

# Strategy delivered.

Accelerating innovation.  
Driving sustainable growth.

Annual Report  
2025





"My primary goal is to create an exemplary and leading nation in all aspects, and I will work with you in achieving this endeavor."

**Custodian of the Two Holy Mosques  
King Salman Bin Abdulaziz Al Saud  
King of Saudi Arabia**



"We are a G20 country. One of the biggest world economies. We are in the middle of three continents. Changing Saudi Arabia for the better means helping the region and changing the world."

**Mohammed Bin Salman Bin Abdulaziz Al Saud  
Crown Prince, Prime Minister, Chairman of the Council of  
Economic and Development Affairs**

# Theme of the Year

Strategy delivered.

Accelerating innovation.

Driving sustainable growth.

In 2025, we demonstrated what disciplined execution looks like at scale. Our focus was to translate ambition into action, priorities into outcomes, and plans into measurable progress. Across the organization, teams operated with sharper alignment, faster decision-making, and a stronger sense of accountability. This enabled us to move from intent to delivery, embedding strategy into how we run the Bank day to day. The result was not a year of isolated successes but one of coherent momentum, where execution reinforced confidence and built a solid foundation for the next phase of our journey.

Innovation remained a powerful accelerator of that momentum. We advanced from adopting new technologies to systematically embedding them across customer journeys, internal processes, and decision frameworks. Data, digital platforms, and advanced analytics became integral to how we serve customers, manage risk, and improve efficiency. Just as importantly, innovation was not confined to systems or products. It was reflected in how our people collaborate, how we simplify complexity, and how we continuously rethink the way value is created. This mindset allowed us to move faster without losing discipline, and to modernize without compromising trust.

These efforts collectively strengthened our ability to grow with resilience and purpose. We focused on building a balanced, future-ready institution that can perform across cycles while supporting the long-term needs of the economy and society. By reinforcing our fundamentals, investing selectively, and aligning growth with capability, we positioned ourselves to create value that endures beyond a single year. This progress provides a strong platform for the next phase of our journey under Strategy 2030. Through this strategy, we are sharpening our focus on scale, intelligence, and execution to ensure continued sustainable growth and enduring success for years to come.



# 2025 At a Glance

## Operational highlights

Monthly average users

42.3 Mn

(Smart phone users' logins)

Daily average users

1.4 Mn

(Smart phone users' logins)

Digital transactions

98.8%

Active users

6.5 Mn

Saudization rate

96%

Female staff

23%

## Sustainability highlights

Secured the prestigious King Khalid Award for Sustainability and the ESG Business Award

Achieved the highest ESG Invest score among all Saudi banks

Invested USD 228.7 million in sustainable Sukuk to drive environmental and social value

Launched the Sustainable Savings Account, securing **SR 1.6 billion** in deposits to support sustainable financing

Implemented a comprehensive BMS across all branches to digitize operations and improve energy efficiency

Expanded renewable energy solutions to **78 facilities**, reaching a total generating capacity of **2.69 MWh**

## Financial highlights

ROE (#2 in KSA)

18.70%

(2024: 18.80%)

ROA (#2 in KSA)

2.18%

(2024: 2.27%)

NPL ratio

0.92%

(2024: 1.06%)

NIMs

3.47%

(2024: 3.70%)

Rating Strength

A-

Fitch:  
(Stable)

A2

Moody's:  
(Stable)

A-

S&P Global:  
(Stable)

Operating income composition

79%  
Funded income

15%  
Fees from banking services

3%  
Exchange income

3%  
Investment gains/dividends



# 2020-2025 At a Glance

## Key operational achievements



## Key digital achievements



**STP-enabled product journeys**  
Expansion of STP<sup>2</sup> across multiple product journeys by 2025, from zero baseline

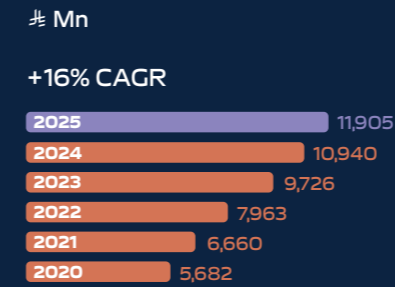
**Mobile app**  
Mobile app – highest ranked mobile app<sup>3</sup> in 2024 and 2025 across all banks in KSA

**OHI**  
78 score achieved in 2025, reflecting a 14 pts increase since 2021

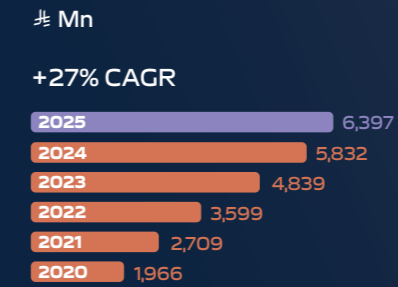
**AI use cases**  
10 live use cases are focused on both enhancing the customer experience and improving internal operational efficiency

## Key financial achievements

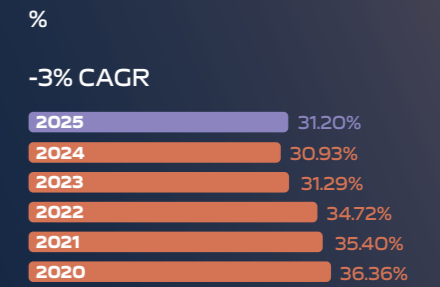
### Total operating income



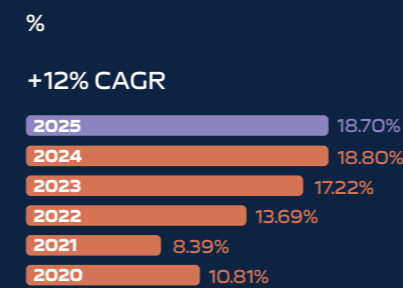
### Net income for the period



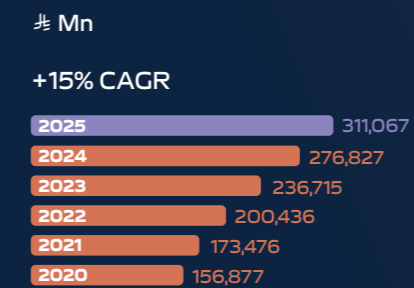
### Cost to income



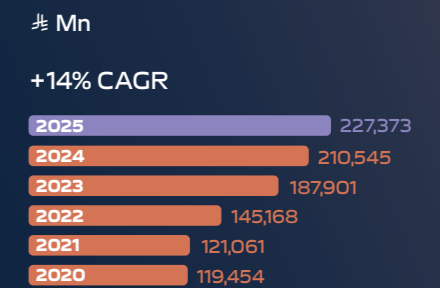
### ROE



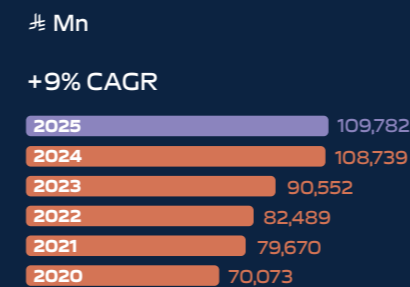
### Total assets



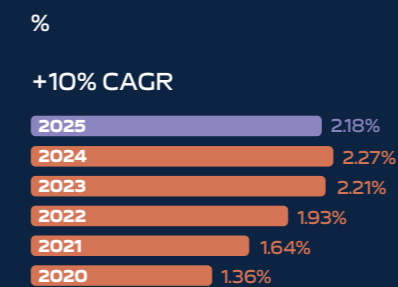
### Customers' deposits



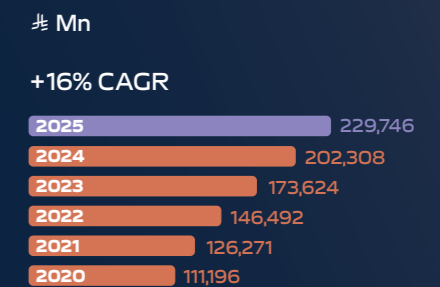
### CASA deposits



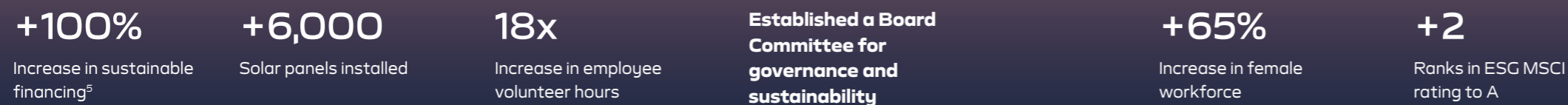
### ROA



### Financing, net



## Key Environmental, Social, and Governance achievements<sup>4</sup>
































1. Active customers who have done a minimum of one transaction in the last 30 days
2. Straight-through processing
3. In both the App Store and Google Play
4. With 2021 set as baseline
5. 2023-2024

# Awards and Accolades

"Our governance-led approach has translated into measurable recognition. alinma received multiple national and international awards in 2025 for sustainability, renewable energy financing, and corporate social responsibility, including recognition from ESG Business Awards and the Ministry of Human Resources and Social Development, as well as the King Khalid Sustainability Award."



 <p><b>Best Bank in Retail – Saudi Arabia 2025</b> The Global Economics</p>	 <p><b>Most Client-Centric Corporate Bank – Saudi Arabia 2025</b> International Finance Awards</p>	 <p><b>Most Innovative Islamic Bank – Saudi Arabia</b> Global Brand Frontier Awards</p>	 <p><b>Outstanding Contribution to Financial Inclusion Initiative</b> 30th Finnovex Saudi Arabia Summit</p>	 <p><b>CSR Contributions Award (Housing Sector - Corporate Category) for the Highest Value of Contributions</b> HRSD</p>	 <p><b>Outstanding Performance</b> Kafalah Annual Award</p>
 <p><b>Best Digital Banking Platform for Youth (iZ) – Saudi Arabia 2025</b> The Global Economics</p>	 <p><b>Fastest Growing Islamic Corporate Bank – Saudi Arabia 2025</b> International Finance Awards</p>	 <p><b>Best Islamic Bank 2025 - Saudi Arabia</b> GIFA Awards</p>	 <p><b>Best Use of Data &amp; Analytics in Wealth Management</b> MENA (MEED)</p>	 <p><b>Fastest Growing Bank – Saudi Arabia 2025</b> Gazet International Awards</p>	 <p><b>King Khalid Sustainability Award 2025</b> King Khalid</p>
 <p><b>Best Islamic Financial Institutions 2025 - Saudi Arabia</b> Global Finance</p>	 <p><b>The Best Performing Bank in KSA</b> The Banker</p>	 <p><b>Most Innovative Islamic Bank - Saudi Arabia, 2025</b> Boston Brand Research &amp; Media</p>	 <p><b>Excellence in Shariah-Compliant Banking Services – Saudi Arabia, 2025</b> Global Brands Magazine</p>	 <p><b>Best Printed 2024 Annual Report in the Middle East</b> MEIRA Awards</p>	 <p><b>Multi-channel integrated campaign 2024-2025</b> MENA DIGITAL AWARDS</p>
 <p><b>Best SME Bank - Saudi Arabia - MEED</b></p>	 <p><b>Excellence in Shariah-compliant Digital Banking Saudi Arabia 2025</b> World Economic Magazine</p>	 <p><b>Most Innovative Rebranding Initiative</b> Global Business Outlook Awards</p>	 <p><b>Best Islamic Retail Bank for Shar'i'a Compliance and Assurance in Saudi Arabia 2025</b> IRBA</p>	 <p><b>Outstanding Customer Experience Award</b> International Center for Strategic Alliances (ICSA)</p>	 <p><b>The National Award for Volunteer Work</b> The National Center for Nonprofit Sector Development</p>
 <p><b>Most Innovative Rebranding Initiative – Banking – Saudi Arabia 2025</b> Global Business Outlook</p>	 <p><b>alinma Ranked Among the Top 10 Companies in Saudi Arabia for 2025</b> Forbes</p>	 <p><b>Renewable Energy Financing Programme Award - Saudi Arabia</b> ESG Business Awards</p>	 <p><b>The CSR Award</b> HRSD</p>	 <p><b>Excellence in Open Banking Implementation</b> International Center for Strategic Alliances (ICSA)</p>	

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## Accelerating innovation.

"Innovation at alinma is no longer treated as a stand-alone initiative. It is embedded across how we design products, engage customers, manage risk, and operate the Bank."





## Driving sustainable growth.

Since its founding, alinma has steadily expanded to become one of the largest growing banks in the Kingdom and a regional leader among Shariah-compliant financial institutions.



## Bank Profile

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# About alinma

## Trust. Innovation. Customer-centricity.

**alinma is a leading provider of Shariah-compliant financial services in Saudi Arabia, recognized for a dynamic and innovative approach to banking. Since our establishment in 2006 by royal decree, we have advanced the national economy by building a comprehensive, well-governed financial institution supervised by the Saudi Central Bank. Our purpose has remained clear: to stay One Step Ahead by delivering solutions that evolve with the needs of individuals, businesses, and institutions.**

We offer a complete suite of financial services that support personal and business growth. Our Retail Banking proposition includes current accounts, cards, payments, savings, and protection products, supported by a broad set of personal, real estate, and auto financing options. For businesses and small and medium enterprises, we provide specialized solutions that strengthen operations and enable long-term development.

These services are delivered by a skilled and committed team that prioritizes quality, responsiveness, and customer needs.

Innovation and customer-centricity guide how we operate and shape our future direction. We continue to enhance our digital platforms to ensure simple, secure, and intuitive access to our services. Our technology investments enable customers to manage their finances efficiently, benefit from advanced payment capabilities, and engage with a seamless, integrated banking experience across channels. This emphasis keeps us aligned with the rapid evolution of the financial sector and positions us to capture new opportunities.

We remain committed to contributing to Saudi Arabia's economic transformation and the ambitions of Vision 2030. Through steady execution of our strategy, continuous improvement programs and disciplined governance, we strengthen the banking sector and support sustainable growth for our customers and communities. Our values guide every aspect of our work, ensuring we maintain a purposeful, customer-first mindset as we move into our next phase of growth with focus and confidence.

### Our Vision

To be the most forward-thinking financial services brand, offering distinct solutions that empower our Stakeholders and communities with confidence and foresight.

### Our Mission

To deliver the fastest, most convenient, and innovated financial solutions that anticipate customers' needs and provide proactive insight.

### Our Values

#### We're innovative

The value of "innovative" signifies a dedication to creativity, continuous improvement, and the pursuit of inventive solutions. It encourages a forward-thinking mindset, adaptability to change, and active problem-solving to enhance efficiency and effectiveness within an organization.

#### We're collaborative

The value "collaborative" underscores a dedication to teamwork, open communication, and collective problem-solving. It promotes a culture of mutual support, values diverse contributions, and recognizes the power of working together toward shared goals.

#### We're transparent

Transparency reflects our commitment to open communication and clear decision-making, fostering trust among all Stakeholders. We enhance both customer and employee experiences by simplifying customer experience and delivering financial solutions in a clear and transparent manner.

#### Towards passion

The value of "passion" reflects a deep commitment and strong dedication to alinma's mission, goals, and values. It drives our employees to stay One Step Ahead, giving their best and dedicating their energy and efforts wholeheartedly to achieve excellence.

## About alinma continued

### Our positioning

Since its founding, alinma has steadily expanded to become one of the largest growing banks in the Kingdom and a regional leader among Shariah-compliant financial institutions. The Bank's ongoing strong financial performance and expanding nationwide footprint have positioned alinma as one of the most actively traded stocks in the Saudi market, with a rapidly rising market capitalization that reached  $\text{SAR } 61$  billion as of 31 December, 2025.

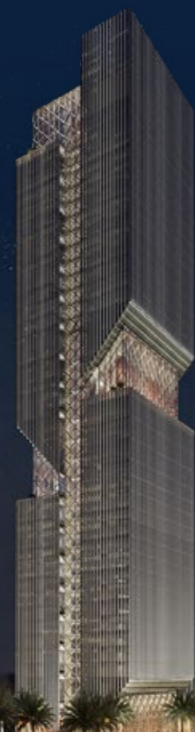
Building on this solid financial base, alinma continues to deliver on the aspirations of all its Stakeholders, emphasizing sustainable growth, elevated customer value, employee empowerment, and long-term Shareholder returns.

Led by highly qualified professionals equipped with deep expertise and strong leadership experience, the Bank strides forward into the era of open banking envisioned

under Vision 2030. alinma places digitalization at the core of its strategy, integrating digital transformation throughout its product and service portfolio, driving innovation, speed, and superior customer experience.

With a firm commitment to governance, the Bank's organizational structure, systems, and processes support top-tier risk management practices. alinma holds ratings of A- with a stable outlook by Fitch Ratings, A2 with a stable outlook by Moody's and A-, with a stable outlook by S&P Global underscoring the Bank's prudent risk appetite, robust capital ratios, strong profitability metrics, and a healthy liquidity and funding base.

alinma offers an extensive portfolio set of fully Shariah-compliant banking, advisory, and financial services. alinma operates a network of 127 branches, 1,408 ATMs, and 188,692 POS terminals across all regions of the Kingdom of Saudi Arabia.



## Our Subsidiaries



### alinma capital

(Closed Joint Stock Company)

A principal and agent, undertaking coverage and management, arranging, providing advice, and filing in securities business.

Capital  
 $\text{SAR } 1,000$  Mn  
Paid up  
 $\text{SAR } 500$  Mn



### alinmapay

(Closed Joint Stock Company)

alinmapay is structured to be agile in bringing new products to market within governed outcomes, accompanied by scaling faster time-to-market digital products and services to build market share and outdo competitors.

Capital  
 $\text{SAR } 200$  Mn



### TechStrike

(Closed Joint Stock Company)

Serving as the Bank's dedicated technology arm, TechStrike delivers integrated IT solutions across hardware, software licensing, development, and managed services.

Capital  
 $\text{SAR } 20$  Mn



### Altanweer Real Estate Company

(Limited Liability Company)

Facilitating home financing and holding, on behalf of the Bank of Titles to real-estate owned/pledged as collateral against financing extended by the Bank.

Capital  
 $\text{SAR } 100,000$



### alinma SPV Ltd

(100% subsidiary of alinma)

Managing derivatives and treasury products such as Profit Rate Swap (PRS), REPO and FX Forward.

Capital  
USD 50,000



### alinma isnad Company

(Limited Liability Company)

Providing outsourced staff to the Bank (customer service, management support, technical support).

Capital  
 $\text{SAR } 500,000$

# Our Journey

## A legacy of strategic progress and sustainable growth

alinma has grown steadily since its establishment, shaping a clear trajectory of innovation, disciplined execution and strong customer focus. Our journey reflects a deliberate commitment to building a modern, Shariah-compliant financial institution that delivers value through technology, strategic investment and service excellence. Each milestone represents a step forward in strengthening our capabilities, expanding our reach and positioning the Bank to pursue its long-term vision with confidence.

<b>2006</b> Establishment by Royal Decree on 28 March 2006.	<b>2007</b> Launch of Shariah-compliant banking services, asset management and brokerage services through affiliates.	<b>2008</b> Became a publicly listed company.	<b>2009</b> First to launch the Infinite debit card in Saudi Arabia.	<b>2010</b> Opened the first stand-alone branch in Riyadh.	<b>2012</b> Introduced e-channel services for the blind.	<b>2013</b> Launched the first comprehensive smartphone application.	<b>2014</b> Distributed the first dividends.
<b>2015</b> Introduced the Ersal remittance service.	<b>2017</b> Established the E-Learning Academy.	<b>2018</b> Launched the mada Pay service.  Secured naming rights for a Riyadh Metro station.	<b>2019</b> Opened the first digital branch.  Joined the MSCI Emerging Markets Index.	<b>2020</b> Completed a major capital increase to ﷲ 20 billion.	<b>2021</b> Launched the alinma 2025 Strategy.  Held the first earnings call.  Issued Tier 1 Sukuk.	<b>2022</b> Became an official partner of the MBS League.	<b>2023</b> Signed the construction agreement for Burj alinma.  Released the first Sustainability Report.

<b>2024</b> Increased capital to ﷲ 25 billion, including ﷲ 5 billion from retained earnings.	Launched the AMAD Sustainability and Social Responsibility Program.	Introduced the iz digital banking experience for youth.	iz app became the official sponsor of Al-Qadsiah Saudi Football Club.
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## 2025

- Unveiled the new brand identity.
- Secured naming rights for King Abdullah Sports City Stadium in Jeddah, now named "alinma Stadium."
- The Board of Directors approved the 2030 Strategy, defining the Bank's long-term vision and strategic priorities.

# Year in Review

## A year defined by progress, purpose and disciplined execution

In 2025, we advanced our strategic priorities with clarity and momentum, delivering strong financial results, accelerating innovation across our platforms, and strengthening our role as a trusted partner for customers, communities, and the broader economy. Our achievements reflect consistent execution of our long-term vision, a clear focus on customer needs and a commitment to sustainable growth supported by strong governance and a purpose-driven culture.



### January

**2024 financial results announced**  
We reported a net profit of 5,832 million after Zakat, driven by solid growth in assets, financing, investment income, and customer deposits.

### February

**Naming rights secured for alinma Stadium**  
We secured naming rights for King Abdullah Sports City Stadium in Jeddah, expanding our national presence and deepening engagement with youth and the sports community.

### March

**Annual employee gathering**  
We held our annual gathering across the Kingdom to recognize high-performing employees and celebrate achievements within the Ma'ak workplace environment.

### April

**MSCI ESG rating upgraded to A**  
Our MSCI ESG rating improved from BBB to A, reflecting meaningful progress in sustainability and governance.

**First freelance banking card launched**  
In collaboration with the Social Development Bank, we launched Saudi Arabia's first freelance banking card to empower freelancers with accessible financing and streamlined payments.



### July

**Best Retail Bank – Saudi Arabia 2025**  
The Global Economics named alinma as the Best Retail Bank – Saudi Arabia 2025 for excellence in retail banking.

**Top 10 Companies in Saudi Arabia**  
Forbes included alinma in its list of the Top 10 Companies in Saudi Arabia for 2025, recognizing our performance and customer trust.



### June

**Educational scholarships for Martyrs Fund**  
We signed a cooperation agreement with the Martyrs, Injured, Prisoners and Missing Persons Fund to provide 5 million in educational scholarships.

