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In the United Kingdom (the "**UK**"), this document is being distributed only to, and is directed only at persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") or high net worth entities, and other persons falling within Article 49(2)(A) to (D) of the Order (all such persons together being referred to as "**relevant persons**"). In the UK, this document must not be acted on or relied on by persons who are not relevant persons. In the UK, any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with such persons.

In member states of the European Economic Area (the "**EEA**"), this document and any offer of Notes described in this document when made are only addressed to and directed at persons who are "qualified investors" within the meaning of Regulation (EU) 2017/1129 ("**qualified investors**").

CONFIRMATION OF YOUR REPRESENTATION: In order to be eligible to view the document or make an investment decision with respect to the Notes described therein, (1) each prospective investor in respect of the Notes being offered outside of the United States in an offshore transaction pursuant to Regulation S must be outside of the United States, (2) each prospective investor in respect of the Notes being offered in the UK must be a relevant person and (3) each prospective investor in respect of the Notes being effected in the EEA must be a "qualified investor".

By accepting this e-mail and accessing, reading or making any other use of the document, you shall be deemed to have represented to the Arrangers and Dealers (as defined in the document) that (i) you understand and agree to the terms set out herein; (ii) you are a relevant person; and (iii) you are purchasing the Notes outside the

United States in an "offshore transaction" in reliance on Regulation S under the Securities Act, and, to the extent that you purchase the Notes described herein, you will be doing so pursuant to Regulation S, and that the electronic mail address that you have given is not located in the United States (including the State and District of Columbia), its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) (and in the case of Notes in bearer form, you are not a "U.S. person" (as defined in the U.S. Internal Revenue Code of 1986, as amended and the Treasury regulations promulgated thereunder) and are not purchasing the Notes for the account or benefit of, a "U.S. person" (as defined in the U.S. Internal Revenue Code of 1986, as amended and the Treasury regulations promulgated thereunder)); (iv) you are a person who is permitted under applicable law and regulation to receive the document; (v) you consent to delivery of the document and any supplements thereto by electronic transmission; (vi) you will not transmit the document (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person; and (vii) you acknowledge that you will make your own assessment regarding any credit, investment, legal, taxation or other economic considerations with respect to your decision to subscribe or purchase any of the Notes.

This document may not be distributed in the Kingdom of 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 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 from time to time. 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 adviser.

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The document does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that an offering of securities described in the document be made by a licensed broker or dealer and the Arrangers and the Dealers (as defined in the document) or any affiliate of the Arrangers or the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Arranger or Dealer or such affiliate on behalf of the Issuer or holders of the applicable securities in such jurisdiction.

Under no circumstances shall the document constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS: If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes 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 the following: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (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 (as amended). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS: If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes 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 the following: (i) not a professional client as defined in Article 2(1)(8) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (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 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 Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

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None of the Arrangers or the Dealers or any of their respective affiliates makes any representation as to the suitability of any Notes 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 has undertaken, nor are they responsible for (1) any assessment of or due diligence in respect of, the Sustainable Finance Framework (as defined in the document), 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 Notes. For the purposes of an investment in any Sustainable Notes, 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 Issuer'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 Notes should be based on the document, as supplemented, together with the applicable Pricing Supplement prepared in relation to the issuance of each Tranche of Sustainable Notes (as defined in the document). The contents of the Issuer'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 document, and none of the Arrangers, the Dealers or any of 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 document.

If a Tranche of Sustainable Notes 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 Issuer, the Arrangers, the Dealers or any other person that such listing or admission to trading will be obtained in respect of any Sustainable Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Sustainable Notes concerned.

None of the Arrangers, Dealers or any of their respective affiliates accepts any responsibility whatsoever for the contents of this document or for any statement made or purported to be made by any of them, or on any of their behalf, in connection with the Issuer or the offer. The Arrangers, Dealers and their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of such document or any such statement. No representation or warranty express or implied, is made by any of the Arrangers, Dealers or their respective affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in this document and none of the Arrangers, Dealers or any of their respective affiliates accepts any responsibility for any acts or omissions of the Issuer or any other person in connection with the Base Offering Circular or the Notes to be issued under the Programme.

You are responsible for protecting against viruses and other destructive items. Your receipt of the electronic transmission 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.

Riyad Bank

(a Saudi joint stock company operating under commercial registration number 1010001054)

U.S.$5,000,000,000
Medium Term Note Programme

Under the Medium Term Note Programme (the "**Programme**") described in this base offering circular (the "**Base Offering Circular**"), Riyad Bank (the "**Bank**" or the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue medium term notes (the "**Notes**") denominated in any currency agreed between the Issuer and the Dealers (as defined below). The aggregate nominal amount of Notes outstanding will not at any time exceed U.S.$5,000,000,000 (or the equivalent in other currencies).

Application has been made to the London Stock Exchange plc (the "**London Stock Exchange**") for Notes issued under the Programme during the period of 12 months from the date of this Base Offering Circular to be admitted to the London Stock Exchange's International Securities Market (the "**ISM**"). This Base Offering Circular comprises admission particulars for the purposes of admission to trading of the Notes on the ISM. The ISM is not a regulated market situated or operating within the United Kingdom (the "**UK**") 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**") ("**UK MiFIR**").

The ISM is a market designated for professional investors. Notes 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 Notes being "admitted to trading" (and all related references) shall mean that the Notes have been admitted to trading on the ISM.

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 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 (the "**Prospectus Regulation**").

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under "*Terms and Conditions of the Notes*" (the "**Conditions**")) of Notes will be set out in a pricing supplement (the "**Pricing Supplement**") which will be delivered to the London Stock Exchange and, with respect to Notes 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 30 June 2025 (as may be modified and/or supplemented and/or restated from time to time, the "**ISM Rulebook**").

The Programme also permits Notes to 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 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 Issuer and the relevant Dealer(s). The applicable Pricing Supplement will state whether or not the relevant Notes will be listed and/or admitted to trading and, if so, on which exchange(s) the Notes are to be listed.

The Issuer may agree with any Dealer that Notes may be issued in a form or with terms and conditions not contemplated by the Conditions, in which event a supplemental Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The Notes to be issued under the Programme may comprise senior notes (the "**Senior Notes**") or Tier 2 notes (the "**Tier 2 Notes**").

The Notes 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 Notes 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 Notes and on distribution of this Base Offering Circular, see "*Subscription and Sale*".

Each Series (as defined in "*Overview of the Programme – Method of Issue*") of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a "**temporary Global Note**") or a permanent global note in bearer form (each a "**permanent Global Note**", and together with each temporary Global Note, the "**Global Notes**"). Notes in registered form will be represented by registered certificates (each a "**Certificate**"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Global Notes and Certificates may be deposited on the issue date with a common depositary on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") (the "**Common Depositary**"). The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in "*Summary of Provisions relating to the Notes while in Global Form*".

The Issuer has been assigned a deposit rating of "A1" with a "stable" outlook by Moody's Investors Service Cyprus Limited ("**Moody's**"). The Issuer 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 "A-" by Fitch. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes 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 UK and is registered in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the "**UK CRA Regulation**"). Fitch is not established in the EEA and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). Accordingly, the Issuer'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 is established in the EEA and is registered under the CRA Regulation. As such, each of Moody's and S&P 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. Neither Moody's nor S&P is established in the UK and neither has applied for registration under the UK CRA Regulation. Accordingly, the Issuer'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 is established in the UK and registered under the UK CRA Regulation.

Whether or not a rating has been given in relation to any Tranche (as defined in "*Overview of the Programme – Method of Issue*") of Notes will be disclosed in the applicable Pricing Supplement. Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Notes already issued.

Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" in this Base Offering Circular.

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 subscription of the Notes including, in the case of Tier 2 Notes, the occurrence of a Non-Viability Event. See "*Risk Factors—The circumstances triggering a Write-down are unpredictable*" and "*Risk Factors—Risk factors relating to the Notes—The Noteholders' right to receive payment of the principal amount of the Tier 2 Notes will, and the interest amounts in respect of Tier 2 Notes may, be written-down (in whole or in part) upon the occurrence of a Non-Viability Event*".

The Notes to which this Base Offering Circular relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Notes offered should conduct their own due diligence on the Notes. If you do not understand the contents of this Base Offering Circular, you should consult an authorised financial adviser.

Arrangers and Dealers

BofA Securities **HSBC**

Riyad Capital **Standard Chartered Bank**

The date of this Base Offering Circular is 5 January 2026

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IMPORTANT NOTICES

This Base Offering Circular comprises admission particulars for the purposes of the ISM Rulebook. This Base Offering Circular does not comprise a prospectus for the purposes of either the Prospectus Regulation or the Prospectus Regulation 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 by the FCA.

The Issuer accepts responsibility for the information contained in this Base Offering Circular and the applicable Pricing Supplement for each Series of Notes issued under the Programme. To the best of the knowledge of the Issuer (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 this Base Offering Circular as completed by the applicable Pricing Supplement makes no omission likely to affect its import.

This Base Offering Circular must be read and construed together with any supplements hereto and with any information incorporated by reference herein (see "*Documents Incorporated by Reference*") and, in relation to any Tranche of Notes which is the subject of a Pricing Supplement, must be read and construed together with the applicable Pricing Supplement. Other than in relation to the documents which are incorporated by reference herein, the information on the websites to which this Base Offering Circular refers does not form part of this Base Offering Circular and has not been scrutinised or approved by the London Stock Exchange.

Certain information under the headings "*Risk Factors*", "*Saudi Arabia's Banking Sector and Regulations*" and "*Description of the Group*" has been extracted from information provided by: (i) SAMA and the Organization of Petroleum Exporting Countries ("**OPEC**"), in the case of "*Risk Factors*"; (ii) SAMA, in the case of "*Saudi Arabia's Banking Sector and Regulations*" and (iii) SAMA, Saudi Credit Bureau ("**SIMAH**") in the case of "*Description of the Group*" and, in each case, the relevant source of such information is specified where it appears under those headings. The Issuer 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.

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 Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Arrangers or the Dealers (as defined in "*Overview of the Programme*"). Neither the delivery of this Base Offering Circular nor any offering or sale of Notes shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer 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 Issuer 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 of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

No comment is made or advice given by the Issuer, the Arrangers, the Dealers, or any of their respective directors, affiliates, advisers or agents, in respect of taxation matters relating to the Notes or the legality of the purchase of the Notes by an investor under applicable or similar laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN TAX ADVISER, LEGAL ADVISER, FINANCIAL ADVISER AND BUSINESS ADVISER AS TO TAX, ZAKAT, LEGAL, FINANCIAL, BUSINESS AND RELATED MATTERS CONCERNING THE PURCHASE OF ANY NOTES.

The distribution of this Base Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Offering Circular comes are required by the Issuer, the Arrangers and the Dealers to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended, the "**Securities Act**") and may include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or, in the case of bearer notes, offered, sold or delivered within the United States or to U.S. persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Offering Circular, see "*Subscription and Sale*".

The Issuer has 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 Notes) 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 Notes) not misleading in any material respect. Reasonable enquiries have been made to ascertain or verify the foregoing.

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

To the fullest extent permitted by law, none of the Arrangers or the Dealers 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 or the Dealers (or any of their respective affiliates) or on its or their behalf in connection with the Issuer or the issue and offering of the Notes. Each Arranger and Dealer (and each of their respective affiliates) accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Offering Circular or any such statement. No representation or warranty is made or implied by the Arrangers or the Dealers or any of their respective affiliates, and neither the Arrangers, the Dealers nor any of their respective affiliates makes any representation or warranty 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 Issuer or any other person in connection with this Base Offering Circular or the issue and offering of any Notes under the Programme. 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 Issuer, the Arrangers or the Dealers (and their respective affiliates) that any recipient of this Base Offering Circular or any financial statements of the Issuer should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Arrangers or the Dealers (or their respective affiliates) undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Offering Circular or to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arrangers or the Dealers (or their respective affiliates).

In making an investment decision, investors must rely on their own independent examination of the Issuer and the terms of the Notes being offered, including the merits and risks involved. None of the Arrangers, the Dealers, any of their respective affiliates or the Issuer makes any representation to any investor regarding the legality of its investment under any applicable laws. Any investor should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

The Notes may not be a suitable investment for all investors. Accordingly, each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Offering Circular or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and, in the case of Tier 2 Notes, 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—Risk factors relating to the Notes—The Noteholders' right to receive payment of the nominal amount of the Tier 2 Notes will, and the interest amounts in respect of Tier 2 Notes may, be written-down (in whole or in part) upon the occurrence of a Non-Viability Event*". There are risks inherent in the holding of the Notes, including, in the case of Tier 2 Notes, the risks in relation to their subordination and the circumstances in which holders of the Notes may suffer loss as a result of holding the Notes. 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 Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The investment activities of certain investors are subject to legal 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: (1) the Notes are legal investments for it; (2) the Notes can be used as collateral for various types of borrowing; and (3) other restrictions apply to its purchase or pledge of Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

This offer document is an Exempt Offer document in accordance with the Market Rulebook of the Abu Dhabi Global Market Financial Services Regulatory Authority (the "**FSRA**"). This Exempt Offer document is intended for distribution only to Persons of a type specified in the Market Rulebook. It must not be delivered to, or relied on by, any other Person. The FSRA has no responsibility for reviewing or verifying any documents in connection with an Exempt Offer. The FSRA has not approved this Exempt Offer document nor taken steps to verify the information set out in it, and has no responsibility for it. The Securities to which this Exempt Offer relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Securities offered should conduct their own due diligence on the Securities. If you do not understand the contents of this Exempt Offer document you should consult an authorised financial advisor.

SUSTAINABLE NOTES

The proceeds of certain issuances of Notes may be used by the Issuer to achieve objectives set out in the Issuer's Sustainable Finance Framework (as defined in "*Use of Proceeds*" below). None of the Issuer, the Arrangers, the Dealers or the Agents or any of their respective affiliates makes any representation as to the suitability or content of the Sustainable Finance Framework and none of the Issuer, the Arrangers, the Dealers or any of their respective affiliates makes 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 Issuer's website (the "**Second Party Opinion**").

None of the Issuer, the Arrangers or the Dealers or any of their respective affiliates make any representation as to the suitability of the Notes, 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 Notes 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 has 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 Notes. For the purposes of an investment in any Sustainable Notes, 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 Notes should be based on the Base Offering Circular, as supplemented, together with the applicable Pricing Supplement prepared in relation to the issuance of each Tranche of Sustainable Notes. The contents of the Issuer'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 none of the Arrangers or any of the Dealers or any of 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 Notes 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 Issuer, the Arrangers, the Dealers or any other person that such listing or admission to trading will be obtained in respect of any Sustainable Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Sustainable Notes concerned.

EU MIFID II PRODUCT GOVERNANCE/TARGET MARKET

The applicable Pricing Supplement in respect of any Notes may include a legend entitled "MiFID II Product Governance", which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (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 Notes (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 Notes is a manufacturer in respect of such Notes, 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 Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes 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 Notes (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 Notes is a manufacturer in respect of such Notes, 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.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes 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 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 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 "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes 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 the following: (i) not a professional client as defined in Article 2(1)(8) of Regulation (EU) No 600/2014 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 EU PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

STABILISATION

In connection with the issue of any Tranche of Notes, a Dealer or Dealers (if any) appointed as the stabilisation manager(s) (the "**Stabilisation Manager(s)**") (or person(s) acting on behalf of any Stabilisation Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action or over-allotment may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made 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 of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

GUIDANCE UNDER THE HKMA CIRCULAR

In October 2022, the HKMA issued guidance on enhanced investor protection measures on the sale and distribution of debt instruments with loss-absorption features and related products (such as the Tier 2 Notes) (the "**HKMA Circular**"). Under the HKMA Circular, debt instruments with loss absorption features, being subject to the risk of being written-down or converted to ordinary shares, and investment products that invest mainly in, or whose returns are closely linked to the performance of such instruments, are to be targeted in Hong Kong at professional investors (as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any subsidiary legislations or rules made under the SFO, "**Professional Investors**") only and are generally not suitable for retail investors in either the primary or secondary markets. Investors in Hong Kong should not purchase the debt instruments with loss-absorption features in the primary or secondary markets unless they are Professional Investors and understand the risks involved. The Tier 2 Notes are generally not suitable for retail investors.

NOTICE TO RESIDENTS OF QATAR

Any Notes to be issued under the Programme 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. The Notes are not and will not be traded on the Qatar Stock Exchange. The Notes 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 OF THE KINGDOM OF BAHRAIN

In relation to investors in the Kingdom of Bahrain ("**Bahrain**"), Notes 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 Bahrain where such investors make a minimum investment of at least U.S.$100,000 or any equivalent amount in another currency or such other amount as the CBB may determine.

This Base Offering Circular does not constitute an offer of securities in 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 Notes 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 Notes, whether directly or indirectly, to persons in Bahrain, other than to accredited investors for an offer outside 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 Notes to be offered for investment, whether in or outside 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 Notes will be made to the public in 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 Capital Market Authority (the "**CMA**") pursuant to its resolution number 3-123-2017 dated 9/4/1439H (corresponding to 27 December 2017), as 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 adviser.

NOTICE TO RESIDENTS OF JAPAN

The Notes 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**"). The Notes will not be, directly or indirectly, offered or sold 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.

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 Notes (the "**Kuwait CMA Approval**"), the Notes 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 Notes be sold by way of a public offering in the State of Kuwait. In the event where the Notes 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 Notes, it is recommended that a prospective holder of any Notes 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 Notes.

NOTICE TO RESIDENTS OF SINGAPORE

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded 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).

PRESENTATION OF CERTAIN 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 30 September 2025 and for the nine-month period ended 30 September 2025 including unaudited comparative financial information for the nine-month period ended 30 September 2024 (the "**Interim Financial Statements**");
- the audited consolidated financial statements as at and for the year ended 31 December 2024 including comparative financial 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 financial 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 2023 Financial Statements were prepared in compliance with the International Financial Reporting Standards as endorsed in the Kingdom of Saudi Arabia ("**Saudi Arabia**") and other standards and pronouncements as endorsed by the Saudi Organization for Chartered and Professional Accountants ("**SOCPA**"), the Banking Control Law (the "**BCL**"), the Regulations for Companies in Saudi Arabia and the by-laws of the Bank.

The 2024 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 SOCPA (together, "**IFRS**") and (ii) the provisions of the **BCL**, 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* 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 comparative information as of and for the year ended December 31, 2023, included in the 2024 Consolidated Financial Statements has not been audited by Deloitte.

The Interim Financial Statements were jointly reviewed by KPMG Professional Services Company ("**KPMG**") 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. KPMG and Deloitte issued an unqualified joint review report on the Interim Financial Statements.

All financial information in this Base Offering Circular as at 30 September 2025, and for the nine-month periods ended 30 September 2025 and 30 September 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. ***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 30 September 2025, and for the nine-month periods ended 30 September 2025 and 30 September 2024, from the Interim Financial Statements;
- 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 financial information as at, and for the year ended, 31 December 2023 from the 2023 Financial Statements, except for the reclassified financial information as at, and for the year ended, 31 December 2023 which has been derived 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 2022, from the comparative column of the 2023 Financial Statements.

Restatement of financial information

During the three-month and nine-month period ended 30 September 2025, the Bank corrected the valuation of its equity interest in SIMAH that is classified as an investment at fair value through other comprehensive income, which was historically valued at net asset instead of fair value. The impact of the change in valuation method from net asset to fair value has resulted in an increase by SAR 451 million as at 31 December 2023, as at 30 September 2024 and as at 31 December 2024.

This adjustment is further described in note 7(b) to the Interim Financial Statements. Statement of financial position information relating to investments, net and other reserves as at 31 December 2024, which has been derived from the 2024 Financial Statements, should be read accordingly.

Presentation of other Information

Currencies

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

- "**riyal**", "**Saudi riyal**" 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 of America (the "**United States**" or the "**USA**").

Unless otherwise indicated, the financial information contained in this Base Offering Circular has been expressed in riyal. The Bank's functional currency is the riyal and the Bank 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. 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 Notes issued under the Programme.

Where information has not been independently sourced (including any financial information that has not been extracted from the Financial Statements), 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);
- "the **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; 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 data derived from the Financial Statements 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 information derived from the Financial Statements, 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 place, with 0.050 being rounded up. As a result of such rounding, the totals of rounded 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 Bank expressly disclaims 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.

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 Issuer and any relevant Dealer(s) may agree that Notes shall be issued in a form other than that contemplated in the Conditions, in which event, in the case of listed Notes only, if appropriate, a supplemental offering circular will be published. For a complete understanding of the Notes, please refer to the Conditions. Capitalised terms not defined in this section shall have the meanings given to them in the Conditions.

Issuer	Riyad Bank
Legal Entity Identifier of the Issuer	54930037RJ782ISGGM71
Description	Medium Term Note Programme.
Size	Up to U.S.$5,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Arrangers	HSBC Bank plc, Merrill Lynch International, Riyad Capital and Standard Chartered Bank.
Dealers	HSBC Bank plc, Merrill Lynch Kingdom of Saudi Arabia, Riyad Capital and Standard Chartered Bank. The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Offering Circular to "**Permanent Dealers**" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "**Dealers**" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Fiscal Agent and Principal Paying Agent	The Bank of New York Mellon, London Branch
Registrar	The Bank of New York Mellon SA/NV, Dublin Branch
Method of Issue	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") issued on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be

	identical to the terms of other Tranches of the same Series) will be completed in the applicable Pricing Supplement.
Issue Price	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The price and amount of Notes to be issued will be determined by the Issuer and the relevant Dealer(s).
Form of Notes	The Notes may be issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**") only. Each Tranche of Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in "*Selling Restrictions*" below); otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as "**Global Certificates**".
Clearing Systems	Clearstream, Luxembourg, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Fiscal Agent and the Principal Paying Agent and the relevant Dealer.
Initial Delivery of Notes	On or before the issue date for each Tranche, the Global Note representing Bearer Notes or the Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Global Notes or Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the Principal Paying Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.
Maturities	Subject to compliance with all relevant laws, regulations and directives, any maturity as may be agreed between the Issuer and the relevant Dealer(s).
Specified Denomination	Notes will be issued in minimum denominations of at least €100,000 (or its equivalent in other currencies), subject to compliance with all applicable legal and/or regulatory requirements and, unless otherwise permitted by then current

	laws and regulations, Notes (including Notes 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 Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies).
Fixed Rate Notes	Fixed interest will be payable in arrear on the date or dates in each year specified in the applicable Pricing Supplement.
Floating Rate Notes	Floating Rate Notes will bear interest determined separately for each Series as follows: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating (a) the 2006 ISDA Definitions or (b) the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including each Matrix (as defined therein) (and any successor thereto), as specified in the applicable Pricing Supplement, each as published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to the relevant Reference Rate, subject to adjustment according to Condition 5 (*Interest and other Calculations*). Interest periods will be specified in the applicable Pricing Supplement.
Zero Coupon Notes	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
Reset Notes	Reset Notes will bear interest: (i) in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Reset Date (or, if there is more than one Reset Period, the first Reset Date occurring after the Interest Commencement Date), at the rate per annum equal to the Initial Rate of Interest; and (ii) in respect of the Reset Period (or, if there is more than one Reset Period, each successive Reset Period thereafter), at such rate per annum as is equal to the relevant Subsequent Reset Rate, as determined by the Calculation Agent on the relevant Reset Determination Date in accordance with Condition 5(d)(ii) (*Reset Note Provisions—Rate of Interest for Reset Notes*), payable, in each case, in arrear on the Interest Payment Dates(s).
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest

	accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the applicable Pricing Supplement.
Redemption	The applicable Pricing Supplement will specify the basis for calculating the redemption amounts payable. Unless permitted by then-current laws and regulations, Notes (including Notes 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 Issuer in the UK or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
Optional Redemption	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of (a) the Issuer (either in whole or in part) (subject, in the case of Tier 2 Notes, to Condition 6(i) (*Redemption, Purchase and Options – Conditions to Redemption and Repurchase of Tier 2 Notes*) including obtaining the prior written approval of the Financial Regulator (if and to the extent required at such time)) and/or (b) in respect of the Senior Notes only, the holders and, if so, the terms applicable to such redemption.
Redemption following a Capital Disqualification Event	The Issuer may redeem all (but not some only) of the Tier 2 Notes at any time on or after the issue date in accordance with Condition 6(d) (*Redemption following a Capital Disqualification Event*) and subject to Condition 6(i) (*Redemption, Purchase and Options – Conditions to Redemption and Repurchase of Tier 2 Notes*) including obtaining the prior written approval of the Financial Regulator (if and to the extent required at such time).
Status of the Senior Notes	The Senior Notes will constitute direct, unconditional and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and will rank *pari passu* among themselves. In the event of the bankruptcy, insolvency, winding up or dissolution of the Issuer, the payment obligations of the Issuer under the Senior Notes and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4 (*Negative Pledge*), at all times rank at least equally with all other unsecured and unsubordinated obligations of the Issuer from time to time outstanding.
Status of the Tier 2 Notes	The Tier 2 Notes are direct, conditional and unsecured obligations of the Issuer and rank *pari passu* and without any preference among themselves. Payments in respect of the Tier 2 Notes will be subordinated as described in Condition 3(c) (*Subordination of the Tier 2 Notes*).

Non-Viability/Write-down of the Notes	In the case of Tier 2 Notes only, if a Non-Viability Event occurs at any time on or after the issue date of a Series of Notes and prior to the date on which the Applicable Statutory Loss Absorption Regime becomes effective in respect of the Notes, the Notes shall be written-down subject to and as provided in Condition 7 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*). See Condition 7 (*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.
Negative Pledge	The Senior Notes will have the benefit of a negative pledge as described in Condition 4 (*Negative Pledge*).
Cross Default	The Senior Notes will have the benefit of a cross default provision as described in Condition 11(b) (*Events of Default*).
Ratings	The Programme has been assigned ratings of "A" by S&P and "A-" by Fitch. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes 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.
Early Redemption	Except as provided in "*Optional Redemption*" and "*Redemption following a Capital Disqualification Event*" above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See Condition 6 (*Redemption, Purchase and Options*).
Withholding Tax	All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of Saudi Arabia, unless the withholding is required by law. In such event, the Issuer shall (subject to the exceptions in Condition 9 (*Taxation*)) pay such additional amounts as shall result in receipt by the Noteholder of such amounts as would have been received by it had no such withholding been required, all as described in Condition 9 (*Taxation*).
Governing Law	English law.
Waiver of Immunity	Under the Notes, the Agency Agreement and the Deed of Covenant, the Issuer 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 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.
Listing and Admission to Trading	Application has been made to the London Stock Exchange for Notes to be issued under the Programme during the period of 12 months after the date hereof to be admitted to trading on the ISM. The Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer(s) in relation to the Tranche. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchange and/or markets.
Selling Restrictions	The United States, the EEA, the UK, Qatar, the United Arab Emirates (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre), the Abu Dhabi Global Market, the Dubai International Financial Centre, Bahrain, Saudi Arabia, Japan, Kuwait, Singapore, Hong Kong and the PRC. See "*Subscription and Sale*". The Issuer is Category 2 for the purposes of Regulation S under the Securities Act. Bearer Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**")) (the "**D Rules**") unless (i) the applicable Pricing Supplement states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the "**C Rules**") or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the applicable Pricing Supplement as a transaction to which TEFRA is not applicable.

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 as at and for the nine-month period ended 30 September 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+3-+Interim+Condensed+Consolidated+Financial+Statements-+%28English%29.pdf/e9e04c3c-a251-448c-7642-656ba3c2ddf6?t=1761746327501);

(b) the consolidated financial statements of the Group as at and 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 as at and 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),

(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 Notes 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 can be obtained from the registered office of the Fiscal Agent during usual business hours and will be available for viewing on the Issuer's website.

RISK FACTORS

*Any investment in Notes 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 Notes, the Group's business and the countries and markets in which the Group operates, together with all 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 Notes issued under the Programme and the suitability of investing in any Notes considering their particular circumstances, without relying on 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 Notes issued under the Programme could decline and these factors could result in an investor losing part or all of its investment.*

The Group believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. All these factors are contingencies which may or may not occur, and the Group does not express any view on the likelihood of any such contingency occurring. Factors which the Group believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Group believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the Group may be unable to pay amounts due in connection with any Notes for other reasons and the Group does not represent that the statements below regarding the risks of holding any Notes 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 Bank or the Group.

