any person in the Dubai International Financial Centre unless such offer is:

- (a) an “Exempt Offer” in accordance with the Markets Rules (MKT Module) of the Dubai Financial Services Authority (the “**DFSA**”) rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

Kingdom of Bahrain

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Certificates except on a private placement basis to persons in the Kingdom of Bahrain who are “accredited investors”.

For this purpose, an “**accredited investor**” means:

- (a) an individual who has a minimum net worth (either singly or jointly with their spouse) of U.S.\$1,000,000, excluding that person’s principal place of residence;
- (b) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.\$1,000,000;
- (c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund); or
- (d) any other entity which is an “accredited investor” as defined in the Central Bank of Bahrain Rulebook.

Cayman Islands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make any offer or invitation (whether directly or indirectly) to the public in the Cayman Islands to subscribe for any Certificates.

Malaysia

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Offering Circular has not been registered as a prospectus with the Securities Commission of Malaysia under the CMSA. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Certificates have not been and will not be offered, sold or delivered, and no invitation to subscribe for or purchase the Certificates has been or will be made, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within any one of the categories of persons specified under Part I of Schedule 6 or Section 229(1)(b) and Part I of Schedule 7 or Section 230(1)(b) and Schedule 8 or Section 257(3), read together with Schedule 9 or Section 257(3) of the CMSA, subject to any law, order, regulation or official directive of the Central Bank of Malaysia, the Securities Commission of Malaysia and/or any other regulatory authority from time to time.

Residents of Malaysia may be required to obtain relevant regulatory approvals including approval from the Controller of Foreign Exchange to purchase the Certificates. The onus is on the Malaysian residents concerned to obtain such regulatory approvals and none of the Dealers are responsible for any invitation, offer, sale or purchase of the Certificates as aforesaid without the necessary approvals being in place.

People’s Republic of China

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Certificates are not being offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by applicable laws of the PRC.

General

These selling restrictions may be modified by the agreement of the Trustee, the Bank and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the applicable Pricing Supplement issued in respect of the issue of Certificates to which it relates or in a supplement to this Base Offering Circular.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Certificates or possesses or distributes this Base Offering Circular and neither the Trustee, the Bank nor any of the other Dealers shall have any responsibility therefor.

None of the Trustee, the Bank, the Arrangers and the Dealers represents that (i) Certificates may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating any such sale; or (ii) any action has been, or will be taken in any jurisdiction that would permit a public offering of any Certificates, or possession or distribution of this Base Offering Circular or any other offering material or any applicable Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

GENERAL INFORMATION

Admission to Trading

Application has been made to the London Stock Exchange for Certificates issued under the Programme during the 12 months from the date of this Base Offering Circular to be admitted to trading on the ISM. The ISM is not a regulated market within the meaning of UK MiFIR. The ISM is a market designated for professional investors. Certificates admitted to trading on the ISM are not admitted to the Official List of the Financial Conduct Authority. The London Stock Exchange has not approved or verified the contents of this Base Offering Circular.

Certificates may also be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or that they will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Trustee and the Bank.

Authorisation

Each of the Trustee and the Bank has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Certificates and the entry into and performance of the Transaction Documents to which it is a party. The update of the Programme was authorised by a resolution of the board of directors of the Trustee dated 15 May 2025 and a resolution of the Board of Directors of Riyad Bank dated 9 August 2024.

Significant or Material Change

There has been no significant change in the financial or trading position, or material adverse change in the prospects, of the Trustee since the date of its incorporation.

There has been no significant change in the financial or trading position of the Bank or the Group since 31 March 2025 and there has been no material adverse change in the prospects of the Bank or the Group since 31 December 2024.

Litigation

Neither the Trustee nor the Bank nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Trustee or the Bank is aware) in the 12 months preceding the date of this Base Offering Circular which may have or has had in the recent past significant effects on the financial position or profitability of the Trustee, the Bank or the Group.

Clearing Systems

Certificates are expected to be accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Tranche of Certificates will be set out in the applicable Pricing Supplement.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the relevant Pricing Supplement.