**Launch of \$1 billion Sustainable Sukuk Program**  
We introduced our Sustainable Sukuk program and issued \$500 million in the first tranche to accelerate sustainable financing.

### May

**Recognition for Autism Center of Excellence support**  
The Governor of the Saudi Central Bank honored alinma for contributing to the establishment of the Autism Center of Excellence as part of our commitment to community health initiatives.

### August

**Rebranding initiative honored**  
Global Business Outlook awarded alinma the Most Innovative Rebranding Initiative – Banking – Saudi Arabia 2025.

### September

**Launch of Zood Alajjal Savings Program**  
In partnership with the Social Development Bank, we introduced the Zood Alajjal Savings program to strengthen savings habits in line with Vision 2030.

### October

**Launch of iz Business**  
We introduced the iz Business digital experience to support entrepreneurs, SMEs, and freelancers with innovative financial solutions.

### November

**Participation in Cityscape Global 2025**  
We showcased our real estate financing solutions and partnerships at Cityscape Global, reinforcing our role in the national housing and development ecosystem.



### December

**King Khalid Sustainability Award**  
We received the King Khalid Sustainability Award, a national recognition of our leadership in sustainability and responsible banking.

# Geographical Footprint

Continued expansion across national communities




  
Number of branches in KSA

127

  
Number of point of sales in KSA

188,692

  
Number of ATMs in KSA

1,408

# Investment Case

## An innovative banking leader positioned for long-term growth

### 01

#### A leading bank in Saudi Arabia

alinma is a leading Shariah-compliant financial institution with a strong and growing position in the Saudi banking sector. Since its establishment in 2006, the Bank has built scale, credibility, and relevance across retail, corporate, and government segments, grounded in a value proposition that combines Shariah principles with modern banking solutions.

The Bank operates one of the Kingdom's most extensive distribution networks, with 127 branches and 1,408 ATMs nationwide, supporting broad customer access and deep market penetration. Strong and long-standing relationships with government entities, corporate clients, and retail customers enable alinma to deliver a diversified range of financial products and services tailored to evolving market needs.

This positioning has been reinforced by consistent recognition for performance, digital innovation, and customer-centricity, underscoring alinma's role as a systemically important and fast-growing bank within the Kingdom.

#### Key achievements

- **Best Bank in Retail, Saudi Arabia 2025** – The Global Economics
- **Best Digital Banking Platform for Youth (iz), Saudi Arabia 2025** – The Global Economics
- **Most Client-Centric Corporate Bank, Saudi Arabia 2025** – International Finance Awards (IFM)
- **Fastest Growing Islamic Corporate Bank, Saudi Arabia 2025** – International Finance Awards (IFM)
- **Best Performing Bank in KSA** – The Banker
- **Excellence in Shariah-Compliant Digital Banking, Saudi Arabia 2025** – World Economic Magazine
- **Ranked among the Top 10 Companies in Saudi Arabia for 2025** – Forbes
- **Best Use of Data and Analytics in Wealth Management, MENA** – MEED
- **Kafalah Annual Award for Outstanding Performance**

### 02

#### Strategic focus and progress

Having successfully completed its five-year transformation, alinma entered a new strategic phase beginning in 2026, focused on scaling sustainable growth and reinforcing long-term value creation. The new strategy builds on materially stronger foundations, shifting the Bank from a period of transformation to one of sustained performance, disciplined execution, and consistent returns.

Aligned with Saudi Vision 2030, alinma's forward roadmap prioritizes customer-centric growth, digital leadership, operational efficiency, and prudent capital allocation. The strategy positions the Bank to deepen its role in financing national priorities, leverage data and AI to enhance decision-making, and continue strengthening talent and leadership capabilities. This evolution reflects a bank with proven execution strength, financial resilience, and clarity of purpose.

As a digitally driven financial institution, alinma is well positioned to capture structural growth opportunities created by the Kingdom's transformation agenda. The strategy supports SMEs and private sector expansion, increases women's economic participation, promotes homeownership and household savings, and accelerates the transition toward a cashless economy, reinforcing alinma's relevance across key national objectives.

#### 2030 Strategic Edge

##### Most customer-centric

Deliver seamless, memorable AI-powered journeys across digital and physical channels, supported by personalized value propositions and differentiated investment opportunities.

##### Most innovative

Lead with advanced technology and artificial intelligence to provide segment-specific solutions, intelligent platforms, and beyond-banking digital services that redefine market standards.

##### Laser-focused on profitability

Sustain strong returns through a scalable operating model, enhanced monetization, disciplined cost management, and streamlined cross-functional collaboration.

### 03

#### Strong and sustainable financial performance

alinma's ability to deliver consistent profitability and attractive Shareholder returns is underpinned by a strong balance sheet, ample liquidity, and a resilient deposit base. This financial strength provides the flexibility to support customer growth, absorb market volatility, and fund strategic priorities without compromising prudence.

Disciplined capital management and a conservative risk profile have enabled alinma to generate sustainable returns across cycles. With healthy capital buffers and stable funding, the Bank is well positioned to continue meeting customer needs while maintaining a clear focus on long-term value creation for Shareholders.

#### Financing growth

+13.6%

#### Deposits growth

+8.0%

#### CAR

19.9%

#### LCR

135.4%

#### NSFR

110.5%

#### ROE

18.7%

#### ROA

2.2%

### 04

#### Robust governance and enhanced sustainability

alinma's governance framework provides a strong foundation for transparency, accountability, and long-term resilience. The Bank has taken a disciplined approach to sustainability and disclosure, ensuring Investors and Stakeholders have a clear, comprehensive view of governance practices, risk oversight, and sustainability priorities. This includes the use of a structured Materiality Matrix to identify and focus on the environmental, social, and governance topics most relevant to both the Bank and its Stakeholders.

#### Key accomplishments

This governance-led approach has translated into measurable recognition. alinma received multiple national and international awards in 2025 for sustainability, renewable energy financing, and corporate social responsibility, including recognition from ESG Business Awards and the Ministry of Human Resources and Social Development, as well as the King Khalid Sustainability Award. These acknowledgments reinforce alinma's position as a responsibly governed institution that aligns financial performance with national development priorities and long-term Stakeholder value.

# Investor Relations

## Elevating investor relations and engagement

alinma's Investor Relations function has advanced in line with global best practices through more transparent communication, stronger governance reporting, and improved digital readiness. We upgraded our channels, enhanced the depth and clarity of our sustainability and financial disclosures, and refined our engagement approach to align Investor expectations with our long-term strategy. These improvements have strengthened confidence in the quality of our reporting and reinforced our position as a well-governed and forward-looking institution.

This year, we focused on raising the quality and consistency of our communication with the investment community. Our priorities included improving the precision of disclosures, strengthening earnings materials, and ensuring timely, clear responses to Investor inquiries. We expanded our outreach through conferences, road shows, and direct meetings, while also upgrading internal IR processes to support faster data collection and more efficient reporting, driving better engagement with our current and prospective Shareholders.

### Strategic focus in investor relations

Our approach to Investor relations is anchored in transparent reporting, disciplined governance, and clear alignment with our long-term strategy. We introduced strategic KPI reporting that links a defined set of financial indicators to our five-year plan, giving Shareholders a measurable view of our progress and outcomes.

To further strengthen governance, our IR team applies an inclusive engagement strategy that reaches individual Shareholders, institutional Investors, and fixed income creditors. By providing clear, consistent, and forward-looking information, we aim to maintain long-term trust, support transparency, and ensure the market recognizes the value we create for our Shareholders.



Investor relations is not a marketing scheme, it is about engagement, transparency, and building lasting trust with the investment community.

**Arwa Alshehri**  
Head of Investor Relations

### Ratings and coverage

The Bank is covered by 21 analysts, reflecting strong interest and engagement from the investment community.

### Credit ratings

Fitch: **A- (Stable)**  
Moody's: **A2 (Stable)**  
S&P Global: **A- (Stable)**



### ESG ratings

Rating	2022 Baseline	2023 Review <sup>1</sup>	2024 Review	2025 Review	2025 Target
MSCI	BB	BBB	A <sup>2</sup>	A	A
ESG Invest	25	46	70	75	73 <sup>3</sup>
Sustainalytics	30.9	27.9	27.5	24.1	20
S&P Global	17	20	30	39	58

<sup>1</sup>Represents 2022 performance

<sup>2</sup>This target was achieved in April 2025, based on 2024 performance

<sup>3</sup>This target was extended from an initial 64, since it has already been exceeded



### Awards

alinma won the Best Printed 2024 Annual Report for the Large Cap category in the Middle East, awarded by the Middle East Investor Relations Association (MEIRA).



### Proactive shareholder engagement

During the year, IR team actively maintained transparent and efficient communication with Investors by conducting 350 Investor meetings, including group sessions and one-on-one meetings held both physically and virtually. This is part of a broader commitment to Shareholder engagement that reaches every level of the Bank.

### Meetings held during conferences

242

### Group meetings

43

### One-on-one meetings

65

### Total

350

## Investor Relations continued

alinma's Board places great importance on open, constructive dialogue with our Shareholders on all matters that affect the Bank. The Head of Investor Relations (IR) holds primary responsibility for Investor engagement, working closely with both the CEO and CFO, and supported by the broader Investor Relations team. The CEO, CFO, and Head of IR meet Investors on a regular basis.

In 2025, the CEO, CFO and Head of IR conducted a series of road show meetings following alinma's quarterly, half-year and full-year results, visiting key financial centers in the United Kingdom, the United States, Asia, and the GCC, in addition to major events held in Saudi Arabia. In total, they participated in 10 international conferences, further strengthening engagement with the investment community. These conferences helped us increase the Bank's visibility in the investment community, highlight our strategic priorities, and deepen relationships with regional and international Investors, providing venues for our IR team to share performance updates, gather market insight, and support continued Investor confidence and trust.

alinma's Board continued to receive frequent briefings on Investor reactions to alinma's quarterly, half-year and full-year performance releases, on material topics, and on any Shareholder-raised issues that fall within the Board's remit. We maintain an ongoing dialogue with our Shareholders and systematically gather their feedback.

In September 2025, alinma's 2030 Strategy was formally approved by the Board and, following that, the approved 2030 Strategy was presented to Investors during a dedicated strategy call in January 2026. The session clearly outlined the Bank's future direction and strategic approach and was attended by more than 300 institutional Investors and counterparts.

Following the strategy launch, the CEO, CFO, and Head of IR will continue a series of targeted meetings, beginning in March 2026 to meet with existing and prospective Investors to discuss the strategic initiatives, address questions, and gather valuable feedback.

### Continuous improvement and innovation

This year, we strengthened our Investor communication framework through a comprehensive upgrade of our digital platforms and disclosure materials. We enhanced the IR website and IR app, expanded the range of Investor materials available, and improved the Sustainability section. We also enriched the governance area with more transparent and detailed profiles of the Board of Directors, Executive Management, and Board Committee members to provide clearer visibility into our leadership and oversight structure.

We continue to use digital channels as a core driver of transparency and accessibility. The full revamp of the IR website delivered smoother navigation, clearer data presentation, and easier access to all key content. The site now includes enhanced analyst coverage with updated

recommendations and forward-looking expectations, simplified facts, and highlights about the Bank and detailed leadership profiles with professional experience. Investors also have streamlined access to financial reports, policies, ESG disclosures, and performance data. A dedicated page outlining the Bank's 2030 Strategy offers a clear view of our long-term vision and strategic priorities.

The upgraded IR website serves as the central platform for all Investor information. Improvements include clearer structure, improved data visualization, expanded analyst coverage, detailed governance profiles, and consolidated access to financial and sustainability materials. The additions were designed to raise the quality, coherence, and depth of information available to Investors.

Conference name	Date	Country	alinma attendees
Saudi Capital Market Forum 2025	19-20 February, 2025	KSA	CFO and Head of IR
HSBC, HSBC Global Investment Summit	25-27 March, 2025	HK	CEO and Head of IR
EFG Hermes, the 19th One-on-One Conference 2025	9-10 April, 2025	UAE	CEO, CFO, and Head of IR
Morgan Stanley, 16th Saudi Arabia and 5th MENA Conference	14-15 May, 2025	UK	CEO, CFO, and Head of IR
Bank of America, BofA Securities Emerging Markets Corporate Conference	28-30 May, 2025	US	CEO, CFO, and Head of IR
Goldman Sachs, 13th Annual CEEMEA Financials Symposium Conference	9 September, 2025	UK	CEO, CFO, and Head of IR
The EFG Hermes 11th Annual London Conference	10-11 September, 2025	UK	CEO, CFO, and Head of IR
2025 MEIRA Annual Conference & Awards	24-25 September, 2025	OM	Investor Relations
JP Morgan, Saudi Arabia Investment Forum	13-14 October, 2025	US	CEO, CFO, and Head of IR
Bank of America, MENA Conference 2025	4 November, 2025	KSA	CFO, Head of IR

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alinma IR website: <https://ir.alinma.com>

## Investor Relations App

Our IR app will keep you up to date with the latest developments – from share prices and press releases to the IR calendar, financial results, and our document library on the go.





# Investor Information

## Bridging the gap between management and the investment community

alinma continues to strengthen our Investor relations practice to foster a deeper, two-way dialogue that supports informed investment decisions. Our approach centers on transparency, accessibility, and clarity, enabling Investors to engage with our strategic priorities and performance with confidence.

Through enhanced communication channels, more robust disclosures, and broader outreach, we created a more connected investment community that understands our direction, recognizes our progress, and remains well equipped to evaluate alinma's long-term value creation.

### Share information

Listing date <b>03 June 2008</b>	ISIN <b>SA122050HV19</b>	Market cap as of 31 December, 2025 <b>ﷲ 60,950 Mn</b>
Exchange <b>Saudi Exchange</b>	Number of shares issued <b>2,500,000,000</b>	Foreign ownership limit <b>Actual ownership – 11.67%</b>
Symbol <b>1150</b>	Closing price as of 31 December, 2025 <b>ﷲ 24.38</b>	Free float <b>10% is owned by PIF, the rest is free float</b>

**#4**

Traded stock in KSA, by value



**#5**

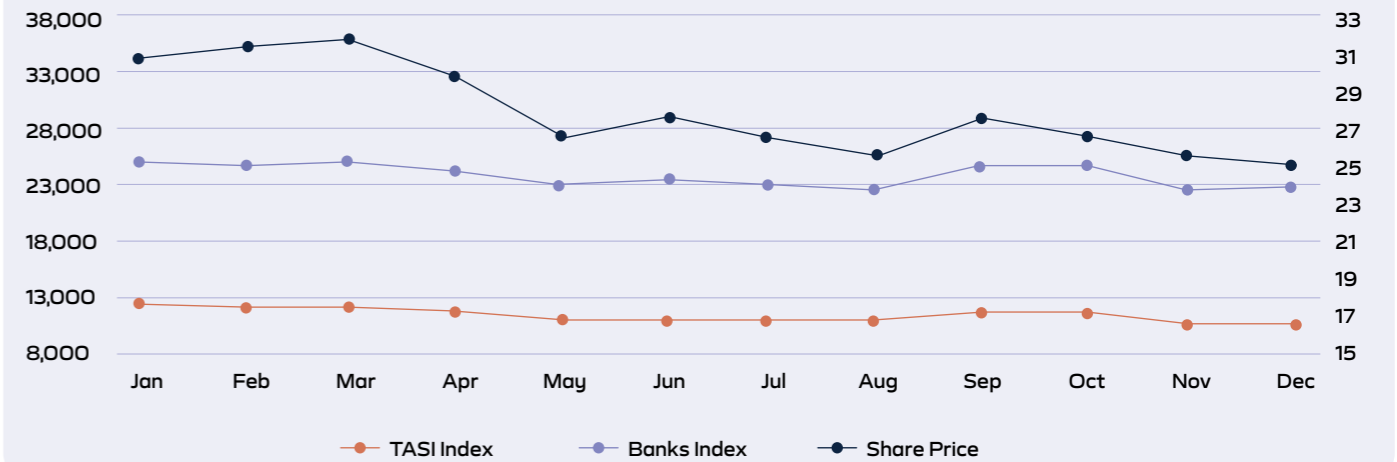
Traded stock in KSA, by number by volume

### Major Shareholders

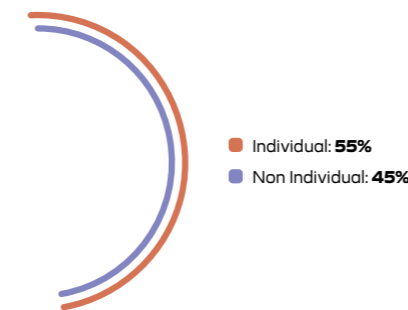
**10%**  
Public Investment Fund



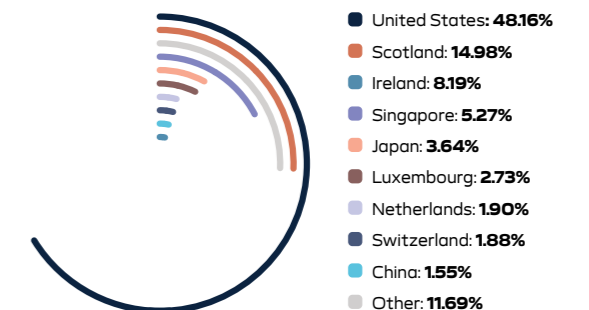
### Share price performance



### Shareholder breakdown by type (as of 31 December, 2025)



### Shareholder breakdown by region (as of 31 December, 2025)



### Shareholder Structure by Ownership Size (as of 31 December, 2025)

No. of shares	No. of Investors			
	Saudi		Foreign	
	No.	%	No.	%
Less than 1,000	331,187	74.13%	7,700	1.72%
1,000-9,999	90,210	20.19%	1,541	0.34%
10,000-49,999	11,426	2.56%	454	0.10%
50,000-999,999	1,842	0.41%	139	0.03%
100,000-499,999	1,594	0.36%	211	0.05%
500,000 and above	367	0.08%	116	0.03%
<b>Total</b>	<b>436,626</b>	<b>97.73%</b>	<b>10,161</b>	<b>2.27%</b>



## Strategy delivered.

alinma closed 2025 with the full delivery of its 2021-2025 Strategy, bringing to life every planned initiative and demonstrating strong execution discipline.



## Strategic Review

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# Chairman's Statement

Strategy delivered. Accelerating innovation.  
Driving sustainable growth.



The strategy cycle delivered measurable improvements across customer engagement, digital adoption, operational execution, and organizational health.



**Dr. Abdulmalik  
Abdullah AlHogail**  
Chairman of the Board



**2025 marked a defining moment in alinma's evolution. It was a year in which long-term strategic intent translated decisively into execution, supported by institutional discipline, organizational maturity, and a clear sense of purpose. Amid a complex global environment and a rapidly evolving domestic landscape, the Board remained focused on protecting the Bank's long-term interests while enabling management to execute with confidence and accountability.**

**The outcomes of this approach were visible across performance, governance, innovation, and national contribution. alinma advanced with consistency, reinforcing its position as a trusted financial institution and a strategic enabler of Saudi Arabia's economic ambitions. The year demonstrated the strength of a model built on clarity of direction, prudent oversight, and responsible growth.**

## Completing a five-year cycle of strategic transformation

The conclusion of alinma's five-year strategy cycle marks a defining institutional milestone. Over this period, the Board oversaw a disciplined transformation agenda focused on strengthening resilience, sharpening execution, and building a scalable platform for long-term value creation. The strategy was pursued with clear priorities and strong governance, ensuring that ambition was matched by operational discipline, prudent risk management, and consistent delivery across economic cycles.

The strategy cycle delivered measurable improvements across customer engagement, digital adoption, operational execution, and organizational health. Digital customer experience strengthened materially, with the Bank's mobile application ranked highest among all banks in KSA in 2024 and 2025. Digital adoption deepened across the franchise, with digitally active customers rising to 76% and mobile-based financial transactions increasing to 86%. Product origination shifted structurally toward digital channels; over 30% of credit cards and personal finance originated digitally from a zero baseline in 2020, supported by the expansion of straight-through processing across multiple product journeys.

Operationally and institutionally, the Bank exits the strategy cycle with stronger execution capacity and organizational resilience. Automation and straight-through processing capabilities were embedded across core journeys, improving speed, consistency, and control. Data and advanced analytics translated into tangible outcomes, with 10 live AI use cases enhancing both customer experience and internal efficiency. Organizational health improved meaningfully, with the OHI score reaching 78 in 2025, reflecting a 14-point increase since 2021 and signaling stronger leadership, accountability, and a performance culture. Collectively, these non-financial outcomes position the Bank to scale growth with higher operational discipline, customer-centricity, and execution confidence in the next strategic phase.

## Setting direction with Strategy 2030 and Vision 2030 alignment

Building on the successful delivery of the previous strategy, the Board approved a new strategic direction designed to guide alinma through its next phase of growth. Strategy 2030 reflects a deliberate evolution rather than a reset, building on proven strengths while addressing emerging opportunities and structural shifts in the financial sector.

The strategy is fully aligned with Saudi Vision 2030 and emphasizes alinma's role as a leading domestic bank with selective expansion into new value pools. It prioritizes customer primacy, disciplined growth, operational excellence, and the responsible application of advanced technologies, including artificial intelligence.

From the Board's perspective, Strategy 2030 provides a well-defined framework for sustained performance. It balances ambition with prudence, innovation with governance, and growth with resilience, ensuring alinma remains well positioned to create long-term value for Shareholders and Stakeholders alike.

## Strategic progress and recognition in 2025

During 2025, alinma delivered meaningful progress across its strategic agenda. The Bank strengthened its market positioning through initiatives that enhanced customer experience, brand equity, and institutional credibility. These efforts were supported by a refreshed corporate identity that reinforced alinma's purpose and strategic direction.

Progress achieved during the year was reflected in improved operating momentum and growing Stakeholder confidence. The Board views this as confirmation that the Bank's strategic priorities are well calibrated to market needs and national objectives.

## Chairman's Statement continued

This progress was further validated through multiple local and international awards spanning retail banking, digital innovation, organizational excellence, and corporate responsibility. Such recognition provides independent affirmation of alinma's execution capabilities and strategic relevance.