Risks 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 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 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, "*Risks relating to* the *economic, political and regulatory environment in Saudi Arabia—Saudi Arabia's economy remains 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 October 2025 World Economic Outlook, the IMF projects that global growth will be 3.2 per cent. in 2025 and 3.1 per cent. in 2026. The IMF notes that risks to the outlook remain tilted to the downside and include (i) prolonged policy uncertainty that could dampen consumption and investment; (ii) further escalation of protectionist measures, including non-tariff barriers, that could suppress investment, disrupt supply chains and stifle productivity growth; (iii) larger-than-expected shocks to labour supply, notably from restrictive immigration policies, that could reduce growth, especially in economies facing aging populations and skill shortages; (iv) fiscal vulnerabilities and financial market fragilities that may interact with rising borrowing costs and increased rollover risks for sovereigns; (v) an abrupt repricing of tech stocks that could be triggered by disappointing results on earnings and productivity gains related to artificial intelligence ("**AI**"), marking an end to the AI investment boom and the associated exuberance of financial markets, with the possibility of broader implications for macro-financial stability; (vi) pressure on the independence of key economic institutions, such as central banks, that could erode hard-earned policy credibility and undermine sound economic decision making, including as a result of reduced data reliability; and (vii) commodity price spikes, stemming from climate shocks or geopolitical tensions, that could pose additional risks, especially for low-income, commodity-importing countries.

Any materialisation of these risks, including those noted by the IMF above, could adversely impact the Bank. 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 Notes issued under the Programme.

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

As at 30 September 2025, the Group's NPLs represented 0.9 per cent. of its total loans and advances compared to 1.0 per cent. as at 31 December 2024, 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 when due 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 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 numerous 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.

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, and occasional military action, between Israel and Iran and the situation remains volatile and uncertain. In addition, in June 2025, the United States conducted a missile strike on an Iranian nuclear facility and Iran attacked a US base in Qatar in response. Most recently, Israel carried out a strike aimed at Hamas leadership in Qatar. Although there is currently a U.S.-brokered ceasefire between Israel and Hamas, it remains fragile with both sides alleging frequent violations. 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 countries 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 30 September 2025, the Group's loans and advances, net (its "**customer financing portfolio**") amounted to SAR 368,554 million, compared to 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 NPLs were SAR 3,258 million as at 30 September 2025, compared to SAR 3,174 million as at 31 December 2024, 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 total loans and advances amounted to 1.2 per cent., 1.6 per cent., 1.8 per cent. and 1.9 per cent. of the value of its customer financing portfolio as at 30 September 2025, 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 442,817 million, or 87.2 per cent. of the Group's total assets, as at 30 September 2025, SAR 390,210 million, or 86.6 per cent. of the Group's total assets, as at 31 December 2024, SAR 332,959 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 64,240 million, or 86.5 per cent., of the portfolio being fixed rate instruments as at 30 September 2025 compared to SAR 60,351 million, or 86.1 per cent., as at 31 December 2024, SAR 51,444 million, or 87.8 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 325,413 million, equal to 74.9 per cent. of its total liabilities, as at 30 September 2025 compared to SAR 306,423 million, equal to 80.1 per cent. of its total liabilities, as at 31 December 2024, 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 63.4 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 30 September 2025, the Group had SAR 181,804 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 due to 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 daily. 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 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 certain 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 337,630 million as at 30 September 2025 compared to SAR 304,253 million as at 31 December 2024, 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 5,686 million and SAR 4,940 million, respectively, as at 30 September 2025 compared to SAR 5,569 million and SAR 5,166 million, respectively, as at 31 December 2024, 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 due to 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 due to 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 due to 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 due to 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 and the way they are interpreted or enforced may also impose significant additional compliance costs on the Group. For example, the Law on the Treatment of Systemically Important Financial Institutions, issued on 25/04/1442H (corresponding to 10 December 2020) which came into effect in June 2021 (the "**SIFI Law**"), provides for the relevant regulator to determine whether a financial institution such as the Bank should be deemed to be systemically important. The Bank has not yet been informed by SAMA about its status under the SIFI Law. The objectives of the SIFI Law include the protection of the financial system and sector in Saudi Arabia and minimising dependence on Government support by instead utilising the resources of the relevant financial institution. The SIFI Law gives the relevant regulator the right to undertake certain protective measures to safeguard the financial system, such as the ability to amend, reduce, cancel or convert into equity the rights of securityholders of the relevant financial institution. If the Bank is classified by SAMA as a systemically important financial institutions in accordance with the SIFI Law (a "**SIFI**") and if the Bank meets the requirements for a treatment plan to be applied, any of the above measures could be imposed by SAMA on the Noteholders.

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 at 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), is likely to constitute an Applicable Statutory Loss Absorption Regime for the purposes of the Tier 2 Notes. 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 7 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*) or otherwise be in the interests of the holders of the Tier 2 Notes. Accordingly, the operation of any such future legislation or the implementation of an Applicable Statutory Loss Absorption Regime may result in the Tier 2 Notes absorbing losses in a manner other than as described in the Conditions, which may in turn have an adverse effect on the position of the holders of the Tier 2 Notes.

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 local currency issuer default rating of A- with a stable outlook from Fitch, an issuer 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 Notes 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 or any Notes may not reflect the potential impact of all risks related to an investment in the Notes issued under the Programme, the market, additional factors discussed in this Base Offering Circular and other factors that may affect the value of any Notes. 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 30 September 2025, the Group's Tier 1 capital adequacy ratio (calculated according to Basel III standards for Pillar 1) was 15.78 per cent. (compared to 16.40 per cent. as at 31 December 2024, 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 17.81 per cent. (compared to 18.94 per cent. as at 31 December 2024, 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 30 September 2025 was 11.079 per cent. (compared to 11.09 per cent. as at 31 December 2024, 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 0.079 per cent. (compared to 2.5 per cent. and 0.087 per cent., respectively, as at 31 December 2024, 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 2024, the Bank issued U.S.$750 million additional tier 1 capital sukuk. In January 2025, the Bank issued SAR 2.0 billion of additional Tier 1 capital sukuk under its additional Tier 1 capital sukuk private placement programme. In July 2025, the Bank issued U.S.$1.25 billion of new Tier 2 capital trust certificates under its U.S.$3 billion trust certificate issuance programme.

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 due to 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 31 December 2025, there are 39 commercial banks licensed to operate in Saudi Arabia, of which seven are noted on the website as not yet being operational. Of these licensed banks, 11 are local banks incorporated in Saudi Arabia, eight are branches or subsidiaries of banks based in countries of the GCC other than Saudi Arabia, 16 are international banks and four are digital banks.

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 judgement 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 judgements, estimates and assumptions made by the Group. These judgements 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 judgements 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 judgements 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 Noteholders

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 the Saudi Exchange Company ("**Tadawul**"), gives the Government an indirect holding of 32.14 per cent. of the shares in the Bank as at 30 September 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 Noteholders), the Noteholders 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 Notes 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 June 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.

Risks 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 2024, 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 24.5 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 (principally reflecting the impact of international sanctions imposed on Russia following its invasion of Ukraine early in 2022), U.S.$82.95 in 2023 (principally 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 average of the monthly average OPEC Reference Basket prices per barrel for the nine months ended 30 September 2025 was U.S.$71.51. 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, see, for example, "*—Risks relating to the Group— The Group's business is exposed to political conditions in Saudi Arabia and the MENA region*" above;
- 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 wide-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 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 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 member 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 Noteholders 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 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 required 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 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 Notes 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 Notes 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 Notes

The Noteholders' right to receive payment of the nominal amount of the Tier 2 Notes will, and the interest amounts in respect of Tier 2 Notes may, be 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 Notes and prior to the date on which the Applicable Statutory Loss Absorption Regime becomes effective in respect of such Series, the Tier 2 Notes will be cancelled in whole if so determined by the Financial Regulator and, except in relation to any interest accrued and unpaid if and only to the extent that such interest became due and payable to the Noteholders 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 Noteholder to payment of any amounts under or in respect of the Tier 2 Notes (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 11(a) (*Tier 2 Notes*)) 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 Notes is required, the nominal amount of each Note shall be written-down by the amount so specified in writing by the Financial Regulator and except in relation to payment of accrued and unpaid interest if and only to the extent such interest became due and payable to the Noteholders 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 Noteholder for payment of any amounts under or in respect of the proportion of the Tier 2 Notes 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 11(a) (*Tier 2 Notes*)) 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 Noteholders may lose some or the entire amount of their investment in the Tier 2 Notes.

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

(i) a Write-down of the Tier 2 Notes (and write-down of any of the Issuer's other capital instruments or other obligations constituting Tier 1 Capital and/or Tier 2 Capital of the Issuer 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 Issuer; or (b) on terms that are more favourable to the Issuer than those that would be accepted by private investors in comparable transactions.

Basel III reforms and risk of Tier 2 Notes 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 equity 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 Issuer, to implement the additional requirements imposed by the January 13 Annex from 1 January 2013. See "*—The Noteholders' right to receive payment of the nominal amount of the Tier 2 Notes will, and the interest amounts in respect of Tier 2 Notes may, be 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 7 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*)) in the Kingdom.

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 the Implementing Regulations, would likely constitute an Applicable Statutory Loss Absorption Regime for the purposes of the Tier 2 Notes. The Conditions provide that, on or after the date on which the Applicable Statutory Loss Absorption Regime becomes effective, the provisions of Condition 7 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*) will lapse and cease to apply, except to the extent such provisions are required by the Applicable Statutory Loss Absorption Regime or the Financial Regulator in its exercise of its powers thereunder.

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 Issuer, SAMA (or the Issuer following instructions from SAMA) may take such action in respect of the Tier 2 Notes as is required or permitted by such Applicable Statutory Loss Absorption Regime.

While 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 7 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*) or otherwise be in the interests of the holders of Tier 2 Notes.

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

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 Notes and could lead to the Noteholders losing some or all of their investment in the Tier 2 Notes.

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 Noteholders and, in particular, the consequences for Noteholders 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 Noteholders.

Prospective investors should also be aware that the application of a non-viability loss absorption feature as contained in Condition 7 (*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 Notes assumes an enhanced risk of loss in the event of a Winding Up Proceeding

The Issuer's obligations under the Tier 2 Notes will be unsecured and subordinated. Upon the occurrence of a Winding Up Proceeding, and subject to the non-viability provisions contained in Condition 7 (*Loss Absorption Upon the Occurrence of a Non-Viability Event*), the payment obligations of the Issuer will rank subordinate to claims in respect of Senior Obligations and no amount will be paid by the Issuer in respect of such obligations until all such Senior Obligations have been paid in full. Unless, therefore, the Issuer has assets remaining after making all such payments in respect of Senior Obligations, no payments will be made in relation to the Tier 2 Notes and any such payments that are made will be made at least *pari passu* with any payments required to be made by the Issuer in respect of any Pari Passu Obligations. Consequently, although the Tier 2 Notes may pay a higher rate of interest than comparable unsubordinated instruments, there is an enhanced risk that an investor in Tier 2 Notes will lose all or some of its investment following the occurrence of a Winding Up Proceeding.

No limitation on incurrence of Senior Obligations or Pari Passu Obligations

There is no restriction on the amount of Senior Obligations or Pari Passu Obligations that the Issuer may incur. As described above, the incurrence of any such obligations may reduce the amount recoverable by the holders of the Tier 2 Notes ("**Tier 2 Noteholders**") on any dissolution, winding-up or liquidation of the Issuer. Accordingly, on such dissolution, winding-up or liquidation, there may not be sufficient amounts to satisfy the amounts owing to Tier 2 Noteholders in respect of the obligations of the Issuer and this may result in an investor in Tier 2 Notes 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 Notes

In respect of Tier 2 Notes, it will only be possible to accelerate payment of any amounts payable under the Notes in relation to such Notes upon the occurrence of a Winding Up Proceeding of the Issuer as described in Condition 11(a) (*Tier 2 Notes*). Subject as provided in Condition 11(a) (*Tier 2 Notes*), the Noteholders may then claim or prove in the winding-up, dissolution or liquidation in respect of the resulting amounts due and payable in respect of the Notes.

The only remedy of Tier 2 Noteholders on any default in payment of principal or interest will be to institute proceedings for the Issuer 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 Issuer, in accordance with Condition 11(a) (*Tier 2 Notes*).

No remedy other than those described above will be available to any of the Tier 2 Noteholders, whether for the recovering of amounts owing in respect of the Notes or in respect of any breach by the Issuer of any other obligation, condition or provision binding on it under the Notes.

Resettable fixed rate instruments have a market risk

A holder of an instrument with a fixed interest (or equivalent) rate that will be reset during the term of the instrument (as will be the case for the Reset Notes with effect from each Reset Date if not previously redeemed and/or purchased and cancelled) is exposed to the risk of fluctuating interest rate levels and uncertain interest income. While the expected interest rate on such Reset Notes is fixed until the first Reset Date (with a reset of the Initial Rate of Interest on the first Reset Date as set out in the Conditions and every 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 Reset Notes may also change, but in the opposite direction. If the market return rate increases, the market value of such Reset Notes would typically decrease. If the market return rate falls, the market value of such Reset Notes would typically increase.

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

The Notes may be redeemed prior to maturity

If the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any change of law in Saudi Arabia effective on or after the date on which agreement is reached to issue the most recent tranche of the relevant Series of Notes, which results in 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 Saudi Arabia or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may (subject, in the case of the Tier 2 Notes only, to Condition 6(i)), redeem all outstanding Notes in accordance with the Conditions. See Condition 6(c) for further details.

In addition, if in the case of any particular Tranche of Notes the applicable Pricing Supplement specifies that the Notes are redeemable at the Issuer's option in certain other circumstances, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Notes subject to optional redemption by the Issuer

Notes subject to an optional redemption feature (where specified as being applicable in the applicable Pricing Supplement in respect of a particular Tranche of Notes) is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

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

Notes issued under the Programme may be represented by one or more Global Notes (in the case of Bearer Notes) or Global Certificates (in the case of Registered Notes). Such Global Notes and Global Certificates will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes or Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificates, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes or Global Certificates, the Issuer will discharge its payment obligations under the Notes by making payments to the, where applicable, common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note or a Global Certificate must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Holders of beneficial interests in the Global Notes or Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes or Global Certificates will not have a direct right under the Global Notes or Global Certificates to take enforcement action against the Issuer in the event of a default under the relevant Notes but will have to rely upon their rights under the Deed of Covenant.

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

The Issuer intends to use an amount at least equal to the net proceeds from each issue of Notes identified as Sustainable Notes ("**Sustainable Notes**") 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 Issuer 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 Notes is a factor in any potential investor's decision to invest in Sustainable Notes, that investor should carefully consider the disclosure in "*Use of Proceeds*" and the Sustainable Finance Framework published on the Issuer'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 Notes. In particular, no assurance is given by the Issuer, 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 Issuer's intention stated above, potential investors should be aware that the Issuer 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 Issuer, 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 Notes 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 Issuer. 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 Notes and/or the failure by the Issuer to meet any environmental, social or sustainability targets and/or any changes to the composition of the Eligible Sustainable Projects before the applicable maturity date or any applicable optional redemption date of the applicable Sustainable Notes 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 Notes against the Issuer, any other member of the Group, the Arrangers, any Dealer or any other person; (ii) constitute a Tier 2 Event or an Event of Default under Condition 11 (*Events of Default and Tier 2 Events*) of the Notes with respect to Sustainable Notes; (iii) create an obligation of the Issuer to redeem the relevant Sustainable Notes; (iv) create an option for the holders of the relevant Sustainable Notes to redeem such Sustainable Notes; (v) create an incentive to redeem the relevant Sustainable Notes; (vi) in the case of Sustainable Notes which are Tier 2 Notes ("**Tier 2 Sustainable Notes**"), compromise the ability of the relevant Sustainable Notes to qualify as Tier 2 Capital of the Issuer or have any impact on the status and/or ranking of such Sustainable Notes, but such events, failures or facts may affect the value and/or the trading price of Sustainable Notes and/or have adverse consequences for certain investors with portfolio mandates to invest in green or social assets.

Investors should be aware that Tier 2 Sustainable Notes will be subject to non-viability loss absorption to the same extent and with the same ranking as any other Tier 2 Note which is not a Tier 2 Sustainable Note. See further "*—The Noteholders' right to receive payment of the nominal amount of the Tier 2 Notes will, and the interest amounts in respect of Tier 2 Notes may, be written-down (in whole or in part) upon the occurrence of a Non-Viability Event*". Further, proceeds from any Tier 2 Sustainable Notes will cover all losses in the balance sheet of the Issuer regardless of their "sustainable" label and whether such losses arise from "sustainable" or other assets.

The net proceeds of the issue of Sustainable Notes which, from time to time, are not earmarked towards Eligible Sustainable Projects are intended by the Issuer 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 Issuer will earmark an amount equivalent to the net proceeds of the issue of any Sustainable Notes in a segregated account, there can be no assurance that the Sustainable Notes or the proceeds therefrom will not be used to absorb any and all losses of the Issuer, regardless of whether or not such losses stem from green, sustainable, social or other assets, in the same way as the Issuer's other instruments not classified as Sustainable Notes 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 Notes and any Eligible Sustainable Projects (or any other environmental, social or similar targets set by the Issuer) and consequently neither payments of principal and interest (as the case may be) on, nor an investor's right to accelerate repayment of, the Sustainable Notes shall depend on the application of an amount equal to the net proceeds of any issue of Sustainable Notes, the performance of the relevant Eligible Sustainable Projects or the performance of the Issuer 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 Issuer, 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.

Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds was published in the Official Journal of the European Union on 30 November 2023 (the "**EU Green Bond Regulation**"). The EU Green Bond Regulation, which entered into force on 20 December 2023 and has applied since 21 December 2024, introduces: (i) a voluntary label (the "**European Green Bond Standard**") for issuers of green use of proceeds bonds where the proceeds will be invested in economic activities aligned with the EU Taxonomy; (ii) optional disclosure templates for bonds marketed as environmentally sustainable and for sustainability-linked bonds; and (iii) establishes a system to register and supervise external reviewers of green bonds aligned with the European Green Bond Standard. Any Sustainable Notes issued under the Programme will not be compliant with the EU Green Bond Regulation and are intended to comply with the criteria and processes set out in the Issuer's Sustainable Finance Framework only.

It is not clear at this stage if the establishment under the EU Green Bond Regulation of the European Green Bond Standard and the optional disclosures regime for bonds issued as "environmentally sustainable" could have an impact on investor demand for, and pricing of, green use of proceeds bonds (such as the Sustainable Notes) that do not meet such standard or do not elect to use the optional disclosure templates. It could reduce demand and liquidity for the Sustainable Notes and their price. While the EU Green Bond Regulation provides a supervisory regime for external reviewers of green bonds aligned with the European Green Bond Standard, any report, assessment, opinion or certification of any third party (whether or not solicited by the Issuer or any of its affiliates) made available in connection with an issue of Sustainable Notes will not be subject to regulatory oversight.

Furthermore, it should be noted that there is currently no clear definition (legal, regulatory or otherwise) of, or 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 Issuer, 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 Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy**"), the EU Taxonomy as it forms part of domestic law by virtue of the EUWA, 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 Notes 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 Note, which event may affect the value of such Sustainable Note, and/or have adverse consequences for certain investors in such Sustainable Note.

The Sustainable Finance Framework is intended to be aligned with the 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 Market 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 Issuer 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 Issuer, 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 Issuer's website have been verified nor do they constitute or form part of any offer to sell or issue, or any solicitation of any offer to purchase or subscribe for, any Sustainable Notes and are not incorporated in or form part of this Base Offering Circular.

None of the Arrangers or the Dealers or any of their respective affiliates makes any representation as to nor are they responsible for (i) the suitability of any Sustainable Notes to fulfil any environmental, social and/or sustainability criteria required by prospective investors, (ii) whether the net proceeds of the issuance of any such Notes 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 Notes 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 Notes, investors should make their own investigation, refer to the Issuer'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 Notes should be based upon such investigation as it deems necessary.

The Issuer 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 Notes

No assurance or representation can be given as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion (including the Second Party Opinion) or certification of any third party (whether or not solicited by the Issuer) which may or may not be made available in connection with the issue of Sustainable Notes (including, for the avoidance of doubt, the entry of the details of Eligible Sustainable Projects into the Issuer'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 report, assessment, 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 Issuer, the Arrangers or any other person to buy, sell or hold Sustainable Notes. Any such report, assessment, opinion or certification is only current as at the date that opinion was initially issued and is based on the judgement 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 Notes. 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 Notes or the projects financed or refinanced thereby, in an amount corresponding to the equivalent amount. A withdrawal of any such opinion may affect the value of such Sustainable Notes, and/or may have consequences for certain investors with portfolio mandates to invest in green, sustainable or social assets.

If a Tranche of Sustainable Notes 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 Issuer, 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 Notes. 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 Issuer, the Arrangers, the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any Sustainable Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Sustainable Notes concerned.

Risks related to Notes which are linked to "benchmarks"

The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks"

Reference rates and indices, including interest rate benchmarks, such as the Euro Interbank Offered Rate ("**EURIBOR**"), which are used to determine the amounts payable under financial instruments or the value of such financial instruments ("**Benchmarks**"), are the subject of national, international and other regulatory guidance and proposals for reform aimed at supporting the transition to robust benchmarks. Most reforms have now reached their planned conclusion (including the transition away from the London Interbank Offered Rate (LIBOR)), and "benchmarks" remain subject to ongoing monitoring. 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 Notes referencing or linked to such Benchmark.

Regulation (EU) 2016/1011 (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. Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of EUWA (the "**UK Benchmarks Regulation**") among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. The EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to 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 Benchmark Regulation or UK Benchmark Regulation, and such changes could (among other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the 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".

Where Screen Rate Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes (other than those that reference SOFR Benchmark or SONIA Benchmark (each as defined in "*Terms and Conditions of the Notes*")) is to be determined, the Conditions provide that the Rate of Interest 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.

The Conditions provide for certain fallback arrangements if a Benchmark Event occurs. Benchmark Events include (among other events) (i) the permanent discontinuation of an Original Reference Rate and (ii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is (or will be deemed by such supervisor to be) no longer representative of its relevant underlying market or the methodology to calculate such Original Reference Rate has materially changed. If a Benchmark Event occurs and Screen Rate Determination applies (unless "*Condition 5(k)(2) (Benchmark Discontinuation (SOFR))*" is specified as applicable in the applicable Pricing Supplement), the Issuer shall use its reasonable endeavours to appoint an Independent Adviser. The Independent Adviser shall endeavour to determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate, despite the continued availability of the Original Reference Rate in the case of (ii) above. The use of any such Successor Rate or Alternative Rate to determine the Rate of Interest is likely to result in Notes initially linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form. In addition, the market (if any) for Notes linked to any such Successor Rate or Alternative Rate may be less liquid than the market for Notes linked to the Original Reference Rate. Prospective investors should note that an Independent Adviser appointed pursuant to the Conditions shall, in the absence of bad faith, wilful default or fraud have no liability whatsoever to the Issuer, the Fiscal Agent, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to the Conditions.

Furthermore, if a Successor Rate or Alternative Rate for the Original Reference Rate is determined by the Independent Adviser, the Conditions provide that the Issuer may vary the Agency Agreement and the Conditions, as necessary to ensure the proper operation of such Successor Rate or Alternative Rate, without any requirement for consent or approval of the Noteholders.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser, the Conditions also provide that an Adjustment Spread will be determined by the Independent Adviser and applied to such Successor Rate or Alternative Rate. The Adjustment Spread is (i) the spread, formula or methodology which is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body (which may include a relevant central bank, supervisory authority or group of central banks and/or supervisory authorities), (ii) if no such recommendation has been made, or in the case of an Alternative Rate, the spread, formula or methodology which the Independent Adviser determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate, or (iii) if the Independent Adviser determines that no such spread is customarily applied, the spread, formula or methodology which the Independent Adviser determines and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate, as the case may be.

Accordingly, the application of an Adjustment Spread may result in the Notes performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form. The choice of a replacement Benchmark is uncertain and could result in the use of risk-free rates such as SOFR or SONIA (see "*—The market continues to develop in relation to risk-free rates (including SONIA and SOFR) as reference rates for Floating Rate Notes*" below) and/or in the replacement Benchmark being unavailable or indeterminable.

The Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Rate in accordance with the Conditions

Where the Issuer is unable to appoint an Independent Adviser in a timely manner, or the Independent Adviser is unable to determine a Successor Rate or Alternative Rate before the date which is ten business days prior to the next Interest Determination Date, the Rate of Interest for the next succeeding Interest Period will be the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, or where the Benchmark Event occurs before the first Interest Determination Date, the Rate of Interest will be the initial Rate of Interest.

Where the Issuer has been unable to appoint an Independent Adviser or the Independent Adviser has failed to determine a Successor Rate or Alternative Rate in respect of any given Interest Period, it will continue to attempt to appoint an Independent Adviser in a timely manner before the next succeeding Interest Determination Date and/or to determine a Successor Rate or Alternative Rate to apply to the next succeeding and any subsequent Interest Periods, as necessary.

Applying the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, is likely to result in Notes linked to or referencing the relevant Benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant Benchmark were to continue to apply, or if a Successor Rate or Alternative Rate could be determined.

If the Issuer is unable to appoint an Independent Adviser or the Independent Adviser fails to determine a Successor Rate or Alternative Rate for the life of the relevant Notes, or if a Successor Rate or Alternative Rate is not adopted because it could reasonably be expected to prejudice the qualification of Tier 2 Notes 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 Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, will continue to apply to maturity. This will result in the Floating Rate Notes, in effect, becoming Fixed Rate Notes. Due to the uncertainty concerning the availability of Successor Rates and Alternative 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.

In the case of Floating Rate Notes which reference SOFR where Condition 5(k)(2) (*Benchmark Discontinuation (SOFR*)) is specified as applicable in the applicable Pricing Supplement, where the Issuer or its designees determine that a Benchmark Event and its related Benchmark Replacement Date have occurred, a Benchmark replacement as determined in accordance with Condition 5(k)(2) (*Benchmark Discontinuation (SOFR*)) will replace the then current Benchmark for all purposes relating to such Notes. Such Benchmark replacement may result in the Notes behaving differently (which may include payment of a lower Rate of Interest).

Where ISDA Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes is to be determined, the Conditions provide that the Rate of Interest in respect of the Notes shall be determined by reference to the relevant Floating Rate Option in the 2006 ISDA Definitions or the 2021 ISDA Definitions. Where the Floating Rate Option specified is an "IBOR" Floating Rate Option, the Rate of Interest 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 Rate of Interest that would be applicable, and may, adversely affect the value of, and return on, the Floating Rate Notes.

Terms and expressions used but not defined in this risk factor have the respective meanings given to them in the Conditions.

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

Investors should be aware that the international debt capital markets continue to develop in relation to SOFR and SONIA as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates. In particular, market participants and relevant working groups are exploring alternative reference rates, including term reference rates (which seek to measure the market's forward expectation of an average rate over a designated term).

Furthermore, SONIA and SOFR reference rates are based on 'overnight rates'. Overnight rates differ from interbank offered rates, such as EURIBOR, in a number of material respects, including (without limitation) that such rates are backwards-looking, risk-free overnight rates, whereas EURIBOR is expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that overnight rates may behave materially differently as interest reference rates for Notes issued under the Programme compared with interbank offered rates.

The future performance of SOFR and SONIA is impossible to predict. The level of SOFR or SONIA over the term of Floating Rate Notes may bear little or no relation to the historical level of SOFR or SONIA. Prior observed patterns, if any, in the behaviour of market variables, such as correlations, may change in the future. While some pre-publication hypothetical performance data has been published by the Federal Reserve Bank of New York (the "**Federal Reserve**") for SOFR, such data inherently involves assumptions, estimates and approximations. As such, no future performance of risk-free rates or Floating Rate Notes linked to or which reference a risk-free rate may be inferred from any of the hypothetical or actual historical performance data. In addition, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates. 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.

In addition, the market or a significant part thereof may adopt an application of SOFR or SONIA that differs significantly from that set out in the Conditions. The Issuer may also in the future issue securities referencing SOFR, SONIA or SONIA Compounded Index that differ materially in respect of interest determination when compared with any Notes referencing a risk-free-rate issued by it under the Conditions. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time. As SOFR and SONIA are published and calculated by third parties based on data received from other sources, the Issuer has no control over its determination, calculation or publication. There can be no guarantee that SOFR or SONIA will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Floating Rate Notes linked to or which reference a SOFR or SONIA rate (or that any applicable benchmark fallback provisions provided for in the Conditions will provide a rate which is economically equivalent for Noteholders). None of the Federal Reserve, in respect of SOFR, or the Bank of England, in respect of SONIA, has any obligation to consider the interests of Noteholders in calculating, adjusting, converting, revising or discontinuing SOFR or SONIA, as applicable. If the manner in which a risk-free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading price of such Notes. Further, the Rate of Interest payable on Floating Rate Notes which reference a risk-free rate is only capable of being determined at the end of the relevant Interest Period and shortly prior to the relevant Interest Payment Date. It may therefore be difficult for investors in Floating Rate Notes which reference a risk-free rate to reliably estimate the amount of interest which will be payable on such Notes. Further, in contrast to EURIBOR-based Notes, if Notes referencing a risk-free rate become due and payable as a result of an Event of Default under Condition 11 (*Events of Default and Tier 2 Events*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in

respect of such Notes shall only be determined on the date on which the Notes become due and payable and shall not be reset thereafter.