Documents Available

For the 12 months following the date of this Base Offering Circular, copies of the following documents (together with English translations, when appropriate) may, during usual business hours on any weekday (excluding Saturdays, Sundays and public holidays) be (i) inspected and/or collected at the registered offices of the Trustee and the specified office of the Principal Paying Agent; or (ii) at the option of the Principal Paying Agent, emailed to any Certificateholder, at its request (subject to provision of proof of holding satisfactory to the Principal Paying Agent and the Obligor):

- (a) each applicable Pricing Supplement and the other Transaction Documents in relation to each Series (save that such documents will only be available for inspection by a holder of Certificates of such Series and such holder must produce evidence satisfactory to the Trustee and the Principal Paying Agent as to its holding of the relevant Certificate and identity);
- (b) the constitutional documents of the Trustee and the Bank;
- (c) the Interim Financial Statements and the Annual Financial Statements;
- (d) the most recently published consolidated financial statements of the Bank and interim condensed consolidated financial information of the Bank, in each case, together with any audit or review reports thereon and the notes thereto; and
- (e) this Base Offering Circular together with any supplement to this Base Offering Circular or further Offering Circular.

Independent Auditors

The 2024 Financial Statements were jointly audited by EY and Deloitte, as stated in their joint audit report incorporated by reference herein. The business address of EY is 14th Floor, Al Faisaliah Office Tower, King Fahad Road, P.O. Box 2732, Riyadh 11461, Kingdom of Saudi Arabia. The business address of Deloitte is Metro Boulevard, Al-Aqiq, King Abdullah Financial District, P.O. Box 213, Riyadh 11411, Kingdom of Saudi Arabia. EY and Deloitte are independent auditors and registered with SOCPA, the professional body that oversees audit firms in the Kingdom of Saudi Arabia

The 2023 Financial Statements were jointly audited by EY and PwC, as stated in their joint audit report incorporated by reference herein. The business address of EY is as set out above. The business address of PwC is Kingdom Tower, P.O. Box 8282, Riyadh 11482, Kingdom of Saudi Arabia. EY and PwC are independent auditors and registered with SOCPA, the professional body that oversees audit firms in the Kingdom of Saudi Arabia.

The Interim Financial Statements have not been audited but have been jointly reviewed by EY and Deloitte in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” as endorsed in the Kingdom of Saudi Arabia, as stated in their joint review report incorporated by reference herein. The business address of EY is as set out above. The business address of Deloitte is as set out above. EY and Deloitte are independent auditors and registered with SOCPA, the professional body that oversees audit firms in the Kingdom of Saudi Arabia.

With respect to the Interim Financial Statements, EY and Deloitte have jointly reported that they have applied limited procedures in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” as endorsed in the Kingdom of Saudi Arabia. Their joint review report dated 28 April 2025, incorporated by reference herein, states that they did not audit and they do not express any audit opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

Since the date of its incorporation, no financial statements of the Trustee have been prepared. The Trustee is not required by Cayman Islands law, and does not intend, to publish audited financial statements.

Cayman Islands Data Protection

The Trustee has certain duties under the Data Protection Act (As Revised) of the Cayman Islands (the “DPA”) based on internationally accepted principles of data privacy.

Prospective investors should note that, by virtue of making investments in the Certificates and the associated interactions with the Trustee and its affiliates and/or delegates, or by virtue of providing the Trustee with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals may be providing the Trustee and its affiliates and/or delegates (including, without limitation, the Trustee Administrator) with certain personal information which constitutes personal data within the meaning of the DPA. The Trustee shall act as a data controller in respect of this personal data and its affiliates and/or delegates, such as the Trustee Administrator, may act as data processors (or data controllers in their own right in some circumstances).

For further information on the application of the DPA to the Trustee, please refer to the Privacy Notice (a copy of which may be requested from the Trustee Administrator by email at dubai@maples.com), which provides an outline of investors’ data protection rights and obligations as they relate to the investment in the Certificates.

Oversight of the DPA is the responsibility of the Ombudsman’s office of the Cayman Islands. Breach of the DPA by the Trustee could lead to enforcement action by the Ombudsman, including the imposition of remediation orders, monetary penalties or referral for criminal prosecution.

Dealers transacting with the Bank

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Bank and its affiliates in the ordinary course of business for which they have received, and for which they may in the future receive, fees.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade securities (or related hedging instruments) and financial instruments (including bank financings) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Trustee, the Bank and their affiliates, including, without limitation, the Certificates. The Dealers and/or their affiliates may receive allocations of Certificates (subject to customary closing conditions), which may affect the future trading of the Certificates. Certain of the Dealers or their affiliates that have a financing relationship with the Trustee, the Bank and their affiliates may routinely hedge their credit exposure to the Trustee, the Bank and their affiliates consistent with their customary risk-management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of trading positions in securities, including potentially any Certificates issued under the Programme. Any such positions could adversely affect future trading prices of Certificates issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, trading positions in such securities and instruments.

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