### Partnerships and investments that extend strategic reach

Strategic partnerships continued to play an important role in extending alinma's capabilities and reach. During the year, the Bank entered into collaborations designed to enhance innovation, strengthen ecosystem connectivity, and support priority growth areas.

These partnerships were approached selectively and with discipline. The Board emphasized alignment with long-term strategic objectives, ensuring that each collaboration contributed to sustainable value creation rather than short-term visibility.

In parallel, targeted investments supported capability development across technology, talent, and infrastructure. These actions strengthened alinma's ability to adapt, scale, and compete effectively in an increasingly interconnected financial environment.

### Financial performance anchored in disciplined growth

alinma's financial performance in 2025 reflects the strength of its operating model and the disciplined execution of its strategy. Total operating income reached  $\text{SAR } 11,905$  million, supported by balanced contributions across core business lines and continued growth in non-funded income.

Net income after zakat amounted to  $\text{SAR } 6,397$  million, underpinned by effective cost management and a prudent risk profile. Returns on equity and assets remained resilient, demonstrating the Bank's ability to generate sustainable profitability while navigating external volatility.

The balance sheet continued to strengthen, with total assets reaching  $\text{SAR } 311.1$  billion and customer deposits totaling  $\text{SAR } 227.4$  billion. Capital adequacy and liquidity ratios remained well above regulatory requirements, reinforcing the Board's confidence in alinma's financial resilience and capacity to support future growth.

### Artificial intelligence as a strategic differentiator

Artificial intelligence represents a core strategic priority for alinma, and 2025 marked a year of significant advances in this area. The Board oversaw the establishment of a robust AI governance framework to ensure responsible deployment, data integrity, and regulatory alignment.

Investments focused on building scalable, enterprise-grade capabilities rather than isolated use cases. AI was progressively embedded across customer engagement, risk management, operational efficiency, and decision support, enhancing productivity and insight quality.

From a Board perspective, these initiatives position alinma to harness AI as a long-term competitive advantage. The emphasis remains on measurable impact, ethical application, and strong oversight, ensuring innovation supports sustainable financial outcomes.

### Strengthening governance and risk management

Strong governance underpins alinma's stability and credibility. During 2025, the Board further enhanced oversight frameworks, risk management practices, and internal control systems across the organization.

Progress was made in areas including regulatory compliance, cybersecurity, operational resilience, and enterprise risk management. These efforts were supported by advanced governance tools and alignment with international best practices.

The Board also continued to evolve its own effectiveness through ongoing evaluation, skills development, and committee oversight. This ensured that governance

structures remain fit for purpose as the Bank's scale and complexity continue to grow.

### Advancing sustainability with measurable outcomes

Sustainability remains embedded within alinma's strategic and governance frameworks. In 2025, the Bank delivered tangible progress across environmental, social, and governance priorities, supported by clearer targets and enhanced transparency.

Environmental initiatives advanced alongside responsible financing activities and workforce inclusion efforts. The completion of a multi-year sustainability strategy cycle provided a strong platform for the next phase of progress.

The Board views sustainability not as a parallel agenda, but as a core driver of long-term resilience, Stakeholder trust, and financial performance.

### Priorities for 2026 and beyond

Looking ahead, the Board remains confident in alinma's strategic readiness. The focus for 2026 will center on executing Strategy 2030 with discipline, scaling innovation responsibly, and deepening customer relationships.

Maintaining strong financial fundamentals, robust governance, and prudent risk management will remain central priorities. The Board will continue to support management, while ensuring accountability and long-term alignment.

These priorities position alinma to navigate future challenges with confidence and to continue delivering sustainable value.

### Acknowledgments

I extend my deepest gratitude to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince and Prime Minister, for their continued leadership and unwavering support of the Kingdom's financial sector.

On behalf of alinma, I also express sincere appreciation to the Ministry of Finance, the Ministry of Commerce, the Saudi Central Bank, the Capital Market Authority, and all regulatory bodies for their guidance and partnership.

Finally, I thank my fellow Board members, the Executive Management team, and all alinma employees for their dedication and professionalism. Their collective efforts have been central to the Bank's progress and to positioning alinma for continued success.

**alinma advanced with consistency, reinforcing its position as a trusted financial institution and a strategic enabler of Saudi Arabia's economic ambitions.**

# Managing Director and CEO's Message

Executing with discipline. Advancing capability. Building sustainable value.



In 2025, execution was the central theme. Across the organization, teams delivered against well-defined priorities with stronger coordination, sharper accountability, and improved speed of decision-making, achieving our Strategy 2025 goals.



**Abdullah Ali Alkhlaifa**  
Managing Director  
and Chief Executive Officer



**The 2025 financial year marked a defining period of execution for alinma. It was a year in which strategic intent translated into tangible outcomes, and long-term ambition was reinforced through disciplined delivery across the Bank. Against a backdrop of ongoing economic transformation, evolving customer expectations, and rapid technological change, we remained focused on strengthening our core franchise while building the capabilities required to sustain growth over the long term.**

**Over recent years, alinma has invested significantly in modernizing its platforms, sharpening its operating model, and reinforcing the foundations of resilient performance. In 2025, these investments began to scale meaningfully. We moved decisively from capability building to value creation, accelerating innovation, while maintaining a focus on financial strength, risk discipline, and customer trust. This balance between progress and prudence continues to define our approach to leadership and value creation.**

## Strategy execution with clarity and control

Our strategy is designed to be practical, measurable, and executable across economic cycles. In 2025, execution was the central theme. Across the organization, teams delivered against well-defined priorities with stronger coordination, sharper accountability, and improved speed of decision-making, achieving our Strategy 2025 goals and laying a strong foundation for our Strategy 2030 that was launched this year.

We advanced our core banking activities, maintaining a disciplined approach to capital allocation and risk management. Growth was pursued selectively, with a focus on segments where alinma has clear competitive strengths and the ability to build long-term relationships. At the same time, we continued to refine our internal processes, governance frameworks, and performance management, ensuring that scale did not come at the expense of control.

This execution has resulted in measurable outcomes supported by structural change. Over the course of the strategy cycle, operating income more than doubled, increasing from ₪ 5.7 billion in 2020 to ₪ 11.9 billion in 2025, while net income grew by more than three times, rising from ₪ 2.0 billion to ₪ 6.4 billion. Returns strengthened materially, with return on equity

increasing from 8.4% in 2020 to 18.7% by 2025 and return on assets improving from 1.4% to 2.2%. This execution discipline has become a differentiating strength. It allows alinma to move faster where opportunities exist, adapt to changing conditions, and deliver consistently across business cycles.

## Innovation embedded across the Bank

Innovation at alinma is no longer treated as a stand-alone initiative. It is embedded across how we design products, engage customers, manage risk, and operate the Bank. In 2025, we continued to scale our digital, data, and analytics capabilities, ensuring they were closely aligned with business priorities and customer needs.

We made further progress in embedding automation, advanced analytics, and AI across key customer journeys and internal workflows. These capabilities improved turnaround times, enhanced experience quality, and supported more efficient use of resources. Digital platforms increasingly function as integrated ecosystems, connecting banking services with broader value propositions in a secure and intuitive manner.

Data-driven insight also played a growing role in personalizing customer engagement, strengthening risk management, and improving forecasting accuracy. By grounding innovation in practical use cases and

measurable outcomes, we ensured that technology investments translated into real value rather than incremental complexity.

## ROE

**18.7%**

## Operational highlights across the Bank

Execution in 2025 was evident across all major business verticals, each of which contributed to the Bank's overall performance and strategic momentum.

**Corporate Banking** continued to play a central role in alinma's growth. We strengthened our position as a trusted partner for large corporates, mid-corporates and government-related entities by combining financing expertise with enhanced transaction banking, trade finance, and liquidity management solutions. Our focus on project finance, infrastructure-related opportunities, and structured solutions supported portfolio diversification and stable revenue generation. In parallel, the accelerated expansion of the Mid-Corporate segment broadened our client base and contributed

## Managing Director and CEO's Message continued

meaningfully to asset growth, supported by disciplined risk management and relationship-led execution. Closer coordination between relationship teams and product specialists improved responsiveness, deepened client engagement, and reinforced our role in supporting economic diversification and private-sector growth.

**SME Banking** advanced as a strategic growth engine. We continued to move beyond traditional lending toward a more integrated SME proposition that combines financing, transaction services, and digital solutions. Enhanced onboarding, simplified journeys, and improved access to tailored products supported acquisition and engagement across priority SME segments. Our approach reflects a long-term commitment to supporting entrepreneurship and domestic economic growth while maintaining prudent risk standards. In line with this vision, we also launched iz Business, a digital platform designed specifically for small and micro-enterprises as well as freelancers, offering them a seamless, end-to-end experience for account opening, cash management, and access to customized financing solutions.

**Retail Banking** maintained strong momentum through ongoing digital adoption and product innovation. We focused on simplifying customer journeys, expanding self-service capabilities, and offering solutions aligned with customers' everyday financial needs. Digital channels continued to account for a growing share of interactions, reinforcing customer preference for convenient and intuitive banking experiences. At the same time, we strengthened cross-selling and lifecycle engagement to deepen primary relationships.

**Treasury and Capital Markets** delivered resilient performance amid evolving market conditions. Active balance sheet management, disciplined liquidity positioning, and prudent funding strategies supported stable margins and capital strength. Treasury continued to play a key role in optimizing returns, managing interest rate exposure, and supporting the Bank's overall financial resilience.

**alinma capital** delivered solid operational progress during 2025, strengthening its role as a core contributor to the Group's capital markets and investment activities. The business continued to expand its product offering

across asset management, investment banking, and brokerage, supported by disciplined execution and strong governance. Operational focus remained on enhancing client coverage, deepening cross-selling with the Bank and delivering tailored Shariah-compliant solutions across public and private markets. Consistent progress in systems, processes, and risk management supported scalability and reinforced alinma capital's ability to support the Group's long-term strategic objectives.

### Financial performance and value creation

The strength of execution in 2025 was reflected in the Bank's financial performance. alinma delivered solid full-year results supported by balanced growth, resilient margins, and continued balance sheet strength.

For the year, total operating income reached ₪ 11.9 billion, driven by growth across both funded and non-funded income streams. Net income after zakat increased to ₪ 6.4 billion, reflecting top-line momentum alongside disciplined cost management. The financing portfolio expanded to ₪ 229.7 billion, supported by demand across retail, SME, and corporate segments while maintaining a conservative risk profile.

Asset quality remained strong, underpinned by prudent underwriting and proactive portfolio management. Capital and liquidity positions continued to exceed regulatory requirements, providing flexibility to support future growth and absorb potential volatility. These outcomes underscore our commitment to sustainable value creation rather than short-term performance alone.

### Total operating income

₪ 11.9 Bn

### Net income for the period

₪ 6.4 Bn

### Customer trust and franchise depth

Customer trust remains the foundation of alinma's success. In 2025, we continued to enhance customer experience across all touchpoints, supported by digital innovation, improved service models, and a deeper understanding of customer needs.

Across segments, our focus remained on reliability, transparency, and consistency of service. We continued to invest in capabilities that reduce friction, improve clarity, and strengthen confidence in our products and processes. This approach supports long-term relationships rather than transactional growth and reinforces alinma's role as a primary banking partner. As a result of these efforts, Our Net Promoter Score (NPS) for 2025 rose to 73, up from 72 in 2024.

### Our people and leadership culture

Behind every milestone achieved in 2025 is the commitment and capability of alinma's people. We continued to invest in talent development, leadership capability, and organizational culture to ensure the Bank is equipped to deliver both current priorities and future ambitions.

We strengthened programs to attract and develop high-potential talent, while reinforcing leadership accountability and succession readiness. Our emphasis on collaboration, performance discipline, and continuous improvement is shaping a culture that supports execution at scale.

Employee engagement and well-being also remained priorities. The result of these combined efforts is reflected in a record high Organizational Health Index (OHI) score of 78, underscoring the strength of our inclusive, supportive environment and the ability of our people to perform at their best, contribute meaningfully, and grow alongside the organization over the long term.

### Looking ahead with confidence

As we enter 2026, alinma does so from a position of strength. Our strategic priorities will see us scale proven initiatives, sharpen execution where it matters most, and invest selectively in capabilities that support sustainable growth.

We remain committed to supporting the Kingdom's economic transformation, strengthening financial inclusion, and serving as a trusted Islamic banking partner to individuals and businesses. Our long-term ambition is unchanged: to build a resilient, innovative, and customer-centric bank that delivers consistent value across cycles.

### Acknowledgements

I would like to thank our customers for their continued trust, our employees for their dedication and professionalism, and our Board of Directors for their guidance and oversight. I also extend my appreciation to our regulators and Stakeholders for their continued support and collaboration.

This year, we have demonstrated that disciplined strategy, when matched with strong execution, delivers meaningful and sustainable results. With Strategy 2025 delivered and Strategy 2030 on the horizon, we move forward with confidence, responsibility, and a clear commitment to building enduring value for all those we serve.

**Behind every milestone achieved in 2025 is the commitment and capability of alinma's people. We continued to invest in talent development, leadership capability, and organizational culture.**

# Business Model

## Creating lasting value through strength, clarity and purpose

We bring together the full breadth of our financial, human, intellectual, and relational strengths to create meaningful, sustainable value for every Stakeholder. Through disciplined financial stewardship, deep Shariah-based expertise, a digital-first mindset, and a people-powered culture, we deliver solutions that support growth, build resilience, and elevate long-term outcomes. Our integrated model allows us to serve as a trusted partner for customers, a catalyst for national economic development, and a consistent value creator for Shareholders, all underpinned by strong governance, sound risk management, and an unwavering commitment to sustainability.

### Our strengths



#### Financial Capital

- 311.1 Bn in assets
- 227.4 Bn in deposits
- 229.7 Bn in financing

#### Human Capital

- 2,823 Employees
- 23% Women
- 96% Saudi Nationals

#### Intellectual Capital

- Shariah-compliant products
- Digital offering
- AI integration

#### Social & Relationship Capital (as of 31 December, 2025)

- 6.5 Mn customers
- 42.3 Mn monthly average users (number of smartphone user logins)
- 98.8% Digital transactions
- 10% Public Investment Fund
- 11.7% QFI

### How we create value



#### Vision

To be the most forward-thinking financial services brand, offering distinct solutions that empower our Stakeholders and communities with confidence and foresight.

#### Mission

To deliver the fastest, most convenient, and innovated financial solutions that anticipate customers' needs and provide proactive insight.

#### Values

- We're innovative
- We're transparent
- We're collaborative
- Towards passion

#### Our positioning

alinma has steadily grown to become one of the Kingdom of Saudi Arabia's fastest growing financial institutions and a leading Shariah-compliant financial institution in the region. Through strategic progress and continuous innovation, we have delivered increasing value to our Shareholders and impact for our Stakeholders, ending 2025 with a market capitalization of 60.95 billion.

#### Business activities

- Facilitate payment and transactions
- Enable wealth creation and management
- Provide Shariah-compliant products and services
- Provide credit to facilitate consumption and support economy

#### Divisions

- Retail Banking Group
- Digital Banking
- Private Banking
- Corporate Banking Group
- SME Banking Division
- Treasury Group

#### Subsidiaries

- alinma capital
- alinmapay
- Saudi Fintech
- alinma isnad
- Al-Tanweer Real Estate Company
- TechStrike
- alinma SPV

#### Our Business Model is underpinned by:

- Robust Corporate Governance
- Sound Risk Management Framework
- Strong Sustainability Plan

### Value created



#### For Shareholders

- Growth of dividends
- Q1: 0.3 per share
- Q2: 0.3 per share
- Q3: 0.3 per share
- ROE: 18.7%

#### For Customers

- Enable wealth creation and management
- Offering Shariah-compliant products and services
- Reducing turnaround time (TAT) for product and services
- Provide comprehensive online banking platforms for retail and corporate customers

#### For Employees

- Supportive, inclusive culture
- Embracing diversity
- Long-term career support
- Training programs
- Women empowerment

#### For Community/Society

- CSR
- Investments in environmental projects
- ESG outputs
- MSME product and services
- Support home ownership
- Enhance financial literacy

# Stakeholder Engagement

Building stronger connections through trust, communication, and commitment

Stakeholder Group	Investors	Government Institutions and Regulators	Customers	Employees	Business Partners	Society and Environment
<b>How we engage</b>	<ul style="list-style-type: none"> <li>Annual General Assembly Meeting</li> <li>Extraordinary General Meetings</li> <li>The Bank's website</li> <li>Interim financial statements</li> <li>Investor presentations and quarterly earning calls</li> <li>Press conferences and releases</li> <li>Investor disclosures and road shows</li> <li>One-on-one discussions and meetings</li> <li>Annual Report</li> <li>Announcements made to the Saudi Exchange</li> <li>Investor Relations road shows and conferences</li> <li>Dedicated Investor Relations website</li> <li>Dedicated communication channels for individual Shareholders</li> </ul>	<ul style="list-style-type: none"> <li>Consultation</li> <li>Relationship-building meetings</li> <li>Annual General Assembly Meeting</li> <li>Annual Report</li> <li>Interim financial statements</li> <li>Announcements made to the Saudi Stock Exchange</li> <li>Extraordinary General Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Customer visits</li> <li>ATMs</li> <li>Online banking</li> <li>Service centers</li> <li>Branches</li> <li>Media advertisements</li> <li>Corporate website</li> <li>Customer workshops</li> <li>Social media</li> <li>Customer satisfaction surveys</li> </ul>	<ul style="list-style-type: none"> <li>Induction program</li> <li>Career development guidance</li> <li>Staff societies</li> <li>Training programs</li> <li>Volunteerism</li> <li>Special staff events</li> <li>Internal communication</li> <li>Employee satisfaction survey</li> <li>Virtual meetings</li> <li>alinma e-Learning Academy</li> </ul>	<ul style="list-style-type: none"> <li>Supplier relationship management</li> <li>On-site visits and meetings</li> <li>Performance review meetings</li> <li>Quality assurance inspections</li> </ul>	<ul style="list-style-type: none"> <li>Service channels</li> <li>Press releases, conferences, and media briefings</li> <li>Informal briefings and communication</li> <li>Public events</li> <li>Corporate website</li> <li>Social media</li> <li>Educational programs</li> <li>MSME financing</li> <li>Assistance to the needy and vulnerable</li> <li>Programs for SMEs</li> <li>Youth and employment projects</li> </ul>
<b>Key items discussed</b>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Governance</li> <li>Risk management</li> <li>Business expansion plans</li> <li>Transparency and disclosure</li> <li>Business continuity</li> <li>Sustainable growth</li> <li>Strategy updates</li> <li>Shareholder returns</li> <li>Dedicated Investor Relations Department</li> <li>Dedicated Sustainability Department</li> <li>Dedicated CSR Department</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with directives and codes</li> <li>Microfinance and SME development</li> <li>Financial performance</li> <li>Cybersecurity</li> <li>Saudization</li> <li>Governance</li> <li>Employment generation</li> <li>Strategy</li> </ul>	<ul style="list-style-type: none"> <li>Financial support for revival of business</li> <li>Speedy service</li> <li>Customer security and privacy</li> <li>Service quality</li> <li>Affordability of services and convenience</li> <li>Financial education and literacy</li> <li>Access to financial services</li> <li>Enrolment to digital platforms</li> <li>Real-time information</li> </ul>	<ul style="list-style-type: none"> <li>Performance standards</li> <li>Training and development</li> <li>Saudization</li> <li>Remunerations and benefits</li> <li>Retirement benefit plans</li> <li>Diversity and inclusion</li> <li>Safety at the workplace</li> <li>Corporate value</li> <li>Employee care focused on mental health</li> </ul>	<ul style="list-style-type: none"> <li>Contractual performance</li> <li>Continued business opportunities</li> <li>Maintaining healthy relationships</li> <li>Timely settlement of dues</li> <li>Collaboration for new technological advances in the financial sector</li> <li>Opportunities for growth</li> <li>Agile and convenient approach</li> </ul>	<ul style="list-style-type: none"> <li>Affordable financing</li> <li>Community empowerment</li> <li>Financial inclusion</li> <li>MSME financing</li> <li>Ethics and business conduct</li> <li>Environmental performance</li> <li>Employment opportunities</li> <li>Assistance to disadvantaged groups</li> <li>University Scholarship program for children from underprivileged families</li> <li>Financial awareness and Trust program designed to enhance financial literacy</li> </ul>
<b>How we create value</b>	<ul style="list-style-type: none"> <li>Delivering consistent financial performance and Shareholder returns</li> <li>Enhancing transparency through regular disclosures and reports</li> <li>Providing timely and comprehensive Investor updates and communications</li> <li>Delivering up-to-date financial performance, sustainability, CSR, and strategy updates, ensuring full transparency and accountability</li> <li>Actively engage with institutional Investors and individual Shareholders</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring full compliance with regulatory requirements and directives</li> <li>Supporting national goals, such as Saudization and economic diversification</li> </ul>	<ul style="list-style-type: none"> <li>Providing reliable and secure financial services tailored to customer needs</li> <li>Enhancing access to banking services through digital platforms and innovations</li> <li>Delivering superior customer service and support across all channels</li> <li>Ensuring fast and convenient service across all client segments</li> <li>Creating a value proposition for youth customers</li> <li>Developing diversified and accessible channels and products for foreign customers to meet their needs</li> </ul>	<ul style="list-style-type: none"> <li>Investing in professional development through training programs and career guidance</li> <li>Promoting diversity, inclusion, and workplace safety</li> <li>Offering competitive remuneration, benefits, and retirement plans</li> <li>Creating a healthy and supportive work environment by focusing on mental healthcare</li> </ul>	<ul style="list-style-type: none"> <li>Building long-term, mutually beneficial relationships with suppliers and partners</li> <li>Collaborating on innovative financial technologies and advancements</li> </ul>	<ul style="list-style-type: none"> <li>Promoting financial inclusion and access to affordable financing solutions</li> <li>Supporting MSMEs and youth employment projects to drive economic growth</li> <li>Empowering the youth through the University Scholarship program for children from underprivileged families</li> <li>Delivering financial awareness through the Trust program designed to enhance financial literacy</li> </ul>





# Our Strategy

## Strategic focus for accelerating impact

Our strategic agenda set a clear path for disciplined growth, stronger performance, and sustained value creation. We are advancing with purpose by placing customers at the center of every decision, expanding our digital capabilities, and strengthening the quality of experiences we deliver across all segments. Our people remain a core driver of this progress and we are investing in their development to reinforce our standing as one of the Kingdom's leading employers in financial services. Aligned with the ambitions of Saudi Vision 2030 and anchored in Shariah-compliant principles, our strategy positions us to support national priorities, deepen our contribution to economic development, and build long-term value for our Stakeholders.