Investors should also be aware that the manner of adoption or application of SOFR or SONIA as a reference rate in the international debt capital markets may differ materially compared with the application and adoption of SOFR or SONIA in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SOFR or SONIA as a reference rate across these markets may impact any hedging or financial other arrangements which they may put in place in connection with any acquisition, holding or disposal of Floating Rate Notes linked to or which reference a risk-free rate.

Since risk-free rates are relatively new market indices (publication of SOFR having only commenced on 3 April 2018) and continue to develop (for example, on 2 March 2020, the Federal Reserve Bank of New York, as administrator of SOFR, began publishing the SOFR Compounded Index and on 3 August 2020, the Bank of England, as the administrator of SONIA, began publishing the SONIA Compounded Index), Floating Rate Notes linked to or which reference a risk-free rate may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities linked to or which reference a risk-free rate may evolve over time and, as a result, trading prices of such Notes may be lower than those of Notes that are linked to or which reference a risk-free rate that are issued later. Further, if a risk-free rate does not prove to be widely used in securities like the Notes, the trading price of Floating Rate Notes linked to or which reference a risk-free rate may be lower than those of Notes linked to or which reference indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market and may consequently suffer from increased pricing volatility and market risk.

Investors should note that interest on Notes linked to or which reference a risk-free rate will be calculated and paid in accordance with the detailed provisions of the Conditions and the applicable Pricing Supplement. In particular where the Interest Determination Date in respect of an Interest Accrual Period falls before the end of that Interest Accrual Period, the interest payable in respect of that Interest Accrual Period will not reflect any increase (or decrease) in the relevant underlying daily risk-free rate after that Interest Determination Date.

Investors should consider these matters when making their investment decision with respect to any Floating Rate Notes linked to or which reference a risk-free rate.

Terms and expressions used but not defined in this risk factor have the respective meanings given to them in the Conditions.

Risks Related to Notes Generally

Set out below is a brief description of certain risks relating to the Notes generally:

Modification, waivers and substitution

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally and to obtain Written Resolutions (as defined in the Agency Agreement) on matters relating to the Notes from Noteholders without calling a meeting. A Written Resolution signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes of the relevant Series who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Agency Agreement and whose Notes are outstanding shall, for all purposes, take effect as an Extraordinary Resolution.

In certain circumstances, where the Notes are held in global form in the clearing systems, the Issuer will be entitled to rely upon:

(i) where the terms of the resolution proposed by the Issuer have been notified to the Noteholders through the relevant clearing system(s), approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing systems in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes of the relevant Series for the time being outstanding; and

(ii) where electronic consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed: (a) consent or instructions given in writing directly to the Issuer by accountholders in the clearing systems with entitlements to such global note or certificate; and/or (b) where the accountholders hold such entitlement on behalf of another person, written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the "**relevant clearing system**") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above;

Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. A Written Resolution or an Electronic Consent (as described below) may be effected in connection with any matter affecting the interests of Noteholders, including the modification of the Conditions, that would otherwise be required to be passed at a meeting of Noteholders satisfying the special quorum in accordance with the provisions of the Agency Agreement, and shall for all purposes take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that (i) the Issuer may, without the consent of Noteholders, agree to the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 12 (*Meeting of Noteholders and Modifications*) and (ii) the Issuer may, in consultation with an Independent Adviser, vary the Conditions to ensure the proper operation of a Successor Rate or Alternative Rate to be used in place of the EURIBOR or any other Benchmark (as defined below) without any requirement for consent or approval of Noteholders (see "*– Risks related to Notes which are linked to "benchmarks"*").

Change of law

The Conditions are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes nor whether any such change could adversely affect the ability of the Issuer to make payments under the Notes.

Change of tax law

Statements in this Base Offering Circular concerning the taxation of investors are of a general nature and are based upon current law and practice in the jurisdictions stated. Such law and practice is, in principle, subject to change, possibly with retrospective effect, and this could adversely affect investors.

In addition, any change in legislation or in practice in a relevant jurisdiction could adversely impact (i) the ability of the Issuer to service the Notes and (ii) the market value of the Notes.

Debt instruments with loss absorption features are generally not suitable for retail investors

In October 2022, the HKMA issued the HKMA Circular. Under the HKMA Circular, debt instruments with loss absorption features, being subject to the risk of being written-down or converted to ordinary shares, and investment products that invest mainly in, or whose returns are closely linked to the performance of such instruments, are to be targeted in Hong Kong at Professional Investors only and are generally not suitable for retail investors in either the primary or secondary markets. Investors in Hong Kong should not purchase the debt instruments with loss-absorption features in the primary or secondary markets unless they are Professional Investors and understand the risks involved. The Tier 2 Notes are generally not suitable for retail investors.

Debt instruments with loss absorption features as described in this Base Offering Circular (such as the Tier 2 Notes) are subject to the risk of being written down or converted to ordinary shares (such as recapitalising the Issuer as it goes through resolution), potentially resulting in a substantial loss to the investors concerned. The circumstances in which these debt instruments may be required to bear loss are difficult to predict and ex ante assessments of the quantum of loss will also be highly uncertain. Hence, debt instruments with loss absorption features are inherently complex and are of high risk, and are generally not suitable for retail investors.

Appointment of Dealers as Calculation Agents

The Issuer may appoint a Dealer as Calculation Agent in respect of an issuance of Notes. In such a case, the Calculation Agent is likely to be a member of an international financial group that is involved, in the ordinary course of its business, in a wide range of banking activities out of which conflicting interests may arise. While such a Calculation Agent will, where relevant, have information barriers and procedures in place to manage conflicts of interest, it may in its other banking activities from time to time be engaged in transactions involving an index or related derivatives which may affect amounts receivable by Noteholders during the term and on the maturity of the Notes or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Risks Related to the Market Generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

Price volatility

The market price of the Notes may be volatile, which could cause the value of a purchaser's investment to decline. Securities markets worldwide experience significant price and volume fluctuations. This market volatility, and corresponding fluctuations in the prices of the Notes, may not be correlated in a predictable way to the performance or operating results of the Issuer. Events and factors that may cause the prices of the Notes to fluctuate or decrease significantly from the issue price include variations in interest rates; general business, political, social and economic developments, particularly in the Middle East; and variations in actual or anticipated operating results of the Issuer.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (3) provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation. Similarly, in general, UK regulated

investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (3) provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes. A drop in the level of interest rates will have a positive impact on the price of the Fixed Rate Notes, as such Notes pay a fixed annual rate of interest. Conversely, an increase in the interest rate level will have an adverse impact on the price of the Fixed Rate Notes. For investors holding the Fixed Rate Notes until maturity, any changes in the interest rate level during the term will not affect the yield of the Fixed Rate Notes, as the Fixed Rate Notes will be redeemed at par.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal. Even if there are no actual exchange controls, it is possible that the Specified Currency for any particular Note not denominated in U.S. dollars would not be available at the maturity of a series of Notes. In that event, the Issuer would make required payments in U.S. dollars on the basis of the market exchange rate on the date of such payment, or if such rate of exchange is not then available, on the basis of the market exchange rate as at the most recent practicable date.

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

Although application has been made for certain Notes issued under the Programme to be admitted to trading on the ISM, there is no assurance that such applications will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes. Illiquidity may have a severely adverse effect on the market value of Notes.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if Definitive Notes are subsequently issued

The Conditions of the Notes do not permit the sale or transfer of Notes in such circumstances as would result in amounts being held by a holder which are lower than the minimum Specified Denomination. However, in the event that a holder holds a nominal amount of less than the minimum Specified Denomination, such holder would need to purchase an additional amount of Notes such that it holds an amount equal to at least the minimum Specified Denomination to be able to trade such Notes. Noteholders should be aware that Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

If a Noteholder holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time, such Noteholder may not receive a Definitive Note (as defined below) in respect of such holding (should Definitive Notes be issued) and would need to purchase a nominal amount of Notes such that its holding amounts to at least a Specified Denomination in order to be eligible to receive a Definitive Note.

If Definitive Notes are issued, holders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal 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) the Notes are legal investments for it, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the Notes.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

Risks relating to Renminbi-denominated Notes

Notes denominated in RMB ("**RMB Notes**") may be issued under the Programme. RMB Notes contain particular risks for potential investors.

Renminbi is not freely convertible; there are restrictions on the remittance of Renminbi into and out of the People's Republic of China ("PRC") and this may adversely affect the liquidity of RMB Notes

Renminbi is not freely convertible at present. The government of the PRC (the "**PRC Government**") continues to regulate conversion between Renminbi and foreign currencies.

However, there has been significant reduction in control by the PRC Government in recent years over trade transactions involving the import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

However, remittance of Renminbi into and out of the PRC for settlement of capital account items, such as capital contributions, debt financing and securities investment, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into and out of the PRC for settlement of capital account items are being adjusted from time to time to match the policies of the PRC Government.

Although the Renminbi was added to the Special Drawing Rights basket created by the IMF in 2016, and the People's Bank of China (the "**PBOC**") and the Ministry of Commerce of the PRC have implemented policies for further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies, there

is no assurance that the PRC Government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that any pilot 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 outside the PRC. In the event that any regulatory restrictions restrict the overall availability of Renminbi outside the PRC, the Issuer's ability to finance its obligations under the relevant RMB Notes will be impacted.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and the Issuer's ability to source Renminbi outside the PRC to service such RMB Notes

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

While the PBOC has entered into agreements on the clearing of Renminbi business (the "**Settlement Arrangements**") with financial institutions (each, a "**Renminbi Clearing Bank**") in a number of financial centres and cities, including but not limited to Hong Kong, London, Frankfurt and Singapore has established the Cross-Border Inter-Bank Payments System (CIPS) to facilitate cross-border Renminbi settlement and is in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions, the current size of Renminbi-denominated financial assets outside the PRC remains limited.

There are restrictions imposed by the 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, although the PBOC has gradually allowed participating banks to access the PRC's onshore inter-bank market for the purchase and sale of Renminbi. The Renminbi Clearing Banks only have limited 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, where the participating banks cannot source sufficient Renminbi through the above channels, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth 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 Arrangements will not be terminated or amended in the future, which will have the effect of restricting the availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the RMB Notes. To the extent the Issuer is required to source Renminbi outside the PRC to service the RMB Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

An investment in RMB Notes 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 and by many other factors. In August 2015, the PBOC implemented changes to the way it calculates the midpoint against the U.S. Dollar to take into account market-maker quotes before announcing the daily midpoint. This change, among others that may be implemented, may increase the volatility in the value of the Renminbi against other currencies. In May 2017, the PBOC further decided to introduce counter-cyclical factors to offset the market pro-cyclicality, so that the midpoint quotes could adequately reflect the PRC's actual economic performance. However, the volatility in the value of the Renminbi against other currencies still exists. All payments of interest and principal with respect to RMB Notes will be made in Renminbi unless otherwise specified. As a result, the value of these Renminbi payments in U.S. dollar or other foreign currency terms may vary with 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 an investment in RMB Notes in U.S. dollar or other applicable foreign currency terms will decline.

An investment in RMB Notes is subject to interest 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. RMB Notes may carry a fixed interest rate. Consequently, the trading price of such Notes will vary with fluctuations in Renminbi interest rates. If a holder of RMB Notes tries to sell such Notes before their maturity, they may receive an offer that is less than the amount invested.

Payments for RMB Notes will only be made to investors in the manner specified for such Notes 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. All Renminbi payments to investors in respect of RMB Notes will be made solely: (i) for so long as such Notes are represented by a Global Note or 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 Notes 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 Issuer 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).

Investors may be required to provide certification and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

Gains on the transfer of RMB Notes 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 RMB Notes 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 PRC-sourced gains derived by such non-PRC resident enterprise Noteholder from the transfer of RMB Notes but its implementation rules have reduced the EIT rate to 10 per cent. The PRC Individual Income Tax Law levies IIT at a rate of 20 per cent. of the PRC-sourced gains derived by such non-PRC resident individual Noteholder from the transfer of RMB Notes.

However, uncertainty remains as to whether the gain realised from the transfer of RMB Notes by non-PRC resident enterprise or individual holders would be treated as income derived from sources within the PRC and become subject to 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, Noteholders who are residents of Hong Kong, including enterprise Noteholders and individual Noteholders, will not be subject to EIT or IIT on capital gains derived from a sale or exchange of the Notes.

Therefore, if non-PRC enterprise or individual resident holders are required to pay PRC income tax on gains derived from the transfer of RMB Notes, unless there is an applicable tax treaty between PRC and the

jurisdiction in which such non-PRC enterprise or individual resident holders of RMB Notes reside that reduces or exempts the relevant EIT or IIT, the value of their investment in RMB Notes may be materially and adversely affected.

Investment in RMB Notes may be subject to PRC tax

In considering whether to invest in the RMB Notes, 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 Noteholders' investment in the RMB Notes may be materially and adversely affected if the Noteholder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those Notes.

Risks relating to enforcement

There are uncertainties around the choice of English law as the governing law of the Notes and agreements and around enforcing foreign arbitral awards in the Kingdom

The payments under the Notes are dependent upon the Issuer making payments to investors in the manner contemplated under the Notes. If the Issuer fails to do so, it may be necessary to bring an action against the Issuer to enforce its obligations under the Notes and/or to claim damages, as appropriate, which may be costly and time consuming.

The Notes are expressed to be governed by English law, and provide for the resolution of disputes through arbitration in London under the LCIA Arbitration Rules. The Issuer 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 of Saudi Arabia (the "**Enforcement Courts**") in accordance with the Enforcement Law issued by Royal Decree No. M/53, dated 13/08/1433H (corresponding to 3 July 2012) and its Implementing Regulations issued by the Minister of Justice's decision No. 526 dated 20/02/1439H (corresponding to 9 November 2017), as both may be amended from time to time. 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 proves one of the grounds for refusal set out under Article V of the New York Convention to refuse enforcement, or the Saudi Arabian court finds that the subject matter of the dispute is not capable of settlement by arbitration, or that 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 policy 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 exclusive jurisdiction over the dispute and the foreign arbitral 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 does not conflict with any ruling or order issued by a competent judicial body 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, Noteholders should also be aware that if any terms of the Notes or the Agency Agreement or Deed of Covenant (including any provisions relating to the payment of interest) 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) may not be enforced by the Enforcement Courts.

The courts and judicial committees of Saudi Arabia may not recognise the choice of English law and may elect to apply the laws of Saudi Arabia instead. Accordingly, in any proceedings relating to the Notes in Saudi Arabia, *Shari'a*, as interpreted in Saudi Arabia, 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*.

In addition to the above, courts in Saudi Arabia, with certain exceptions, may not enforce a foreign judgment without re-examining the merits of the claim. Moreover, provisions of foreign law which are deemed contrary to public policy, order or morals in Saudi Arabia (including *Shari'a* law and principles), or to any mandatory law of, or applicable in, Saudi Arabia, are unlikely to be enforceable in Saudi Arabia.

The arbitration clause may not be upheld by a Saudi Arabian judicial body

The arbitration clause in relation to the Notes may not be upheld by a Saudi Arabian court. Under Saudi Arabian law, only a court may finally determine the appropriate adjudicating forum for the dispute, notwithstanding the contractual election of the parties to the agreement. There is therefore a risk that other courts or judicial committees will have jurisdiction to hear relevant disputes. Any provision in an agreement that purports to preclude any party from invoking the jurisdiction of a particular Saudi Arabian court or judicial committee where the parties have referred a dispute to any other Saudi Arabian court or judicial committee may not be enforceable. However, the Arbitration Law issued by Royal Decree No M/34, dated 24/5/1433H (corresponding to 16 April 2012), as amended (the "**Arbitration Law**") provides that a Saudi Arabian court must dismiss a claim if the defendant raises an arbitration agreement as its first defence in the case. On 24 September 2025, the National Competitiveness Center published a draft of the new arbitration law (the "**New Arbitration Law**") for public consultation. As of the date of this Base Offering Circular, the New Arbitration Law has not yet been issued and there can be no assurance that the New Arbitration Law, once it is finalised, will be consistent with the draft version that was published 24 September 2025.

The payment of interest may not be permitted under the laws of Saudi Arabia

Contractual obligations governing the payment of interest may not be enforceable under Saudi Arabian law. The legal regime in the Kingdom governing transactions such as the issuance of the Notes includes *Shari'a* principles which are often expressed in general terms, providing Saudi Arabian courts and adjudicatory bodies with considerable discretion as to how to apply such principles. Under *Shari'a* principles as applied in the Kingdom, the charging and payment of interest, which is deemed to constitute unlawful gain (*riba*), is prohibited. Consequently, a court or adjudicatory body in the Kingdom applying a strict interpretation of *Shari'a* may not enforce any provision in an agreement for the payment of, or guarantee of, or indemnity in respect of, whether directly or indirectly, or the bearing of the cost of any amount based upon, calculated by reference to or otherwise related to, interest (including amounts deemed by the adjudicatory bodies in Saudi Arabia to be in the nature of interest, such as charging a "commission" or a "late payment"). Although the Notes, the Agency Agreement and the Deed of Covenant are governed by the laws of England, there can be no assurance that the provisions in the Notes, the Agency Agreement and the Deed of Covenant relating to the payment of interest will be held enforceable by the adjudicatory bodies of Saudi Arabia in the event that such adjudicatory bodies were to apply the laws of Saudi Arabia to any proceedings before them relating to a dispute or enforcement of a judgment or arbitral award delivered by a foreign court or arbitral tribunal.

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

Prospective Noteholders should note that should any provision of the Notes be construed by a court or judicial committee in the Kingdom 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 Issuer pursuant to the Notes or in relation to any Series may not be enforceable under the laws and regulations of Saudi Arabia in certain circumstances. As

such, Noteholders may ultimately not be able to recover damages from the Issuer under the Notes that are greater than a genuine estimate of actual and direct loss incurred.

A court may not grant an order for specific performance

In the event that the Issuer fails to perform its obligations under the Notes, the potential remedies available to the Noteholders include (i) obtaining an order for specific performance of the Issuer's obligations, or (ii) a claim for damages. The Civil Transactions Law issued by Royal Decree No. M/191, dated 29/11/1444H (corresponding to 18 June 2023) (the "**Civil Transactions Law**") provides for specific performance as the ordinary remedy, and allows for monetary damages (or alternative damages under the Civil Transactions Law) only where specific performance is not possible, including where performance is delayed such that it has become futile or where the court determines, upon the debtor's request, to limit the creditor's right to claim compensation in cases where specific performance would cause undue hardship to the debtor. 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. Injunctive relief and declaratory judgments and remedies are rarely available as judicial and other adjudicative remedies in Saudi Arabia, and in any event such relief and remedies are subject to the discretion of the courts and adjudicatory bodies 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 Noteholders 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 Issuer to perform its obligations set out in the Notes. Consequential damages, indirect damages or other speculative or punitive damages are not awarded in the Kingdom by the courts or other adjudicatory authorities, and only actual, direct and proven damages are awarded. However, the Civil Transactions Law provides for compensation for lost profits under certain conditions. Specifically, the harmed person is entitled to compensation for actual losses as well as for loss of profits if it is a natural result of the harmful act, where the harmed person is unable to avoid such loss by making a reasonable effort that would be expected from a typical person under the circumstances. Nonetheless, prospective investors should note that, if damages are awarded, they may receive less than they would have if an order for specific performance had been granted.

Compliance with bankruptcy laws in the Kingdom may affect the Issuer's ability to perform its obligations under the Notes, the Agency Agreement and the Deed of Covenant

In the event of the Issuer's insolvency, bankruptcy laws in the Kingdom may adversely affect the Issuer's ability to perform its obligations under the Notes, the Agency Agreement and the Deed of Covenant. There is little precedent to predict how claims by or on behalf of the Noteholders would be resolved in the event of the Issuer's bankruptcy and accordingly it is uncertain exactly how and to what extent the Notes or the Agency Agreement and the Deed of Covenant would be enforced by a Saudi Arabian adjudicatory body if such Saudi Arabian adjudicatory body were to void or otherwise cause such document, or any part thereof, to be void or ineffective and therefore there can be no assurance that Noteholders will receive repayment of their claims in full or at all in these circumstances.

The bankruptcy law issued pursuant to Royal Decree No. M/50 dated 28/05/1439H (corresponding to 14 February 2018), as amended by Royal Decree No. M/89 dated 09/07/1441H (corresponding to 4 March 2020) (the "**Bankruptcy Law**") provides various procedures with respect to protective settlement, financial restructuring, liquidation and administrative liquidation and provides, among other things, that insolvency-related contract termination triggers are generally void with exceptions stipulated in relation to government contracts. A statutory exemption to the claims suspension relevant to a protective settlement proceeding includes the SAMA and the CMA's issuance of their respective regulations concerning the enforceability of close-out netting and collateral arrangements relating to qualified financial contracts. The Bankruptcy Law also provides that a party may terminate a contract if such termination: (a) is in the interest of the majority of the relevant creditors; (b) would not harm the counterparty; and (c) is necessary to implement the relevant proposal.

The implementing regulations to the Bankruptcy Law issued pursuant to the Council of Ministers Resolution No. 622 dated 24/12/1439H (corresponding to 4 September 2018) (the "**Bankruptcy Law Implementing Regulations**") further provide for the bankruptcy rules and procedures in the Kingdom. The Bankruptcy Law Implementing Regulations provide that a debtor (in respect of a protective settlement) may request that the court terminates any contract that such debtor is a party to by submitting a report issued by a registered custodian that proves that such termination: (a) is in the interest of the majority of the relevant creditors; (b) would not harm the counterparty; and (c) will protect the business of the debtor.

A court may, after accepting a request to open any of the liquidation procedures set out in the Bankruptcy Law, take certain precautionary measures, at its own discretion or upon a request by an interested party, such as seizing the assets of the debtor whether such assets are held by the debtor or by third parties.

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.

The Bankruptcy Law and the Bankruptcy Law Implementing Regulations are relatively recent and hence their application, and how the Saudi Arabian courts and judicial committees will apply them, is yet to be seen in full effect in practice.

See further "*—The Noteholders' right to receive payment of the nominal amount of the Tier 2 Notes will, and the interest amounts in respect of Tier 2 Notes may, be written-down (in whole or in part) upon the occurrence of a Non-Viability Event*".

TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the applicable Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) 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, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. 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 Notes or Certificates, as the case may be. References in the Conditions to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

*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 Notes agree and acknowledge that SAMA assumes no liability whatsoever to any purchaser of the Notes for any loss arising from, or incurred as a result of, the occurrence of a Non-Viability Event (as defined in these Conditions).*

The Notes are issued pursuant to an agency agreement dated 5 January 2026 between Riyad Bank (the "**Issuer**"), The Bank of New York Mellon, London Branch as fiscal agent, principal paying agent and calculation agent, The Bank of New York Mellon SA/NV, Dublin Branch as registrar and the other agents named in it (as amended, restated or supplemented from time to time, the "**Agency Agreement**") and with the benefit of a deed of covenant dated 5 January 2026 executed by the Issuer in relation to the Notes (as amended, restated or supplemented from time to time, the "**Deed of Covenant**"). The fiscal agent, the paying agents, the registrar, the transfer agent and the calculation agent for the time being (if any) are referred to below, respectively, as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent), the "**Registrar**", the "**Transfer Agent**" and the "**Calculation Agent**". The Noteholders (as defined below), the holders of the interest coupons (the "**Coupons**") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") (the "**Couponholders**") are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used in these terms and conditions (the "**Conditions**"), "**Tranche**" means Notes which are identical in all respects.

The Notes will provide that the rights of Noteholders with regard to payments to be made thereunder will either be (i) unsubordinated (the "**Senior Notes**") or (ii) subordinated in the manner described under Condition 3 with terms capable of qualifying as tier 2 Capital of the Issuer (the "**Tier 2 Notes**"). The applicable Pricing Supplement will specify whether a Series of Notes are "Senior Notes" or "Tier 2 Notes".

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agent.

1 Form, Denomination and Title

The Notes are issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**") in each case in the Specified Denomination(s) shown in the applicable Pricing Supplement, provided that the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

All Registered Notes shall have the same Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Reset Note or a Zero Coupon Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest Basis and Redemption/Payment Basis as specified in the applicable Pricing Supplement.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon 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 an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate), and no person shall be liable for so treating the holder.

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), "**holder**" (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them in these Conditions, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 No Exchange of Notes and Transfers of Registered Notes

(a) **No Exchange of Notes**

Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.

(b) **Transfer of Registered Notes**

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes 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 Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) **Exercise of Options or Partial Redemption in Respect of Registered Notes**

In the case of an exercise of the Issuer's or the Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) **Delivery of New Certificates**

Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) 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 Exercise Notice (as defined in Condition 6(f)) and surrender of the Certificate for exchange. Delivery of the new 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 or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or 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).

(e) **Transfer Free of Charge**

Transfers of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, 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).

(f) **Closed Periods**

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(e), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

3 Status

(a) **Status of the Senior Notes**

The Senior Notes and the Coupons relating to them constitute direct, unconditional and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. In the event of the bankruptcy, insolvency, winding-up or dissolution of the Issuer, the payment obligations of the Issuer under the Senior Notes and the Coupons relating to

them shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all other outstanding, present and future, unsecured and unsubordinated obligations of the Issuer.

(b) **Status of the Tier 2 Notes**

The Tier 2 Notes and the Coupons relating to them constitute direct, conditional, subordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves.

(c) **Subordination of the Tier 2 Notes**

In respect of each Series of Tier 2 Notes, the payment obligations of the Issuer under the Tier 2 Notes and the Coupons (whether on account of principal, interest or otherwise in relation to the Tier 2 Notes of the relevant Series) (the "**Relevant Obligations**") are direct, conditional, subordinated (as described below) and unsecured obligations of the Issuer and shall, upon the occurrence of any Winding Up Proceeding, rank: (i) subordinate to claims in respect of Senior Obligations; (ii) at least *pari passu* with claims in respect of Pari Passu Obligations; and (iii) in priority to claims in respect of Junior Obligations.

Each holder of a Tier 2 Note unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Note and Coupon. No collateral is or will be given for the payment obligations under the Tier 2 Notes and the Coupons, and any collateral that may have been or may in the future be given in connection with other indebtedness of the Issuer shall not secure the payment obligations under the Tier 2 Notes and the Coupons.

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

(d) **Definitions**

For the purposes of these Conditions:

"**Capital Regulations**" means, at any time, the regulations, standards, requirements, guidelines, guidance and policies relating to the maintenance of capital and/or capital adequacy then in effect in the Kingdom of 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 Notes, or such other successor authority exercising primary banking supervision, in each case with respect to prudential matters in relation to the Issuer;

"**Junior Obligations**" means all claims of the holders of all classes of share capital (including ordinary and preferred shares) of the Issuer and all payment obligations of the Issuer 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 Issuer which rank, or are expressed to rank, junior to the Relevant Obligations;

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

"**SAMA**" means the Saudi Central Bank and/or any of its successors or assigns;

"**Senior Obligations**" means all unsubordinated payment obligations of the Issuer (including payment obligations of the Issuer to its depositors) and all subordinated payment obligations (if any) of the Issuer except Pari Passu 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;

"**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; and

"**Winding Up Proceeding**" has the meaning given to it in Condition 11.

4 Negative Pledge

This Condition 4 only applies to Senior Notes.

So long as any Senior Note or Coupon remains outstanding (as defined in the Agency Agreement) the Issuer shall not, and the Issuer shall procure 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 Notes or the Coupons the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

For the purposes of these Conditions:

"**Accounts**" means (in the case of the Issuer) 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.

"**Material Subsidiary**" means, at any relevant time, a Subsidiary of the Issuer:

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

(b) to which is transferred all or substantially all of the assets or undertakings 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 Issuer'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 Issuer that in its opinion a Subsidiary of the Issuer is or was or is 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 Issuer 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 Issuer or the relevant Material Subsidiary, as the case may be, in respect of any default by any person under the financing;

"**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;

"**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 are capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

"**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 Issuer 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 Issuer or the relevant Material Subsidiary, as the case may be, in respect of any default by any person under the securitisation; and

"**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 Issuer.

5 Interest and other Calculations

(a) **Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable (subject, in the case of Tier 2 Notes only, to Condition 7) in arrear on each Interest Payment Date provided that if the Specified Currency is Renminbi and any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. The amount of interest payable shall be determined in accordance with Condition 5(h).

(b) **Interest on Floating Rate Notes**

(i) Interest Payment Dates: Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable (subject, in the case of Tier 2 Notes only, to Condition 7) in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h). Such Interest Payment Date(s) is/are either as specified in the applicable Pricing Supplement as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or other period specified in the applicable Pricing Supplement as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest 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) Rate of Interest for Floating Rate Notes: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual 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 Notes

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate, provided that in any circumstances where under the ISDA Definitions the Calculation Agent would be required to exercise any discretion, including the selection of any reference banks and seeking quotations from reference banks, when calculating the relevant ISDA Rate, the relevant determination(s) which require the Calculation Agent to exercise its discretion shall instead be made by the Issuer or its designee. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(1) if the Pricing Supplement specifies either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:

(a) the Floating Rate Option (as defined in the relevant ISDA Definitions) is as specified in the applicable Pricing Supplement;

(b) the Designated Maturity (as defined in the relevant ISDA Definitions), if applicable, is a period specified in the applicable Pricing Supplement;

(c) the relevant Reset Date (as defined in the relevant ISDA Definitions) is as specified in the applicable Pricing Supplement;

(d) if the 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:

(1) 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;

(2) 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

(3) 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, if applicable, are the days specified in the applicable Pricing Supplement;

(e) 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) specified in the applicable Pricing Supplement; and (b) Observation Period Shift Additional Business Days (as defined in the relevant ISDA Definitions), if applicable, are the days specified in the applicable Pricing Supplement; and

(f) references in the ISDA Definitions to:

(1) "Confirmation" shall be deemed to be references to the applicable Pricing Supplement;

(2) "Calculation Period" shall be deemed to be references to the relevant Interest Accrual Period;

(3) "Termination Date" shall be deemed to be references to the Maturity Date; and

(4) "Effective Date" shall be deemed to be references to the Interest Commencement Date; and

(2) if the Pricing Supplement specifies "2021 ISDA Definitions" as the applicable ISDA Definitions:

(a) "Administrator/Benchmark Event" shall be disapplied; and

(b) 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 Notes

If "Applicable – Term Rate" is specified as the method of Screen Rate Determination in the applicable Pricing Supplement:

(a) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page at the Relevant Time on the Interest 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 quotation;

(b) If the Rate of Interest cannot be determined in accordance with the foregoing provisions of paragraph (a) above, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest applicable to such Notes on the Interest Commencement Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SOFR Benchmark

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined where the Reference Rate is SOFR Benchmark, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be equal to the relevant SOFR Benchmark plus or minus the Margin (if

any) in accordance with Condition 5(g), all as determined by the Calculation Agent on the relevant Interest Determination Date. The "**SOFR Benchmark**" will be determined based on Compounded Daily SOFR or Compounded SOFR Index, as follows (subject in each case to Condition 5(k)(2) as further specified in the applicable Pricing Supplement):

(1) 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 Interest Accrual Period shall be 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 Lag:

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

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:

"**$SOFR_{i-xUSBD}$**" for any U.S. Government Securities Business Day "i" in the relevant Interest Accrual 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";

"**Lookback Days**" means such number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement;

"**d**" means the number of calendar days in the relevant Interest Accrual Period;

"**d_o**" means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

"**i**" means a series of whole numbers ascending from one to d_o, representing each relevant U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a "**U.S. Government Securities Business Day (i)**"); and

"**n_i**", for any U.S. Government Securities Business Day (i), 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:

"**$SOFR_i$**" 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);

"**SOFR Observation Period**" means, in respect of an Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Period Date for such Interest Accrual Period;

"**SOFR Observation Shift Days**" means the number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement;

"**d**" means the number of calendar days in the relevant SOFR Observation Period;

"**d_o**", means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

"**i**" means a series of whole numbers ascending from one to d_o, representing each U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period (each a "**U.S. Government Securities Business Day (i)**"); and

"**n_i**", for any U.S. Government Securities Business Day (i), 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.

(2) If Compounded SOFR Index ("**Compounded SOFR Index**") is specified as applicable in the applicable Pricing Supplement, the SOFR Benchmark for each Interest Accrual 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:

"**SOFR Index**" means, in respect of a U.S. Government Securities Business Day, 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:

1. if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the "SOFR Index" shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period, in accordance with the Compounded Daily SOFR formula described above in

Condition 5(b)(iii)(C)(1)(ii) "*SOFR Observation Shift*", and the term "SOFR Observation Shift Days" shall be specified in the applicable Pricing Supplement; or

2. if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 5(k)(2) shall apply;

"**SOFR Index$_{End}$**" means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement prior to the Interest Period Date for such Interest Accrual Period (or in the final Interest Accrual Period, the Maturity Date);

"**SOFR Index$_{Start}$**" means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement prior to the first day of such Interest Accrual Period;

"**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;

"**SOFR Observation Period**" means, in respect of an Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Period Date for such Interest Accrual Period;

"**SOFR Observation Shift Days**" means the number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement; and

"**d_c**" means the number of calendar days in the applicable SOFR Observation Period.

(D) Screen Rate Determination for Floating Rate Notes referencing Compounded SONIA

(1) SONIA Compounded Index Rate

Where: (i) Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined; (ii) the Reference Rate is specified in the applicable Pricing Supplement as being SONIA; and (iii) SONIA Compounded Index Rate is specified in the applicable Pricing Supplement, the Rate of Interest for each Interest Accrual Period will, subject to Condition 5(k), 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 Condition 5(b)(D)(1):

"**SONIA Compounded Index Rate**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest)

and will be calculated by the Calculation Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards,

$$\left(\frac{SONIA\ Compounded\ Index_{End}}{SONIA\ Compounded\ Index_{Start}} - 1\right) \times \left(\frac{365}{d}\right)$$

provided, however, that and subject to Condition 5(k), if the SONIA Compounded Index Value is not available in relation to any Interest Accrual Period on the Relevant Screen Page for the determination of either or both of SONIA Compounded $\text{Index}_{\text{Start}}$ and SONIA Compounded $\text{Index}_{\text{End}}$, the Rate of Interest shall be calculated for such Interest Accrual Period on the basis of the SONIA Compounded Daily Reference Rate as set out in Condition 5(b)(iii)(D)(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:

"**d**" means the number of calendar days in the relevant Observation Period;

"**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;

"**Observation Period**" means, in respect of an Interest Accrual Period, the period from (and including) the date falling "p" London Business Days prior to the first day of such Interest Accrual 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 Interest Payment Date for such Interest Accrual Period (or the date falling "p" London Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" means, for any Interest Accrual 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;

"**SONIA Compounded Index**" means the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

"**SONIA Compounded $\text{Index}_{\text{End}}$**" means the SONIA Compounded Index Value on the date falling "p" London Business Days prior to (i) in respect of an Interest Accrual Period, the Interest Payment Date for such Interest Accrual Period, or (ii) if the Notes become due and payable prior to the end of an Interest Accrual Period, the date on which the Notes become so due and payable;

"**SONIA Compounded $\text{Index}_{\text{Start}}$**" means, in respect of an Interest Accrual Period, the SONIA Compounded Index Value on the date falling "p" London Business Days prior to (i) the first day of such Interest Accrual Period, or (ii) in the case of the first Interest Accrual Period, the Issue Date; and

"**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) SONIA Compounded Daily Reference Rate

Where: (i) Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined; (ii) the Reference Rate is specified in the applicable Pricing Supplement as being SONIA; and (iii) SONIA Compounded Daily Reference Rate is specified in the applicable Pricing Supplement, the Rate of Interest for each Interest Accrual Period will, subject to Condition 5(k), be the SONIA Compounded Daily Reference Rate as follows, plus or minus (as indicated in the applicable Pricing Supplement) the Margin:

"**SONIA Compounded Daily Reference Rate**" means, in respect of an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards,

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

Where:

"**London Business Day**", "**Observation Period**" and "***p***" have the meanings set out under Condition 5(b)(iii)(D)(1);

"***d***" is the number of calendar days in the relevant:

(i) Observation Period where Observation Shift is specified in the applicable Pricing Supplement; or

(ii) Interest Accrual Period where Lag is specified in the applicable Pricing Supplement;

"d_o" is the number of London Business Days in the relevant:

(i) Observation Period where Observation Shift is specified in the applicable Pricing Supplement; or

(ii) Interest Accrual Period where Lag is specified in the applicable Pricing Supplement;

"***i***" is a series of whole numbers from one to d_o, each representing the relevant London Business Day in chronological order from, and including, the first London Business Day in the relevant:

(i) Observation Period where Observation Shift is specified in the applicable Pricing Supplement; or

(ii) Interest Accrual Period where Lag is specified in the applicable Pricing Supplement;

"n_i", 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;

"**SONIA**$_i$" means, in relation to any London Business Day the SONIA reference rate in respect of:

(i) that London Business Day "i" where Observation Shift is specified in the applicable Pricing Supplement; or

(ii) 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 Lag is specified in the applicable Pricing Supplement; and

the "**SONIA reference rate**", in respect of any London Business Day, is a reference rate equal to the daily Sterling Overnight Index Average ("**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 5(k), 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 Condition 5(b)(iii)(D)(2) 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:

(x) (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

(y) 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.

(E) If the Rate of Interest cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 5(k), the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period).

If the relevant Series of Notes becomes due and payable in accordance with Condition 11, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(F) Unless otherwise stated in the applicable Pricing Supplement, the Minimum Rate of Interest for Floating Rate Notes shall be deemed to be zero.

(c) **Linear Interpolation**

Where Linear Interpolation is specified in the applicable Pricing Supplement as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual 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 in the applicable Pricing Supplement as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified in the applicable Pricing Supplement as applicable), 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 Interest Accrual 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 Interest Accrual 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 Calculation Agent shall determine such rate at such time and by reference to such sources as the Issuer shall determine 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) **Interest on Reset Notes**

(i) **Interest Payment Dates**: Each Reset Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate(s) of Interest determined in accordance with Condition 5(d)(ii), such interest being payable (subject, in the case of Tier 2 Notes only, to Condition 7) in arrear on each Interest Payment Date provided that if the Specified Currency is Renminbi and any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. The amount of interest payable shall be determined in accordance with Condition 5(h).

(ii) **Rate of Interest for Reset Notes**

(A) Each Reset Note bears interest:

I in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Reset Date (or, if there is more than one Reset Period, the first Reset Date occurring after the Interest Commencement Date), at the rate per annum equal to the Initial Rate of Interest; and

II in respect of the Reset Period (or, if there is more than one Reset Period, each successive Reset Period thereafter), at such rate per annum as is equal to the relevant Subsequent Reset Rate, as determined by the Calculation Agent on the relevant Reset Determination Date in accordance with this Condition 5(d)(ii),

payable, in each case, in arrear on the Interest Payment Date(s).

As used in these Conditions:

"**Comparable U.S. Treasury Maturity**" means the maturity specified as such in the applicable Pricing Supplement;

"**Day Count Fraction**" and related definitions have the meaning given to them in Condition 5(1);

"**First Fallback Reset Rate**" means the rate specified as such in the applicable Pricing Supplement;

"**H.15**" means the daily statistical release designated as such, or any successor or replacement publication, published by the Board of Governors of the United States Federal Reserve System and "most recent H.15" means the H.15 published closest in time but prior to the applicable U.S. Securities Determination Date. H.15 may be currently obtained at the following website: https://www.federalreserve.gov/releases/h15/;

"**Initial Rate of Interest**" means the initial rate per annum specified in applicable Pricing Supplement;

"**Mid-Market Swap Rate**" means for any 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 Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Issuer and/or an agent appointed by the Issuer and notified to 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 Period and commencing on the relevant 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 (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 Issuer and/or an agent appointed by the Issuer and notified to the Calculation Agent), all as determined by the Issuer and/or an agent appointed by the Issuer and notified to 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, 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 the Subsequent Reset Rate Time on such Reset Determination Date (which rate, if the relevant Interest Payment Dates are other than semi-annual or annual Interest Payment Dates, shall be adjusted by, and in the manner determined by, the Issuer and/or an agent appointed by the Issuer and notified to the Calculation Agent);

"**Reference Bond**" means for any 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 Issuer on the advice of an investment bank of international repute as having an actual or interpolated maturity comparable with the relevant 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 Period;

"**Reference Bond Price**" means, with respect to any Reset Determination Date, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest of such Reference Government Bond Dealer Quotations, or (B) if the Issuer and/or an agent appointed by the Issuer obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

"**Reference Bond Rate**" means the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the relevant Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the relevant Reference Bond Price, as calculated by the Issuer and/or an agent appointed by the Issuer and notified to the Calculation Agent;

"**Reference Government Bond Dealer**" means each of five banks (selected by the Issuer on the advice of an 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 bond issues;

"**Reference Government Bond Dealer Quotations**" means, with respect to each Reference Government Bond Dealer and the relevant Reset Determination Date, the arithmetic average, as determined by the Issuer and/or an agent appointed by the Issuer and notified to the Calculation Agent, of the bid and offered prices for the relevant Reference Bond (expressed in each case as a percentage of its nominal amount) at or around the Subsequent Reset Rate Time on the relevant Reset Determination Date quoted in writing to the Issuer and/or an agent appointed by the Issuer by such Reference Government Bond Dealer;

"**Relevant Reset Rate**" means for any Reset Period:

(a) if the Specified Currency is U.S. dollars (x) a rate per annum (expressed as a decimal) determined on the relevant U.S. Securities Determination Date equal to the yield that represents the average of the daily yields for the week immediately preceding the relevant U.S. Securities Determination Date to maturity for U.S. Treasury securities with the Comparable U.S. Treasury Maturity and trading in the public securities markets; or (y) if there is no such published U.S. Treasury security with the Comparable U.S. Treasury Maturity and trading in the public securities markets, then a rate as determined on the relevant U.S. Securities Determination Date by interpolation between the most recent yield that represents the average of the daily yields for the week immediately preceding the relevant U.S. Securities Determination Date to maturity for two series of U.S. Treasury securities trading in the public securities market: (A) one maturing as close as possible to, but earlier than, the immediately following Reset Date; and (B) the other maturing as close as possible to, but later than, the immediately following Reset Date, in each case as derived from the most recent H.15 by the Issuer and/or an agent appointed by the Issuer and notified to the Calculation Agent. If the Issuer cannot procure the determination of the Relevant Reset Rate on the relevant U.S. Securities Determination Date pursuant to the methods described in paragraphs (x) and (y) above, then the Relevant Reset Rate will be: (i) equal to the rate applicable to the immediately preceding Reset Period; or (ii) in the case of the Reset Period commencing on the first Reset Date, the First Fallback Reset Rate; and

(b) if the Specified Currency is any currency other than U.S. dollars, the rate calculated in accordance with the method prescribed in the applicable Pricing Supplement;

"**Reset Date(s)**" means the date(s) specified in the applicable Pricing Supplement;

"**Reset Determination Date**" means for each Reset Period:

(a) if the Specified Currency is U.S. dollars and "Relevant Reset Rate" is specified in the applicable Pricing Supplement, the U.S. Securities Determination Date; and

(b) in all other cases, the date as specified in the applicable Pricing Supplement;

"**Reset Margin**" means the margin specified in the applicable Pricing Supplement;

"**Reset Period**" means the period from (and including) the first Reset Date to (but excluding) the Maturity Date if there is only one Reset Period or, if there is more than one Reset Period, each period from (and including) one Reset Date (or the first Reset Date) to (but excluding) the next Reset Date up to (but excluding) the Maturity Date;

"**Subsequent Reset Rate**" for any Reset Period means the sum of (i) the applicable Subsequent Reset Reference Rate and (ii) the applicable Reset Margin (rounded down to four decimal places, with 0.00005 being rounded down);

"**Subsequent Reset Rate Screen Page**" has the meaning specified in the applicable Pricing Supplement;

"**Subsequent Reset Rate Time**" means 11.00 a.m. in the principal financial centre of the Specified Currency or as otherwise specified in the applicable Pricing Supplement;

"**Subsequent Reset Reference Rate**" means: (a) if "**Mid-Swap Rate**" is specified in the applicable Pricing Supplement, the relevant Mid-Swap Rate, (b) if "**Reference Bond**" is specified in the Pricing Supplement, the relevant Reference Bond Rate or (c) if "**Relevant Reset Rate**" is specified in the Pricing Supplement, the Relevant Reset Rate;

"**U.S. Government Securities Business Day**" has the meaning given to it in Condition 5(1); and

"**U.S. Securities Determination Date**" means the second U.S. Government Securities Business Day before the commencement of the Reset Period for which the rate will apply.

(B) Where the Subsequent Reset Reference Rate specified in the applicable Pricing Supplement is "Mid-Swap Rate", if on any Reset Determination Date the Subsequent Reset Rate Screen Page is not available or the Mid-Swap Rate does not appear on the Subsequent Reset Rate Screen Page, other than in the circumstances provided for in Condition 5(k)(1), the Issuer shall request each of the Reference Banks (as defined below) to provide the Issuer and/or an agent appointed by the Issuer with its Mid-Market Swap Rate Quotation as at approximately the Subsequent Reset Rate Time on the relevant Reset Determination Date.

If two or more of the Reference Banks provide the Issuer and/or an agent appointed by the Issuer with such Mid-Market Swap Rate Quotations, the Subsequent Reset Rate for the relevant 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 Issuer and/or an agent appointed by the Issuer and notified to the Calculation Agent. If on any Reset Determination Date only one or none of the Reference Banks provides the Issuer and/or an agent appointed by the Issuer with a Mid-Market Swap Rate Quotation, as provided in the foregoing provisions of this Condition 5(d)(ii)(B), the Mid-Market Swap Rate Quotation will be (a) in the case of each Reset Period other than the first Reset Period, the Mid-Swap Rate in respect of the immediately preceding 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**".

For the purposes of these Conditions:

"**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 Subsequent Reset Reference Rate as selected by the Issuer on the advice of an investment bank of international repute; and

"**Relevant Financial Centre**" means the financial centre specified as such in the applicable Pricing Supplement.

(C) The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Reset Period, calculate the Interest Amount payable in respect of each Reset Note for such Reset Period. The Interest Amount will be calculated by applying the Rate of Interest for such Reset Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose, a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

(D) The Calculation Agent will cause the Subsequent Reset Rate and each Interest Amount for each Reset Period to be notified to the Issuer and the London Stock Exchange plc's International Securities Market (in a manner which complies with the rules and regulations of the London Stock Exchange plc's International Securities Market so long as the Notes are admitted to trading on it (if such notification is required)) and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount as notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment). Any such amendment will be promptly notified to any stock exchange on which the relevant Reset Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of this Condition 5(d)(ii)(D), the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(e) **Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

(f) **Accrual of Interest**

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 9).

(g) **Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding**

(i) If any Margin is specified in the applicable Pricing Supplement (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph.

(ii) If any Maximum Rate of Interest or Minimum Rate of Interest or Redemption Amount is specified in the applicable Pricing Supplement, then any Rate of Interest or Redemption Amount 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 five 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 of such currency.

(h) **Calculations**

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the applicable Pricing Supplement, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(i) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts**

The Calculation Agent shall, as soon as practicable 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 Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed 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 Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 11, the accrued interest and the Rate of Interest payable in respect of the Notes shall, subject in the case of each of the SONIA Compounded Index Rate and the SONIA Compounded Daily Reference Rate to Condition 5(b)(iii)(D) nevertheless continue to be calculated as previously in

accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) **Calculation Agent**

The Issuer 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 Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, 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 Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank 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.

(k) **Benchmark Discontinuation**

(1) *Independent Adviser*

This Condition 5(k)(1) shall apply unless "Condition 5(k)(2) (*Benchmark Discontinuation (SOFR)*)" is specified as applicable in the applicable Pricing Supplement.

(i) *Appointment of Independent Adviser*

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(k)(1)(ii)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 5(k)(1)(iv)).

In making such determination, an Independent Adviser appointed pursuant to this Condition 5(k)(1) shall act in good faith and in a commercially reasonable manner. In the absence of bad faith, wilful default or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 5(k)(1).

If (A) the Issuer is unable to appoint an Independent Adviser; or (B) the Independent Adviser appointed by the Issuer fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5(k)(1) prior to the date which is ten business days prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the

last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 5(k)(1). For the purposes of this Condition 5(k)(1)(i) and Condition 5(k)(1)(v) only, "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Calculation Agent.

(ii) *Successor Rate or Alternative Rate*

If the Independent Adviser determines that:

(A) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(k)(1)); or

(B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(k)(1)).

(iii) *Adjustment Spread*

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5(k)(1) and the Independent Adviser determines (A) that amendments to the Agency Agreement and/or these Conditions, including, but not limited to amendments to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Interest Determination Date, the definition of Business Days, and/or the definition of Reference Rate applicable to the Notes, are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "Benchmark Amendments") and (B) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(k)(1)(v), without any requirement for the consent or approval of Noteholders, vary the Agency Agreement and/or these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

Notwithstanding any other provision of this Condition 5(k)(1), the Calculation Agent or any Paying Agent is not obliged to concur with the Issuer or the Independent Adviser in respect of any changes or amendments as contemplated under this Condition 5(k)(1)

which, in the sole opinion of the Calculation Agent or the relevant Paying Agent, as the case may be, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Calculation Agent or the relevant Paying Agent (as applicable) in the Agency Agreement and/or these Conditions.

In connection with any such variation in accordance with this Condition 5(k)(1)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 5(k), no Successor Rate or Alternative 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 Issuer, the same could reasonably be expected to prejudice the qualification of the Tier 2 Notes 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)).

(v) *Notices, etc.*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined in accordance with this Condition 5(k)(1) will be notified at least ten business days prior to the relevant Interest Determination Date by the Issuer to the Fiscal Agent, the Calculation Agent and the Paying Agents. In accordance with Condition 15, notice shall be provided to the Noteholders promptly thereafter. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Noteholders of the same, the Issuer shall deliver to the Fiscal Agent, the Calculation Agent and the Paying Agents a certificate signed by two Authorised Signatories of the Issuer:

(A) confirming (w) that a Benchmark Event has occurred, (x) the Successor Rate or, as the case may be, the Alternative Rate, (y) the applicable Adjustment Spread and (z) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(k)(1);

(B) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread; and

(C) certifying that (i) the Issuer has duly consulted with an Independent Adviser with respect to each of the matters above or, if that is not the case, (ii) explaining, in reasonable detail, why the Issuer has not done so.

For the purpose of these Conditions, "**Authorised Signatory**" means any person who has been notified by the Issuer in writing to the Fiscal Agent as being duly authorised to sign documents and to do other acts and things on behalf of the Issuer for the purposes of the Agency Agreement and the Notes.

The Fiscal Agent shall display such certificate at its offices, for inspection by the Noteholders at all reasonable times during normal business hours.

Each of the Fiscal Agent, 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 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 Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Fiscal Agent's or the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agents and the Noteholders.

Notwithstanding any other provision of this Condition 5(k)(1), if following the determination of any Successor Rate, Alternative 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 5(k)(1), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer 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 Issuer 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.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Conditions 5(k)(1)(i), 5(k)(1)(ii), 5(k)(1)(iii) and 5(k)(1)(iv), the Original Reference Rate and the fallback provisions provided for in Conditions 5(b)(iii)(A) and 5(b)(iii)(B) will continue to apply unless and until a Benchmark Event has occurred.

(2) *Benchmark Discontinuation (SOFR)*

This Condition 5(k)(2) shall only apply where "Condition 5(k)(2) (*Benchmark Discontinuation (SOFR)*)" is specified as applicable in the applicable Pricing Supplement.

(i) *Benchmark Replacement*

If the Issuer or its designee determines on or prior to the relevant Reference Time that a 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 Notes in respect of all determinations on such date and for all determinations on all subsequent dates.

(ii) *Benchmark Replacement Conforming Changes*

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, any of the Agents shall, at the direction and expense of the Issuer effect such consequential amendments to the Agency Agreement and these Conditions as may be required to give effect to this Condition 5(k)(2). Noteholders' 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 Agents (if required). Further, none of the Calculation Agent, the Paying Agents, the Registrars or the Transfer

Agent shall be responsible or liable for any determinations, decisions or elections made by the Issuer 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.

(iii) *Decisions and Determinations*

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 5(k)(2), 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 Issuer or its designee, as applicable, and (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

(iv) *The following defined terms shall have the meanings set out below for the purpose of this Condition 5(k)(2):*

"**Benchmark**" means, initially, the relevant SOFR Benchmark specified in the applicable Pricing Supplement; provided that if the Issuer or any of its designees determine on or prior to the Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the relevant Benchmark (including any daily published component used in the calculation thereof) or the then current Benchmark, then "**Benchmark**" means the applicable Benchmark Replacement;

"**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):

(1) 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

(2) 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

(3) 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;

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer or any of its designees as of the Benchmark Replacement Date:

(1) 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;

(2) the sum of:

(i) the ISDA Fallback Rate; and

(ii) the Benchmark Replacement Adjustment; or

(3) the sum of:

(i) the alternate reference rate that has been selected by the Issuer or any of its designees as the replacement 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 Notes 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 Issuer or any of its designees as of the Benchmark Replacement Date:

(1) 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;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or any of its designees 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 Notes 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 interest, rounding of amounts or tenors, and other administrative matters) the Issuer or any of its

designees decide may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or any of its designees decide that adoption of any portion of such market practice is not administratively feasible or if the Issuer or any of its designees determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or any of its designees determine 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):

(1) in the case of sub-paragraph (1) or (2) of the definition of "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

(2) in the case of sub-paragraph (3) of the definition of "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;

"**ISDA Definitions**" means the 2006 ISDA 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, including the 2021 ISDA Interest Rate Derivatives Definitions (as amended or supplemented 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 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 Issuer or any of its designees 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; and

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(l) **Definitions**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Adjustment Spread**" means either (i) a spread (which may be positive, negative or zero) or (ii) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(1) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

(2) the Independent Adviser determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);

(3) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(4) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5(k)(1)(ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

"**Benchmark Amendments**" has the meaning given to it in Condition 5(k)(1)(iv).

"**Benchmark Event**" means:

(1) the Original Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(2) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

(3) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or

(4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally, or in respect of the Notes; or

(5) a public statement by the supervisor of the administrator of the Original Reference Rate that the (i) Original Reference Rate is (or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or (ii) the methodology to calculate such Original Reference Rate has materially changed; or

(6) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub- paragraphs (2) and (3) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (4) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (5) above, on the date with effect from which the Original Reference Rate 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.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Fiscal Agent, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Fiscal Agent, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

"**Bloomberg Screen SOFRRATE Page**" means the Bloomberg screen designated "SOFRRATE" or any successor page or service.

"**Business Day**" means:

(1) in the case of a currency other than euro and Renminbi, and unless the applicable Pricing Supplement specifies that the Floating Rate Note Provisions apply and the Reference Rate is SOFR Benchmark, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency;

(2) if the applicable Pricing Supplement specifies that the Floating Rate Note Provisions apply and the Reference Rate is SOFR Benchmark, any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York or one or more Business Centres and is not a date on which banking institutions in those cities or Business Centres are authorised or required by law or regulation to be closed;

(3) in the case of euro, any day on which T2 is open for the settlement of payments in euro (a "**TARGET Business Day**");

(4) in the case of Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; and/or

(5) in the case of a currency and/or one or more Business Centres, and unless the applicable Pricing Supplement specifies that the Floating Rate Note Provisions apply and the Reference Rate is SOFR Benchmark, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "**Calculation Period**"):

(1) 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);

(2) if "**Actual/365 (Fixed)**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(3) if "**Actual/360**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(4) 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 an Interest Payment Date falling in a leap year, 366;

(5) 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:

$$Day\ Count\ Fraction = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" 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

"D_2" 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;

(6) 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:

$$Day\ Count\ Fraction = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" 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

"D_2" 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;

(7) 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:

$$Day\ Count\ Fraction = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" 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

"D_2" 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 Maturity Date or (ii) such number would be 31, in which case D2 will be 30; and

(8) if "**Actual/Actual-ICMA**" is specified in the applicable Pricing Supplement:

(i) 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

(ii) if the Calculation Period is longer than one Determination Period, the sum of:

(x) 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

(y) 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 Date**" means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Interest Payment Date(s);

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date;

"**HKMA**" means the Hong Kong Monetary Authority appointed pursuant to Section 5A of the Exchange Fund Ordinance (Cap. 66) of the Laws of Hong Kong or its successors;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the Peoples' Republic of China;

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5(k)(1)(i);

"**Interest Accrual Period**" means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Period Date and each successive period beginning on and including an Interest Period Date and ending on but excluding the next succeeding Interest Period Date;

"**Interest Amount**" means:

(1) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the applicable Pricing Supplement, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Pricing Supplement as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part provided that if the Specified Currency is Renminbi, the Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01 (CNY0.005 being rounded upwards); and

(2) in respect of any other period, the amount of interest payable per Calculation Amount for that period "**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the applicable Pricing Supplement;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or Renminbi other than where the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro nor Renminbi or (iii) the day falling two TARGET

Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (iv) the day falling two Business Days in Hong Kong prior to the first day of such Interest Accrual Period if the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR or (v) (where SOFR Benchmark is specified in the applicable Pricing Supplement as the Reference Rate and where SOFR Lag or SOFR Observation Shift is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR or where Compounded SOFR Index is specified as applicable in the applicable Pricing Supplement) the fourth U.S. Government Securities Business Day prior to the last day of each Interest Accrual Period;

"**Interest Period**" means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date unless otherwise specified in the applicable Pricing Supplement;

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified in the applicable Pricing Supplement;

"**ISDA Definitions**" means (i) if "2006 ISDA Definitions" is specified in the applicable Pricing Supplement, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**"), as amended and updated as at the Issue Date of the first Tranche of the Notes; 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 Notes;

"**Original Reference Rate**" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes;

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in the applicable Pricing Supplement;

"**Reference Banks**" means four major banks selected by the Issuer in the interbank market that is most closely connected with the Reference Rate;

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

(i) EURIBOR;

(ii) KIBOR;

(iii) SHIBOR;

(iv) HIBOR;

(v) CNH HIBOR;

(vi) KLIBOR;

(vii) TRLIBOR or TRYLIBOR;

(viii) SIBOR;

(ix) EIBOR;

(x) TIBOR;

(xi) SAIBOR;

(xii) BBSW;

(xiii) MIBOR;

(xiv) PRIBOR;

(xv) LIBID;

(xvi) LIMEAN;

(xvii) SOFR Benchmark; or

(xviii) SONIA Benchmark;

"**Relevant Financial Centre**" means the financial centre specified as such in the applicable Pricing Supplement;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(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;

"**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);

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

"**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:

(i) the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator's Website;

(ii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR 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

(iii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 5(k)(2) shall apply;

"**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;

"**SOFR Benchmark Replacement Date**" means the Benchmark Replacement Date with respect to the then-current Benchmark;

"**SOFR Benchmark Transition Event**" means the occurrence of a Benchmark Event with respect to the then-current Benchmark;

"**SOFR Determination Time**" means approximately 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day;

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

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body;

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

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the 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.