### Our Vision

To be the most forward-thinking financial services brand, offering distinct solutions that empower our Stakeholders and communities with confidence and foresight.

### Our Mission

To deliver the fastest, most convenient, and innovated financial solutions that anticipate customers' needs and provide proactive insights.

### Our Values

We're innovative  
We're transparent  
We're collaborative  
Towards passion

## Our Strategy continued

### Our visionary positioning

<p>To be recognized and celebrated as the fastest and most convenient bank in the Kingdom.</p>	<p>To obtain the top Net Promoter Score (NPS) in the rapidly evolving Saudi Banking sector.</p>	<p>To be the leading employer of choice across Saudi banks in a booming and highly competitive job market.</p>
<p><b>Description</b></p> <p>To offer our products and services in an efficient way where we become the fastest and most convenient bank in the Kingdom.</p> <hr/> <p><b>Progress in 2025</b></p> <ul style="list-style-type: none"> <li>Launched iz Business (new digital banking experience designed to empower SMEs and freelancers)</li> <li>Launched digital trade finance platform, allowing customers a seamless, flexible trade finance experience</li> <li>Released cash flow management solution for corporate clients</li> <li>Introduced family account ecosystem on mobile banking app</li> <li>Offered insurance products (travel and medical malpractice) for customers on mobile banking app</li> <li>Launched Salary Advance product</li> <li>Introduced the Payment Deferment product as part of CSR initiatives to support customers facing financial difficulties and providing temporary financial relief and flexible repayment options</li> <li>Opened 11 new branches</li> </ul> <hr/> <p><b>Looking forward</b></p> <ul style="list-style-type: none"> <li>Continuous improvement of TAT for key products and services</li> <li>Continue enhancement of digital journeys</li> <li>Continuously improve the digital app</li> <li>Continuous migration of products and services to digital channels</li> </ul>	<p><b>Description</b></p> <p>To achieve the best score in NPS across all KSA banks</p> <hr/> <p><b>Progress in 2025</b></p> <ul style="list-style-type: none"> <li>Achieved 2nd place in NPS rank across KSA banks</li> </ul> <hr/> <p><b>Looking forward</b></p> <ul style="list-style-type: none"> <li>Continuous review of key products and services customer journeys</li> <li>Continue closing the loop of customers' feedback by contacting them after submitting their feedback</li> <li>Keep doing root cause analysis of repetitive issues</li> </ul>	<p><b>Description</b></p> <p>Cultural transformation to attract and retain the best talent in KSA</p> <hr/> <p><b>Progress in 2025</b></p> <ul style="list-style-type: none"> <li>23% female percentage of total workforce</li> <li>+350 training programs have been conducted focused on coaching and leadership development</li> <li>+80% of employees received core, technical, and leadership training</li> <li>Delivered cooperative training initiatives, equipping more than 170 trainees with hands-on, on-the-job experience</li> <li>96% Saudization rate</li> <li>Introduced parents' medical insurance</li> <li>Organizational Health Index (OHI) score to 78</li> </ul> <hr/> <p><b>Looking forward</b></p> <ul style="list-style-type: none"> <li>Continuously develop employees' capabilities</li> <li>Supporting social engagement</li> <li>Drive employee engagement and execute initiatives to increase the OHI score</li> <li>Continuously empower women and women in leadership positions</li> </ul>

### Reflecting on our strategic progress and achievements

<p><b>2021: Laying the foundation</b></p> <p>The launch of alinma Strategy 2025 marks a transformative milestone in our journey to becoming a leading financial institution, recognized for innovation, customer-centricity, and sustainable growth. In its first year, the strategy set the foundation for achieving our long-term vision by aligning our organizational goals with market opportunities and customer needs.</p> <p>Key milestones achieved during the year included:</p> <ul style="list-style-type: none"> <li>Increased our net income by 38% to 2,709 million</li> <li>One of the first banks in KSA to join the Arabian Gulf System for Financial Automated Quick Payment Transfer (AFAQ) network, connecting to real-time gross settlement (RTGS) platforms</li> <li>Expanded digital self-service zones to exist and operate in 70 branches</li> <li>Reduced the turnaround time (TAT) of real estate finance to nine working days</li> </ul>	<p><b>2022: Gaining momentum</b></p> <p>The second year of alinma Strategy 2025 represented a pivotal phase in our transformative journey, as we shifted from foundation-building to accelerating progress across strategic initiatives. In 2022, we focused on capitalizing on the groundwork laid in the previous year to drive measurable outcomes and solidify our position as a leading, innovative, and customer-centric financial institution.</p> <p>The Bank achieved notable progress by:</p> <ul style="list-style-type: none"> <li>Growing Retail financing by 33% and SME financing by 27%</li> <li>Launching ClickPay, a digital payment gateway that enables cashless payments for merchants and delivers flexibility and convenience to customers</li> <li>Achieving recognition as one of the top 13 companies for Saudization leadership</li> <li>Increasing our net income to 3,599 million, a 33% increase on previous year</li> </ul>
<p><b>Key figures of the year</b></p> <hr/> <p>Net income (ﷲ)</p> <p><b>2,709 Mn</b></p> <hr/> <p>Employed</p> <p><b>442</b> female staff</p> <p><b>43%</b> ↑</p> <hr/> <p><b>2.9 Mn</b> customers connected via digital platforms nearly 150 million times</p>	<p><b>Key figures of the year</b></p> <hr/> <p>Net income (ﷲ)</p> <p><b>3,599 Mn</b> <b>33%</b> ↑</p> <hr/> <p>Grew Retail financing by</p> <p><b>33%</b></p> <hr/> <p><b>93%</b> increase in training</p>

## Our Strategy continued

### 2023: Achieving impact

The third year of alinma Strategy 2025 was a defining period as we transitioned from momentum-building to delivering tangible results. In 2023, our focus was on demonstrating the impact of our strategic initiatives by achieving measurable outcomes that reinforce alinma's position as a leader in innovation, operational excellence, and customer-centric financial services.

This year marked significant strides in:

- Streamlining internal processes, resulting in 200 million in cost savings
- Strengthening ESG (Environmental, Social, and Governance) initiatives, with a 35% improvement in sustainability-linked finance
- Achieving a record 34% growth in net income, underscoring the effectiveness of strategic decisions

#### Key figures of the year

Net income (ﷲ)

4,839 Mn

34% ↑

NPL coverage

154.9%

Net income CAGR rate

18%

(2019 - 2023)

631,000

Daily average users

98.4%

Digital transactions

### 2024: Sustaining excellence

The fourth year of alinma Strategy 2025 focused on sustaining excellence and solidifying alinma's position as a market leader. In 2024, we built upon the successes of previous years by deepening our impact, enhancing operational capabilities, and delivering exceptional value to our customers and Stakeholders.

Major achievements in 2024 included:

- Exceeding 276 billion in total assets, driven by diversified revenue streams and expanded client portfolios
- Increasing the Bank's overall health score from 68 to 72
- 39% increase in SME financing YTD

#### Key figures of the year

USD 1 Bn

Sukuk issued to diversify funding base

75%

growth in deposits in corporate business

Launched Youth app (iz) to public and grand reveal activities and campaigns executed

Launched eCLO phase 2 covering ICB, PSF, CCB and SME traditional

Built and deployed the integrated portal (CIB) for Corporate/SMEs segments

Launched the Supply Chain Finance product

### 2025: Realizing Strategy 2025

The fifth year of Strategy 2025 brings the plan to a successful close, turning the roadmap set in 2020 into measurable results that reinforce alinma's leadership in the Saudi financial sector. In 2025, we focused on delivering the remaining goals of alinma Strategy 2025, such as digital-first services and expanding product offerings while also capitalizing on the benefits of previously achieved goals. Thereby delivering superior value to shareholders, customers, and the broader community. In 2026, with these foundations firmly in place, we will start the execution of alinma Strategy 2030, a forward-looking agenda that revolves around furthering innovation and customer-centricity, enabled by advanced technology and artificial intelligence.

Major achievements in 2025 included:

12% growth YoY in corporate financing including SMEs

39% growth YoY in Auto Lease portfolio

23% growth YoY in revolving Credit Card portfolio

Diversified funding through CDs, Sukuk, and other instruments to strengthen funding stability.

1 Mn new to bank customers (NTB)

#### Key figures of the year

Net income (ﷲ)

6,397 Mn

10% ↑

Net income CAGR rate

24%

(2021-2025)

29%

YoY growth in SME financing



## Our Strategy continued

### alinma's strategic direction for 2030

Building on the success of our 2020-2025 transformation strategy, we are launching an ambitious new five-year strategy in 2026. Our blueprint is aimed at delivering continued growth, increased profitability, and an even higher bar on innovation and customer-centricity. Aligned with the goals of Saudi Vision 2030, this strategy will guide us toward our aspiration to become the most innovative and customer-centric bank in Saudi Arabia, delivering ever-increasing value to our Shareholders and all our Stakeholders.

To achieve these ambitions, we will continue strengthening our core businesses while exploring new bold moves

### alinma's edge for 2030



#### Most customer-centric

Engage clients with seamless memorable AI-powered journeys across digital and physical channels, tailored value propositions, and exclusive investment opportunities



#### Most innovative

Lead with cutting-edge technology and AI to deliver segment-specific offerings, intelligent platforms, and beyond-banking digital services that set a new market benchmark



#### Underpinned by a laser focus on profitability

Drive profitability through a scalable operating model, improved monetization, and streamlined cross-functional collaboration



Strategy 2030 provides a well-defined framework for sustained performance. It balances ambition with prudence, innovation with governance, and growth with resilience, ensuring alinma remains well positioned to create long-term value for Shareholders and Stakeholders alike.

**Dr. Abdulmalik Abdullah AlHogail**  
Chairman of the Board

Become the most innovative and customer-centric bank in the Kingdom with a focus on profitability and building distinctive differentiation leveraging AI

#### Vision



#### Retail banking

The most innovative and customer-centric retail bank in the Kingdom



#### Private banking

"Islamic Private Bank of Choice" in the Kingdom operating as a profitable franchise



#### Corporate banking

"Bank of choice" for corporates satisfying evolving beyond-lending needs with a focus on transaction banking



#### Digital banking

Become the leader in intelligent digital banking in the Kingdom, leaping local competitors



#### Treasury

Optimize the bank's client offering through best-in-class treasury products and drive cost-efficient funding strategy

#### Enablers

#### Human Capital

Become #1 leading employer of choice across KSA banking sector

#### AI, Technology and Data

Establish the Bank as a digital leader by driving innovative technology and data that set new local benchmarks

#### Credit, Risk and Compliance

Leading risk-adjusted decisioning and pricing practices unlocking profitable exponential growth

#### Marketing

Kingdom's Top-5 brand – One Step Ahead with data-driven marketing

#### Operations

Market leader in operational excellence driven by digitalization, with a client-first mindset

# Digital Excellence

## Empowering intelligent value creation

Our digital journey in 2025 reflected a clear shift from digitalization to digital leadership. We expanded our capabilities, deepened ecosystem connectivity, accelerated intelligent automation, and reshaped how customers interact with financial services. By scaling platform innovation, strengthening omni-channel experience, and driving adoption across all segments, we continued to position digital as a core growth engine and an essential enabler of our strategic agenda.

### New platforms and apps launched

- alinma business platform
- alinma business mobile app
- iz Business mobile app
- Banking-as-a-Service platform
- Digital trade platform
- Wealth management platform

**95%**  
New customers onboarded digitally

**98%**  
Transactions executed digitally

**+33%**  
Active digital customers YoY

**58%**  
Increase in digital credit card sales

**Top mobile app rating**

### Reimagining value through intelligence, integration, and experience

In 2025, alinma's Digital Banking Group advanced alinma's ambition to lead the Kingdom's digital financial landscape by scaling innovation, widening platform reach, and strengthening customer-centric capabilities across retail, SME, and corporate segments. The year was anchored by major ecosystem developments, including the launch of our Banking-as-a-Service platform, which opened new integration pathways for partners and unlocked diversified revenue opportunities. We also advanced open banking by enabling use cases that enhanced data access, simplified onboarding, and strengthened collaboration with fintech innovators.

We elevated corporate banking with a redesigned Corporate Portal, offering a seamless digital environment for complex business needs, alongside the launch of our Corporate mobile app, which delivers onboarding, daily banking, payments, workflow approvals, and POS service requests with speed and mobility. SMEs benefited from the introduction of the iz Business mobile app, designed to streamline financial management and enable simpler business banking journeys.

Trade finance underwent a significant shift with the rollout of a fully digital trade platform, improving transparency, accelerating execution, and reducing manual intervention. We complemented this with a new cash flow management system that strengthened liquidity visibility and planning for business customers.

Digital lending scaled meaningfully, as straight-through processing for personal finance and credit cards enabled instant decisioning and fulfillment. alinma mobile app expanded financing access further through auto leasing, advance salary solutions, and other products delivered via optimized journeys.

We enriched our digital marketplace with expanded offerings across automotive, travel, insurance, and e-commerce, including full in-app access to travel, medical, and motor insurance products. At the same time, our data-driven customer value management framework supported personalized activation and stronger engagement across key segments.

To strengthen wealth accessibility, we launched a digital wealth management platform with seamless mutual fund subscriptions, allowing customers to invest and grow wealth through simple, intelligent journeys. These achievements

strengthened alinma's position as a digital leader by deepening ecosystem integration, expanding digital fulfillment, and reinforcing our contribution to national priorities around financial innovation and inclusion.

### Strategic focus driving transformation

alinma closed 2025 with the full delivery of its 2021-2025 Digital Strategy, bringing to life every planned initiative and demonstrating strong execution discipline. The strategy was built around three clear priorities that shaped the Bank's transformation agenda and positioned Digital Banking as a growth engine.

Our first priority was to digitalize the Bank by reinventing experiences across all channels. We focused on creating a best-in-class mobile app with intuitive journeys, richer capabilities, and high-value services that make everyday banking simpler, faster, and more intelligent. This laid the foundation for seamless engagement across retail, corporate, and SME segments.

Our second priority centered on leapfrogging with innovation. We expanded into new digital-only propositions to grow market share, embracing technologies such as AI, robotics, machine learning, advanced analytics, and virtual assistants to build new business models and elevate existing ones. In parallel, we deepened collaboration with fintechs and ecosystem partners to unlock disruptive ideas and accelerate delivery.

Our third priority strengthened the organization itself. We reorganized the Bank-wide digital operating model and scaled our Digital Factory to support rapid development, embed agility, and enable faster speed to market. This operating backbone now supports frontline innovation and future growth.

As we step into 2026, we begin the implementation of our 2026-2030 Digital Strategy, aligned with our Bank ambition. Our focus shifts toward intelligent banking platforms, next-generation beyond-banking offerings, and further enhancement of our operating model to sustain leadership and drive competitive advantage.

### Delivering impact through performance-led digital investment

We continued to invest with discipline in building an ecosystem that accelerates customer growth, deepens engagement, and strengthens revenue resilience. The results demonstrated the effectiveness of our digital-driven strategy, reflected in standout performance across every key digital indicator.

## Digital Excellence continued

Digital accounted for 95% of all new customer acquisitions with 26% annual growth in digital onboarding. Customer activation grew by 32%, while customer engagement grew by 25%. Revenue momentum also strengthened, with digital fee income increasing by 27% and financial transactions processed through our digital channels expanding by 17%.

Our digital sales engine delivered strong outcomes. Card sales completed through digital channels increased by 58% compared to last year, while personal finance sales surged by 131% through our digital platforms. Customer satisfaction consistently rose in line with these improvements, with our digital Net Promoter Score increasing by 7 points. Our universal mobile app also performed strongly, retaining a 4.8 rating.

Our segment-specific propositions gained traction. Since launch, the iz youth app became a scale engine for the digitally savvy youth segment, driving a 112% increase in customer acquisition, a 105% rise in activation and a 200% improvement in revenue compared to last year. This performance reflects its early position as a preferred digital banking platform for young Saudis.

# 131%

Growth in personal finance sales

### Leading the next wave of intelligent digital growth

We advanced our role as a catalyst for digital transformation in Saudi Arabia's financial ecosystem during 2025. Driven by our ambition to lead the future of banking, we accelerated innovation, expanded capabilities and strengthened partnerships that connect technology, data, and customer value. Our focus remained clear: build platforms that scale, experiences that matter, and ecosystems that unlock new revenue streams, positioning alinma at the center of an evolving digital economy aligned with the Kingdom's ambitions.

### New digital initiatives that shaped 2025

Throughout the year we launched a number of high-impact initiatives that deepened our digital reach, enhanced customer journeys, and created new business opportunities. Our corporate mobile app was introduced as a fast and seamless digital tool for businesses, offering smooth onboarding, complete daily banking services, secure transfers, SADAD and MOI payments, and workflow approvals from anywhere. In parallel, we launched our SME mobile experience built to meet the needs of a fast-growing segment with capabilities for digital invoicing, payroll, collections and financing.

AMAD Tech Accelerator emerged as a central pillar of our innovation agenda, enabling us to foster talent, accelerate fintech ideas, and support Saudi Arabia's technology ecosystem. We also expanded our bancassurance offerings with fully digital access to travel, medical malpractice, and motor insurance, while extending our marketplace through new automotive products that broaden choice and enrich lifestyle-linked banking. Digital home financing solutions continued to evolve through off-plan and Murabaha financing, as did our lending propositions through straight-through processing for personal finance and credit cards, and the rollout of Advance Salary and Zood Alajjal with the Social Development Bank. We also strengthened our innovation culture through the AMAD Hackathon, the second largest in the Kingdom, and continued to scale open banking services to support richer integrations and new use cases.

### Strategic investment and partnerships to scale value

To build future-ready capability, we invested in a range of digital and fintech ventures. These included Lean Technologies for open banking services; Ejari for rent-now-pay-later models; NearPay for payment infrastructure; Amwal Tech for e-commerce installment solutions; Wadaie for deposit aggregation; Qashio for expense management; and three venture capital funds – Oryx, Sukna and SEEDRA – designed to capture next-generation innovation.

Partnerships formed another core enabler of progress. We signed strategic cooperation agreements with Savvy Group, Walaplus, jisr, and Future Work, supporting more integrated ecosystems, stronger customer propositions, and new channels for digital growth.

### Major digital launches expanding reach and capability

The year also marked several platform-level launches. We introduced Banking-as-a-Service to embed our capabilities in external ecosystems, while Custom Value Management strengthened insight-driven targeting. We launched digital offerings across Retail and Corporate Banking, including the SME app, corporate mobile, fully digital trade finance, wealth management platform, advance salary, straight-through lending for personal finance and credit cards, bancassurance services, automotive marketplace, family ecosystem, Zood Al-Ajyal, and microfinance.

Our innovation platform was upgraded to strengthen ideation and execution across the Bank, while the AMAD Tech Accelerator and the Awn test automation portal boosted delivery speed, quality, and scale. The successful hackathon that we conducted had more than 3,500 participants, across more than 1,200 teams and three winning teams.

These initiatives reflect a year in which we broadened digital access, accelerated contribution from new revenue pools, and strengthened our role as a leading force in Saudi Arabia's digital financial evolution.

### Digital excellence in 2026

In the coming year, we will shift into a new phase of execution as our Digital 2030 Strategy moves from planning to delivery. Building on the momentum of 2025, our agenda is centered on scaling intelligent platforms, deepening ecosystem integration, and elevating customer value creation through hyper-personalized digital banking. The year ahead will mark an acceleration in how we design, deploy, and enhance digital services to strengthen acquisition, activation, and loyalty, while advancing our role as a catalyst for financial empowerment across the Kingdom.

Looking ahead, we will introduce new digital products and services that improve everyday financial decisions and simplify interactions across segments. We will enhance customer journeys end to end, ensuring faster onboarding, frictionless servicing, and smarter fulfillment across retail, SME, and corporate channels. Our focus remains firmly on becoming the preferred platform for digital-first customers by increasing digital sales, expanding our marketplace offerings, and reinforcing our leadership in user satisfaction.

We will continue enriching the alinma mobile app experience, maintaining our top rating by delivering meaningful upgrades that drive engagement and revenue growth. At the same time, we will sharpen how we utilize data and AI to deliver personalized experiences, reduce time to market, and create stronger value for customers in the moments that matter. As 2026 unfolds, we expect to see higher activation levels, deeper transaction penetration, and sustained revenue uplift, supported by a digital operating model designed for continuous innovation.

With disciplined execution and clear milestones in place, we are poised to unlock the next wave of digital value creation, reinforce our position as a trusted financial partner, and advance our contribution to the Kingdom's transformation agenda.

Case Study

# New Brand Success Story

## A refreshed brand for a new era of financial leadership

Since 2009, alinma has grown into one of Saudi Arabia's most influential financial brands, but rapid technological change, shifting customer expectations, and a more dynamic national landscape required a modernized identity. Research confirmed the strength of the Bank's core attributes – trust, innovation and customer-centricity – which guided a strategic refresh rather than a full rebrand.



### Keeping alinma One Step Ahead

The refresh focused on simplifying, strengthening, and future-proofing how alinma shows up across every touchpoint. Key elements included:

- **New tagline, One Step Ahead**, to signal foresight, agility, and leadership in digital banking
- **Updated vision and mission** to present alinma as a forward-thinking partner empowered by intelligence and seamless experiences
- **Stand-alone "alinma" name and enhanced icon** for stronger digital flexibility and recognition
- **A bold, deep blue palette and custom Kufic-inspired typeface** to convey confidence, modernity, and cultural authenticity

These updates created a unified omni-channel experience that reflects the Bank's digital-first ambition and resonates with new generations, women, SMEs, and entrepreneurs while preserving legacy trust.