6 Redemption, Purchase and Options

(a) Final Redemption

Unless previously redeemed, or purchased and cancelled, in full, or, in the case of the Tier 2 Notes, written-down in full, as provided below, each Note shall be finally redeemed on the Maturity Date specified in the applicable Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided in the applicable Pricing Supplement, is its nominal amount). In the case of Fixed Rate Notes where the Specified Currency is Renminbi, if the Maturity Date falls on a day which is not a Business Day, the Maturity Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Maturity Date shall be brought forward to the immediately preceding Business Day.

(b) Early Redemption

(i) Zero Coupon Notes:

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note shall be the Amortised Face Amount (calculated as provided below) of such Note upon redemption of such Note pursuant to Condition 6(c), Condition 6(d), Condition 6(e) or Condition 6(f) or upon it becoming due and payable as provided in Condition 11 unless otherwise specified in the applicable Pricing Supplement.

(B) Subject to the provisions of sub-paragraph (ii) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is specified in the applicable Pricing Supplement, shall be such rate

as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or Condition 6(e) or upon it becoming due and payable as provided in Condition 11 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (i) above, except that such sub- paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(e).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction specified in the applicable Pricing Supplement.

(ii) *Other Notes*: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c), Condition 6(d), Condition 6(e) or Condition 6(f) or upon it becoming due and payable as provided in Condition 11, shall be the Final Redemption Amount unless otherwise specified in the applicable Pricing Supplement.

(c) **Redemption for Taxation Reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part (but subject, in the case of Tier 2 Notes, to Condition 6(i)), on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time, (if this Note is not a Floating Rate Note), 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 Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Saudi Arabia, or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the most recent Tranche of the relevant Series of Notes, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 60 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Fiscal Agent (i) a certificate signed by two directors and/or Authorised Signatories of the Issuer stating that (A) the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (B) in the case of Tier 2 Notes only, the conditions set out in Condition 6(i) have been satisfied, and (ii) an opinion of independent tax advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

(d) **Redemption following a Capital Disqualification Event**

This Condition 6(d) is only applicable to Tier 2 Notes.

The Notes may be redeemed at the option of the Issuer in whole, but not in part (but subject to Condition 6(i)), on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time, (if this Note is not a Floating Rate Note), 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 Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (as described in Condition 6(b) above) (together with any interest accrued to the date fixed for redemption), if a Capital Disqualification Event has occurred.

Prior to the publication of any notice of redemption pursuant to this Condition 6(d), the Issuer shall deliver to the Fiscal Agent (i) a certificate signed by two directors and/or Authorised Signatories of the Issuer stating that (A) a Capital Disqualification Event has occurred and cannot be avoided by the Issuer taking reasonable measures available to it and (B) the conditions set out in Condition 6(i) 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 Notes.

In this Condition 6(d):

"**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 Notes, the Issuer is notified in writing by the Financial Regulator to the effect that the outstanding nominal amount (or if some nominal amount of the Notes outstanding are held by the Issuer or whose purchase is funded by the Issuer, the amount that qualifies as regulatory capital) of the Tier 2 Notes 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 consolidated, or as the case may be non-consolidated Tier 2 Capital of the Issuer (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 Issuer's capital base through any amortisation or similar process or any changes thereto (including any amortisation or similar process imposed through any grandfathering arrangement)); and

"**Capital Regulation**", "**Financial Regulator**", "**SAMA**" and "**Tier 2 Capital**" have the meanings given to them in Condition 3(d).

(e) **Redemption at the Option of the Issuer**

If Call Option is specified in the applicable Pricing Supplement, subject to Condition 6(i) in the case of Tier 2 Notes only, the Issuer may, 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 Noteholders redeem, all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified in the applicable Pricing Supplement (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Pricing Supplement and no greater than the Maximum Redemption Amount to be redeemed specified in the applicable Pricing Supplement.

Any notice of redemption given under Condition 6(c) or Condition 6(d) will override any notice of redemption given (whether previously, on the same date or subsequently) under this Condition 6(e).

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

Any such notice may, at the Issuer's discretion, be subject to one or more conditions precedent. In such event, such notice shall describe each such condition and, if applicable, may state that, at the Issuer's discretion, the Optional Redemption Date may be delayed until such time as any or all such conditions shall be satisfied or waived, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied (or waived by the Issuer in its sole discretion) by the Optional Redemption Date, or by the Optional Redemption Date as so delayed.

In the case of a partial redemption, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(f) **Redemption at the Option of Noteholders**

This Condition 6(f) is only applicable to Senior Notes.

If Put Option is specified in the applicable Pricing Supplement, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than the minimum period nor more than the maximum period of irrevocable notice specified in the applicable Pricing Supplement to the Issuer redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified in the applicable Pricing Supplement (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(g) **Purchases**

Subject to Condition 6(i) in the case of Tier 2 Notes only, each of the Issuer and its Subsidiaries as defined in the Agency Agreement may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price and such Notes may be held, resold or, at the option of the Issuer or any of its Subsidiaries, as the case may be, surrendered to the Paying Agent for cancellation.

(h) **Cancellation**

All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged. Notes so purchased, if not surrendered for cancellation, may also be held to maturity or resold in the open market or otherwise.

(i) **Conditions to Redemption and Repurchase of Tier 2 Notes**

This Condition 6(i) is applicable only to Tier 2 Notes.

Tier 2 Notes may only be redeemed, purchased or cancelled (as applicable) pursuant to Condition 6(b), Condition 6(c) Condition 6(d), Condition 6(e) or Condition 11, as the case may be, if:

(i) (except to the extent that the Financial Regulator no longer so requires) the Issuer 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 Issuer 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 Issuer will be in compliance with the Applicable Regulatory Capital Requirements.

In addition, if the Issuer has elected to redeem the Tier 2 Notes 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 Issuer shall give notice thereof to the Noteholders in accordance with Condition 15 and the Fiscal Agent, as soon as practicable. Further, no notice of redemption shall be given in the period following the occurrence of a Non-Viability Event and the relevant Non-Viability Event Write-down Date.

In these Conditions, "**Applicable Regulatory Capital Requirements**" means the requirements contained in the Capital Regulations for the maintenance of capital from time to time applicable to the Issuer, on a consolidated or non-consolidated basis, including transitional rules and waivers granted in respect of the foregoing.

7 Loss Absorption Upon the Occurrence of a Non-Viability Event

This Condition 7 is only applicable to Tier 2 Notes.

(a) **Effectiveness of this Condition**

The provisions of this Condition 7 will lapse and cease to apply with effect from (and including) the date on which the Applicable Statutory Loss Absorption Regime becomes effective in respect of any Series of Notes (the "**Effective Date**"), except to the extent such provisions are required by the Applicable Statutory Loss Absorption Regime or the Financial Regulator in the exercise of its powers thereunder. Forthwith following the occurrence of the Effective Date, the Issuer shall give notice of such occurrence to the Fiscal Agent and the Noteholders in accordance with Condition 15. If the Issuer becomes Non-Viable on or after the Effective Date, the Financial Regulator (or the Issuer on instructions from the Financial Regulator) may take such action in respect of the Notes as is required or permitted by such Applicable Statutory Loss Absorption Regime.

(b) **Non-Viability Event**

If a Non-Viability Event occurs at any time on or after the Issue Date of the first Tranche of a Series, a Write-down (in whole or in part, as applicable) will take place in accordance with Condition 7(c).

(c) **Non-Viability Notice**

(i) In respect of each Series, no later than the third Business Day following the date on which a Non-Viability Event occurs (or on such earlier date as determined by the Financial Regulator), the

Issuer will notify the Fiscal Agent, the Registrar and the Noteholders in accordance with Condition 15 of the occurrence of such Non-Viability Event (such notice, a "**Non-Viability Notice**").

(ii) Such Non-Viability Notice shall also (to the extent the relevant information has been received from the Financial Regulator):

(A) state that a Write-down will take place and, following guidance from the Financial Regulator, whether such Write-down will be in full or in part only;

(B) specify, in the case of a Write-down in part only, the Write-down Amount as determined by the Financial Regulator and notified to the Issuer;

(C) specify, in the case of a Write-down in full, that the Issuer has received written confirmation from the Financial Regulator that the Financial Regulator has determined the aggregate nominal amount of the Tier 2 Notes of the relevant Series then outstanding to be zero; and

(D) specify the Non-Viability Event Write-down Date.

(iii) A Write-down will occur on the Non-Viability Event Write-down Date in accordance with Condition 7(d) and, with effect from such date, references in these Conditions to the "**nominal amount**" and "**outstanding nominal amount**" of the Notes shall be construed accordingly.

If the Issuer has not received all the information set out in (c)(ii)(A) to (D) (inclusive) above prior to the date on which the Non-Viability Notice is given, the Issuer shall, as soon as reasonably practicable following receipt of such information from the Financial Regulator, notify the Fiscal Agent and the Noteholders in accordance with Condition 15 (*Notices*).

(d) **Definitions**

For the purposes of this Condition 7:

"**Applicable Statutory Loss Absorption Regime**" means a Statutory Loss Absorption Regime that is applicable to the Tier 2 Notes and which, alone or together with any other law(s) or regulation(s), has the effect that Conditions 7(b) and 7(c) could cease to apply to the Tier 2 Notes without giving rise to a Capital Disqualification Event;

"**Basel Committee**" means the Basel Committee on Banking Supervision;

"**Basel III**" means the set of reforms to the international regulatory capital framework for banks issued by the Basel Committee (including, but not limited to, the Basel III Documents) 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 instruments and tier 2 capital instruments);

"**Basel III Documents**" means the Basel Committee document "A global regulatory framework for more resilient banks and banking systems" released by the Basel Committee on 16 December 2010 and revised in June 2011 and the Annex contained in its document "Basel Committee issues final elements of the reforms to raise the quality of regulatory capital" released on 13 January 2011;

"**Non-Viability Event**" means, in relation to a Series, that the Financial Regulator has notified the Issuer in writing that it has determined that the Issuer is, or will become, Non-Viable without:

(i) a Write-down of the Tier 2 Notes of that Series (and write-down of any of the Issuer's other capital instruments or other obligations constituting Tier 1 Capital and/or Tier 2 Capital of the Issuer 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 Issuer; or (b) on terms that are more favourable to the Issuer than those that would be accepted by private investors in comparable transactions;

"**Non-Viability Event Write-Down Date**" means the date on which the Write-down will take place as specified in the relevant Non-Viability Notice, which date shall be no later than ten Business Days after the date of the Non-Viability Notice (or such other date as determined by the Financial Regulator);

"**Non-Viability Notice**" has the meaning given to it in Condition 7(c);

"**Non-Viable**" means: (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 the Kingdom of 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 Notes), 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 issued by Royal Decree number M/38 dated 25/4/1442H (corresponding to 10 December 2020);

"**Write-down**" means, in relation to a Series of Tier 2 Notes:

(i) in the case of the relevant Write-down Amount corresponding to the full proportion of the nominal amount of Tier 2 Notes then outstanding, the Tier 2 Notes of such Series shall be cancelled;

(ii) in the case of the relevant Write-down Amount corresponding to less than the full proportion of the nominal amount of Tier 2 Notes then outstanding, the nominal amount of such Tier 2 Notes shall be Written-down in part on a *pro rata* basis in a proportion corresponding to the Write-down Amount; and

(iii) subject to payment of accrued and unpaid Interest Amounts if and only to the extent that such Interest Amounts became due and payable to the Noteholders prior to the date of the Non-Viability Notice (and provided that payment of such amounts are not prohibited by the Financial Regulator or the Capital Regulations at such time), all rights of any Noteholder for payment of any amounts under or in respect of such Series of Tier 2 Notes (including, without limitation, principal and any amounts arising as a result of, or due and payable upon the occurrence of, a Tier 2 Event) in a proportion corresponding to the relevant Write-down Amount (and any related unpaid Interest Amounts) 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 all references to "**Written-down**" will be construed accordingly; and

"**Write-down Amount**" means, in relation to a Series, the outstanding nominal amount of Tier 2 Notes of such Series that the Financial Regulator has determined to be Written- down.

8 Payments and Talons

(a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all payments of principal and, in the case of interest, as specified in Condition 8(f)(v)) or Coupons (in the case of interest, save as specified in Condition 8(f)(v)), as the case may be:

(i) in the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank; and

(ii) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

In this Condition 8(a), "**Bank**" means 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 T2.

(b) **Registered Notes**

(i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of the Transfer Agent or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifth (in the case of Renminbi) and fifteenth (in the case of a currency other than Renminbi) day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made:

(x) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and

(y) in the case of Renminbi, by transfer to the registered account of the Noteholder.

In this Condition 8(b)(ii), "**registered account**" means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

(c) **Payments in the United States**

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) **Payments Subject to Laws**

Payments will be 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 9 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 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9) any law implementing an intergovernmental approach thereto.

(e) **Appointment of Agents**

The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agent and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, Transfer Agent and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agent, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where these Conditions so require and (v) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) **Unmatured Coupons and unexchanged Talons**

(i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes, those Notes should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10).

(ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any

unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10).

(h) **Non-Business Days**

If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**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 relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such 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.

9 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Kingdom of Saudi Arabia or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note or Coupon:

(a) *Other connection*: to, or to a third-party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Kingdom of Saudi Arabia other than the mere holding of the Note or Coupon; or

(b) *Presentation more than 30 days after the Relevant Date*: presented (or in respect of which the Certificate representing it is presented) 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 it for payment on the thirtieth such day.

Notwithstanding any other provision of these Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code, or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) 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 Noteholders that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition.

10 Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

11 Events of Default and Tier 2 Events

(a) **Tier 2 Notes**

This Condition 11(a) only applies to Tier 2 Notes.

(i) Provided that a Winding Up Proceeding has not occurred, if default is made in the payment of any principal or interest due under the Notes or any of them and the default continues for a period of seven days or more in the case of principal or 14 days or more in the case of interest (a "**Default**"), then any Noteholder may institute proceedings for the Issuer 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 Issuer.

(ii) In the event of a Winding Up Proceeding, any Noteholder may give written notice to the Issuer at the specified office of the Fiscal Agent, effective upon the date of receipt thereof by the Fiscal Agent, that such Note is due and payable, whereupon the same shall become forthwith due and payable at its principal amount, together with accrued interest (if any) to the date of repayment without presentation, demand, protest or other notice of any kind, subject to the subordination

provisions described in Condition 3(c), the non-viability provisions described in Condition 7 and the provisions described in this Condition 11, and the Noteholder shall be entitled to the remedy set out in Condition 11(a)(iii) below.

(iii) Other than as set out in this Condition 11(a), no remedy against the Issuer shall be available to the Noteholders whether for the recovering of amounts owing in respect of the Notes or in respect of any breach by the Issuer of any other obligation, condition or provision binding on it under the Notes.

(b) **Events of Default**

This Condition 11(b) only applies to Senior Notes.

If any of the following events ("**Events of Default**") occurs and is continuing, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable:

(i) if default is made in the payment of any principal or interest due under the Notes or any of them and the default continues for a period of seven days or more in the case of principal or 14 days or more in the case of interest; or

(ii) if the Issuer defaults in the performance or observance of any of its other obligations under or in respect of these Conditions or the Notes unless the default is capable of remedy and is remedied within 30 days after written notice thereof addressed to the Issuer requiring the same to be remedied has been delivered to the Issuer by a Noteholder; or

(iii) if the Issuer repudiates the validity of its obligations under or in respect of the Notes or at any time it is or becomes unlawful for the Issuer to perform or comply with any or all of its obligations under or in respect of the Notes or any of the obligations of the Issuer thereunder are not or cease to be legal, valid, binding and enforceable; or

(iv) if the Issuer 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

(v) if (A) any Indebtedness of the Issuer 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 Issuer 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 in any other currency or currencies); or

(vi) if any action, condition or thing at any time required to be taken, fulfilled or done in order (A) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Notes or (B) to ensure that those obligations are legally binding and enforceable is not taken, fulfilled or done within 28 days of a Noteholder giving notice in writing to the Issuer; or

(vii) if the Issuer 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 Issuer 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 Issuer or any of its Material Subsidiaries; or

(viii) if an administrator is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer or any of its Material Subsidiaries, or the Issuer 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 an Extraordinary Resolution of Noteholders 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 Issuer or another of its Material Subsidiaries; or

(ix) 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 Issuer or any of its Material Subsidiaries and is not discharged or stayed within 30 days; or

(x) an event occurs which has an analogous effect to any of the events referred to in paragraphs (viii) and (ix) inclusive above, and

references above to "**debts**" mean 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 Issuer.

For the purposes of these Conditions:

"**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;

"**Tier 2 Event**" means, in respect of any Tier 2 Notes, a Default or a Winding Up Proceeding; 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 Issuer in accordance with applicable law or the Issuer 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).

12 Meeting of Noteholders and Modifications

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification or abrogation of any of these Conditions. Such a meeting may be convened by the Issuer at any time or by Noteholders holding not less than 10 per cent. in nominal amount of the Notes 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 nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) modifying any date for payment in respect of the Notes, (ii) reducing or cancelling or varying the method of calculating the nominal amount of, or any amount or premium payable or due in respect of, the Notes, (iii) reducing the rate or rates of interest in respect of the Notes or varying the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes (other than any amendment arising from the discontinuation of any interest rate benchmark used to determine the amount of any payment in respect of the Notes), (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest or Redemption Amount is shown in the applicable Pricing Supplement, reducing any such Minimum Rate of Interest and/or Maximum Rate of Interest, (v) varying any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) varying the currency or currencies of payment or denomination of the Notes, (vii) modifying the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, (viii) modifying or cancelling the payment obligations of the Issuer under the Notes, (ix) amending Condition 3 (*Status*), or (x) 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 nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all Noteholders (whether or not they were present and whether or not they voted at the meeting at which such resolution was passed) and on all Couponholders. 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 Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders. Such a resolution in writing will be binding on all Noteholders whether or not they participated in such resolution.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the applicable Pricing Supplement in relation to such Series.

(b) **Modification of Agency Agreement**

The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

(c) **Substitution**

The Issuer, or any previous substituted company, may at any time, subject in the case of Tier 2 Notes to the Issuer having obtained prior written approval of the Financial Regulator and such approval has not been revoked by the relevant date of such substitution but without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes, the Coupons and the Talons, any company (the "**Substituted Debtor**") that is the Issuer, or a Subsidiary of the Issuer, provided that no payment in respect of the Notes or the Coupons is at the relevant time overdue. The substitution shall be

made by a deed poll (the "**Deed Poll**"), to be substantially in the form scheduled to the Agency Agreement as Schedule 8, and may take place only if:

(i) a deed poll and such other documents (if any) shall be executed by the Issuer and the Substituted Debtor as may be necessary to give full effect to the substitution (together, the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favour of each Noteholder and Couponholder to be bound by these Conditions and the provisions of the Agency Agreement as fully as if the Substituted Debtor had been named in the Notes, the Coupons and the Talons and the Agency Agreement as the principal debtor in respect of the Notes, the Coupons and the Talons in place of the Issuer (or any previous substitute);

(ii) without prejudice to the generality of Condition 12(c)(i) above, where the Substituted Debtor is incorporated, domiciled or resident for taxation purposes in a territory other than the Kingdom of Saudi Arabia, the Documents shall contain a covenant by the Substituted Debtor and/or such other provisions as may be necessary to ensure that each Noteholder and Couponholder has the benefit of a covenant in terms corresponding to the provisions of Condition 9 with the substitution for the references to the Kingdom of Saudi Arabia of references to the territory or territories in which the Substituted Debtor is incorporated, domiciled and/or resident for taxation purposes. The Documents shall also contain a covenant by the Substituted Debtor to indemnify and hold harmless each Noteholder and Couponholder against all taxes or duties which arise by reason of a law or regulation having legal effect or being in reasonable contemplation thereof on the date such substitution becomes effective, which may be incurred or levied against such holder as a result of any substitution pursuant to this Condition and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, any and all taxes or duties which are imposed on any such Noteholder or Couponholder by any political sub-division or taxing authority of any country in which such Noteholder or Couponholder resides or is subject to any such tax or duty and which would not have been so imposed had such substitution not been made);

(iii) the Documents shall contain a representation and warranty by the Substituted Debtor (A) that the Substituted Debtor has obtained all necessary governmental and regulatory approvals and consents for such substitution and for the performance by the Substituted Debtor of its obligations under the Documents and that all such approvals and consents are in full force and effect and (B) that the obligations assumed by the Substituted Debtor under the Documents are all legal, valid and binding in accordance with their respective terms;

(iv) each stock exchange on which the Notes are listed or admitted to trading shall have confirmed that following the proposed substitution of the Substituted Debtor the Notes will continue to be listed or admitted to trading on such stock exchange;

(v) the Issuer shall have delivered to the Fiscal Agent or procured the delivery to the Fiscal Agent of a legal opinion addressed to the Issuer and the Substituted Debtor from a leading firm of lawyers in the country of incorporation of the Substituted Debtor to the effect that the Documents constitute legal, valid and binding obligations of the Substituted Debtor and that there are no circumstances which, upon the substitution becoming effective, would give rise to any of the events described in Condition 6(c) in respect of the Substituted Debtor, such opinion to be dated not more than seven days prior to the date of the substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders or Couponholders at the specified office of the Fiscal Agent;

(vi) the Issuer shall have delivered to the Fiscal Agent or procured the delivery to the Fiscal Agent of a legal opinion addressed to the Issuer and the Substituted Debtor from a leading firm of Saudi Arabian lawyers acting for the Issuer to the effect that the Documents constitute legal, valid and binding obligations of the Issuer, such opinion to be dated not more than seven days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders or Couponholders at the specified office of the Fiscal Agent;

(vii) the Issuer shall have delivered to the Fiscal Agent or procured the delivery to the Fiscal Agent of a legal opinion addressed to the Issuer and the Substituted Debtor from a leading firm of English lawyers to the effect that the Documents constitute legal, valid and binding obligations of the parties thereto under English law, such opinion to be dated not more than seven days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders or Couponholders at the specified office of the Fiscal Agent;

(viii) the Substituted Debtor shall have appointed the process agent appointed by the Issuer in Condition 18(c) or another person with an office in England as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Notes or the Documents;

(ix) there being no outstanding Event of Default or Tier 2 Event in respect of the Notes; and

(x) any credit rating assigned to the Notes will remain the same or be improved when the Substituted Debtor replaces and substitutes the Issuer in respect of the Notes.

(d) **Assumption by Substitute Debtor**

Upon execution of the Documents as referred to in Condition 12(c) above, the Substituted Debtor shall be deemed to be named in the Notes as the principal debtor in place of the Issuer (or of any previous substitute under these provisions) and the Notes shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall operate to release the Issuer as issuer (or such previous substitute as aforesaid) from all of its obligations as principal debtor in respect of the Notes.

(e) **Deposit of Documents**

The Documents shall be deposited with and held by the Fiscal Agent for so long as any Note remains outstanding and for so long as any claim made against the Substituted Debtor by any Noteholder or Couponholder in relation to the Notes or the Documents shall not have been finally adjudicated, settled or discharged. The Substituted Debtor shall acknowledge in the Documents the right of every Noteholder or Couponholder to production of the Documents for the enforcement of any of the Notes, the Coupons, the Talons or the Documents.

(f) **Notice of Substitution**

Not less than 15 business days after execution of the Documents, the Substituted Debtor shall give notice thereof to the Noteholders in accordance with Condition 15. References in Condition 11 to obligations under the Notes shall be deemed to include obligations under the Deed Poll.

13 Replacement of Notes, Certificates, Coupons and Talons

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of any Fiscal Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to

time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

14 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders, but subject in the case of Tier 2 Notes to it obtaining the prior written approval of the Financial Regulator (and such approval not having been revoked at the relevant date of such creation and issue), create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the amount and date of the first payment of interest on them and the date from which interest starts to accrue) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to "**Notes**" shall (unless the context requires otherwise) be construed accordingly.

15 Notices

Notices required to be given to the holders of Registered Notes pursuant to these Conditions shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices required to be given to the holders of Bearer Notes pursuant to these Conditions shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*). So long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to these Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed and/or admitted to trading. If 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 such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

16 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note or Coupon is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the currency of payment under the relevant Note or Coupon that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note or Coupon, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it shall be sufficient for the Noteholder or Couponholder, as the case may be, to

demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or Coupon or any other judgment or order.

17 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes 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.

18 Governing Law and Dispute Resolution

(a) **Governing Law**

The Notes, the Coupons and the Talons 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**

Any dispute, claim, difference or controversy arising out of, relating to or having any connection with the Notes, the Coupons or the Deed of Covenant (including any dispute, claim, difference or controversy as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity or any dispute relating to any non-contractual obligations arising out of or in connection with them or this Condition 18(b)) (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 London Court of International Arbitration (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 Issuer has in the Deed of Covenant:

(i) agreed that the arbitration agreement set out in this Condition 18 and the arbitration agreement contained in the Agency 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 18 and/or the arbitration agreement contained in the Agency Agreement, subject to and in accordance with the Rules. Notwithstanding anything to the contrary in the Rules, Issuer has agreed that no arbitrations other than those referred to in this Condition 18(c)(ii) may be consolidated. For the avoidance of doubt, this Condition 18(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 Issuer has 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 18(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 18(c), to the validity and/or enforcement of any arbitral award.

(d) Waiver of Immunity

Under each of the Agency Agreement and the Deed of Covenant, the Issuer 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) **Service of Process**

The Issuer has in the Agency Agreement and the Deed of Covenant 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.

FORM OF PRICING SUPPLEMENT

The applicable Pricing Supplement in respect of each Tranche of the Notes issued under the Programme will be substantially in the following form, duly completed to reflect the particular terms of the relevant Notes and their issue.

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH THE UK PROSPECTUS REGULATION FOR THE ISSUE OF THE INSTRUMENTS DESCRIBED BELOW. THE UNITED KINGDOM FINANCIAL CONDUCT AUTHORITY HAS NEITHER APPROVED NOR REVIEWED ANY INFORMATION CONTAINED IN THIS PRICING SUPPLEMENT AND ANY INSTRUMENTS ISSUED PURSUANT TO THIS PRICING SUPPLEMENT ARE NOT COMPLIANT WITH THE UK PROSPECTUS REGULATION.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes 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 ("**EEA**"). For these purposes, a "**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 Directive 2014/65/EU (as amended, "**MiFID II**"); (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 (as amended). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes 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 the following: (i) not a professional client as defined in Article 2(1)(8) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (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 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 ("**UK MiFIR**"); or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs 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 Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")][MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (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 Notes (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 Notes has led to the conclusion that: (i) the target market for the Notes 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 Notes to eligible counterparties and professional clients are appropriate. Any [person subsequently offering, selling or recommending the Notes (a "**distributor**")] [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 Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time) (the "SFA") *– [Notice to be included if classification of the Notes is not "prescribed capital markets products" pursuant to Section 309B of the SFA.]]*

Pricing Supplement dated [●]

Riyad Bank
(LEI: 54930037RJ782ISGGM71)

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the U.S.$5,000,000,000
Medium Term Note Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") set forth in the base offering circular dated 5 January 2026 [and the supplementary offering circular dated [●]], which [together] constitute[s] a base offering circular (the "**Base Offering Circular**"). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Base Offering Circular. This document does not constitute listing particulars that the FCA has reviewed or approved pursuant to Listing Rule 4 of the FCA Handbook. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Offering Circular. The Base Offering Circular [and the supplement(s) thereto] [is] [are] available for viewing during normal business hours at the registered offices of the Issuer at King Abdullah Financial District (KAFD), Financial Boulevard – Al Aqeeq District-Building No. 3128, Postal Code 13519 – Secondary No. 6671, Riyadh, Kingdom of Saudi Arabia, and copies may be obtained from the registered offices of the Fiscal Agent at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom.]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a base 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 (the "**Conditions**") set forth in the base offering circular dated [*date of original offering circular*] [and the supplement(s) thereto dated [●]] which are incorporated by reference into the base offering circular dated 5 January 2026 [and the supplementary base offering circular dated [●]], which [together] constitute[s] a base offering circular (the "**Base Offering Circular**"), and which are attached hereto. This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Base Offering Circular, save in respect of the Conditions, which are extracted from the base offering circular dated [*date of original offering circular*] [and the supplement(s) thereto dated [●]]. Full information on the Issuer and the offer

of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Offering Circular. The Base Offering Circular [and the supplement(s) thereto] [is] [are] available for viewing during normal business hours at the registered offices of the Issuer at King Abdullah Financial District (KAFD), Financial Boulevard – Al Aqeeq District-Building No. 3128, Postal Code 13519 – Secondary No. 6671, Riyadh, Kingdom of Saudi Arabia, and copies may be obtained from the registered offices of the Fiscal Agent at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom.]

1	Issuer:	Riyad Bank
2	[(a)] Series Number:	[●]
	[(b)] Tranche Number:	[●]
3	**Specified Currency or Currencies:**	[●]
4	**Aggregate Nominal Amount of Notes:**	[●]
	[(a)] Series:	[●]
	[(b)] Tranche:	[●]
5	**Issue Price:**	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]]
6	[(a)] Specified Denominations:	[●]
	(b) Calculation Amount:	[●]
7	(a) Issue Date:	[●]
	(b) Interest Commencement Date:	[[●]/Issue Date/Not Applicable]
8	**Maturity Date:**	[●]
9	**Interest Basis:**	[[●] per cent. Fixed Rate] [[●] +/- [●] per cent. Floating Rate] [Zero Coupon] [Reset] (See paragraph [14/15/16/17] below)
10	**Redemption/Payment Basis:**	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [[●]/[100]] per cent. of their nominal amount. [●]
11	**Change of Interest or Redemption/Payment Basis:**	[*Specify the date when any fixed to floating rate change occurs or refer to paragraphs* 14 *and 15 below and identify there*/Not Applicable]
12	**Put/Call Options:**	[Put Option] [Call Option] [(further particulars specified below)]
13	(a) Status of the Notes:	[Senior Notes/Tier 2 Notes]
	(b) [Date [Board] approval for issuance of Notes obtained:	

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14	**Fixed Rate Note Provisions:**	[Applicable/Not Applicable]

	(a)	Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/[●]] in arrear on each Interest Payment Date]
	(b)	Interest Payment Date(s):	[●] in each year [adjusted in accordance with] [[●]/not adjusted]
	(c)	Fixed Coupon Amount[(s)]:	[●] per Calculation Amount
	(d)	Broken Amount(s):	[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]
	(e)	Day Count Fraction:	[Actual/Actual] / [Actual/Actual – ISDA] / [Actual/Actual-ICMA] / [Actual/365 (Fixed)] / [Actual/360] / [Actual 365 (Sterling)] / [30/360] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)]
	(f)	[Determination Dates:	[●] in each year]
	(g)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/[●]]
15	**Floating Rate Note Provisions:**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub- paragraphs of this paragraph*)
	(a)	Interest Period(s):	[●] [The end date of each Interest Period shall be subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/ Not subject to any adjustment]
	(b)	Specified Interest Payment Dates:	[●][, subject, in each case, to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/, not subject to any adjustment]
	(c)	First Interest Payment Date:	[●][, subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/, not subject to any adjustment]
	(d)	Interest Period Date:	(Not applicable unless different from Interest Payment Date)[, subject, in each case, to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/, not subject to any adjustment]
	(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):	[●]
	(g)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]

(h)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Fiscal Agent]):	[Name] shall be the Calculation Agent
(i)	Screen Rate Determination:	[Applicable – Term Rate / Applicable – SOFR Benchmark / Applicable – SONIA Benchmark / Not Applicable]
	— Reference Rate:	[SONIA Benchmark/SOFR 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 amended, the "**BMR**")]/[FCA pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) as it forms part of domestic law by virtue of the EUWA (the "**UK BMR**")]/[As far as the Issuer is aware, as at the date hereof, the [*specify benchmark*] does not fall within the scope of the [BMR]/[UK BMR] / [Not Applicable]
	— Interest Determination Date(s):	[●] [[●] U.S. Government Securities Business Days prior to each Interest Period Date][1] [The date which is ["p"] London Business Days prior to each Interest Payment Date]
	— Relevant Time:	[●]
	— Relevant Screen Page:	[●][Bloomberg Screen Page: SONCINDX][2] [Bloomberg Screen Page: SONIO/N Index][3]
	— Relevant Fallback Screen Page:	[[Bloomberg Screen Page: SONIO/N Index] / see pages of authorised distributors for SONIA Compounded Daily Reference Rate as applicable] / [●]][4]
	— Relevant Financial Centre:	[●]
	— SONIA Benchmark:	[Not Applicable]/[SONIA Compounded Index Rate / SONIA Compounded Daily Reference Rate [with Observation Shift] / [with Lag] where "p" is [●][5] London Business Days][6]

[1] To be included where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded SOFR Index: SOFR Observation Shift or SOFR Lag. Where the Fiscal Agent is appointed as Calculation Agent, it will normally require that this period (and, where applicable, any Lookback Days/SOFR Observation Shift Days) is at least 5 U.S. Government Securities Business Days.

[2] Only applicable where the Reference Rate is SONIA Benchmark and SONIA Compounded Index Rate applies.

[3] Only applicable where the Reference Rate is SONIA Benchmark and SONIA Compounded Daily Reference Rate applies.

[4] Only applicable where the Reference Rate is SONIA Benchmark and SONIA Compounded Index Rate applies.

[5] Not to be less than 5 London Business Days.

[6] Only applicable where the Reference Rate is SONIA Benchmark.

	— SOFR Benchmark:	[Not Applicable]/[Compounded Daily SOFR/Compounded SOFR Index][7]
	— Compounded Daily SOFR:	[Not Applicable/SOFR Lag/SOFR Observation Shift][8]
	— Lookback Days:	[Not Applicable/[●] U.S. Government Securities Business Day(s)][9]
	— SOFR Observation Shift Days:	[Not Applicable/[●] U.S. Government Securities Business Day(s)][10]
	— SOFR $\text{Index}_{\text{Start}}$:	[Not Applicable/[●] U.S. Government Securities Business Day(s)][11]
	— SOFR $\text{Index}_{\text{End}}$:	[Not Applicable/[●] U.S. Government Securities Business Day(s)][12]
	— Fallback Provisions:	[Condition 5(k)(1) (*Independent Adviser*)][13]/[Condition 5(k)(2) (*Benchmark Discontinuation (SOFR*))]
(j)	ISDA Determination:	
	— ISDA Definitions:	[2006 ISDA Definitions]/[2021 ISDA Definitions]
	— Floating Rate Option:	[●][14]
	— Designated Maturity:	[●]/[Not Applicable][15]
	— Reset Date:	[●]/[as specified in the ISDA Definitions]/[the first day of the relevant Interest Period, subject to adjustment in accordance with the Business Day Convention set out in [●] above and as specified in the ISDA Definitions]
	— Compounding:	[Applicable/Not Applicable] *(If not applicable, delete the remaining items of this subparagraph)*
	— 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

[7] Only applicable where the Reference Rate is SOFR Benchmark.

[8] Only applicable in the case of Compounded Daily SOFR.

[9] Only applicable in the case of SOFR Lag.

[10] Only applicable in the case of SOFR Observation Shift or Compounded SOFR Index.

[11] Only applicable in the case of Compounded SOFR Index.

[12] Only applicable in the case of Compounded SOFR Index.

[13] To be applied in all cases except where the parties have agreed, in respect of an issuance where the Reference Rate is SOFR Benchmark, to the application of the Benchmark Discontinuation (SOFR) fallback provisions instead.

[14] 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.

[15] A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk-free rate.

			Lockout: [●] Lockout Period Business Days Lockout Period Business Days: [●]/[Applicable Business Days]]
		— Index Provisions:	[Applicable/Not Applicable] *(If not applicable, delete the remaining items of this subparagraph)*
		— [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]]
	(k)	Linear Interpolation:	[Not Applicable/Applicable – the Rate of Interest for the [long/short][first/last] Interest Period shall be calculated using linear interpolation (*specify for each short or long Interest Period*)]
	(l)	Margin(s):	[+/-][●] per cent. per annum
	(m)	Minimum Rate of Interest:	[●] per cent. per annum
	(n)	Maximum Rate of Interest:	[●] per cent. per annum
	(o)	Day Count Fraction:	[●]
	(p)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
16	**Zero Coupon Note Provisions:**		[Applicable/Not Applicable]
	(a)	Amortisation Yield:	[●] per cent. per annum
	(b)	Day Count Fraction in relation to Early Redemption Amounts:	[30/360] / [Actual/Actual – ISDA] / [Actual/Actual-ICMA] / [*Include any other option from the Conditions*]
	(c)	Any other formula/basis of determining amount payable:	[●]
17	**Reset Note Provisions:**		[Applicable/Not Applicable]
	(a)	Initial Rate of Interest:	[●] per cent. per annum [payable [annually/semi-annually/ quarterly/monthly] in arrear]
	(b)	Interest Payment Date(s):	[●] in each year [up to and including the Maturity Date]
	(c)	Day Count Fraction:	[Actual / Actual] / [Actual/Actual – ISDA] / [Actual/Actual-ICMA] / [Actual/365 (Fixed)] / [Actual/360] / [Actual 365 (Sterling)] / [30/360] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)]

	(d)	Reset Date(s):	[●][, [●]]
	(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)	Subsequent Reset Reference Rate(s):	[Mid-Swap Rate] / [Reference Bond] / [Relevant Reset Rate]
	(g)	Reset Margin(s):	[+/-][●] per cent. per annum[in respect of the first Reset Margin] [[+/-][●] per cent. per annum in respect of the second Reset Margin]
	(h)	Relevant Financial Centre:	[●]
	(i)	Subsequent Reset Rate Screen Page:	[●] / [Not Applicable]
	(j)	Mid-Swap Rate:	[annualised/semi-annual]
	(k)	Swap Rate Periods:	[●] / [Not Applicable]
	(l)	Mid-Swap Floating Leg Benchmark Rate:	[EURIBOR]/[●] / [Not Applicable]
	(m)	Mid-Swap Maturity:	[●] / [Not Applicable]
	(n)	Fixed Leg Swap Duration:	[●] / [Not Applicable]
	(o)	Fixed Coupon Amount Amount(s) to (but excluding) the first Reset Date:	[[●] per Calculation Amount]
	(p)	Broken Amount(s):	[[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]] [Not Applicable]
	(q)	Reset Determination Date:	[●] / [U.S. Securities Determination Date]
	(r)	Subsequent Reset Rate Time:	[●]
	(s)	First Reset Period Fallback:	[●]
	(t)	Comparable U.S. Treasury Maturity:	[●]
	(u)	First Fallback Reset Rate:	[●] / [Not Applicable]
	(v)	Calculation Agent (if not the Fiscal Agent):	[●]
PROVISIONS RELATING TO REDEMPTION			
18	**Call Option:**		[Applicable/Not Applicable]
	(a)	Optional Redemption Date(s):	[●]
	(b)	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount] [Condition 6(b) applies]
	(c)	If redeemable in part:	

	(i)	Minimum Redemption Amount:	[●] per Calculation Amount
	(ii)	Maximum Redemption Amount:	[●] per Calculation Amount
	(d)	Notice period:	[●]
19	**Put Option:**		[Applicable/Not Applicable]
	(a)	Optional Redemption Date(s):	[●]
	(b)	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount [Condition 6(b) applies]
	(c)	Notice period:	[●]
20	**Final Redemption Amount of each Note:**		[●] per Calculation Amount
21	**Early Redemption Amount:**		[Applicable/Not Applicable]
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):		[●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22	**Form of Notes:**	Bearer Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note] [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note] Registered Notes: [Regulation S Global Note registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg]]
23	**Financial Centre(s) or other special provisions relating to payment dates:**	[Not Applicable/[●]]
24	**Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):**	[Yes [●]/No]
25	**Other terms or special conditions:**	[Not Applicable/*give details*]

Signed on behalf of Riyad Bank:

By: .....

Duly authorised

By: .....

Duly authorised

PART B — OTHER INFORMATION

1	**Listing and admission to trading**		
	(a)	Admission to trading:	[[Application [has been made] [is expected to be made] by the Issuer (or on its behalf) for the Notes 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:	[●] / [Not Applicable]
2	**Ratings:**		The Notes to be issued have been rated: [Fitch: [●]] [S&P: [●]] [*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*]

3 **[Interests of Natural and Legal Persons Involved in the Issue/Offer]**

[Save as discussed in ["*Subscription and Sale/General Information*"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]

4	**Reasons for the Offer**		
	(a)	Reasons for the offer:	[●] [*See* ["*Use of Proceeds*"] *in Offering Circular*]
	(b)	Sustainable Notes:	[Applicable]/[Not Applicable]
	(c)	Type of Sustainable Notes:	[Green Notes]/[Social Notes]/[Sustainability Notes]/[Not Applicable]
5	**[Fixed Rate Notes only—Yield**		
	Indication of yield:		[●] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]
6	**Operational Information**		
	ISIN:		[●]
	Common Code:		[●]
	FISN:		[●]
	CFI:		[●]
	Trade Date:		[●]
	Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A. and the relevant identification number(s):		[Not Applicable/[●]]
	Names and addresses of initial Paying Agent(s):		[●]

	Names and addresses of additional Paying Agent(s) (if any):	[●]

7 **Distribution**

(a)	Method of distribution:	[Syndicated/Non-syndicated]
(b)	If syndicated, names of Managers:	[Not Applicable/*give names*]
(c)	Stabilisation Manager(s) (if any):	[Not Applicable/*give name(s)*]
(d)	If non-syndicated, name of Dealer:	[Not Applicable/*give name*]
(e)	US Selling Restrictions:	[Reg. S Compliance Category 2; TEFRA C/TEFRA D/TEFRA not applicable]
(f)	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable] (*If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Notes 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 Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared in the UK, "Applicable" should be specified*)
(h)	Additional selling restrictions:	[Not Applicable/*give details*]

USE OF PROCEEDS

The net proceeds from each issue of Senior Notes will be applied by the Issuer 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 Notes are "Green Notes", "Social Notes", or "Sustainability Notes", then an amount at least equal to the equivalent amount will be applied by the Issuer to finance and/or refinance, in whole or in part, a portfolio of Eligible Sustainable Projects in eligible green project categories (in the case of Green Notes), social project categories (in the case of Social Notes), or a combination of green and social project categories (in the case of Sustainability Notes) respectively as set out in the Issuer'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 Issuer's website referred above are incorporated in or form part of this Base Offering Circular.

See further "*Risk Factors—Risks relating to the Notes—The use of proceeds of any issue of Notes identified as Sustainable Notes in the applicable Pricing Supplement may not meet investor expectations or requirements or be suitable for an investor's investment criteria*".

SELECTED FINANCIAL INFORMATION

The following summary information has been extracted from the Financial Statements or calculated based on information derived from the Financial Statements and should be read in conjunction with, and is qualified in its entirety by reference to, the 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 interim condensed consolidated statement of financial position data as at 30 September 2025 and its consolidated statement of financial position data as at 31 December in each of 2024, 2023 and 2022.

	As at 30 September	As at 31 December		
	2025	2024 (Restated)	2023	2022
		(SAR thousand)		
ASSETS				
Cash and balances with Saudi Central Bank (SAMA), net	19,973,777	22,599,973	26,175,226	33,366,652
Due from banks and other financial institutions, net	27,298,644	22,574,084	15,433,725	20,613,232
Positive fair value of derivatives	5,686,001	5,568,952	3,668,130	3,790,841
Investments, net	74,262,510	70,120,446[1]	58,560,307[7]	52,196,120
Loans and advances, net	368,554,119	320,089,491	274,398,246	242,364,947
Other assets	3,322,387	2,204,083	2,547,120	3,175,946
Investment in associates	419,548	402,419	379,941	371,215
Other real estate	716,878	753,700	670,470	465,249
Property, equipment and right of use assets, net	7,332,167	6,517,129	5,467,247	3,308,655
Total assets	507,566,031	450,830,277[2]	387,300,412[8]	359,652,857
LIABILITIES AND EQUITY				
Liabilities				
Due to banks and other financial institutions	54,511,918	43,949,020	42,464,026	38,760,068
Negative fair value of derivatives	4,940,490	5,165,593	3,428,575	2,854,285
Customer deposits	325,412,738	306,423,391	254,907,624	240,007,085
Debt securities in issue and term loans	36,948,084	13,324,453	13,372,622	8,758,419
Other liabilities	12,807,900	13,574,238	12,418,011	13,099,651
Total liabilities	434,621,130	382,436,695	326,590,858	303,479,508
Shareholders' equity				
Share capital	30,000,000	30,000,000	30,000,000	30,000,000

	As at 30 September	As at 31 December		
Treasury shares	(361,655)	(165,105)	(165,912)	—
Statutory reserve	15,283,989	15,283,989	12,953,515	10,942,054
Other reserves	1,152,923	528,699[3]	82,280[9]	(790,260)
Retained earnings	15,494,344	13,359,899	11,277,171	7,500,430
Proposed dividends	—	—	—	1,950,000
Equity attributable to shareholders of the Bank	61,569,601	59,007,482[4]	54,147,054[10]	49,602,224
Tier 1 sukuk	11,375,300	9,386,100	6,562,500	6,571,125
Total equity	72,944,901	68,393,582[5]	60,709,554[11]	56,173,349
Total liabilities and equity	507,566,031	450,830,277[6]	387,300,412[12]	359,652,857

Note:

(1) This balance is derived from the comparative information as at 31 December 2024 included in the Interim Financial Statements. The Interim Financial Statements include certain comparative amounts as at 31 December 2024 that have been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2024 Financial Statements, this balance was SAR 69,668,963 thousand.

(2) This balance is derived from the comparative information as at 31 December 2024 included in the Interim Financial Statements. The Interim Financial Statements include certain comparative amounts as at 31 December 2024 that have been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2024 Financial Statements, this balance was SAR 450,378,794 thousand.

(3) This balance is derived from the comparative information as at 31 December 2024 included in the Interim Financial Statements. The Interim Financial Statements include certain comparative amounts as at 31 December 2024 that have been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2024 Financial Statements, this balance was SAR 77,216 thousand.

(4) This balance is derived from the comparative information as at 31 December 2024 included in the Interim Financial Statements. The Interim Financial Statements include certain comparative amounts as at 31 December 2024 that have been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2024 Financial Statements, this balance was SAR 58,555,999 thousand.

(5) This balance is derived from the comparative information as at 31 December 2024 included in the Interim Financial Statements. The Interim Financial Statements include certain comparative amounts as at 31 December 2024 that have been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2024 Financial Statements, this balance was SAR 67,942,099 thousand.

(6) This balance is derived from the comparative information as at 31 December 2024 included in the Interim Financial Statements. The Interim Financial Statements include certain comparative amounts as at 31 December 2024 that have been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2024 Financial Statements, this balance was SAR 450,378,794 thousand.

(7) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2023 Financial Statements, this balance was SAR 58,108,824 thousand.

(8) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2023 Financial Statements, this balance was SAR 386,848,929 thousand.

(9) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2023 Financial Statements, this balance was SAR (369,203) thousand.

(10) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2023 Financial Statements, this balance was SAR 53,695,571 thousand.

(11) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2023 Financial Statements, this balance was SAR 60,258,071 thousand.

(12) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2023 Financial Statements, this balance was SAR 386,848,929 thousand.

CONSOLIDATED STATEMENT OF INCOME DATA

(1) The table below shows the Group's interim condensed consolidated statement of income data for the nine-month periods ended 30 September in each of 2025 and 2024.

	Nine months ended 30 September	
	2025	**2024**
	(SAR thousand)	
Special commission income	19,961,706	17,674,345
Special commission expense	10,295,132	8,233,538
Net special commission income	9,666,574	9,440,807
Fee and commission income	3,853,364	3,256,538
Fee and commission expense	1,177,329	1,091,020
Fees and commission income, net	2,676,035	2,165,518
Exchange income, net	468,965	524,197
Trading income, net	702,519	405,443
Dividend income	14,847	39,735
Gains on disposal of non-trading investments, net	118,835	11,693
Other operating income	69,312	42,500
Total operating income, net	13,717,087	12,629,893
Salaries and employee-related expenses	2,168,197	2,127,663
Rent and premises-related expenses	169,202	149,432
Depreciation of property, equipment and right of use assets	544,501	492,149
Other general and administrative expenses	1,101,446	1,049,016
Other operating expenses	88,831	59,693
Total operating expenses before impairment charge	4,072,177	3,877,953
Impairment charge for credit losses and other financial assets, net	1,018,036	895,114
Impairment (reversal)/charge for investments, net	(10,846)	2,095
Total operating expenses, net	5,079,367	4,775,162
Net operating income	8,637,720	7,854,731
Share in income of associates, net	25,393	21,856
Income before zakat	8,663,113	7,876,587
Zakat	893,085	812,075
Net income for the period	7,770,028	7,064,512

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 interim condensed consolidated statement of comprehensive income data for the nine-month periods ended 30 September in each of 2025 and 2024.

	Nine months ended 30 September	
	2025	**2024**
	(SAR thousand)	
Net income for the period	7,770,028	7,064,512
***Other comprehensive income (OCI)*:**		
Items that are or may be reclassified to interim condensed consolidated statement of income in subsequent periods		
Fair value through other comprehensive income (FVOCI- debt instruments):		
Net change in fair value	763,704	564,805
Net amounts transferred to interim condensed consolidated statement of income	(89,613)	(11,693)
Net changes in allowance for expected credit losses (ECL) of debt instruments	(13,247)	1,504
Effective portion of net change in fair value of cash flow hedge	(83,536)	31,887
Items that cannot be reclassified to interim condensed consolidated statement of income in subsequent periods		
Net change in fair value and transfers of equity instruments at fair value through other comprehensive income (FVOCI- equity instruments)	39,931	67,648
Other comprehensive income/(loss) for the period	617,239	654,151
Total comprehensive income for the period	8,387,267	7,718,663

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)*:**			
Items that will be reclassified to consolidated statement of income in subsequent periods			
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

	2024	2023	2022
Effective portion of net change in fair value of cash flow hedge	(68,820)	(13,118)	149,612
Items that will not be reclassified to consolidated statement of income in subsequent periods			
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 interim condensed consolidated statement of cash flows data for the nine-month periods ended 30 September in each of 2025 and 2024.

	Nine months ended 30 September	
	2025	2024
	(SAR thousand)	
Net cash (used in)/from operating activities	(14,762,136)	14,955,208
Net cash (used in) investing activities	(4,149,518)	(5,895,380)
Net cash from/(used in) financing activities	19,678,136	(5,239,131)
Net increase in cash and cash equivalents	766,482	3,820,697
Cash and cash equivalents at beginning of the period	29,546,689	28,290,580
Cash and cash equivalents at end of the period	30,313,171	32,111,277

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 KPMG, 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 30 September in each of 2025 and 2024 and for the nine-month periods ended 30 September in each of 2025 and 2024 and as at 31 December in each of 2024, 2023 and 2022 and for the years ended 31 December in each of 2024, 2023 and 2022.

	As at/nine months ended 30 September		As at/years ended 31 December		
	2025	**2024**	**2024**	**2023**	**2022**
			(per cent.)		
Performance measures					
Return (after Zakat) on assets[(1)]	2.04	2.17	2.07	2.08	1.95
Return (after Zakat) on equity[(2)]	16.83	16.52	15.80	14.86	14.15
Expenses to income ratio[(3)]	29.69	30.70	30.58	31.25	32.43
Net special commission margin[(4)]	3.1	3.4	3.4	3.61	3.11
Asset quality					
NPL ratio[(5)]	0.87	1.20	0.98	1.24	1.72
Loan loss coverage ratio[(6)]	141.71	144.93	167.06	142.11	112.04
Liquidity coverage ratio[(7)]	154	142	145	160	182
Loans to deposits ratio[(8)]	101.71	99.55	100.11	102.28	97.43
Other ratios					
CET 1 capital adequacy ratio[(7)]	13.31	13.99	14.13	15.72	15.93
Tier 1 capital adequacy ratio[(7)]	15.78	15.61	16.40	17.65	18.05
Total capital adequacy ratio[(7)]	17.81	18.16	18.94	20.73	21.05
Equity to total assets ratio[(9)]	12.13	13.15	13.09	13.98	13.79
Leverage ratio[(7)]	11.73	11.61	12.10	12.34	12.80

Notes:

(1) Net income divided by total assets at the end of the period. Net income for the interim periods has been annualised by dividing it by three and multiplying the result by four.

(2) Net income divided by equity attributable to shareholders of the Bank at the end of period. Net income for the interim periods has been annualised by dividing it by three and multiplying the result by four.

(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 the Interim Financial Statements and each of the Annual Financial Statements.

(6) Allowance for impairment/ECL (as set out in note 8(a) to the Interim Financial Statements and 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) Equity attributable to shareholders of the Bank at the end of the period 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 for the nine-month periods ended 30 September in each of 2025 and 2024 and for each of 2024, 2023 and 2022 and a discussion of the Group's financial position as at 30 September 2025 and as at 31 December in each of 2024, 2023 and 2022.

Operating Performance

Total operating income, net

The Group's total operating income, net in the nine-months ended 30 September 2025 was SAR 13,717 million compared to SAR 12,630 million in the nine-months ended 30 September 2024, an increase of SAR 1,087 million, or 8.6 per cent.

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.

Nine-month periods ended 30 September in each of 2025 and 2024

The SAR 1,087 million increase in the Group's total operating income, net as at 30 September 2025 compared to 30 September 2024 principally reflected:

- an increase of SAR 225 million, or 2.4 per cent., in net special commission income, which reflected (i) an increase of SAR 2,287 million, or 12.9 per cent., in special commission income (which was driven by increases in special commission income from loans and advances, investments and due from banks and other financial institutions) and (ii) an SAR 2,062 million, or 25.0 per cent. increase in special commission expense (which was driven by increases in special commission expense from customers deposits, debt securities in issue and term loans and due to banks and other financial institutions);
- an increase of SAR 511 million, or 23.6 per cent., in fee and commission, net, which reflected (i) an SAR 597 million, or 18.3 per cent., increase in fee and commission income (which was driven by increases in fee and commission income from credit facilities and advisory, trade finance and custody fees received) and (ii) an SAR 86 million, or 7.9 per cent. increase in fee and commission expense (which was driven by increases in fee and commission expense from other banking services and card products); and
- an increase of SAR 297 million, or 73.3 per cent., in trading income, net, which was driven by an increase in income from derivatives and from fair value hedges, in both cases mainly due to higher volumes compared to the nine-months ended 30 September 2024.

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 2,300 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 in the nine-months ended 30 September 2025 were SAR 4,072 million compared to SAR 3,878 million in the nine-months ended 30 September 2024, an increase of SAR 194 million, or 5.0 per cent.

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 559 million, or 12.7 per cent., in 2023 compared to 2022.

Nine-month periods ended 30 September in each of 2025 and 2024

The SAR 194 million increase in the Group's total operating expenses before impairment charge as at 30 September 2025 compared to 30 September 2024 principally reflected increases in all categories of operating expense in the nine-months ended 30 September 2025 compared to the nine-months ended 30 September 2024, as the Group's business continued to grow.

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 559 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 154 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 1,007 million in the nine-months ended 30 September 2025 compared to SAR 897 million in the nine-months ended 30 September 2024.

The Group's total impairment charges were SAR 1,632 million in 2024 compared to SAR 1,972 million in 2023 and SAR 1,281 million in 2022.

Nine-month periods ended 30 September in each of 2025 and 2024

The SAR 110 million, or 12.3 per cent., increase in the Group's total impairment charges in the nine-months ended 30 September 2025 compared to the nine-months ended 30 September 2024 principally reflected:

- an SAR 123 million, or 13.7 per cent., increase in impairment charge for credit losses and other financial assets, which mainly related to the corporate banking operating segment; and
- a decrease of SAR13 million in impairment reversal or charge for investments, net from a charge of SAR 2 million in the nine-months ended 30 September 2024 to a reversal of SAR 11 million in the nine-months ended 30 September 2025.