### A modern identity built for digital excellence

alinma introduced a revitalized brand identity in 2025 that reflects the Bank's evolution into a digital-first, customer-centric financial partner aligned with the Kingdom's ambitions for the future. The refresh strengthened the Bank's relevance for a younger, more diverse population, modernized its visual and verbal expression, and reinforced its position as a trusted, Shariah-compliant institution committed to staying One Step Ahead of customer expectations.

### Impact across customers, employees and the market

The refreshed identity delivered measurable gains across awareness, engagement, and adoption:

- Stronger equity anchored in Shariah-based authenticity and modern relevance
- Increased appeal among young, tech-savvy consumers and growing traction with SMEs and women
- Recognition as Most Innovative Rebranding Initiative – Banking (2025) by Global Business Outlook
- Higher digital usage, stronger brand consistency, and improved internal pride and alignment
- A more intuitive, AI-enabled digital ecosystem that raised speed, convenience, and personalization

alinma reinforced its renewed ambition by securing the exclusive naming rights to King Abdullah Sports City Stadium in Jeddah, now alinma Stadium. This move extended the brand into daily life through sports, entertainment, and community experiences, strengthening visibility far beyond traditional banking channels.

### Expanding brand impact through strategic sports partnerships

#### alinma Bank partners with Visa to deliver premium motorsport experiences

alinma entered a strategic partnership with Visa to activate the title partnership of the Visa Cash App Racing Bulls (VCARB) team across key regional races in Bahrain, Saudi Arabia, Qatar, and Abu Dhabi. This collaboration strengthened alinma's brand visibility on the global stage while reinforcing its commitment to delivering distinctive value to its customers.

Through this partnership, alinma cardholders are offered exclusive access to world-class motorsport experiences, creating meaningful engagement opportunities and elevating customer loyalty. The initiative also supported alinma's broader brand objectives by aligning the Bank with innovation, performance, and international platforms, further enhancing its presence across high-impact regional and global touchpoints.

#### EA FC26 game sponsorship

alinma expanded its digital footprint by becoming the exclusive Saudi Arabia broadcasting assets advertiser within EA FC26, the Kingdom's most-played football gaming platform. The partnership embedded alinma's presence across seven in-game advertising formats, ensuring sustained and contextual brand visibility within an environment deeply rooted in youth culture and everyday digital entertainment. In 2025, the activation achieved more than 1.07 billion impressions, supported by over 813 million matches played and 8.9 billion minutes of gameplay, reinforcing strong top-of-mind awareness at exceptional scale. This initiative strengthened alinma's connection with younger segments, enhanced digital engagement, and positioned the brand as a forward-thinking institution within one of Saudi Arabia's most influential entertainment ecosystems.

## New Brand Success Story continued

### Highlander Aseer Hiking sponsorship

This initiative builds on the Highlander Aseer Hiking sponsorship by strengthening alinma's association with active lifestyles, national experiences, and community engagement among both Saudi nationals and expats. The sponsorship reinforces the brand's presence within outdoor, wellness, and exploration-focused activities, creating authentic connections with younger, adventure-oriented audiences, and the expat community. Through sustained visibility and engagement, the initiative supports strong top-of-mind awareness and positions alinma as a progressive institution aligned with lifestyle, inclusivity, and meaningful experiences across the Kingdom.

### Accelerating digital marketing growth and customer engagement

In 2025, alinma continued to strengthen its digital marketing performance, delivering strong year-on-year growth across key engagement and acquisition metrics, supported by data-driven decision-making, advanced targeting capabilities, and enhanced digital marketing infrastructure.

Social media engagement increased by 165%, reflecting deeper audience interaction and more effective content reach, while the Bank's digital fan base expanded by 63%, demonstrating sustained brand affinity across platforms. Digital account openings rose by 101%, underscoring the success of alinma's digital-first acquisition strategy and personalized, insight-led engagement approaches. App usage also grew by 63%, highlighting increased adoption and ongoing engagement across the Bank's digital ecosystem.



Digital account openings rose by 101%, underscoring the success of alinma's digital-first acquisition strategy and personalized, insight-led engagement approaches.

Collectively, these results reflect alinma's continued focus on scalable digital marketing growth, personalized customer experiences, and building long-term customer relationships through high-impact, data-driven digital channels.

### Advancing AI-powered marketing capabilities in partnership with Visa

Building on its strong digital marketing momentum in 2025, alinma achieved another significant milestone by becoming the first bank globally to implement Visa's AI-powered marketing (AIM) program; marking a major step forward in the Bank's digital marketing transformation.

Developed by Google and Boston Consulting Group (BCG), with Visa as a strategic partner, the AIM program introduces a structured, world-class framework designed to elevate marketing maturity across five core pillars: measurement, media, creative, data, and audience strategy. Through this framework, alinma strengthened its ability to embed advanced analytics and intelligence across its digital ecosystem, enabling more relevant customer engagement, improved marketing effectiveness, and scalable, insight-led decision-making.

This initiative further reinforces alinma's commitment to customer-centric innovation and advanced digital capabilities, supporting the Bank's broader strategic objectives while contributing to the Kingdom's Vision 2030 agenda for digital transformation and financial sector advancement.



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# Data and AI Innovation

## Intelligence powering sustainable growth

Our commitment to data and AI is grounded in a simple belief: intelligence, used with purpose, unlocks progress. In 2025, we proved how advanced analytics, predictive insight, and GenAI can strengthen every part of our business, from how we serve customers to how we manage risk and support our people. As we move forward, we will continue investing in the capabilities that help us make better decisions, create more value, and build deeper trust. Data and AI are no longer enablers of our strategy – they are engines of our transformation and the foundation of the growth we are shaping for our Stakeholders.

Our Data and AI vision is to build an enterprise-grade AI and data engine that delivers measurable value, strengthens trust, and positions us as the leading AI-driven bank in KSA and beyond.

Data is treated as a strategic asset, enabled by a robust and future-ready technology stack with clear governance and accountability. AI is deployed as a scalable enterprise capability, embedded across businesses and functions to unlock value through high-impact, transformative Data and AI solutions.

This strategic shift enables faster execution, more disciplined capital allocation, and sustainable competitive advantage, supporting both near-term performance and long-term growth.

### Accelerating performance through data intelligence and AI innovation

In 2025, Data and AI Innovation delivered meaningful progress by scaling analytics, embedding AI into core operations and enabling business units to make faster, more informed decisions. The year marked a shift from experimentation to enterprise-wide adoption, supported by new governance structures, expanded AI capabilities, and measurable performance gains across multiple segments.

A major milestone was the deployment of a unified Data and AI platform that provides governed, scalable infrastructure for analytics, predictive modeling, and GenAI use cases. This foundation enabled faster delivery, improved data consistency, and supported the Bank's first production GenAI solutions, including the Operations Policies and Procedures AI Agent and GenAI Enterprise Assistant for Policies and Procedures. New voice-to-text capabilities and

contact center analytics further enhanced efficiency and service quality.

To ensure AI investments delivered maximum impact, we established the AI Prioritization Committee, a cross-functional governance body that guides strategic use-case selection. Through prioritization workshops and a formal impact assessment framework, the committee consolidated overlapping initiatives, aligned analytical efforts across business lines, and delivered a sequenced AI roadmap endorsed by senior leadership.

We introduced several high-impact predictive models that strengthened risk visibility and commercial performance. The Early Warning Signals (EWS) Corporate model delivered timely identification of emerging risks across 1,788 clients, while the Retail EWS model enhanced monitoring at the customer level through an operational dashboard, identifying 5,191 at-risk customers. On the revenue side, the Next Product to Buy (NPtB) Corporate model generated 143,800 leads across 93,900 clients and improved cross-sell accuracy across five customer segments. AI-enabled lead generation contributed 2,754 converted opportunities, reinforcing the value of predictive acquisition tools.

Fraud prevention and cybersecurity were strengthened through specialized AI models, including Mule Accounts Prediction, Potential Fraud Victim detection, and the Risky Domains Alarm developed with the Cybersecurity team. These tools improved detection accuracy and enabled more proactive protection for customers and the Bank.

AI also delivered meaningful growth through persona-based insight. Savers Persona achieved 69% total growth and generated ٣٤٥٣٣ million, while Travelers Persona



contributed an 89% increase in Alfursan card growth and a 35% rise in Travelers card uptake. These results highlight the expanding commercial value of targeted, data-driven customer strategies.

By year-end, the number of delivered AI initiatives increased by 42% compared to 2024, reflecting both higher productivity and expanding institutional adoption. Testing of additional GenAI pilots continued across the organization, validating their technical and business readiness for broader rollout.

With a strong data foundation, disciplined governance and growing internal demand, Data and AI Innovation is now positioned as a strategic engine for future growth, enabling sharper decision-making, deeper customer insight, and smarter risk management across the Bank.

### Investing for accelerating impact

We continued to invest in the infrastructure, platforms, and talent required to scale AI innovation and embed advanced analytics across the Bank. These investments form the backbone of our next phase of data-driven transformation and position us to deliver faster, more meaningful impact in 2026 and beyond.

Our investment in high-performance computing accelerated the development and deployment of sophisticated AI

models. We deployed NVIDIA H200 GPUs supported by NVIDIA Enterprise AI tools, significantly enhancing our ability to process large-scale datasets, train advanced models, and accelerate the rollout of GenAI and agentic-AI solutions across the Bank.

We also strengthened our enterprise Data and AI capabilities by deploying Dataiku as our unified platform for scalable AI and GenAI development. The platform provides a governed environment for analytics, automation, and model lifecycle management, creating a consistent foundation for data-driven decision-making across all business units.

Developing national talent remained a priority throughout the year. Through the Future Bankers program, GenAI Track, we provided specialized learning pathways covering AI fundamentals, practical model development, and hands-on GenAI solution design. In 2025, we selected and trained 10 future bankers who have now joined us as full-time employees. As part of their development journey, they successfully delivered three AI use cases for the Retail Banking Group and the Credit team, demonstrating early contributions to our innovation agenda.

These investments ensure that we remain at the forefront of AI adoption in the financial sector and continue building the capabilities needed to scale innovation, accelerate value delivery, and strengthen our competitive advantage.

## Data and AI Innovation continued

### Creating value for all our stakeholders with data and AI

Throughout the year, we continued to apply data and AI in ways that create meaningful value for every Stakeholder group. Our solutions improved productivity for employees, delivered more relevant experiences for customers, and generated both earnings uplift and risk reduction for Shareholders.

For our employees, we enhanced decision-making and reduced manual effort by deploying tools such as the Operations Policies & Procedures AI Agent, which supports reviewing different financing calculation scenarios based on applicable policies and procedures, as well as expanded risk dashboards that provide better visibility into the root causes of fraud-related calls, supporting decision-makers. These innovations streamline daily workflows and strengthen operational efficiency across functions.

For our customers, we improved personalization and product relevance through Next Product to Buy, AI-powered lead generation, behavioral segmentation and our Customer Experience Index. These capabilities allow us to anticipate needs more accurately and deliver tailored solutions that elevate the overall banking experience.

For our Shareholders and Investors, our data and AI initiatives generated measurable financial impact. The policies and procedures inquiries chatbot delivered tangible cost efficiencies by allowing staff to quickly search unstructured content, retrieve updated documents, and resolve inquiries without manual intervention. This reduced operational time and resource requirements.

We also drove higher earnings through several AI-enablement levers. Next Product to Buy for Corporate clients provided predictive recommendations that support better decision-making and revenue growth. Once again, our AI Lead Generation model continued to supply high-accuracy leads for key retail products, including personal finance, home finance, auto lease, and credit cards. The Hidden Affluent model identified customers with affluent-like behaviors not captured under existing segmentation rules, unlocking new opportunities for targeted engagement.

Across risk management, our Early Warning Signals solutions for Corporate and Retail clients enhanced our ability to detect risk earlier and act proactively. These models monitor customer behavior and business activity to flag potential deterioration, strengthening portfolio quality and supporting prudent, forward-looking risk decisions.

### Advancing our data and AI strategy in 2026

In 2026, we will take the next step in our data and AI transformation by focusing on two pillars: enhancing customer value and scaling operations with advanced automation. These priorities reflect our ambition to deliver deeper personalization, sharper commercial impact, and greater operational velocity across the Bank.

Under Data and AI for the customer, we will introduce capabilities that elevate how we engage, advise, and retain clients. For Retail Banking, we will equip sales teams with AI-generated scripts, outreach content, and tailored upsell prompts that synthesize product knowledge with individual customer profiles. This support will help advisors prepare faster and deliver more relevant conversations, including B2B pricing support for proposal creation. In Corporate Banking, we will deploy new models to identify customers at risk of becoming inactive and re-engage them with personalized communication before value declines. Digital Banking will strengthen the customer journey by automating and personalizing sales follow-up for Retail and Private Banking customers using generative AI.

Under Data and AI for scalable operations, we will apply intelligent automation to improve speed, accuracy, and productivity across core functions. For Technology and Data, we will accelerate development cycles through AI-generated functional code, unit tests, documentation, and UI-to-backend integrations. For Credit, Risk, and Compliance, we will enhance credit underwriting with advanced models and de-biasing techniques to support more consistent, forward-looking decisions for retail lending and credit cards.

Reflecting our strategic shift toward enterprise-scale AI adoption, these initiatives will enable us to strengthen customer engagement, sharpen risk insight, and operate with greater agility as we enter the next phase of our transformation.



With a strong data foundation, disciplined governance and growing internal demand, Data and AI Innovation is now positioned as a strategic engine for future growth.

# Saudi Vision 2030

## Championing national progress through shared ambition

alinma is aligned with the Kingdom's long-term aspirations and remains committed to supporting the national transformation outlined in Vision 2030. The Bank continues to embed the Vision's priorities into its strategy, culture, and operating model, focusing on talent development, economic diversification, SME empowerment, financial inclusion, and community impact. By aligning its growth with the country's broader goals, the Bank contributes to building a more competitive economy, a more inclusive society, and a more resilient financial sector, while preparing future generations to thrive in a rapidly changing landscape.

### Vision 2030 Goal

To lower the rate of unemployment to 7%

#### Strategic objectives

- Cultural transformation to attract and retain the best talent in Saudi Arabia
- Acquire top talent including new capabilities

#### 2025 highlights

- 96% Saudization rate

#### 2026 goals

- Continue improving the Saudization rate and keep alinma in the Platinum category within the Ministry of Human Resources' Elite program

### Vision 2030 Goal

To increase SME financing as a percentage of Bank financing to 20%

#### Strategic objectives

- Grow high-quality SME segment
- Drive Kafalah growth
- Drive SME growth through program-based financing
- Develop supply chain finance
- Develop product bundles for SMEs

#### 2025 highlights

- 29% growth in SME financing
- Launched iz Business
- Amad's innovation and entrepreneurial ecosystem provided support to 15 innovators, 14 entrepreneurs, and offered 18 volunteering opportunities within the ecosystem

#### 2026 goals

- Support the growth of 20 startups through Amad's innovation and entrepreneurial ecosystem

### Vision 2030 Goal

To increase percentage of university graduates who joined the labor market after graduation to 75%

#### Strategic objectives

- Future Bankers program: An annual distinguished program for fresh graduates that end with employment, offering intensive one-year training across various tracks, including a specialized track in artificial intelligence
- Target young talents and qualify them to move from the academic field to work through job shadowing programs, first-day initiatives from Misk, cooperation with universities, partnerships, and sponsorships in exhibitions and others

#### 2025 highlights

- Graduated 55 participants from the **Future Banker program**
- Launched the **Madarik Bootcamp**, graduating 140 university students with specialized skills that bridge the gap between academics and the labor market in finance, accounting, strategy, and digital
- Delivered cooperative training initiatives, equipping more than **170 trainees** with hands-on, on-the-job experience
- Graduated **10 candidates** from the first-of-its-kind, specialized **Artificial Intelligence program**

#### 2026 goals

- Position alinma as the preferred choice for job seekers
- Attract **55 candidates** into the Future Banker program across digital, AI, and corporate tracks
- Complete the **second edition of the Madarik Bootcamp**

### Vision 2030 Goal

To increase percentage of women's participation in the labor market to 40%

#### Strategic objectives

- Cultural transformation to attract and retain the best talent in the KSA
- Acquire top talent including new capabilities

#### 2025 highlights

- 23% Female percentage of total workforce
- Provided executive preparation and education for 45 women from different government and non-profit entities in a **3.3 Mn** partnership with PNU and MIT
- Partnership with the Financial Academy to offer Better Money Habit courses for women

#### 2026 goals

- Provide additional executive preparation and education for 45 women from different government and non-profit entities
- Build financial management capability in 1,000 individuals

## Saudi Vision 2030 continued

### Vision 2030 Goal

To increase volunteers to one million per year

#### Strategic objectives

- Engage in various forms of volunteering, including traditional volunteering and professional volunteerism, utilizing unique expertise, insight, and resources to advance industries and professions

#### 2025 highlights

- Contributed +2,700 hours to volunteering in financial inclusion topics and impact project

#### 2026 goals

- Contribute 500 hours to volunteering in financial inclusion topics and impact project

### Vision 2030 Goal

To promote home ownership to reach 70%

#### Strategic objectives

- Deliver the best customer experience and achieve operational excellence
- Reduce home finance and PF TAT through process optimization
- Enhance digitization to streamline operations and improve efficiency
- Digitalize the home financing journey for a seamless customer experience

#### 2025 highlights

- Launched new real estate products: Etezaz, REDF DP self-construction, and real estate expats finance
- 2 real estate products fully digitalized in alinma application
- Real estate new sales market share increased from 6.0% to 8.7%
- ﷲ 3.5 Mn partnership with Jood/Sakan, providing support for 20 security guards at alinma (20 apartments)

#### 2026 goals

- Introduce and digitize more real estate products
- Launch additional real estate products
- Enhance customer experience by fully digitalizing customer journeys
- Optimize turnaround time (TAT) for key products and services
- ﷲ 3.5 Mn partnership with Jood/Sakan to provide houses for 25 underprivileged segments

### Vision 2030 Goal

To increase percentage of employed persons with disabilities who are able to work to 15%

#### Strategic objectives

- Empower individuals with disabilities by launching the Athar program, a six-month training initiative that enhances their skills and ensures sustainable employment, fostering workforce inclusivity and economic participation
- Achieve 4% of the total workforce consisting of employees with disabilities by end of 2026

#### 2025 highlights

- Percentage of people with disabilities is 3% of the total workforce
- Trained 20 individuals under alinma's ATHAR program, specializing in empowering people with disabilities in the workplace

#### 2026 goals

- Achieve 4% of people with disabilities within alinma's workforce

### Vision 2030 Goal

To increase percentage of major companies that provide CSR programs to 90%

#### Strategic objectives


- Increase the percentage of major companies offering CSR programs from 12.3% to 15%, fostering corporate social responsibility and community impact

#### 2025 highlights

- Contributed ﷲ 34 Mn to CSR programs and initiatives

#### 2026 goals

- Allocate 1% of annual profit to CSR programs and initiatives

 The Bank is positioned to support non-oil growth by financing priority sectors, SMEs, and private-sector initiatives aligned with national development objectives, maintaining a diversified and resilient balance sheet.

# Market Overview

## A region in transition, momentum sustained

Saudi Arabia's economic landscape continues to undergo a period of structural transformation, underpinned by the sustained execution of Vision 2030 initiatives. These reforms are steadily diversifying the economic base, reducing reliance on hydrocarbons, and reinforcing growth across non-oil sectors.

**In FY2025 (preliminary estimates), real GDP is estimated to grow by approximately 4.4%, supported by around 5.0% growth in non-oil activities. This performance reflects continued progress in strengthening private-sector participation, attracting investment, and fostering a more competitive, business-friendly environment.<sup>1</sup>**

Across the wider GCC, economic momentum also strengthened as diversification agendas and strategic public investment programs gained further traction. Growth expectations for 2025 improved, with the World Bank projecting GCC growth to reach approximately 3.2% in 2025 (forecast), highlighting the region's transition toward more balanced and resilient economic models.<sup>2</sup>

### Continued growth for Saudi Arabia

Saudi Arabia's performance in 2025 highlights the depth and durability of its economic transformation. Despite oil prices declining by nearly 30% from their 2022 peak, the non-oil economy demonstrated strong momentum, underscoring tangible progress in reducing exposure to commodity cycles. Vision 2030 reforms have materially narrowed diversification gaps with emerging markets, while improvements in regulation, competitiveness, and market openness have elevated the business environment to levels comparable with advanced economies.

Growth remained broad-based throughout the year. In Q3 2025, real GDP expanded by 4.8% year-on-year, supported by 4.3% growth in non-oil activities, alongside a positive contribution from oil-related sectors.<sup>3</sup> Importantly, this expansion was driven not only by capital formation, but also by labor market strength. Private-sector job creation accelerated, participation increased – particularly among women – and unemployment rates reached record lows. While this progress is significant, continued reform momentum remains essential to close remaining gaps with advanced economies and sustain long-term transformation.

Macroeconomic stability was preserved. Inflation remained well contained, with the Ministry of Finance's FY2025 preliminary estimate placing CPI inflation at approximately 2.3%.<sup>4</sup> Latest official monthly data indicates further easing to 1.9% year-on-year in November 2025, with housing and rental costs remaining the primary contributors to price movements.<sup>5</sup>

On the fiscal front, updated FY2025 estimates point to total revenues of around 1,091 billion and expenditures of approximately 1,336 billion, resulting in an estimated budget deficit of 245 billion, equivalent to 5.3% of GDP.<sup>6</sup> Looking ahead, the FY2026 budget projects expenditures of about 1,313 billion and a reduced deficit of roughly 165 billion – or 3.3% of GDP – reflecting a calibrated approach to sustaining growth while gradually strengthening fiscal balance.<sup>7</sup>

Capital inflows continued to strengthen, reinforcing confidence in the Kingdom's outlook. Net foreign direct investment inflows reached 24.9 billion in Q3 2025, representing a 34.5% increase compared to Q3 2024, which recorded 18.5 billion. This also marked a 5.2% increase over the previous quarter of 2025, when inflows totaled 23.7 billion, underscoring sustained international investor interest in Saudi Arabia's long-term growth trajectory.

### A resilient banking system enabling transformation

The Saudi banking sector continues to operate within one of the most resilient financial environments in the GCC, underpinned by strong capitalization, solid profitability, and sustained support from the Kingdom's economic transformation agenda. Ongoing investment activity, large-scale project execution, and structural reforms under Vision 2030 have reinforced the sector's role as a stable and effective intermediary for growth. In its 2025 Article IV consultation materials, the IMF highlighted the strength of the Saudi banking system, noting that non-performing financing ratios had declined to their lowest levels since 2016, reflecting prudent underwriting standards and improving credit quality.<sup>8</sup>

Credit conditions in 2025 remained supportive of economic expansion. Banking system credit continued to grow in line with strong demand from both corporate and retail segments, supporting project financing, private-sector investment, and household activity. In Q2 2025, SAMA reported bank credit growth of 15.8% year-on-year, reaching 3,186.3 billion, underscoring the sector's capacity to finance large-scale economic activity while maintaining balance sheet discipline. Asset quality remained a key area of strength, supported by conservative risk management practices and targeted policy measures aimed at priority sectors. The IMF's latest assessment reaffirmed the sector's resilience and highlighted the continued improvement in credit metrics relative to recent years.<sup>9</sup>

Capitalization levels across the sector remained robust and well above regulatory requirements. By the end of Q3 2025, capital adequacy reached 19.78%, compared to 19.09% at the end of Q3 2024, representing a year-on-year increase of 0.85%. This sustained strengthening of capital buffers reflects the positive development of listed Saudi banks and places the sector among the most strongly capitalized globally, comfortably exceeding Basel III requirements.<sup>10</sup> With this solid foundation, the Saudi banking system is well positioned to remain supportive of the Kingdom's transformation agenda and the financing needs associated with Vision 2030-linked growth.

### Sustainability and long-term outlook

The integration of sustainability considerations into financial and economic decision-making gains momentum across the sector, with increasing focus on sustainable finance, resilience, and long-term value creation. Looking ahead, Saudi Arabia's economic outlook remains positive, supported by continued reform execution, rising private-sector participation, and technology-driven productivity gains. These dynamics reinforce the Kingdom's transition toward a more diversified, innovation-enabled economic model, with the banking sector positioned to play a central role in enabling sustainable growth over the medium and long term.<sup>11</sup>

1 Ministry of Finance  
2 aljziracapital.com.sa  
3 General Authority for Statistics  
4 Ministry of Finance  
5 General Authority for Statistics

6 Ministry of Finance  
7 Ministry of Finance  
8 IMF  
9 IMF  
10 maaal.com  
11 Ministry of Finance

## Market Overview continued

### Market trends and alinma's response<sup>12</sup>

Given the ambition, the banking industry in Saudi Arabia, like many other sectors, faces challenges and opportunities that are both unique to the region and reflective of global trends.

#### 01 Economic diversification and regulatory evolution

Saudi Arabia's diversification agenda under Vision 2030 is reshaping the structure of economic growth, expanding activity beyond hydrocarbons into sectors such as tourism, entertainment, technology, infrastructure, and private enterprise. This shift requires banks to adapt financing models, risk assessment frameworks, and portfolio allocation to support emerging industries with different maturity profiles and risk characteristics. At the same time, the regulatory landscape is evolving alongside this transformation, placing greater emphasis on governance, transparency, data protection, and compliance discipline.

##### alinma response

For alinma, these dynamics translate into a dual opportunity and responsibility. The Bank is positioned to support non-oil growth by financing priority sectors, SMEs, and private-sector initiatives aligned with national development objectives, maintaining a diversified and resilient balance sheet. In parallel, ongoing investment in technology, data, and automation supports efficient compliance, strengthens risk management, and enhances regulatory readiness. This disciplined approach enables alinma to capture growth from economic transformation, while safeguarding operational resilience and long-term sustainability.

<sup>12</sup> Deloitte.com

#### 02 Technological advancement and cybersecurity resilience

Rapid technological progress continues to redefine banking models, customer expectations, and competitive dynamics. Digital banking, fintech integration, automation, and artificial intelligence offer significant opportunities to enhance customer experience, improve efficiency, and scale operations. At the same time, increased reliance on digital platforms heightens exposure to cyber threats, data privacy risks, and operational disruption, making cybersecurity and information governance critical enablers of sustainable digital growth.

##### alinma response

For alinma, technology and AI are central to both growth and resilience. Continued investment in digital platforms, data analytics, and intelligent automation strengthens scalability, speed, and service quality across the franchise. In parallel, robust cybersecurity frameworks and controls safeguard customer data, protect business continuity, and preserve trust as digital adoption accelerates. Under the Data and AI agenda, we are enhancing customer engagement through personalized, AI-driven journeys across retail, corporate, and digital banking, while improving pricing discipline, reducing revenue leakage, and strengthening proactive retention. At the same time, enterprise-scale AI adoption across technology, credit, risk, and compliance functions is improving decision quality, accelerating development cycles, and enhancing productivity. These initiatives enable alinma to innovate with confidence, manage digital risk effectively, and operate with greater agility as we enter the next phase of transformation.

#### 03 Competition from fintech-driven disruption

The rapid expansion of Saudi Arabia's fintech ecosystem is reshaping competitive dynamics across financial services. National initiatives under the Financial Sector Development program have accelerated fintech growth, supported by clear regulatory frameworks, open banking, and innovation sandboxes, overseen by SAMA and the Capital Market Authority. Advances in cloud infrastructure, 5G connectivity, and digital payments have lowered barriers to entry and enabled fintech firms to deliver agile, customer-centric solutions, particularly attractive to younger and digitally native segments. As fintech adoption scales across payments, investments, insurance, and asset management, traditional banks face increasing pressure on speed, pricing, and customer experience, alongside the need to adapt operating models and culture to remain competitive.

##### alinma response

For alinma, this evolving landscape reinforces the importance of innovation, selective collaboration, and disciplined execution. The Bank continues to strengthen its digital-first proposition through targeted platform launches, ongoing optimization of mobile and online journeys, and participation in open banking initiatives, while maintaining strong governance and risk standards. These efforts have supported sustained improvements in customer experience, including a 7% annual increase in digital Net Promoter Score. A central pillar of alinma's fintech response is alinmapay, the Bank's wholly owned fintech arm. Established to accelerate payments innovation and support financial inclusion, alinmapay doubled its customer base to 15 million, achieved near-universal card usage, and processed transaction volumes exceeding ₪ 7 billion, with international remittances more than doubling. On the merchant side, the platform doubled its e-payment gateway customers and processed over ₪ 8 billion in transactions. These initiatives position alinma to compete effectively in a fintech-driven market, while extending its reach, strengthening engagement, and supporting the Kingdom's shift toward a cashless, digitally enabled economy.

#### 04 Regulatory intensity and rising risk expectations

Saudi banks operate within an increasingly rigorous regulatory environment shaped by ongoing enhancements from SAMA and alignment with global standards. Recent years have seen the implementation of Basel III, the introduction of the Personal Data Protection Law, and expanded regulatory reporting and governance requirements, increasing expectations around data quality, transparency, and risk oversight. While these frameworks strengthen the resilience of the banking system, they also raise the complexity and cost of compliance, requiring banks to manage credit, market, operational, and financial crime risks with greater precision. Failure to adapt effectively carries not only financial penalties, but also reputational risk, making regulatory compliance a strategic imperative rather than a purely operational requirement.

##### alinma response

For alinma, this environment reinforces the importance of robust governance, disciplined risk management, and technology-enabled compliance. The Bank continues to invest in advanced risk frameworks, capital and liquidity discipline, and AI-driven monitoring tools that enhance consistency, speed, and forward-looking insight. These include early warning models covering both corporate and retail portfolios, advanced credit underwriting and de-biasing models for retail lending and cards, and specialized analytics for fraud prevention, AML, and cyber risk detection. Governance is reinforced through structured oversight mechanisms, including an AI prioritization committee and controlled deployment frameworks, ensuring regulatory alignment and responsible use of advanced analytics. These capabilities enable alinma to proactively manage risk, meet evolving regulatory expectations, and convert compliance complexity into a source of operational strength and Stakeholder confidence.

## Market Overview continued

### 05 Economic volatility and geopolitical uncertainty

Saudi Arabia's banking sector remains exposed to broader economic volatility and geopolitical developments that can influence growth conditions, investor confidence, and financial market stability. Fluctuations in oil prices continue to affect fiscal dynamics and economic sentiment, while regional and global geopolitical tensions can introduce uncertainty into capital flows, trade activity, and funding conditions. These factors heighten the importance of anticipating downside risks, particularly around credit quality and earnings volatility, and require banks to strengthen their ability to assess and respond to rapidly changing macroeconomic conditions.

#### alinma response

For alinma, this environment underscores the value of prudence and preparedness. The Bank continues to emphasize disciplined balance sheet management, diversified sector exposure, and conservative funding and liquidity practices to absorb potential shocks. Advanced analytics, stress testing, and proactive risk monitoring enhance the ability to identify emerging pressures early and adjust risk appetite, portfolio composition, and capital deployment accordingly. Supported by strong capital and liquidity buffers, these measures enable alinma to navigate uncertainty with resilience and maintain our support of our customers, safeguard stability, and sustain long-term growth.

### 06 Customer expectations and experience

Customer expectations across Saudi Arabia's banking sector continue to rise, shaped by digital lifestyles, service transparency, and demand for seamless and personalized interactions. Customers increasingly expect intuitive journeys, consistent service across channels, and solutions tailored to their financial needs and life stages. With a young population profile, where around 40% of citizens are under the age of 25, expectations are rapidly evolving toward mobile-first, always-on engagement. At the same time, relatively low savings penetration highlights an opportunity for banks to play a stronger role in shaping financial habits through more relevant wealth, savings, and advisory solutions. Failure to meet these expectations can quickly shift loyalty toward more agile and customer-centric competitors.

#### alinma response

For alinma, responding to this shift is central to sustaining growth and relevance. Continued investment in digital platforms, data analytics, and Gen AI-enabled personalization is enhancing how we engage customers across both digital and physical touchpoints. We are deepening in-app experiences through intelligent, personalized interactions while improving service consistency through technology-enabled processes and strategic partnerships. Product innovation remains a key lever, with new offerings across cards, insurance, personal finance, and home finance strengthening value propositions for different segments. These initiatives support stronger acquisition, higher engagement, and deeper relationships, positioning alinma to meet evolving expectations while unlocking long-term opportunities to grow deposits, usage, and customer lifetime value.

### 07 Talent acquisition and retention

Demand for specialized skills across digital banking, cybersecurity, risk management, and regulatory compliance is intensifying across the Saudi banking sector. This demand is reinforced by rapid digital transformation, evolving regulatory requirements, and heightened expectations around governance and risk oversight. While national initiatives are expanding the talent pipeline, competition for experienced professionals remains strong. Government programs such as Nitaqat and the broader nationalization agenda are placing increased emphasis on developing Saudi capabilities, particularly the next generation of leaders needed to sustain a resilient and future-ready financial sector. Institutions such as the Financial Academy play a critical role in this ecosystem, strengthening industry-wide capability through large-scale training, certification, and leadership development.

#### alinma response

For alinma, talent remains a strategic enabler of execution and long-term performance. We continue to invest in attracting and developing high-potential Saudi talent through structured partnerships with universities and national programs, supported by initiatives such as COOP, SIFI, MADARIK Journeys and Bootcamps, GOSI collaborations, and targeted campus engagement. These efforts strengthen workforce nationalization while building critical skills for the future. Retention and engagement are reinforced through a holistic employee value proposition, including the launch of the Z program to support long-term financial well-being, flexible and hybrid work models, enhanced family-supportive policies, and a comprehensive well-being ecosystem. These measures support leadership continuity, institutional resilience, and a culture that enables innovation, performance, and sustained growth.

# CFO's Review

## Performance delivered through disciplined execution



alinma closed 2025 with a strong and resilient financial performance, adeptly navigating an evolving macroeconomic condition, shifting interest rate dynamics, and continued transformation across the Saudi banking sector.



**Adel Saleh Abalkhail**  
Chief Financial Officer



The year reflected the disciplined execution of our strategy, a sustained focus on core banking fundamentals, and continued investment in digital capability, innovation, and operational efficiency. These elements combined to deliver solid earnings growth, a strengthened balance sheet, and a high-quality, diversified income base, positioning the Bank well for the next phase of growth.

### Strong financial performance underpinned by disciplined execution

In 2025, alinma delivered robust financial results driven by healthy balance sheet growth, expanding fee income, and continued margin resilience. Funded income increased to ₪ 9.4 billion, supported by higher financing volumes, improved asset mix, and disciplined pricing across portfolios. Non-funded income also showed solid momentum, reaching ₪ 2.5 billion, reflecting strong cross-selling, transaction banking growth, and expanding fee-based services across retail, corporate, and SME segments.

Net income after zakat reached ₪ 6.4 billion, reflecting both operating income growth and effective cost management. Operating income grew to ₪ 11.9 billion, while operating expenses remained controlled at ₪ 3.7 billion, allowing the cost-to-income ratio to stabilize to 31.20%. This performance highlights the Bank's continued focus on efficiency, process optimization, and scale benefits from digitalization and automation.

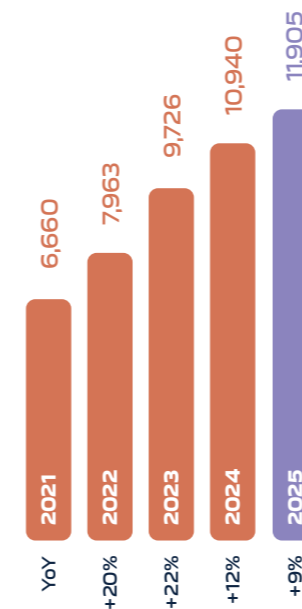
Return on equity improved to 18.70%, while return on assets remained strong at 2.18%, reinforcing alinma's position among the leading performers in the Saudi banking sector. These outcomes demonstrate our ability to generate sustainable profitability while maintaining prudent risk management and capital discipline.

### P&L Track Record

#### Total operating income

₪ Mn

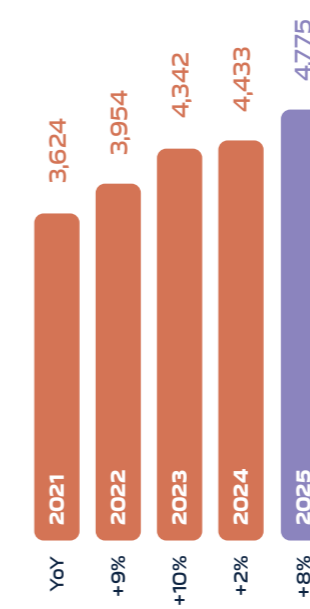
+16% CAGR



#### Total operating expenses

₪ Mn

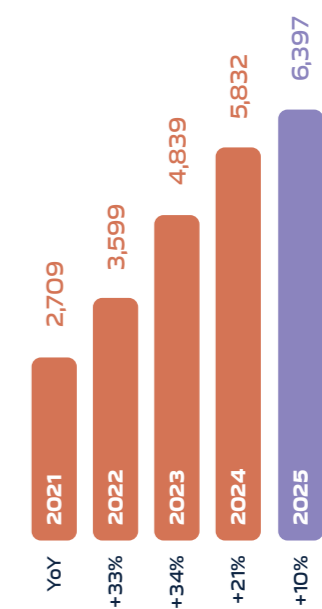
+7% CAGR



#### Net income

₪ Mn

+24% CAGR





## CFO's Review continued

### Balance sheet strength and high-quality growth

The Bank's balance sheet continued to expand in a balanced and well-managed manner. Total assets grew to ₪ 311 billion, driven by financing, which grew to ₪ 233 billion, supported by strong demand across Corporate, Retail, SME, and Project Finance segments. Growth was diversified across sectors and client segments, reducing concentration risk and enhancing portfolio resilience.

Customer deposits increased to ₪ 227 billion, reflecting strong franchise momentum, deepening customer relationships, and continued trust in alinma's value proposition. Current and savings account deposits represented 48.3% of total deposits, supporting funding stability and margin sustainability. The Bank's liquidity position remained robust, with the loan-to-deposit SAMA ratio at 82.1% and the liquidity coverage ratio comfortably above regulatory requirements at 135%.

Capital strength remained a core pillar of the Bank's financial resilience. Total equity increased to ₪ 48 billion, supported by retained earnings and disciplined capital management. The capital adequacy ratio stood at 19.9%, providing ample headroom to support growth, absorb shocks, and pursue strategic opportunities aligned with Vision 2030.

### Net Income after zakat

₪ 6.4 Bn

### Total assets

₪ 311 Bn

### Asset quality and prudent risk management

Asset quality remained strong throughout 2025, reflecting conservative underwriting standards, proactive portfolio monitoring, and effective credit risk management. The non-performing financing ratio improved to 0.92%, while coverage levels remained prudent at 150.3%, underscoring the quality and resilience of the financing portfolio.

Impairment charges for the year amounted to ₪ 1 billion, reflecting both portfolio growth and the continued normalization of credit costs. The cost of risk remained well controlled at 0.47%, supported by diversified exposures, strong collateral coverage, and early identification of emerging risks. These outcomes highlight the Bank's disciplined approach to risk, particularly during a period of rapid economic transformation and sectoral change.

### Diversified income and expanding fee-based revenues

A key theme of 2025 was the continued diversification of income streams. Non-funded income increased to ₪ 2.5 billion, accounting for 21% of total operating income. Growth was driven by transaction banking, card services, treasury products, trade finance, and digital channels, reflecting the success of cross-selling initiatives and the expansion of value-added services.

Treasury activities contributed positively, supported by active balance sheet management, customer-driven hedging solutions, and disciplined investment strategies. Trade finance volumes also increased, reflecting stronger corporate activity and the Bank's growing role in supporting domestic and cross-border trade.

This diversification enhances earnings stability, reduces reliance on margin income alone, and supports sustainable profitability through different economic cycles.

### Balance sheet track record

#### Total assets

₪ Bn

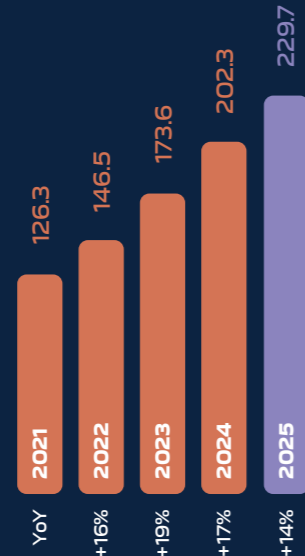
+16% CAGR



#### Financing

₪ Bn

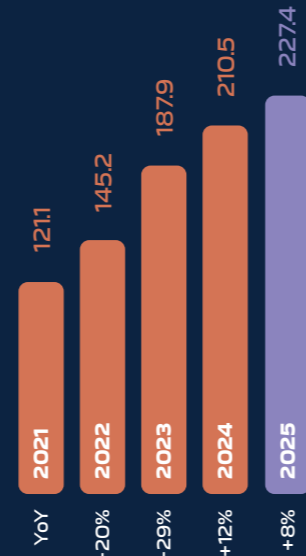
+16% CAGR



#### Customers' deposits

₪ Bn

+17% CAGR



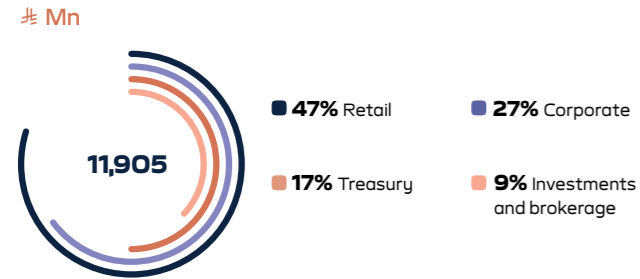
### Five-year summary table

Balance sheet (₪ Mn)	YE2021	YE2022	YoY%	YE2023	YoY%	YE2024	YoY%	YE2025	YoY%	CAGR
Financing, net	126,271	146,492	16.0%	173,624	18.5%	202,308	16.5%	229,746	13.6%	16.1%
Total assets	173,476	200,436	15.5%	236,715	18.1%	276,827	16.9%	311,067	12.4%	15.7%
Customers' deposits	121,061	145,168	19.9%	187,901	29.4%	210,545	12.1%	227,373	8.0%	17.1%
Total liabilities	142,765	168,560	18.1%	202,381	20.1%	235,386	16.3%	262,826	11.7%	16.5%
Total Shareholders' equity	25,711	26,876	4.5%	29,334	9.1%	41,442	41.3%	48,241	16.4%	17.0%
<b>Income statement</b>										
Total operating income	6,660	7,963	19.6%	9,726	22.1%	10,940	12.5%	11,905	8.8%	15.6%
Net income for the period	2,709	3,599	32.9%	4,839	34.5%	5,832	20.5%	6,397	9.7%	24.0%
<b>Key ratios</b>										
Cost-to-income ratio	35.40%	34.72%	-1.9%	31.29%	-9.9%	30.93%	-1.2%	31.20%	0.9%	-3.1%
ROAE	10.81%	13.69%	26.6%	17.22%	25.8%	18.80%	9.2%	18.70%	-0.5%	14.7%
ROAA	1.64%	1.93%	17.7%	2.21%	14.5%	2.27%	2.7%	2.18%	-4.1%	7.3%
NPL ratio	1.75%	1.94%	10.9%	1.61%	-17.0%	1.06%	-34.2%	0.92%	-13.6%	-14.9%
NPL coverage ratio	177.07%	136.35%	-23.0%	154.86%	13.6%	172.26%	11.2%	150.30%	-12.7%	-4.0%

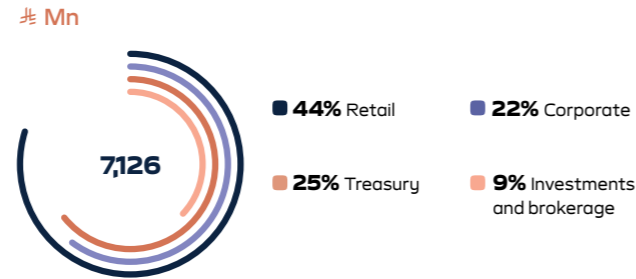
(these are an approximate pie chart)

## CFO's Review continued

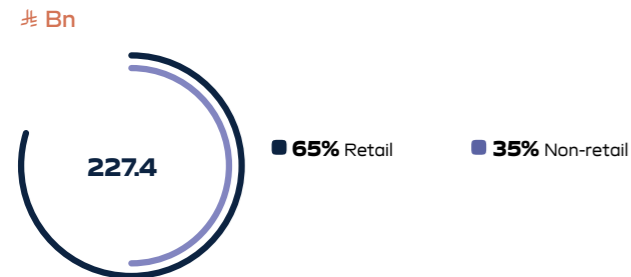
### Operating income composition



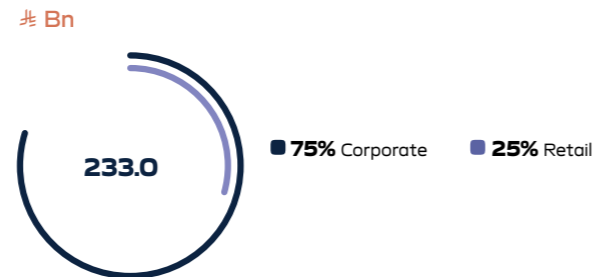
### Net profit before zakat composition



### Customers' deposits composition



### Financing, gross composition



### Operational efficiency and digital scale

Operational efficiency continued to improve in 2025, supported by ongoing digital transformation, process automation, and disciplined cost control.