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 (i) net income for the period of SAR 7,770 million in the nine-months ended 30 September 2025 compared to SAR 7,065 million in the nine-months ended 30 September 2024, an increase of SAR 705 million, or 10.0 per cent. and (ii) 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 325,413 million, or 74.9 per cent. of its total liabilities, as at 30 September 2025, 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 as at 31 December 2024 and calculated according to when the funding is expected to be recovered or settled. See "*Risks relating to the Group—The Group is subject to the risk that liquidity may not always be readily available*". The issue of the Notes 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 42.7 per cent. of its total customer deposits as at 30 September 2025 compared 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 "Risks relating to the Group—The Group has significant customer and sector concentrations" and "Risks 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 "*Risks 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 368,554 million as at 30 September 2025, 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
			(SAR million)			
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 "*Risks relating to the Group—The Group's customer financing portfolio, investment securities portfolio and customer deposits are concentrated in Saudi Arabia*" and "*Risks relating to the Group—The Group has significant customer and sector concentrations*".

See also "*Risk Management—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) was SAR 74,263 million as at 30 September 2025, SAR 70,120 million as at 31 December 2024, SAR 58,560 million as at 31 December 2023 and SAR 52,196 million as at 31 December 2022.

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**
	(SAR million)		
Government and quasi-government	44,486	35,241	32,616
Corporate	19,893[1]	17,406[2]	15,554
Banks and financial institutions	5,741	5,913[)]	4,026
Total	**70,120**[3]	**58,560**[4]	**52,196**

Notes:

(1) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2024 Financial Statements, this balance was SAR 19,442 million.

(2) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2023 Financial Statements, this balance was SAR 16,955 million.

(3) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2024 Financial Statements, this balance was SAR 69,669 million.

(4) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2023 Financial Statements, this balance was SAR 58,109 million.

As at 31 December 2024, government and quasi-government issuers accounted for 63.4 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**
			(SAR million)			
As at 31 December 2024	49,422[4]	1,487	14,930	4,246	35[1]	**70,120**[5]
As at 31 December 2023	37,851[6]	1,554	4,268	10,257	4,630[2]	**58,560**[7]
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.

(4) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2024 Financial Statements, this balance was SAR 148,971 million.

(5) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2024 Financial Statements, this balance was SAR 69,669 million.

(6) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2023 Financial Statements, this balance was SAR 37,400 million.

(7) This balance is derived from the unaudited management schedule, and the amount has been restated to correct an error and to ensure consistency with the Interim Financial Statements. In the 2023 Financial Statements, this balance was SAR 58,109 million.

The Group's investment securities portfolio is geographically concentrated in Saudi Arabia, which comprised 70.5 per cent. of the Group's investment securities portfolio as at 31 December 2024, 64.6 per cent. as at 31 December 2023 and 66.6 per cent. as at 31 December 2022.

See "*Risks relating to the Group—The Group's customer financing portfolio, investment securities portfolio and customer deposits are concentrated in Saudi Arabia*" and "*Risks relating to the Group—The Group has significant customer and sector concentrations*".

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 507,566 million, as at 30 September 2025.

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, Riyad 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 30 September 2025, the Bank had 332 licensed branches in Saudi Arabia, a London branch, an agency in Houston and a representative office in Singapore.

As at 30 September 2025, the Group's total equity was SAR 72,945 million and its total assets were SAR 507,566 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 30 September 2025, the Group's loans and advances, net was SAR 368,554 million and its customer deposits were SAR 325,413 million.

As at 30 September 2025, the Group's total Tier 1 and total capital adequacy ratios, calculated in accordance with Basel III as implemented in Saudi Arabia, were 15.78 per cent. and 17.81 per cent., respectively.

The Bank's shares are currently traded on the Saudi Exchange Company ("**Tadawul**"). As at 30 September 2025, the Bank's total market capitalisation was SAR 81.6 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 registered address is King Abdullah Financial District, Financial Boulevard - Al Aqeeq District - Building No. 3128, Postal Code 13519 – Secondary No. 6671, Riyadh, 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, Riyad 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 industry awards, including:

- "Best Local Bank in Saudi Arabia" presented by EMEA Finance in 2025;
- "Outstanding Performance Award" presented by Kafalah in 2024 and acknowledging excellence in driving SME growth and support programmes;
- "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

Since launching its previous strategy in 2017, the Bank has successfully executed a phased transformation, moving from the sixth largest to the third largest in the market in terms of profitability. This was driven by first strengthening its core offerings in 2018, then accelerating growth in 2019. From 2020 onward, the Bank focused on comprehensive initiatives encompassing retail and corporate sales transformation, organisational health, innovation, customer experience, and inorganic moves. In addition to improving its market position, the successfully completed 2017 strategy has given the Bank a strong foundation for its new strategy, announced on 21 December 2025.

The Bank has now concluded the development of its new strategy and has a clear ambition for 2030, which is to become Saudi Arabia's most innovative bank, powering the country's growth. The Bank aims to embed its current third place market position by 2030 based on a target of growing twice as fast as its historic growth.

To achieve its ambition, the Bank has developed five core strategic pillars:

- strong shareholder value, to be achieved through consistent, sustainable financial performance;
- delighting customers and employees by creating meaningful experiences;
- a digital-first approach by leading innovation through advanced digital solutions;
- building for the future to shape long-term growth and transformation; and
- becoming the most trusted, resilient and sustainable bank to ensure stability, responsibility and lasting impact.

The Bank has identified and will execute ambitious commitments across its business units. Its aim is not just to transform the Bank, but to become a pioneer of new business ideas in Saudi Arabia.

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 17.81 per cent. as at 30 September 2025 and its Basel III Tier 1 capital ratio was 15.78 per cent. as at 30 September 2025.

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 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, Riyad 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 Environmental and Social Eligible category, ensuring an accurate classification of the Bank's financing facilities. In 2024, the Bank issued a second AT1 Sustainability Sukuk, in the amount of U.S.$750 million. The Bank is enhancing its Sustainable Finance Framework to ensure alignment with the most recently published ICMA and LMA principles. In addition, 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 154.14 per cent. as at 30 September 2025 compared to 145 per cent. as at 31 December 2024, 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 101.71 per cent. as at 30 September 2025, 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 6.2 per cent. in the nine-months ended 30 September 2025, from SAR 306 billion as at 31 December 2024 to SAR 325 billion as at 30 September 2025, by 20.0 per cent. in 2024, from SAR 255 billion as at 31 December 2023 to SAR 306 billion as at 31 December 2024 and by 6.3 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

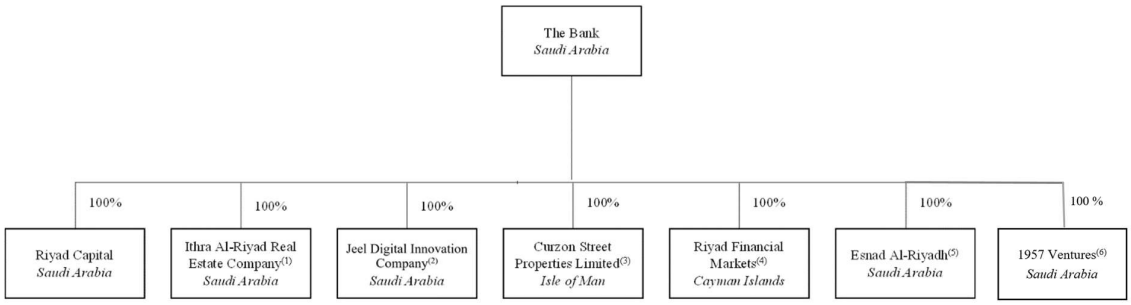
The Bank's Board comprises nine members with wide ranging experience. The current Chairman, who was appointed in October 2016, has been a Board member since 2007 and three other members have more than five years' experience on the Board. The Bank's Board includes persons who were members of the Boards of Directors of prominent Saudi Arabian companies, such as the PIF.

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 significant consolidated subsidiaries as at 30 September 2025.



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 human resources services exclusively for Riyad Bank and its subsidiaries.

(6) This company engages in fostering innovation by investing in building FinTech ventures and offers comprehensive support, including resources, mentorship and strategic insights.

Shareholders

The table below shows the shareholders which owned more than 5 per cent. of the Bank's share capital as at 30 September 2025, rounded to one decimal place.

	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	12.5
Other shareholders	38.6
	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 30 September 2025.

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 Riyad 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.)		

	Corporate banking	Retail banking	Treasury and investments	Investment banking and brokerage	Total
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 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 2.64 million active retail customers as at 30 September 2025. 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 332 licensed branches and 1,679 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 banking and telephone banking, including interactive voice recognition.

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 30 September 2025, the retail banking segment had 46 dedicated Diamond banking centres with exclusive relationship managers serving the needs of the Diamond banking clients.

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 – Riyad Capital

Riyad Capital is a wholly owned subsidiary of the Bank licensed by the CMA, although in July 2025 the Bank announced that Riyad Capital had submitted an application for the registration and public offering of part of its shares to the CMA and a listing application, for listing part of its shares, to the Tadawul. Any such public offer and listing remains subject to obtaining regulatory approvals and its launch remains subject to the Bank's final approval based on the market conditions at the time and in a way that achieves the interest of the Bank and its shareholders.

Riyad Capital's 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 ("**IPO**s"), 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 27 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), three money market funds, two fixed income funds, nine multi-asset funds of funds and one real estate investment trust.

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 332 licensed branches as at 30 September 2025 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 standalone mobile application for children and offers current and saving accounts, setting goals and earning rewards;
- *1,679 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
- *177,968 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 the SADAD payment system, 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 31 December 2025 and based on SAMA's website, 39 commercial banks (comprising 11 Saudi banks, eight branches or subsidiaries of banks based in countries of the GCC other than Saudi Arabia, 16 international banks and four digital banks) were licensed to conduct commercial banking activities in Saudi Arabia through permanent establishments. For further details, see "*Saudi Arabia's Banking Sector and Regulations—General*". Of these, seven banks were noted on SAMA's website as not yet being operational.

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 was the third largest in Saudi Arabia as at 30 September 2025;
- 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 30 September 2025, 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 Riyad Pay wallet app, the Riyad mobile sticker and the Smart wristband), Riyad 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 Riyad 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 that of 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 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.

Whistleblowing section

The Whistleblowing section is responsible for investigating and reporting whistleblowing incidents reported by internal and external parties through various channels. This section is also responsible for spreading awareness messages and conducting training related to whistleblowing incident reporting.

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 Nomination and Compensation 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 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.

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, limit 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 30 September 2025 and 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 30 September 2025						
Performing loans and advances	7,672	1,716	99,622	259,462	1,440	**369,913**
Non-performing loans and advances.....	499	61	1,286	1,410	2	**3,258**
Total loans and advances	**8,171**	**1,777**	**100,908**	**260,872**	**1,442**	**373,171**
Allowance for impairment/ECL	(641)	(84)	(1,556)	(2,333)	(2)	**(4,617)**
Total.....	**7,530**	**1,692**	**99,352**	**258,540**	**1,440**	**368,554**
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 the nine months ended 30 September 2025 and 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)		
Nine months ended 30 September 2025				
Balance at 1 January 2025	982	2,297	2,022	**5,302**
Transfer from Stage 2 and Stage 3 to Stage 1	159	(75)	(84)	—
Transfer from Stage 1 and Stage 3 to Stage 2	(27)	77	(50)	—
Transfer from Stage 1 and Stage 2 to Stage 3	(9)	(84)	93	—
Other movements (including remeasurement)	(221)	(710)	2,191	**1,260**
Charge-off and write-offs	—	—	(1,945)	**(1,945)**
Balance at 30 September 2025	**884**	**1,504**	**2,229**	**4,617**
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**

	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL – not credit impaired)	Stage 3 (lifetime ECL – credit impaired)	Total
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 BCL 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 due to 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 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 Board has nine 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 six 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 King Abdullah Financial District, Financial Boulevard - Al Aqeeq District - Building No. 3128, Postal Code 13519 – Secondary No. 6671, Riyadh, 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][2]	Chairman
Eng. Mutaz Kusai AlAzzawi[3][4][5]	Vice Chairman
Mr. Ibrahim Hassan Sharbatly[6]	Member
Eng. Abdul Rahman Ismail Tarabzouni[6][7][8]	Member
Eng. Omar Hamad Al-Madhi[5][6]	Member
Ms. Mona Mohammed Al-Tawil[8][9]	Member
Mr. Hani Abdullah Al-Johani[6][7][10]	Member
Mr. Yasser Abdullah Al-Salman[3][7]	Member
Dr. Mansoor Abdulaziz Al-Mansoor[7][11]	Member

Notes:

(1) Chairman of the Strategic Planning Group

(2) Chairman of the Sustainability Committee

(3) Member of the Sustainability Committee

(4) Chairman of the Executive Committee

(5) Member of the Nomination and Compensation Committee

(6) Member of the Strategic Planning Group

(7) Member of the Executive Committee

(8) Member of the Risk Management Committee

(9) Chairman of the Audit Committee

(10) Chairman of the Risk Management Committee

(11) Chairman of the Nomination and Compensation 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, and has extensive experience in management, investment and banking.

Mr. Al-Issa is currently the Chairman of the board of directors of Assila Investments.

Eng. Mutaz Kusai AlAzzawi (Vice Chairman)

Mr. AlAzzawi has been a member of the Board since 2016. He holds a Bachelor's degree in Computer Engineering from King Saud University, and has more than 22 years of experience in business, commerce and investment in the financial markets.

Mr. AlAzzawi is currently Chairman of the board of directors of Etihad Etisalat Co. (Mobily), Herfy Food Services Co. and Arabian Cement Company and a member of the board of directors of each of Saudi Industrial Construction & Engineering Project Co Ltd., Saudi Trading & Technology Co. Ltd, and AlWusataa Development Co.

He is also a board member of various other companies, including Savola Group, Savola Foods, United Sugar Co. and Afia Int'l Co. KSA.

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, Bristol UK, and has extensive experience in business, investment and real estate development.

Mr. Sharbatly is currently the Chairman of the board of directors of the First Group International Company, and the Vice Chairman of each of Al-Nahla Group, Al-Nahla Trading and Contracting Company, Al-Nahla Development Co., the Saudi Arabian Marketing and Agencies Company Ltd (SAMACO), The Saudi Arabian Marketing Agencies and Contracting Company, Al-Ameen Distinctive Development Company, Al-Ameen Distinctive Real Estate Investment Company and Fast Auto Technic (Fast). He also holds executive and board membership positions in several other companies.

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 a 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) and holds various executive and board membership positions in other companies.

Eng. Omar Hamad Al-Madhi

Mr Al-Madhi has been a member of the Board since 2022. 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 Managing Director and Board Member at Abdul Latif

Jameel Investments, Chief Executive Officer 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 National Automotive & Mobility Investment Company (Tasaru) and Saudi Iron and Steel Company (Hadeed), Vice Chairman of the board of directors and Chairman of the Remuneration & Nominations Committee of Jada, the Fund of Funds. He is a member of the board of directors in other companies, including ACWA Power, ElSeif Engineering Contracting Company, the Saudi Arabian Industrial Investments Company (Dussur), and the Saudi Arabian Military Industries Company (SAMI).

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 a 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, Head of Structured Finance in HSBC Saudi Arabia, Advisor in the Ministry of Finance and a member of the Investment and Securities Committee in the Riyadh Chamber of Commerce.

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 Chief Investment Officer of International Markets in Hassana Investment Company. He is also a board member in various companies, including Maarif Holding Company and Maarif Education, as well as a member of the Audit Committees in Jawda Integrated Real Estate Company, Umm Al Qura For Development and Construction, 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. He holds a Bachelor's degree in Accounting from King Saud University and a Master's degree in Accounting Information Systems from Middle Tennessee State University, USA. He has extensive experience in the management and investment sectors.

Mr. Al-Salman is currently the Chief Financial Officer of the PIF. His previous positions include Chief Financial Officer of Saudi Agricultural and Livestock Investment Company (SALIC), the General Investment Manager in Mobily and the Chief Financial Officer of the Kingdom Holding Company.

Mr. Al-Salman is a Vice Chairman and member of the Audit Committee of the board of directors of King Abdullah Financial District Company, Chairman of the board of directors at TAWAL Co., member of the board of directors, member of Audit Committee and member of the Investment Committee at Saudi Arabian Military Industries (SAMI), member of the board of directors and member of the Nomination and Compensation Committee at Saudi Agricultural and Livestock Investment Company (SALIC) and member of the board of directors and member of the Audit Committee at Water Solutions Co., and Saudi Entertainment Ventures Company (SEVEN).

Dr. Mansoor Abdulaziz Al-Mansoor

Dr. Al-Mansoor has been a member of the Board since 2025. He holds a PhD in Applied Linguistics from Ball State University, USA, two Master's degrees in Human Resource Management and English from the University of Central Missouri, USA, and a Bachelor's degree in English from King Faisal University, Saudi Arabia

Dr. Mansoor is currently the founding partner of Najd Pearl for Real Estate Development and Investment. He has held a number of leadership roles in the private and public sectors, including the chief support services officer at Qiddiya Investment Co., Vice President for Finance and Operations at King Abdullah Petroleum Studies and Research Center (KAPSARC) and the Dean of the College of Technology.

Dr. Al-Mansoor has nearly 25 years of experience in business, management, and investment. He is currently a Vice Chairman of the Board of Directors of Air Navigation Services Company and a board member of MBC Group, Etihad Etisalat Company (Mobily), and Al Jazeera Car Rental Company. He is also a board committee member of several companies, including Flyadeal, Knowledge Economic City, Al-Ula Development Company, Saudi Information Technology Company and Riyadh Central Development Company.

External members of the Board Audit Committee

In addition to the two Board members identified in the table above, the Board Audit Committee has four external members named below:

Mr. Tareq Abdullah Al-Qaraawy

Mr. Al-Qaraawy has been a member of the Board Audit Committee of Riyad 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, Chairman of Executive Committee and member of the Investment Committee at 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 and Savola Foods.

Mr. Abdullah Ahmed Al Shehri

Mr. Al Shehri has been a member of the Board Audit Committee of Riyad 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.

Mr. Sattam Abdullah Al Suwailem

Mr. Al Suwailem holds a Master's degree in Economics from Western Illinois University and a Bachelor's degree in Business Administration from Rockford University, USA. He has over 20 years of experience in the fields of investment, energy and hydrogen energy infrastructure projects.

He currently serves as the CEO of Hydrogen Systems Company. He also serves on the Board of Directors of Investment Funds 1 and 2 at Riyad Capital.

Mr. Raied Ali AlSeif

Mr. AlSeif holds a Bachelor's degree in Accounting from King Saud University and has over 25 years of experience in business, trade and investment.

He currently serves as CEO of Sultan Holding Company and Investment and Business Development Manager at the Private Office of His Royal Highness Prince Sultan bin Mohammed bin Saud Al Kabeer. He also serves on the Board of Directors of Investment Funds 1 and 2 at Riyad Capital.

Furthermore, he serves on the boards of several other companies, including Al-Deraa Al-Arabiya Insurance Company, Wakad Solutions for Digital Brokerage, Barq Holding Company, Fan Al-Diplomat Company, Dar Al-Salal Sweets Factory and Dar Al-Salal Plastic Factory.

External members of the Nomination and Compensation Committee

In addition to the three Board members identified in the table above, the Nomination and Compensation Committee has the two external members named below:

Eng. Ahmad Mohammed Al-Faleh

Mr. Al-Faleh has been a member of the Nomination and Compensation Committee 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 board member and a member of the Executive Committee at Herfy Food Services Co., a board member and a member of the Nominations Committee at Bin Laden International Holding Group Company, and a board member and a member of the Nominations Committee at Maharah Human Resources Company. He is also a member of the board of directors at Technical United Works Company and a board member and CEO of Leading Agent Trading Co.

Mr. Ali Ahmed AlGhamdi

Mr. AlGhamdi has been a member of the Nomination and Compensation 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 Compensation and Human Resources Business Partner at Saudi Basic Industries Corporation as well as a board member of Hadeed Company.

External member of the Risk Management Committee

In addition to the two Board members identified in the table above, the Risk Management Committee 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, USA and a Master of Information Security from the Georgia Institute of Technology, USA.

Mr. Al-Rasheed is currently a Cyber Security General Manager at the Ministry of Industry and Mineral Resources. He has held several leading positions, including as Head of Cyber Security in ENGIE and Cyber Security Project Lead in Saudi Aramco.

External members of the Sustainability Committee

In addition to the three Board members identified in the table above, the Sustainability Committee has the two external members named below:

Mr. Sattam Abdullah AlSuwailem

See "External members of the Audit Committee" above.

Mr. Omar Hadir Al Farlsi

Mr. Al Farlsi is a member of the Sustainability Committee at Riyad Bank. He holds a PhD in Law from Columbia University and a Bachelor's degree in Economics from the University of Notre Dame, USA. He has extensive experience in financial management, law and corporate governance for both for-profit and non-profit organisations. He is also the founder and a board member of Diyala Advisors, LLC in New York City, USA.

Committees of the Board

There are currently six 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 Mutaz Kusai Al-Azzawi(Chairman), Yasser Abdullah Al-Salman, Abdul Rahman Ismail Tarabzouni, Mansoor Abdulaziz Al-Mansoor Mona Mohammed Al-Tawil and Hani Abdullah Al-Johani. The committee held 11 meetings in 2025, 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 one director, namely Mona Mohammed Al-Tawil (Chairman) and four external non-Board members, namely Tareq Abdullah Al-Qaraawy, Abdullah Mohammed Al Shehri, Sattam Abdullah AlSuwailem and Raied Aliu AlSeif. The committee held nine meetings in 2025, 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 three directors, namely Hani Abdullah Al-Johani (Chairman) and Mona Mohammed Al-Tawil and Abdul Rahman Ismail Tarabzouni and one external non-Board member, namely Abdulatif Ali Al-Rusheed. The committee held eight meetings in 2025, five meetings in 2024, six meetings in 2023 and six meetings in 2022.

Nomination and Compensation Committee

The Nomination and Compensation 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 Compensation Committee comprises three directors, namely Mansoor Abdulaziz Al-Mansoor (Chairman), Mutaz Kusai AlAzzawi and Omar Hamad Al-Madhi and, and two external non-board members, namely Ahmad Mohammed Al-Faleh and Ali Ahmed AlGhamdi. The Nomination and Compensation Committee held six meetings in 2025, 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, Hani Abdullah Al-Johani, Omar Hamad Al-Madhi and Abdul Rahman Ismail Tarabzouni. The Strategic Planning Group held one meeting in 2025 and two meetings in each of 2024, 2023 and 2022.

Sustainability Committee

The Sustainability Committee, which was formed on 31 October 2025, supports the Bank's long-term sustainability by overseeing the development, implementation and governance of its sustainability and embedded corporate social responsibility ("**CSR**") strategy. The Sustainability Committee's responsibilities include reviewing and recommending sustainability policies, strategy, pillars and KPIs to the Board, approving implementation plans and related programmes and reviewing sustainability reports. The Sustainability Committee also oversees the preparation and integrity of sustainability disclosures, reviews CSR budgets for Board recommendation, and carries out any additional sustainability-related tasks assigned by the Board.

The Sustainability Committee comprises three directors, namely Abdullah Mohammed Al-Issa (Chairman), Mutaz Kusai AlAzzawi and Yasser Abdullah Al-Salman, and two external non-board members, namely Sattam Abdullah AlSuwailem and Omar Hadir Al Farlsi.

EXECUTIVE MANAGEMENT

The current members of the Bank's executive management team are:

Name and position	Brief CV
Nadir S Al-Koraya *Chief Executive Officer ("**CEO**")*	Nadir has been CEO since February 2024 and was previously Chief Treasury and Investment Officer since 2014. He joined the Bank in 2013 where he worked in the Treasury division as Treasurer. Prior to joining the Bank, he was with Samba Financial Group from 1993 to 2013.

	Nadir holds a Bachelor's degree in Civil Engineering and a Master's degree in Business Administration from California State University, USA.
Abdullah A Al-Oraini *Chief Financial Officer ("**CFO**")*	Abdullah joined the Bank as its CFO in 2019. His experience stem from diversified work engagements in local and international banking sectors. 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. 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.
Majed Hamdan Al Ghamdi *Chief Wholesale Officer ("**CWO**")*	Majed joined the Bank as its CWO 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. 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.
Abdulrahman Mohammed Abdulrahman Al-Huthail *Chief Operating Officer ("**COO**")*	Abdulrahman was appointed as COO 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. Abdulrahman holds a degree in Banking Operations from Institute of Public Administration and has completed executive training in strategic management and leadership.
Enji Ahmed Al-Ghazzawi *Chief Human Capital Officer*	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.
Abdulaziz Abdullah Al-Askar *Chief Risk Officer ("**CRO**")*	Abdulaziz has been CRO 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 CCO 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 CCBO 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*	Haifa was appointed as Chief Experience Officer in 2022. Haifa has assumed various leading roles in Riyad 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 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 Alawwal 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.
Abdulmohsen Altwaijri *Chief Treasury and Investment Officer*	Abdulmohsen was appointed Chief Treasury and Investment Officer in 2025. Abdulmohsen 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. Abdulmohsen 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 King Abdullah Financial District, Financial Boulevard - Al Aqeeq District - Building No. 3128, Postal Code 13519 – Secondary No. 6671, Riyadh, 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, Chief Retail Banking Officer, 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 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 5,618 full time employees as at 30 September 2025 compared to 5,683 full time employees as at 31 December 2024, 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 30 September 2025.

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 31 December 2025, there were 39 commercial banks licensed to operate in Saudi Arabia, of which seven are noted on the website as not yet being operational. Of these licensed banks, 11 are incorporated in Saudi Arabia, eight 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, Sohar International Bank and Abu Dhabi Commercial Bank), 16 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, National Bank of Iraq, Trade Bank of Iraq, Bank of China Limited, Banque Misr, National Bank of Egypt, Bank of Jordan and PT Bank Syariah Indonesia Tbk) and four (D360 Bank, STC Bank, Vision Bank and EZ Bank) are digital banks.

Of the 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 30 September 2025, there were 1,903 bank branches, 14,798 ATMs and 2,249,852 points of sale terminals in Saudi Arabia (source: SAMA October 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 213 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 30 September 2025, banks' claims on the private sector constituted 63.6 per cent. of total commercial banks' assets compared to 58.8 per cent. as at 31 December 2019 (source: SAMA, October 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. The Government's stimulus to the economy has also contributed to the growth in corporate assets.

Banks in Saudi Arabia have traditionally not been very active in commercial mortgages due to the legal and operational hurdles. However, financing is provided for real estate development purposes, which does not fall under commercial mortgages.

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 Saudi Vision 2030 programmes being implemented to reduce the economy's dependency on oil-related revenue.

PERSONAL BANKING SEGMENT

Personal loans were SAR 1,162 billion at the end of 2022, SAR 1,245 billion at the end of 2023, SAR 1,364 billion as at 31 December 2024 and SAR 1,446 billion as at 30 September 2025 (source: SAMA, October 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 SIMAH.

Most personal lending is tied to electronic salary assignment, enhancing asset quality and reducing the risk associated with unsecured personal lending.

Retail real estate lending

Retail real estate lending was SAR 688 billion at 31 December 2022, SAR 767 billion at 31 December 2023, SAR 883 billion at 31 December 2024 and SAR 938 billion as at 30 September 2025 (source: SAMA, October 2025 Monthly Statistics).

Consumer lending

Consumer lending was SAR 428 billion at the end of 2021, SAR 452 billion at the end of 2022, SAR 442 billion at the end of 2023, SAR 471 billion at the end of 2024 and SAR 477 billion as at 30 September 2025 (source: SAMA, October 2025 Monthly Statistics).

Residential mortgage lending for individuals

In relation to residential new mortgage finance for individuals provided by banks, the SAMA statistics state the amount of finance provided in each period rather than the cumulative total at the end of each period. In 2022, 154,392 contracts for residential mortgage lending for individuals provided by banks were entered into and SAR 120 billion was advanced during the year. In 2023, 102,853 contracts were entered into and SAR 78 billion was advanced during the year. In 2024, 122,302 contracts were entered into and SAR 91 billion was advanced during the year. In the nine months ended 30 September 2025, 86,384 contracts were entered into and SAR 65 billion was advanced (source: SAMA, October 2025 Monthly Statistics).

Credit card loans

Credit card loans were SAR 23 billion at the end of 2022, SAR 27 billion at the end of 2023, SAR 31 billion at the end of 2024 and SAR 33 billion as at 30 September 2025 (source: SAMA, October 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

Islamic finance has been a main growth area for the Saudi financial economy and has been one of the most significant developments in financial markets since 2000. Saudi Arabia is one of the largest and fastest growing markets for Islamic banking in the world.

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, 12,036 as at 31 December 2024 and 11,503 as at 30 September 2025.