Digital channels now account for the majority of customer transactions, onboarding, and product origination, reducing manual processing, accelerating time to revenue, and improving customer experience. Investments in core platforms, data analytics, and straight-through processing have delivered tangible financial benefits while supporting scale and resilience.

These efficiencies are structural rather than cyclical, providing a durable foundation for future growth, while maintaining service quality and compliance.

### Executing strategy and supporting national priorities

2025 marked a year of delivery across alinma's strategic priorities. The Bank continued to support key national objectives by expanding financing to priority sectors, supporting SMEs and entrepreneurs, and enabling project finance aligned with economic diversification. Growth in SME and corporate financing reflected both rising demand and the Bank's enhanced capability to serve complex client needs through integrated financing and transaction solutions.

At the same time, alinma continued to invest in innovation, digital platforms, and ecosystem partnerships, ensuring the Bank remains competitive, agile, and relevant as customer expectations evolve.

### Momentum into 2026 and beyond

Looking ahead, alinma enters 2026 from a position of strength. The Bank's financial fundamentals are solid, its balance sheet is resilient, and its income base is increasingly diversified. The execution discipline demonstrated in 2025 provides a strong platform to accelerate innovation, deepen customer primacy, and deliver sustainable growth.

Our focus in the coming period will remain on prudent balance sheet expansion, disciplined capital management, and continued efficiency gains, while investing selectively in capabilities that support long-term value creation. With a clear strategic direction toward 2030, alinma is well positioned to capture growth opportunities, navigate market cycles, and deliver consistent returns for Shareholders.

In closing, 2025 was a year in which strategy translated into results. Through disciplined execution, financial strength, and continued innovation, alinma reinforced its position as a resilient, high-performing Islamic bank, well equipped to support the Kingdom's transformation and deliver sustainable growth in the years ahead.



This diversification enhances earnings stability, reduces reliance on margin income alone, and supports sustainable profitability through different economic cycles.



# Risk Management

## Safeguarding performance through disciplined risk stewardship

alinma maintains a rigorous and continuously improving risk management discipline that underpins the strength and stability of its business. The Bank applies a comprehensive governance framework designed to anticipate, assess, and manage risks with precision, ensuring its decisions remain aligned with strategic priorities and Shareholder interests. Through disciplined oversight, proactive identification of emerging risks, and a culture of accountability at every level, alinma works to safeguard its financial resilience while enabling sustainable growth. This commitment to best-practice risk management provides a strong foundation for delivering long-term value and supporting the Bank's ambitions in an evolving operating environment.

The Bank's Risk Management Governance (RMG) operates within a periodically evaluated risk mitigation framework, which considers existing and emerging economic risks stemming from global and domestic challenges. In conjunction with other material factors, this has ensured strong growth and success for alinma during the year under review.

The Bank has a robust risk identification and management procedure, aligned with its overarching governance process. Identifying existing risks while being conscious of emerging risks, any deviations from the routines and business norms are quickly grasped and remedied. The Bank is committed to a strong proactive credit process to ensure that credit risk falls within the institutional risk appetite framework. Meticulously designed Risk Acceptance Criteria establishes the requirements under which the Bank is willing to initiate and/or maintain a credit relationship with companies which fall under its target market.

The Bank's enterprise risk management objective is to maximize return to Shareholders by optimizing the use of

the Bank's risk capital. The Bank assesses market and service strategies based on a thorough understanding of the financial results of those strategies, including measurement and calculation of the exposure to risk and/or loss, and the consumption of risk capital required to implement those strategies. Business growth and profit generation being the objective of the Bank's operation, similar focus and attention is afforded to the RMG for sustainable business with long-term growth goals.

### Risk Management framework

The Bank's strong performance while navigating the evolving environment without major incident was underpinned by its RMG structure, which views risk mitigation and management as non-negotiable. The Board of Directors and the Board Risk Committee worked in tandem to enforce a strong organizational structure and framework that contributed to a growing balance sheet while averting adverse incidents.



## Risk Management continued

### Three Lines of Defense Model

The Bank's risk management framework is based on the Three Lines of Defense model, demonstrating alinma's integrated and collaborative effort across all levels of the Bank to ensure effective enterprise risk organization.

Board of Directors	Executive Committee	Audit Committee	<b>1<sup>st</sup></b> Line of Defence  <b>Credit Committee</b> <b>Investment Committee</b>	<b>2<sup>nd</sup></b> Line of Defence  <b>Asset and Liability Management Committee (ALCO)</b>	<b>3<sup>rd</sup></b> Line of Defence  <b>Internal Audit</b>	Regulations
		Risk Committee	<b>Business Units</b> <ul style="list-style-type: none"> <li>• Corporate</li> <li>• Retail</li> <li>• Treasury</li> </ul>	<b>Risk Management Group</b> <ul style="list-style-type: none"> <li>• Risk Excellence and Basel Unit</li> <li>• Credit Risk Management</li> <li>• Market Risk Management</li> <li>• Operational Risk Management</li> <li>• Cybersecurity Management</li> <li>• Counter-Fraud Management</li> </ul>	<ul style="list-style-type: none"> <li>• Provides Bank-wide independent, objective assurance over the design and operation of the Bank's internal control, risk management and governance process</li> </ul>	
		Nomination and Compensation Committee	<b>Support Units</b> <ul style="list-style-type: none"> <li>• Finance</li> <li>• Credit Management</li> <li>• Information Technology</li> <li>• Human Capital</li> <li>• Operations</li> <li>• Premises</li> <li>• Legal</li> <li>• Marketing</li> </ul>	<b>Control Unit</b> <ul style="list-style-type: none"> <li>• Shariah and Compliance</li> </ul>		

### Risk appetite

The Bank's risk appetite framework establishes the types and levels of risk it is willing to accept in pursuing its strategic objectives while maintaining an appropriate risk-reward balance. Given the recent growth in financing and the continued volatility in global economies – which directly affect Saudi Arabia's oil-dependent economy – the Bank remained reasonably cautious in expanding its risk-appetite boundaries this year.

### Risk Management highlights in 2025

The Bank follows a well-defined credit evaluation process anchored in a clear Target Market and Risk Acceptance Criteria, credit policies framework, and extensive due diligence process. The Bank's objective is to have the industry's best risk management practices for managing risks in its lending and investment portfolios.

A number of key changes were carried out to the Bank's RMG structure during the year under review. To enhance focus on counter-fraud risk, four sub-units were launched within Counter-Fraud Management, which reflect the Bank's efforts to ensure its risks remain within the set parameters.

Financing growth continued to outpace deposit growth in the Kingdom during the year under review, yet the Bank's credit profile – with minor changes to the risk profile of certain sectors – was well managed. The cost of funds grew owing to the profit rate increase by the Saudi Central Bank (SAMA). However, this was mitigated by reprising or moving corporate deposits to mature in one year and corporate financing accounts to 78% of the total financing book of the Bank.

In addition, there have been a range of initiating and sustaining initiatives that instill a pervasive risk-awareness culture throughout the organization, fostering a collective understanding of risk management responsibilities at all levels and creating a proactive risk conscious environment in the Bank.

### Principal risks

The Bank's principal risks are those that have the potential to cause a temporary or long-lasting breakdown in banking operations and revenue generation at alinma, if unchecked, unidentified or unmanaged. Broadly, these can be categorized as financial and non-financial risks.

### Financial risks and mitigation

#### Credit risk

Credit risk arises when a counterparty fails to meet its contractual obligations to the Bank. To mitigate this risk, the Bank applies a proactive credit process that ensures origination quality remains within the institutional risk appetite and complies with the criteria for extending credit.

All credit proposals are subjected to a high degree of due diligence intended to identify all risks associated with granting the credit. In addition, all credit exposures are subject to ongoing monitoring and annual review activity, which may result in an exposure being moved to a different credit risk grade as a result of various qualitative and quantitative obligor-specific factors, such as changes in the audited financial statements, compliance with covenants, management changes, as well as changes in the economic and business environment.

An internal credit-rating model is employed to determine the Obligor Risk Rating (ORR), which quantifies the obligor's probability of default. In addition, ratings from major credit rating agencies are taken into account, provided they are available and disclosed by clients. A key element of this process is the target market, which acts as the first filter to ensure that the Bank avoids initiating or maintaining relationships with obligors that do not align with its strategic goals or desired risk profile. The Risk Acceptance Criteria (RAC) establishes the conditions under which the Bank is willing to engage in or continue a credit relationship with an obligor that meets the target market criteria. The credit assessment for individual obligors of retail asset products is performed through an automated product specific scorecard framework.

Credit Risk Management oversees the Bank's financing policies and actively facilitates the periodic renewal and update of credit policies, guidelines, and processes to manage risks within the defined risk appetite and minimize potential losses. It ensures alignment with evolving economic conditions, market trends, and regulatory requirements.

The Bank actively manages diverse credit portfolios to mitigate concentration risk, ensuring broad diversification across industries, regions, and customer sizes. It closely monitors obligor and sector concentrations to assess exposure and regularly conducts stress tests to evaluate potential adverse impacts on asset quality, profitability, and

## Risk Management continued

capital. Capital adequacy is maintained by allocating sufficient capital to cover unexpected credit losses, impacting the capital adequacy ratio (CAR).

### Market and liquidity risk

Equity prices, profit rates, foreign exchange rates, commodity prices, and regulatory directions are the variables that pose a market risk to the Bank. This is managed under the Risk Management Division that regularly monitors the Bank's market risks, including currency risk.

Currency risk represents the risks of change of value of financial instruments due to changes in foreign exchange rates. The Bank's Risk Appetite framework and policies contain limits for positions by currencies. However, the Bank has negligible exposure in foreign currencies because its assets and liabilities are primarily denominated in Saudi Riyals and to some extent exposure in USD or in USD-pegged currencies.

Liquidity risk arises as a result of various factors other than a default; they include but are not limited to inefficient cash flow management, inability to obtain funding, unexpected economic disruptions – as was seen in the scale of the pandemic – unexpected capital expenditure, and profit crisis. Failure to adequately manage liquidity risk can quickly result in negative consequences that include the potential downgrading of the Bank's credit rating and its standing in the financial markets, despite a strong capital and profitability level.

Liquidity risk reflects the possibility the Bank will be unable to obtain funds such as customer deposits or borrowed funds, at a sustainable cost or within a necessary period to meet its obligation. Part of the sound liquidity risk management program within the Bank includes, among others:

- Continuous management and Board oversight
- Implementation of appropriate liquidity management policies, procedures, and risk limits
- Implementation of liquidity risk measurement and monitoring system
- Ensuring adequate level of marketable assets

- A diverse mix of existing and potential funding sources
- Comprehensive and actionable funding plans
- Appropriate plans for potential stress events

To avert a liquidity risk, alinma strictly adheres to Banking Control Laws and Regulations issued by SAMA and maintains statutory deposits with SAMA for the required level for total demand deposits and customer time investments. It also maintains the required liquid reserves of not less than 20% of its deposit liabilities in the form of cash and assets. In addition, alinma adheres to the other SAMA's regulatory requirement on liquidity and funding related to Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), and SAMA's Liquidity Ratio.

Great care is taken by the Risk Management Division to manage and avert liquidity risk. The Bank's approach for managing the potential liquidity risks consists of several measures to efficiently support daily operations and provide for contingent liquidity demand, including:

- Maintaining sufficient amounts as an unencumbered high-quality liquidity buffer, a protection against any unforeseen interruptions to cash flow
- Managing short-term and long-term cash flows via a maturity mismatch report and various indicators
- Monitoring depositor concentration at the Bank level to avoid undue reliance on large fund providers
- Diversifying funding sources to ensure proper funding mix
- Constant review and assessment of the Contingency Funding Plan

Profit Rate Risk in Banking Book (PRRBB) arises from changes in profit rates, which will affect either the fair values or the future cash flows of the financial instruments. The Bank uses the Economic Value of Equity (EVE) methodology and Income-based Approach to assess the Profit Rate Risk in the Banking Book.

### Non-financial risks and mitigation

#### Operational risk

Operational risk arises from inadequate or failed internal processes, people, and systems or from external events. The Bank's Operational Risk team works on an assurance plan to

regularly test the strength of the processes and process adherence in the various business units and fixes any glitches, swiftly. The Business Environment and Internal Control framework is strictly applied to avert any unprecedented event. Similarly, the Bank's disaster recovery site and business continuity plan are tested periodically to build awareness and agility among the staff, in case of any adverse event.

alinma currently has insurance policies that cover potential risks resulting to the damages of assets, including a Property All Risk Insurance Policy, Banker Blanket Bond Insurance Policy, Director and Officers Insurance Policy, Third Party Liability Insurance Policy, and a Money Insurance Policy.

#### Cybersecurity risk

Cybersecurity risks are related to the loss of confidentiality, integrity, or availability of information and its system, which

may negatively affect the Bank's reputation or result in financial losses. The Cybersecurity Department works continuously to identify, mitigate, and monitor cybersecurity risk to minimize it to the acceptable level. This is achieved through solid policies and procedures for cybersecurity risk management, in alignment with the relevant regulations, to ensure cybersecurity risk engagement for all Bank activities. This includes but is not limited to new products, risks of third parties and cloud services, and risk assessment of business groups.

Additionally, the Cybersecurity Defense Center monitors and handles cybersecurity incidents and threats 24/7. The Cybersecurity Department strengthened organizational resilience by enhancing staff awareness and conducting regular phishing simulations. Through ongoing monitoring and rapid response activities, we significantly reduced phishing risks and improved the Bank's overall security posture.

## Risk Management continued

### Fraud risk

Fraud pertains to the intentional use of deceitful or misleading practices in order to gain personal or financial advantages at the expense of others. It encompasses a range of deceptive activities, including but not limited to financial fraud, identity theft, and cyber fraud, all of which involve the deliberate manipulation or misrepresentation of information for illicit purposes. At its essence, fraud involves a calculated and unethical exploitation of trust and vulnerabilities for personal gain.

Counter-fraud risk management is an ongoing process that provides the Bank with the tools to manage fraud risk in a manner consistent with the regulatory requirements as well as organizational needs. A comprehensive Fraud Management program includes components such as a strong ethics policy, fraud awareness training, risk assessment, prevention measures, detection systems, investigation protocols, well-defined fraud risk strategy supported by advance monitoring tools, data analytics, and real time-time detection mechanisms.

In addition, the Bank successfully implemented SAMA framework controls. This involved adopting prescribed standards, policies, and procedures; establishing robust internal controls and risk management systems; continuously monitoring emerging fraud trends and techniques; and ensuring robust governance and compliance within the organization with independent oversight committees.

The Bank maintains the highest standards in counter fraud governance, transparency, and risk management. The robust internal controls framework is designed to safeguard the Bank's assets and its customers, ensure regulatory compliance and effectively mitigate fraud risk.

Overall, an enhanced fraud management program encompasses a comprehensive range of measures. Fraud mitigation measures include robust internal controls, conducting fraud risk assessments, real-time fraud detection tools and systems, deployment of advanced fraud prevention systems to enhance security and operational efficiency, and continuously monitoring emerging fraud trends and techniques.

### Shariah non-compliance risk

alinma, as a premier full-service Shariah-compliant institution is committed in all its dealings to adhering to the highest standards of Shariah-compliant banking and hence Shariah-compliance is a priority. To mitigate a breach, the Bank has implemented extensive Shariah policies and procedures and established a Shariah Board and a Shariah Compliance Audit unit to ensure strict Shariah-compliance in all activities of the Bank.

### Reputational risk

Reputational risk arises from regulatory actions against the Bank, negative media publicity or customer perceptions, fraud, penalty payments, the Bank being used for financial crime, or any other non-financial or financial risk that could tarnish the strong brand visibility and standing of alinma.

As a responsible and accountable corporate citizen in the banking industry, it is of paramount importance that the Bank is vigilant and adept at identifying any possible occurrence and speedily move to mitigate the risk. To counter this risk, the Bank works within its strong RMG structure and has also introduced a scorecard-based approach to measure its reputational risk.



alinma strictly adheres to Banking Control Laws and Regulations issued by SAMA and maintains statutory deposits with SAMA.





## Becoming the most customer-centric.

In 2025, we continued to enhance customer experience across all touchpoints, supported by digital innovation, improved service models, and a deeper understanding of customer needs.



# Business Review

# 03

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# Retail Banking Group

As we close the books on 2025, the Retail Banking Group stands proud of a year in which digital innovation, Shariah-compliant product depth, and customer centric execution converged to deliver record setting growth and heightened trust. Our profit rate transparent solutions have reached more Saudi families than ever before, while our AI driven processes have cut onboarding time significantly.

We will build on this momentum, deepening sustainable financing, expanding green Islamic offerings, and continuing to turn every interaction into a reliable source of value for our customers, Shareholders, and the Kingdom's Vision 2030.

+17%

Financing portfolio YoY



Over

1 Mn

New customers acquired



127

Number of operating branches



## Stronger presence. Deeper engagement. Record performance.

In 2025, our Retail Banking Group advanced on every front, reinforcing our position as a customer-centric market leader and delivering another year of strong commercial and brand momentum. We continued to advance our mandate to serve customers with clarity, convenience, and trust, by elevating our presence across digital and physical touchpoints, expanding our engagement with key communities, and delivering record-setting performance in strategic growth channels.

We introduced our new brand identity across all digital platforms, ATMs, and branches, marking a major step in unifying how customers experience alinma. We also strengthened our national footprint by securing the naming rights for alinma Stadium, a milestone that deepened our connection with youth, sports, and the broader community while significantly increasing brand visibility. In line with our strategic moves in the branch network expansion, we opened a number of landmark branch locations, for example KAFD.

Our participation in Cityscape Global 2025 in Riyadh was another standout achievement. As the world's largest real estate exhibition, the event provided a strategic platform to engage customers, build partnerships, and drive financing growth. We achieved our strongest performance to date, more than doubling the number of real estate financing applications compared to the 2024 event and recording the highest application volumes in our history.

## Strategic focus and progress

Since alinma launched our 2025 Strategy, we have advanced our leadership in retail banking by using best-in-class and emerging technologies to meet the evolving needs of customers across the Kingdom. We strengthened our market position by enhancing our digital platforms, elevating customer journeys, and introducing products designed to drive acquisition, engagement, and long-term value. Throughout the year, we remained focused on delivering seamless, intuitive, and reliable experiences that reflect the standards of a modern, customer-centered bank.

Looking ahead, as part of our Strategy 2030, Retail Banking priorities for the coming years will be centered on three strategic objectives that guide our execution and shape our impact.

## Aspire to primacy across all customer segments

We will persist in advancing toward a primacy-based model anchored in deeper engagement and long-term relationships. Our focus will be on further embedding a customer-centric primacy framework across priority segments, supported by an evolving coverage model and frontline performance measures aligned with relationship depth and lifetime value. We will keep strengthening the underlying infrastructure that enables primacy, including adaptive pricing capabilities, expanded smart loyalty programs, and more sophisticated, insight-led campaign management across all channels.

## Innovate with segment-focused offerings and bundles

We will sharpen our value propositions for priority and high-value segments by designing offerings that are more relevant, modular, and differentiated. Building on smart technologies, we will continue to introduce targeted hook products that redefine acquisition journeys and create more compelling onboarding experiences. These initiatives are intended to drive higher engagement, increase product adoption, and reinforce our competitiveness in segments that matter most to our long-term growth.

## Deliver memorable customer journeys across digital and physical channels

We will further invest in customer journeys that seamlessly blend technology, personalization, and convenience. This includes expanding Gen AI-powered in-app companionship and hyper-personalized experiences that deepen digital engagement. Across physical and digital touchpoints, we will continue enhancing service quality through strategic partnerships, data-driven marketing, and technology-enabled formats that improve consistency, accessibility, and ease of use.

Through these priorities, Retail Banking will continue to play a central role in advancing alinma's 2030 Strategy. We will focus on growing and deepening customer relationships, strengthening digital capabilities, supporting responsible balance sheet growth, elevating the omni-channel experience, investing in our people and culture, and advancing financial inclusion and sustainability through purposeful, customer-led solutions.

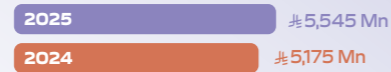


## Retail Banking Group continued

### Income from investments and financing, net



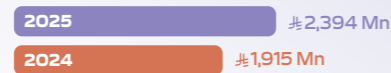
### Total operating income



### Fees from services and other income



### Total operating expenses



### Shaping the next chapter of customer innovation

Retail Banking continued to advance alinma's strategic ambitions in 2025 by expanding its product universe, elevating service quality, and deepening customer engagement across every segment. Our progress reflects a clear commitment to meaningful innovation, operational excellence, and market-leading customer experiences that reinforce our position as a trusted financial partner for individuals and families across the Kingdom.

### New products

We introduced a wide range of new products that strengthened our proposition across cards, insurance, personal finance, and home finance. We launched three new cards, including the Social Development Bank Cards, iz Cashback and iz Business, alongside four new card services such as Cards through Open Banking, Easy Payment Plan, Google Pay, and Samsung Pay.