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 "**Program**") 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 Program, 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 Program 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 Program 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)

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 Systemically Important Bank" or a "Globally Systemically 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 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) and 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 cyclicality 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 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 systemically important. As at the date of this Base Offering Circular, no financial institution in Saudi Arabia has been deemed to be a systemically 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 Noteholders:

- conversion of the Notes or other debt of the Bank into equity; or
- write-down or write-off of the value of the Notes.

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); and
- 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:

    (i) the sale of all or part of the shares, stocks, assets and/or liabilities of the Financial Institution to a third party;

(ii) 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;

(iii) establishment of an asset management institution to whom the assets or liabilities of the financial institution are transferred; and/or

(iv) 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 falls 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.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

1 Initial Issue of Notes

Global Notes and Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary.

Upon the initial deposit of a Global Note with a common depositary for Euroclear and Clearstream, Luxembourg (the "**Common Depositary**") or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relative Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the applicable Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes 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.

2 Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system ("**Alternative Clearing System**") as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for its share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or 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 Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

3 Exchange

3.1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(i) if the applicable Pricing Supplement indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "*Overview of the Programme—Selling Restrictions*"), in whole, but not in part, for the Definitive Notes defined and described below; and

(ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the applicable Pricing Supplement, for Definitive Notes.

3.2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Notes:

(i) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or

(ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent and the Principal Paying Agent of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes (as defined below), such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

3.3 Permanent Global Certificates

If the applicable Pricing Supplement states that the Notes are to be represented by a permanent Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system while they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

(i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

(ii) if principal in respect of any Notes is not paid when due; or

(iii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) or 3.3(ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

3.4 Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes if principal in respect of any Notes is not paid when due.

3.5 Delivery of Notes

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent and the Principal Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes. In this Base

Offering Circular, "**Definitive Notes**" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

3.6 Exchange Date

"**Exchange Date**" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent and the Principal Paying Agent is located and in the city in which the relevant clearing system is located.

4 Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Conditions set out in this Base Offering Circular. The following is a summary of certain of those provisions:

4.1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent and the Principal Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 8(h) (*Non-Business Days*).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on 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.

4.2 Prescription

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 9).

4.3 Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such

meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.

4.4 Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.

4.5 Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the right to receive all future payments of interest (if any) in the applicable Pricing Supplement.

4.6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg or any other clearing system (as the case may be).

4.7 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent and the Principal Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent or Transfer Agent set out in the Conditions, in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg and any Alternative Clearing System, as applicable, failing which, in the form of the redemption notice available from any Paying Agent and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation.

4.8 Events of Default

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 11 (*Events of Default and Tier 2 Events*) by stating in the notice to the Fiscal Agent and the Principal Paying Agent the nominal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer under the terms of a Deed of Covenant executed as a deed by the Issuer on 5 January 2026 to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes

represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

4.9 Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes 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 publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note. The Issuer shall also ensure that notices are duly published in a manner that complies with any relevant rules of any stock exchange or other relevant authority on which the Notes are listed and/or admitted to trading.

5 Electronic Consent and Written Resolution

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, then:

(i) in respect of any resolution proposed by the Issuer where the terms of the resolution proposed by the Issuer have been notified to the Noteholders through the relevant clearing system(s), the Issuer shall be entitled to rely upon approval of such resolution 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 nominal amount of the Notes outstanding (an "**Electronic Consent**" as defined in the Agency Agreement). Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. The Issuer shall not be liable or responsible to anyone for such reliance; and

(ii) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Agency Agreement) has been validly passed, the Issuer shall be entitled to rely on: (a) consents or instructions given in writing directly to the Issuer by accountholders in the clearing system with entitlements to such Global Note or Global Certificate; and/or (b) where the accountholders hold any such entitlement on behalf of another person, written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant Alternative Clearing System (the "**relevant clearing system**") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EasyWay system or Clearstream, Luxembourg's Xact Web Portal system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Noteholders and holders of Coupons and Talons, whether or not they participated in such Written Resolution and/or Electronic Consent.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in the dealer agreement dated 5 January 2026 (as amended, restated or supplemented from time to time, the "**Dealer Agreement**") between the Issuer, the Permanent Dealers and the Arrangers, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arrangers for their expenses incurred in connection with the establishment and each update of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

United States of America

The Notes 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 in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S.

Bearer Notes having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), and regulations thereunder.

Bearer Notes, other than Bearer Notes with an initial maturity of one year or less will be issued in accordance with the provisions of U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the "**C Rules**"), or in accordance with the provisions of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the "**D Rules**"), as specified in the applicable Pricing Supplement. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the C Rules and the D Rules.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer that is not participating in the offering of such Notes may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

Unless the applicable Pricing Supplement in respect of any Notes 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 Notes 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Public Offer Selling Restriction under the Prospectus Regulation

If the applicable Pricing Supplement in respect of any Notes 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 Notes 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 Notes 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 Issuer 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 Notes referred to in paragraphs (a) to (c) above shall require the Issuer 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, the expression "**an offer of Notes to the public**" in relation to any Notes 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the applicable Pricing Supplement in respect of any Notes 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 Notes 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 UK. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

  (i) not a professional client as defined in Article 2(1)(8) of Regulation (EU) No 600/2014 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Public Offer Selling Restriction under the UK Prospectus Regulation

If the applicable Pricing Supplement in respect of any Notes 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 Notes 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 Notes 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 Issuer 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 Notes referred to in paragraphs (a) to (c) above shall require the Issuer 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, the expression "**an offer of Notes to the public**" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Other regulatory provisions

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 Notes which have a maturity of less than one year, (i) 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 (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or 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 as agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;

(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 Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; 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 Notes 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 Notes 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.

United Arab Emirates (excluding the Abu Dhabi Global Market and 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 Notes 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 (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre) other than in compliance with any laws applicable in the United Arab Emirates (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre) governing the issue, offering and sale of securities.

Abu Dhabi Global Market

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 Notes to be issued under the Programme to any person in the Abu Dhabi Global Market unless such offer is:

(a) an "Exempt Offer" in accordance with the Market Rulebook of the FSRA;

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.4.1 of the Conduct of Business Rulebook of the FSRA Rules; and

(c) made only in circumstances in which the "Financial Promotion Restriction" set out in section 18(1) of the Financial Services and Markets Regulations 2015 does not apply.

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 Notes to be issued under the Programme 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 Notes, except on a private placement basis, to persons in 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, Volume 6, from time-to-time.

Kingdom of Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Notes. Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires any Notes pursuant to an offering should note that the offer of Notes 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 Notes 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 Notes 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 Notes 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 an Arranger and a Dealer pursuant to the Dealer 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 Notes under the Programme, including offerings and related applications to the CMA.

Japan

The Notes 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 and will not, directly or indirectly, offer or sell any Notes 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, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes 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 the CML Rules and unless all necessary approvals from the Kuwait CMA 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 Notes.

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 Notes or caused Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause Notes 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 Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of 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 Notes other than: (i) to "professional investors" as defined in the SFO and any rules made thereunder or (ii) 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 Notes, 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 Notes 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.

PRC

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions and Taiwan), except as permitted by the applicable laws of the PRC.

General

These selling restrictions may be modified by the agreement of the Issuer 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 Notes to which it relates or in a supplement to this Base Offering Circular.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Base Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed, and each further Dealer appointed 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 Notes or has in its possession or distributes this Base Offering Circular, any other offering material or any Pricing Supplement therefore in all cases at its own expense and neither the Issuer nor any other Dealer shall have any responsibility therefor.

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

Other persons into whose hands this Base Offering Circular or any Pricing Supplement comes are required by the Issuer and the Dealers to comply will all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Offering Circular or any Pricing Supplement or any related offering material, in all cases at their own expense.

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 Issuer and its subsidiaries in the ordinary course of business for which they have and/or will receive fees and expenses.

TAXATION AND ZAKAT

The following is a general description of certain tax and Zakat considerations relating to the Notes issued under the Programme. It does not purport to be a complete analysis of all tax and Zakat considerations relating to the Notes and does not constitute, and is not intended as tax and Zakat advice which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax/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 Notes should consult their own tax advisers as to which countries' tax and Zakat laws could be relevant to acquiring, holding and disposing of Notes and receiving payment of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the tax and Zakat law as in effect on the date of this Base Offering Circular and is subject to any change in law (including, with retrospective effect) that may take effect after such date.

Overview of Saudi Arabia Tax and Zakat

*The statements herein regarding taxation and Zakat are based on the laws of Saudi Arabia in effect as of the date of this Base Offering Circular and are subject to any changes in law or relevant rules and practices occurring after such date, which could have a retroactive effect. These include the Income Tax Law (as defined below) issued by Royal Decree No. M/1 dated 15/01/1425H (corresponding to 6 March 2004) and its By-Laws issued under Ministerial Resolution ("**MR**") No. 1535 dated 11/06/1425H (corresponding to 29 July 2004), as amended from time to time (collectively, the "**Income Tax Law**"), and recently issued the Zakat Regulations (as defined below) through MR 1007 dated 19/08/1445H (corresponding to 29 February 2024) (the "**Zakat Regulations**") which are effective for financial years starting from 1 January 2024 and replace previous resolutions and rules related to the collection of Zakat (except for MR No. 2218 dated 07/07/1440H (corresponding to 14 March 2019), MR No. 57732 dated 03/11/1443H (corresponding to 2 June 2022) and MR No. 15417 dated 02/03/1444H (corresponding to 28 September 2022)) and the VAT Law (as defined below) issued under Royal Decree number M113 dated 02/11/1438H (corresponding to 25 July 2017), as amended, and its implementing regulations issued by the Zakat, Tax and Customs Authority ("**ZATCA**")'s Board of Directors Resolution No. 3839 dated 14/12/1438H (corresponding to 5 September 2017) as amended (the "**VAT Law**").*

Corporate Income Tax

According to the Income Tax Law, resident capital companies owned by non-GCC persons are subject to corporate income tax at a rate of 20 per cent. on the shares of the foreign partner or shareholder. Non-residents who carry out business in the Kingdom through a Permanent Establishment (as defined below) are also subject to the same rate of corporate income tax, unless these legal entities are engaged in production of oil and hydrocarbon. This tax applies on net income, after deducting allowable costs and making certain other tax adjustments.

Moreover, a non-resident person having taxable income from sources in the Kingdom without having a Permanent Establishment therein also falls under the ambit of Income Tax Law (i.e. either the income may be subject to withholding tax ("**WHT**") or capital gain tax depending on the source of income and this shall be considered as a full and final discharge of tax liability).

Resident companies that are wholly-owned by GCC persons or persons subject to Zakat, as listed below under "*—Zakat*" below, are subject to Zakat instead of corporate income tax.

However, as per the Income Tax Law and the Zakat Regulations, legal entities resident in the Kingdom, excluding those engaged in oil, hydrocarbon, and natural gas production, which are jointly owned by GCC and

non-GCC persons, are subject to corporate income tax on the portion of profit related to the non-GCC ownership share. Meanwhile, Zakat is applied to the ownership percentage held by GCC persons.

Shares in a resident company held directly by GCC persons or via GCC companies (where the shareholding structure does not fall outside of the GCC) in a resident company are subject to Zakat and not income tax. In determining the tax/Zakat profile of a legal entity resident in the Kingdom, ZATCA applies a "look-through" approach to determine whether the up-stream shareholding structure at any point exists outside of the GCC (in other words, at the ultimate shareholder level). However, a "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 shareholders in such non-GCC incorporated entity.

Additionally, as per the Income Tax Law, Saudi tax/Zakat resident entities in the Kingdom which are engaged in oil and hydrocarbon production activities are subject to corporate income tax in Kingdom irrespective of the nationality of their shareholders/owners. The income tax rates applicable to such entities range from 50 per cent. to 85 per cent. depending on the level of total capital investment of such entity.

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 are applicable for the calculation of Zakat by Zakat payers who are engaged in financing activities in the Kingdom licensed by SAMA, direct and indirect finance funds licensed by the CMA and Zakat payers who are engaged in non-financing activities in the Kingdom.

According to the Zakat Regulations, the following are subject to the provisions of the Zakat Regulations:

- the Saudi resident person who carries out an activity in the Kingdom, under a licence /applicable rules and regulations;
- Saudi-owned sole proprietorship that is established in the Kingdom in accordance with the applicable rules and regulations;
- resident companies wholly owned by GCC persons and for companies jointly owned by GCC and non-GCC persons, on the ownership percentage held by such GCC persons;
- finance funds licensed by the CMA;
- state-owned companies and resident companies owned by the Public Investment Fund; and
- resident companies listed on a financial market in the Kingdom, on the shares held by GCC persons and non-GCC persons (with the exception of the shares of non-Saudi founders in accordance with the articles of association or relevant regulatory documents).

Notwithstanding the above, Zakat is not assessed on or applicable to:

(a) resident capital companies (i.e. limited liability companies, closed joint stock companies, listed entities, single shareholder companies) operating in the oil and hydrocarbon production sector, whether they are natural or legal persons, resident or non-resident, except the shares of these companies owned directly or indirectly in capital companies;

(b) any entity (or Zakat payer) which is exempted by a decision of ZATCA or the Ministry of Finance;

(c) any resident entity with non-GCC ownership (on the percentage owned by non-GCC shareholders) and a non-resident who carries out business in the Kingdom through a Permanent Establishment, as they will be subject to corporate income tax; and

(d) charity associations, endowments ("**Awqaf**") and companies wholly owned by Awqaf and non-profit Companies under certain conditions.

As per the Zakat Regulations, if a Zakat payer is following the Gregorian year, Zakat will be levied at approximately 2.578 per cent. (prorated Zakat rate) on all the elements of Zakat base (including adjusted profits). Moreover, there are maximum and minimum limits for Zakat base, and Zakat payers will settle Zakat according to these limits, unless their Zakat base is negative and they are in an adjusted loss situation (in which case, no Zakat will be due).

As per the Zakat Regulations, receivable loans, subordinated/additional financings and equivalents provided to the investee may be considered as deductible, subject to the fulfilment of certain conditions. Furthermore, as per Article 55 of the Zakat Regulations, Notes are permitted as deductions from the Zakat base of Noteholders provided that the following conditions are met:

(a) the investment is not held for trading purposes; and

(b) the Issuer elects to treat these issuances as capital/equity for Zakat purposes, regardless of the classification of such instruments in the financial statements, and the issuer has declared through any document acceptable to ZATCA, to elect to treat them as capital/equity in the Zakat return. Once elected, the Issuer may not change the treatment of the Notes in their Zakat return during the tenor of the Note.

Special Zakat Rules for Financing Activities

Special Zakat rules (Zakat Calculation for Financing Companies) are set out in Chapter 2, Section VII, Sub-section 1 of the Zakat Regulations. These are applicable to resident Zakat payers engaged in financing activities such as banking and financing companies licensed by SAMA and direct or indirect financing funds licensed by the CMA. 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 Zakatpayer as per their financial statements.

Special Zakat Rules for Investment Funds

Special Zakat Rules for Investment Funds are set out in Chapter 2, Section VII, Sub-section 3 of the Zakat Regulations.

Under the Special Zakat Rules for Investment Funds:

1. Investment funds are not subject to Zakat but are required to register and submit Zakat base calculation (information declaration to ZATCA).

2. Unitholders in such funds are subject to Zakat, except in the case of:

    (a) a unitholder in a finance fund (direct or indirect);

    (b) 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; and

(c) a unitholder subject to Zakat on deemed basis.

Under the Special Zakat Rules for Investment Funds, 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 Special Zakat Rules and approved by a chartered accountant licensed in the Kingdom; and

3. Zakat on such investment is calculated by the following formula:

the fund's Zakat base × percentage of the unitholders' share in such fund × applicable Zakat rate

Withholding Tax

Residents of the Kingdom and the Permanent Establishments of non-resident persons in the Kingdom are required to withhold taxes on certain payments to non-residents, including to residents of the other GCC countries, if such payment is derived from a source of income in the Kingdom. WHT rates vary from 5 per cent. to 20 per cent. depending on the nature of the underlying payment.

Income earned by Noteholders from their investments in the Notes in the nature of profit on debts should be considered akin to a Loan Charge (as defined below) as per Article 5(1) of the By-laws to Income Tax Law. Loan Charges paid to a non-resident attract 5 per cent. WHT unless such WHT is reduced or eliminated pursuant to the terms of an applicable double tax treaty (see below).

WHT is imposed on payments against services and not the sale of goods. Services are defined to mean any work performed for consideration other than the purchase and sale of goods and other property.

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.

ZATCA has recently issued guidelines outlining the mechanism for applying double tax treaties. Application of double tax treaties in the Kingdom may take place under one of two methods: (i) via a refund mechanism, which requires the payor to be subject to the relevant payment of WHT and then a subsequent refund request of the WHT may be submitted to ZATCA; or (ii) via an upfront claim method, which provides for the possibility of the payor to not be subject to the relevant payment to WHT. As per the new guidelines, the upfront claim method needs prior approval from ZATCA. The list of required documents has also been updated for both methods. Such documents either require the attestation by the Kingdom's embassy in the country of the non-resident or an apostille attestation.

In view of the above, payment of interest by the Issuer to non-resident Noteholders will be subject to a 5 per cent. WHT as a Loan Charge.

Condition 9 (*Taxation*) provides that all payments by the Issuer in respect of the Notes shall be made without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Kingdom or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, subject to certain exceptions described in Condition 9 (*Taxation*).

Capital Gains Tax ("CGT")

According to Article 2 of the Income Tax Law, persons subject to CGT in the Kingdom include non-residents of the Kingdom with taxable income generated from sources in the Kingdom and without a Permanent Establishment for tax purposes in the Kingdom.

Further, Article 1(2) of the By-Laws to the Income Tax Law defines the applicable tax on such a person to include the following:

(a) WHT, if the income generated is stipulated under Article 68 of the Income Tax Law (as discussed in "*—Withholding Tax*" above and "*—Noteholders who are not resident in the Kingdom without a Permanent Establishment*"); and

(b) CGT as per the general provisions of the Income Tax Law, if the income is derived from a disposal of fixed and traded assets, or from disposal of shares in a resident company.

Based on the above, if the sale of Notes by a Noteholder is considered a source of income in the Kingdom, then the related income (or capital gain) will be subject to tax at a rate of 20 per cent. according to the rules for computation of capital gain tax provided in the Income Tax Law for non-residents (including GCC residents in countries other than the Kingdom which do not have a Permanent Establishment).

Capital gains realised from the disposal of securities (such as the Notes) traded inside or outside the Kingdom are exempt from income tax in the Kingdom if the following conditions are met:

1. 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

2. 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 Notes, as the Notes 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 the disposal of the Notes by resident Noteholders will not be subject to CGT. However, such gains, realised by Zakat-paying resident Noteholders, will be subject to Zakat as part of their income subject to Zakat.

Certain tax and Zakat implications for Noteholders

(A) Noteholders who are GCC persons and resident in the Kingdom

(1) *Legal entities resident in the Kingdom and wholly owned by GCC persons*

Noteholders who are legal entities resident in the Kingdom and wholly owned by GCC persons are subject to Zakat with respect to all income in the nature of profit, Loan Charge or capital gains realised on the sale or transfer of the Notes as such income will be part of such Noteholders' gross income subject to Zakat. It should be noted that the above summary does not consider the extent to which such Noteholders would be liable to Zakat as a consequence of acquiring, holding or disposing of its Note.

Additionally, as mentioned above, per Article 55 of the Zakat Regulations, Noteholders are permitted to take deduction of the Notes from their Zakat base, provided that the conditions specified in Article 55 are met (see "*—Zakat*" above).

(2) *Legal entities resident in the Kingdom but not wholly owned by GCC persons*

Noteholders 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 ownership held by GCC and non-GCC shareholders, respectively, in respect of any income earned/received in the nature of profit or Loan Charge in respect of the Notes or capital gains realised on the sale or transfer of the Notes as such income will be part of Noteholders' gross income subject to Zakat/income tax in the Kingdom.

(3) *Noteholders that are GCC natural persons with a permanent residence in the Kingdom*

Noteholders that are GCC natural persons and resident in Saudi Arabia are not subject to Zakat in the Kingdom as per the Zakat Regulations in respect of any income received in the nature of profit, Loan Charge or capital gains realised in respect of the Notes unless Noteholders perform any business activity in the Kingdom (other than holding the Notes) and carries such activities through a licence as required under the applicable laws and regulations. If such income is connected to Noteholders' business activities in the Kingdom, such amounts will generally be subject to Zakat in the Kingdom.

(B) ***Noteholders who are Non-GCC persons and resident in the Kingdom***

Noteholders 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 Notes will be part of such Noteholders' 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 where the prescribed income tax rates for such activities will be applicable).

Noteholders that are non-GCC natural persons and resident in the Kingdom may be subject to Saudi Arabian income tax, if the activity is construed as a business activity (intended to generate profit). Such Noteholders are therefore advised to consult their own tax/Zakat advisers as to the applicable tax/Zakat laws in respect of acquiring, holding and/or disposing of Notes and/or receiving any payments thereunder.

(C) Noteholders who are not resident in the Kingdom without a Permanent Establishment

Any payments by the Issuer in the nature of a Loan Charge (other than capital gains realised from disposals of Notes) in respect of the Notes (as provided under the Conditions) to Noteholders that are resident outside the Kingdom are subject to WHT at a rate of 5 per cent. as per Saudi Arabian domestic tax law.

As mentioned above, as per Condition 9 (*Taxation*), the Issuer will make all payments under the Notes free and clear of, and without, deduction or withholding of taxes, and if withholding is required by law, to gross up the payments, subject to specified exceptions (see "—Withholding Tax" and Condition 9 (*Taxation*)).

Non-resident entities having a Permanent Establishment in the Kingdom are subject to Saudi Arabian corporate income tax at the rate of 20 per cent. in respect of any profit payments received or gain realised in respect of the Notes and attributable to such Permanent Establishment, but will not be subject to Zakat (unless they are GCC persons and fulfil the conditions of persons subject to Zakat as per the Zakat Regulations).

However, any capital gains realised by a non-resident from disposal/transfer of Notes listed on Tadawul in the Kingdom will be exempt, subject to the conditions mentioned in "—Capital Gains Tax ("*CGT*")" above. The above exemption provided in the Income Tax Law is not applicable to the Notes, as the Notes will not be listed on a stock exchange in the Kingdom.

Furthermore, any transfer of the profit by the Permanent Establishment (whose profit was subjected to corporate income taxor 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 as per Saudi Arabian domestic tax law.

Indirect Tax

Value Added Tax ("VAT")

Saudi Arabia has introduced 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. The VAT implementing regulations have recently been amended, with most changes taking effect from 18 April 2025. These amendments introduce updates to several articles of the VAT implementing regulations.

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 of VAT in the Kingdom. Certain supplies are prescribed to be subject to VAT at a rate of zero (including qualifying medicines and medical goods, investment metals, qualified military goods, supplies to diplomatic missions, 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 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, interest, 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 debt securities, equity securities, or any other transferable document recognising an obligation to pay a monetary amount to the bearer.

"Note" is not a defined term for Saudi Arabian VAT purposes, but is akin in nature to a debt security and should be exempt for Saudi Arabian VAT purposes where the supply is made by a registered taxpayer in the Kingdom as a part of its regular economic activity. Any additional fee, 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 where the supply is made in the Kingdom. Such an additional 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 the Kingdom.

Profits generated by holding the Notes or trading gains from their 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 brokers or other intermediary parties for their services.

Further, should certain services be subject to Saudi Arabian VAT, supplies that are not related to Saudi Arabian real estate services and in other cases prescribed by law may qualify for a zero rating if supplied to a Saudi Arabian non-resident who benefits from the service outside of Saudi Arabia, subject to the fulfilment of the relevant conditions as mentioned in Article 33 of the VAT implementing regulations. Otherwise, the services would be subject to VAT at the standard rate of 15 per cent.

The precise reporting requirements related to the various payments and receipts associated with the aforementioned transactions will depend on the residence of the Noteholders, 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:

"**activity**" means a business activity in all its forms, including commercial, professional, or craft activities, or any other similar activity intended to achieve profit, and it includes the use of movable and immovable property.

"**GCC person**" means (a) a citizen of any of the member country of the GCC or (b) a legal entity owned by GCC citizens and established under the laws of a GCC country.

"**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.

"**Permanent Establishment**" means a permanent enterprise of a non-resident in the Kingdom which represents a permanent place for the non-resident's activity where it conducts the activity either fully or partly; this also includes the activities conducted by the non-resident through a dependent agent (dependent agent having the meaning specified in the Income Tax Regulation). 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 Regulations) is considered to have a Permanent Establishment in the Kingdom.

A person is "**resident**" in the Kingdom for tax purposes (as defined in Chapter 2—Article 3 of the Income Tax Law and Article 4 of the Zakat Regulations), if it meets the following conditions:

(i) a natural person is considered a tax resident in the Kingdom for a taxable year if such person meets either of the two following conditions:

  (1) such person has a permanent place of abode in the Kingdom and is physically present in the Kingdom for a total of not less than 30 days in the taxable year, whether continuous or aggregated; or

  (2) such person is physically present in the Kingdom for a period of not less than 183 days in the taxable year, whether continuous or aggregated; and

(ii) a company is considered a tax resident in the Kingdom during a taxable year if it meets either of the following conditions:

  (1) it is formed in accordance with the Saudi Arabian Companies Law; or

  (2) its place of central control and management is located in Saudi Arabia.

Noteholders should not be deemed to be resident in the Kingdom solely by reason of holding any Notes.

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 Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Saudi Arabia) 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 the Notes, 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 Notes, 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 the Notes, 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, Notes 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 Notes (as described under "*Terms and Conditions of the Notes— Condition 14 (Further Issues*)") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes 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 Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

GENERAL INFORMATION

(1) The Issuer's legal entity identifier (LEI) code is 54930037RJ782ISGGM71.

(2) Application has been made to the London Stock Exchange for Notes 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. Notes admitted to trading on the ISM are not admitted to the Official List of the FCA. The London Stock Exchange has not approved or verified the contents of this Base Offering Circular.

(3) Notes may be issued pursuant to the Programme which will not be admitted to listing, trading and/or quotation by any competent or listing authority, stock exchange and/or quotation system or which will be admitted to listing, trading and/or quotation by such other or further competent or listing authorities, stock exchanges and/or quotation systems as the Issuer and the relevant Dealer(s) may agree.

(4) The Issuer has obtained all necessary consents, approvals and authorisations in connection with the establishment of the Programme. The establishment of the Programme was authorised by a resolution of the Board of Directors of the Issuer dated 9 August 2024.

(5) There has been no significant change in the financial performance or financial position of the Issuer or of the Group since 30 September 2025 and there has been no material adverse change in the prospects of the Issuer or of the Group since 31 December 2024.

(6) There are no, and have not been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Base Offering Circular which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or the Group.

(7) Each Bearer Note having a maturity of more than one year, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

(8) The Notes have been 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 Series of Notes will be set out in the applicable Pricing Supplement.

(9) 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.

(10) There are no material contracts entered into other than in the ordinary course of the Issuer's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders in respect of the Notes being issued.

(11) Where information in this Base Offering Circular has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.

(12) The issue price and the amount of the relevant Notes will be determined, before filing of the applicable Pricing Supplement of each Tranche, based on the prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

(13) The Issuer'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.

(14) For so long as Notes may be issued pursuant to this Base Offering Circular, the following documents may, when published, be (i) inspected and/or collected during normal business hours at the registered offices of the Issuer and the specified office of the Fiscal Agent; or (ii) at the option of the Fiscal Agent, emailed to any Noteholder, at its request (subject to provision of proof of holding satisfactory to the Fiscal Agent and the Issuer):

(i) the Agency Agreement (which includes the form of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons and the Talons);

(ii) the Deed of Covenant;

(iii) the constitutional documents of the Issuer;

(iv) the Interim Financial Statements and the Annual Financial Statements;

(v) each applicable Pricing Supplement; and

(vi) a copy of this Base Offering Circular together with any supplement to this Base Offering Circular or further Offering Circular.

(15) The Arrangers, Dealers and their respective affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer 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 Arrangers and Dealers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer and its affiliates including, without limitation, Notes issued under the Programme. The Arrangers, Dealers and/or their affiliates may receive allocations of Notes (subject to customary closing conditions), which may affect the future trading of the Notes. Certain of the Arrangers and Dealers or their respective affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Arrangers and Dealers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Arrangers and Dealers and their respective 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, long and/or short positions in such securities and instruments.

(16) 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 Financial Boulevard 3126, Al Aqeeq Dist. 6717, Riyadh 13519 KAFD 1.11 B, South Tower, 8th Floor 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 Laysen Valley, Tower 12 & 13, King Khaled Road, 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.

(17) The Interim Financial Statements were jointly reviewed by KPMG and Deloitte, in each case without qualification, 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 KPMG is Roshn Front, Airport Road, P.O. Box 92876, Riyadh 11663, Kingdom of Saudi Arabia. The business address of Deloitte is as set out above. KPMG 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, KPMG 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 October 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.

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