Our insurance portfolio expanded with three new app-enabled products covering motor, travel and medical malpractice. We introduced two new personal finance solutions, Payment Deferral and Finance Plus, to provide greater flexibility for customers. Home finance saw significant progress with four new products and two fully digital options, including Etzaz, REDF Real Estate Development Fund Down Payment, self-construction, off-plan cash to finance, and expats finance. We also launched Musanad, a dedicated service for house workers.

### Business excellence

We strengthened our operational foundation through enhancements designed to streamline processes and improve service delivery. The rollout of a new Card Management System improved efficiency and performance across the cards portfolio; the adoption of cheque forgery detection devices in all branches was designed to ensure accurate and compliant transactions.

We advanced systems integration, merging 35 services into CRM to unify customer data and service workflows. Additional improvements included the launch of the Callback Service, the expansion of IVR services from 27 to 53, and the introduction of Watheq, an employee achievements tracking app that supports continuous improvement and recognition across the team.

### Real Estate Finance Risk

The Bank's total outstanding residential real estate finance portfolio as of 31 December, 2025 was 29.3 billion. The Bank has developed adequate policies and procedures to ensure that the appropriate insurance coverage is in place to hedge against potential financial losses associated with residential real estate portfolio. However, risk elements which are not part of the insurance coverage are dealt with according to the Bank's internal risk management framework.

Following are the different types of insurance covers that the Bank has utilized to hedge various risks associated with its residential real estate finance portfolio.

**Life insurance:** The life insurance provides financial protection in the event of death resulting from natural or accidental events or specified cause as per the insurance policy in order to recover the outstanding finance amount from insurance company.

**Disability insurance:** The disability insurance provides financial protection to recover the outstanding financing amount in the event that the policyholder becomes fully and permanently disabled and is unable to work or engage in an income earning activity.

**Property insurance:** Property insurance provides coverage for physical damage or loss to the property caused by events such as fire, flood, or natural disasters, etc. This is intended to mitigate the financial impact of property damage, allowing the Bank to recover the costs due to unexpected/unforeseen events.

### Deposits and segments

We recorded notable growth across deposits and customer segments, reinforcing our ability to attract, serve, and retain diverse customer groups. We launched the Expats Affluent Banking package and the Sustainable Saving Non-individual product, supporting segment expansion and strengthening long-term savings behavior. Customer deposits grew by 11.42%, supported by strong acquisition momentum that brought in more than one million new retail customers, which includes over 600,000 new youth customers. We introduced new segmentation criteria and personas to refine our targeting approach and launched four new accounts: Zood Alajjal, Dependent, Visitor, and Saving Goal.

### Strengthening leadership in Shariah-compliant innovation

In 2025, we continued to advance our position as a leading provider of Shariah-compliant retail banking by elevating product integrity, enhancing digital delivery, and expanding access for underserved customer groups. Our focus remained centered on aligning every offering with the

highest standards of Shariah governance while modernizing our platforms to deliver a fast, intuitive, and fully compliant experience. This combination of rigorous oversight, innovation, and customer-driven development has reinforced our leadership in Islamic retail banking and strengthened our contribution to national financial inclusion and sustainability goals.

Our commitment to Shariah-compliant excellence guided every stage of product development throughout the year. We maintained continuous alignment with the rulings of our Shariah Committee. This ensured that every retail solution, from savings accounts to financing, met the strictest compliance standards and cultivated long-term customer trust.

A digital-first approach shaped our delivery model as we expanded AI-driven, end-to-end Islamic banking journeys. Enhancements such as electronic KYC, automated contract generation, and real-time profit rate calculation allowed customers to open, manage, and close Islamic accounts within minutes. These upgrades matched the speed and convenience of conventional channels while fully preserving Shariah integrity.

We advanced customer-centric product innovation by introducing modular, build-your-own Islamic financing structures. Hybrid Murabaha Musharakah designs and flexible Ijara-based auto finance options gave customers the ability to tailor repayment structures to their cash flow patterns and risk appetite, all without compromising compliance.

Financial inclusion and ESG remained central to our mandate. We expanded targeted micro finance and introduced green Islamic financing solutions for SMEs and households. These efforts broadened our reach to underserved segments and supported the sustainability ambitions of Saudi Vision 2030.

Operational resilience and risk management continued to underpin our Islamic banking portfolio. We strengthened credit risk models for Islamic products, enhanced liquidity risk monitoring for profit rate swaps, and maintained robust audit trails for every Shariah-related contract. These improvements protected our balance sheet, improved transparency for regulators, and lay the foundation for further innovation and growth ahead.

## Retail Banking Group continued

### Elevating access, speed, and service quality

Throughout the year, we elevated retail customer experience and accessibility by strengthening our physical and digital touchpoints and improving the speed, accessibility, and consistency of every interaction. Our focus remained on making banking simpler and more intuitive, while ensuring growing our footprint to ensure that customers across the Kingdom benefit from modern, reliable, and fully integrated service delivery.

We upgraded 337 legacy ATMs to next gen models, enhancing reliability, functionality, and convenience for customers nationwide and significantly off loaded transaction volumes from physical branches, freeing teller staff to focus on higher value advisory and relationship building services. The opening of 12 new alinma branches strategically expands our physical footprint into prime locations and priority regions, delivering faster access for millions of customers. We also accelerated our paperless agenda with over 90% of services now completed through a secure one-time password process, reducing friction and improving turnaround times.

To deepen our understanding of customer needs, we implemented the NPS survey in the alinma app, giving us real time insights that inform continuous service improvement. We further supported frontline engagement by equipping 50 branch supervisors with tablets, enabling faster processing and more personalized support within branches.



**Our commitment to Shariah-compliant excellence guided every stage of product development throughout the year.**

### Awards and recognition in 2025

#### Best Bank in Retail – Saudi Arabia 2025

The Global Economics

#### Best Digital Banking Platform for Youth (iZ) – Saudi Arabia 2025

The Global Economics

#### Most Innovative Rebranding Initiative – Banking – Saudi Arabia 2025

Global Business Outlook

#### The Best Performing Bank in KSA

The Banker

#### Excellence in Shariah-compliant Digital Banking Saudi Arabia 2025

World Economic Magazine

#### Best Use of Data & Analytics in Wealth Management – MENA

(MEED)

#### Best Islamic Retail Bank for Shari'a Compliance and Assurance in Saudi Arabia 2025

IRBA

#### Outstanding Customer Experience Award

International Center for Strategic Alliances – ICSA

#### Excellence in Open Banking Implementation

International Center for Strategic Alliances – ICSA

#### Multi-channel Integrated Campaign

MENA DIGITAL AWARDS 2024-2025



### Retail Banking in 2026

We are preparing a strong pipeline of offerings for 2026 as we continue to expand our reach, elevate customer experience, and strengthen our contribution to alinma's long-term strategy. Our focus remains on broadening access to Shariah-compliant solutions, accelerating digital transformation, and deepening customer relationships through products that reflect real needs across every segment we serve.

In auto finance, we plan to introduce auto multi-debt burden ratio solutions for pre- and post-retirement customers, expand auto financing to self-employed clients, and roll out a revamped Auto Murabaha structure. Our real estate portfolio will grow with new products, including finance against property income, auction finance, and a real estate top-up option designed to support customers seeking flexible and responsible home financing pathways. In personal finance, we aim to launch portfolio-based financing, deposit-based financing, BNPL services, and a new expats HUB proposition to strengthen financial access and engagement.

Payments and bancassurance will advance through Remit Now Pay Later, Visa Direct, and Mastercard Send with new

MTO partnerships, along with additional insurance products covering home, digital protection, and savings. Our cards offering will expand with a cashback revolving card, commercial corporate cards, a new co-branded card, and a full prepaid revamp. Across current accounts and segments, we will introduce a digital joint account, new solutions tailored for retired segments, and a mothers' sub-account to support more diverse customer profiles.









Self-service and ATM enhancements will drive greater convenience with digital account authentication on kiosks, fingerprint ATM cash withdrawals, and the installation of new generation ATMs across the network. Time deposit offerings will be strengthened with NAMA mini amount wallet, NAMA upfront profit, and new profit distribution frequency options. Our savings portfolio will grow with the alinma saving Draw Account, a loyalty saving account, a long-term saving plan, and an employee saving scheme to support healthier financial habits for individuals and families.

These initiatives position Retail Banking for another year of strong progress as we continue to innovate with purpose, scale responsibly, and deliver solutions that keep alinma ahead of customer expectations in 2026 and beyond.



## Retail Banking Group's strategic partnerships

### Retail Banking

Partner	Objective	Expected outcome	Partner	Objective	Expected outcome
<b>Visa International</b> 	Personal payment solutions, secure transactions, travel support, cards, and rewards designed to bring more value to our customers everyday experiences	Solidify alinma's commitment to delivering a modern, payment experience. By expanding its card portfolio, leveraging Visa's cutting edge digital payment technologies, and strengthening transaction security	<b>Almanea Household Appliances</b> 	Pay with Points at Almanea stores, enabling customers to redeem akthr points for electronics and appliances	Empower customers with flexible, instant point redemption on essential and high-value purchases, driving higher engagement and positioning akthr as a practical part of customers' daily spending
<b>The Real Estate General Authority (REGA)</b> 	Seamless integration between alinma and the REGA portal for fully automated escrow account opening, enabling same day issuance of real estate developer licenses through instant, digital escrow provisioning	Turns a traditionally manual, paper heavy escrow opening process into a secure, real time digital service, cutting processing time from days to minutes through a fully auditable, regulator ready workflow that reduces risk exposure and operational cost	<b>TLC Worldwide</b> 	Gamification-based loyalty enhancement solution to boost customer engagement through interactive challenges, reward mechanisms, and instant digital voucher prizes	Deliver interactive customer journeys, achievement-based rewards, and the ability to earn instant digital vouchers to add excitement to both the loyalty and app experience
<b>Ministry of Education</b> 	Unified scholarship program that routes student allowances from the Ministry of Education to the education directorates and ultimately to the beneficiaries, while keeping every transaction and account under alinma custodianship	Create a payment pipeline that delivers scholarship funds quickly, transparently, and at lower cost, while giving both the Ministry of Education and alinma full visibility and control over every transaction	<b>National Housing Company Innovation (NHCI)</b> 	Seamless integration between alinma and the NHCI portal to fully automate the customer journey and provide advanced services	Provide NHCI services, such as Sakani and Ejar as a single, seamless workflow to cut turnaround time, boost client satisfaction, and expand market share in real estate financing, with a fully auditable, regulator ready process that lowers risk and operating costs
<b>Aldrees Petroleum &amp; Transport Services Co</b> 	In-app Pay with Points, offering seamless redemption experiences for fuel services	Strengthen alinma's loyalty ecosystem by integrating real-time points redemption, boosting card usage, increasing customer interaction with akthr, and reinforcing alinma's relationship with a strategic merchant	<b>The National Real Estate Registration Services Company (Real Estate Registry – RER)</b> 	Automate real estate title registration operations	Faster title processing, reduced paperwork, transparent tracking, and compliance with Saudi real estate regulations in one place

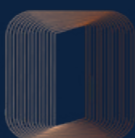
# Private Banking

Our ambition is to lead the future of private banking in Saudi Arabia by redefining what excellence looks like. We aim to set a new benchmark built on trust, insight, innovation, and global sophistication.

We aim to become the first and only choice for discerning clients seeking a private banking partner that understands their expectations, anticipates their needs, and elevates their financial journey with uncompromising quality.



الخاصة  
PRIVATE



+32%

Private Banking deposits YoY



+26%

Client base growth in 2025



3

Dedicated Private Banking centers nationwide



## Elevating private banking across the Kingdom

alinma's Private Banking Group reached an important inflection point in 2025. What began as a fast-growing business matured into a national leader in private banking, underpinned by a sharper client strategy, a stronger value proposition, and a clear foundation for our 2030 ambition. Our progress reflected the depth of our client relationships, the quality of our growth, and our ability to meet the evolving needs of high-net-worth clients across Saudi Arabia.

The Private Banking Group delivered robust growth, with total deposits rising by 32% compared to year-end 2024, demonstrating strong momentum. This performance was anchored by a 26% growth in our client base, driven by a focused acquisition strategy and stronger referral momentum that reinforced confidence in our offering.

This growth was supported by deeper wallet share from existing clients and the acquisition of more sophisticated relationships seeking a comprehensive private banking experience, positioning alinma as a leading private banking partner for clients across the Kingdom and set a strong platform for long-term, value-accretive growth.

## Five years of accelerated strategic progress

Over the past five years, alinma's Private Banking Group has moved from vision to full execution, evolving into a mature, multi-center private banking franchise that reflects our long-term ambition and our commitment to leadership in Shariah-compliant wealth management. This period marked a decisive shift from planning to delivery, supported by stronger capabilities, deeper client relationships, and measurable growth across every key performance area.

We successfully established our physical presence by opening three dedicated Private Banking centers in Riyadh, Jeddah, and Al Khobar, creating a high-touch environment tailored to the needs of sophisticated clients and clearly differentiated from the standard branch network. These centers now serve as the core of our relationship-led model and provide the foundation for scalable growth.

Our deposit and lending performance reflects increasing client confidence and the strength of our model. Since the end of 2022, deposits across current, saving, call, and term accounts grew by 47%, while self-finance facilities rose by 135% over the same period. This growth demonstrates rising demand for Shariah-compliant financing solutions and improved lending efficiency.

Client acquisition and retention also gained strong momentum. Since year-end 2022, our Private Banking client base increased by 90%, driven by targeted acquisition strategies and enhancements to the onboarding experience that helped us attract and retain high-value relationships.

Customer experience improvements remained a central priority. Clients now benefit from a dedicated Relationship Manager model built on trust, advisory excellence and fast execution. Our offering is supported by competitive banking and investment products, enhanced digital channels, and a service approach that consistently ranks in the top tier for client satisfaction and Net Promoter Score among peer banks.

Strengthening our governance capabilities was another core achievement. We enhanced data and reporting quality, advanced MIS systems, and implemented performance tracking tools that give our teams clearer insight and tighter control. These improvements ensure discipline, accountability, and alignment with the strategic priorities that will carry Private Banking into the next phase of the 2030 Strategy.

## Strategic focus for future growth

In 2025, our Private Banking Group began the transition toward alinma's 2030 Strategy, marking a decisive shift in how we position ourselves for the future. Our ambition is clear. We aim to establish alinma Private Banking as the Islamic private bank of choice in Saudi Arabia, operating as a profitable, high-performing franchise built on trust, insight, and personalized service.

## Private Banking continued

Our strategic direction places a sharper focus on creating meaningful, measurable value for both clients and Shareholders. We are elevating long-term relationship growth and financial performance as core priorities and embedding value creation into every product, service, and engagement. Every initiative introduced to our clients is shaped to enhance their experience, strengthen their financial outcomes, and support our broader strategic objectives.

To achieve this, we are redefining our value proposition and service models. We are combining expertise-driven advisory with a Relationship Manager-led coverage approach to deliver differentiated offerings tailored to distinct customer personas. We are also targeting the fast-growing next-generation wealth segment by introducing the market's leading proposition for emerging wealth holders.

Across our platform, we are enhancing the digital experience with hyper-personalized journeys and an AI-powered wealth-advisory companion designed to elevate convenience, insight, and engagement. At the same time, we are preparing a suite of disruptive red carpet services – developed in collaboration with strategic partners – to set a new benchmark for premium service in the Kingdom.

A major pillar of our progression is the expansion of world-class investment opportunities. We plan to build an open-architecture wealth ecosystem in partnership with global asset managers, giving Private Banking clients early or exclusive access to high-quality onshore and offshore investment products designed to meet their evolving needs.

### Expanding opportunities and deepening client value

Throughout 2025, we introduced a series of initiatives designed to broaden investment access, enhance advisory depth, and respond to evolving market dynamics. Each launch reflected our commitment to delivering more sophisticated solutions to our Private Banking clients while strengthening our position in the Kingdom's wealth-management landscape.

We expanded our reach across public and private equity opportunities as both markets experienced notable shifts during the year. We focused on identifying selective opportunities in public equity supported by enhanced market research and advisory insight. At the same time, we collaborated with alinma capital to access private equity opportunities aligned with the long-term wealth objectives of our clients, ensuring they could participate in attractive developments across both asset classes.

We also strengthened our real estate investment solutions in response to sustained demand for diversified property exposure. Through a closer partnership with our investment division, we created new access points for clients to participate in developing projects at an early stage. We complemented this with opportunities in raw land investments tailored for clients seeking long-term capital appreciation.

A key milestone in 2025 was the launch of our Investor Financing program. We developed a structured financing solution that allows qualified clients to obtain tailored facilities for investment in the Saudi equity market. The program enables clients to expand and leverage their existing equity portfolios through controlled and well-monitored financing. This initiative deepens our support for sophisticated investors, enhances market participation, and reinforces our role in helping clients pursue growth opportunities with confidence.

### Elevating the Private Banking experience

In 2025, we advanced the quality, responsiveness and personalization of our Private Banking service model. Our focus remained on delivering a seamless, high-touch experience that reflects the sophistication of our clients and strengthens the trust they place in us.

To reinforce operational excellence, we implemented client-prioritization protocols across all core systems, including CRM and the call center, ensuring fast handling of every interaction. We also introduced periodic analytical reports for Relationship Managers to help them anticipate client needs, monitor their portfolios with precision, and maintain a structured agenda for ongoing engagement across all banking products and services.

### Private Banking in 2026

2026 marks a defining milestone for Private Banking as the official kick-off year of the 2030 Strategy, shifting the focus from strategy design to disciplined execution. The year will witness the launch of high-impact initiatives aimed at accelerating client acquisition, deepening existing relationships, and unlocking new revenue-generating opportunities.

With clear strategic priorities in place, Private Banking will begin rolling out enhanced value propositions, expanded investment and financing solutions, strengthened partnerships, and more targeted client engagement models. The emphasis in 2026 is on building momentum through tangible actions, measurable outcomes, and scalable platforms that position Private Banking on a clear trajectory toward achieving its 2030 ambition of sustainable growth, increased market share, and long-term value creation for both clients and Shareholders.



We aim to establish alinma Private Banking as the Islamic private bank of choice in Saudi Arabia, operating as a profitable, high-performing franchise built on trust, insight, and personalized service.



# Digital Banking

In 2025, Digital Banking moved from capability building to value creation at scale. We translated strategy into measurable outcomes by embedding intelligence, automation, and Shariah-compliant innovation across every journey. The result was clear: stronger growth, deeper engagement, faster execution, and a digital platform trusted by millions.

As we enter the next phase of our transformation, Digital Banking stands as a core engine of alinma's performance today and a foundation for sustained leadership under Vision 2030.



**95%**  
of new customers onboarded digitally



**98%**  
of all transactions executed digitally



**+33%**  
Active digital customers YoY



**58%**  
Increase in digital credit card sales



## Five years of building a high-impact digital banking engine

Over the past five years, the Digital Banking Group has undergone a fundamental transformation in how digital capability is designed, delivered, and scaled across alinma. This period was defined by deliberate capability building, disciplined execution, and the establishment of a fully self-sufficient digital organization able to deliver at pace and with consistency.

A core focus was the adoption of agile delivery at scale. Agile squads were embedded across channels and functions, enabling faster release cycles, clearer ownership, and closer alignment between business priorities and technology execution. This shift materially improved responsiveness to customer needs and reduced dependency on fragmented delivery models.

Customer insight was strengthened through the implementation of Net Promoter Score as a core management metric, supported by ongoing live interaction with customers across digital touchpoints. These feedback loops informed journey redesign, feature prioritization, and experience improvements grounded in real user behavior rather than assumptions. In parallel, data-driven initiatives enhanced analytical depth and established a robust KPI framework, improving performance visibility, accountability, and forecasting accuracy across the digital portfolio.

These structural changes translated into measurable operational outcomes. Digital transaction volumes increased significantly over the period, customer satisfaction reached industry-leading levels, financial transactions saw annual growth of 17%, and cost-to-serve improved as more activity shifted to efficient self-service channels. Targeted platform launches, including the youth app, expanded reach into priority segments, while continuous optimization across mobile and online platforms reinforced alinma's position as a digital-first bank. Digital NPS observed annual growth of 7%.

By the end of this five-year cycle, Digital Banking had evolved from a build-phase function into a mature, performance-driven capability, with the operating discipline, delivery velocity, and customer insight required to support the Bank's scale and complexity.

## Purpose-driven progress in 2025

In 2025, Digital Banking played a central role in reinforcing alinma's position as a leading digital Islamic bank in the Kingdom. Guided by the ambition to unite Shariah-based banking principles with advanced digital capability, we focused on converting every digital interaction into trust, simplicity, and long-term value. By placing the customer at the center of every journey, Digital Banking supported growth across retail, SME, and corporate segments while advancing the Bank's Vision 2030 priorities.

A defining achievement during the year was the expansion of platform-led innovation. The launch of alinma's Banking-as-a-Service platform created seamless integration pathways with ecosystem partners and enabled scalable, diversified revenue models. In parallel, Open Banking progressed through the activation of multiple use cases that enhanced customer data access, simplified onboarding journeys, and strengthened collaboration with fintech partners.

Corporate digital capabilities were significantly revamped with the launch of a new Corporate Portal in the first quarter of 2025. Designed as an integrated environment for complex business needs, the platform introduced advanced services including multi-owner account opening, Saudi Development Bank cards, escrow accounts, POS finance leads, freelancer digital registration, bill subscription digitization, campaign management, and LG charge calculation. This was complemented by the launch of the alinma Corporate Mobile App, delivering digital onboarding, daily banking, secure transfers, SADAD and MOI payments, workflow approvals, and direct POS service requests through a single mobile experience.

## Digital Banking continued

For SMEs, the introduction of the iz Business mobile app marked a major step forward. The app delivers a comprehensive, intuitive digital banking experience that simplifies financial management, improves access to services, and supports business growth through end-to-end digital journeys.

Key banking journeys were digitalized end to end. Trade finance underwent a step change with the rollout of a fully digital trade platform, enabling greater transparency, faster turnaround times, and reduced manual intervention. This was reinforced by the launch of a comprehensive cash-flow management and forecasting solution, providing business customers with real-time liquidity visibility and stronger financial planning tools. Digital lending also scaled meaningfully through straight-through processing for personal finance and credit cards, alongside the rollout of Advance Salary, Auto Lease, and additional financing products directly through the alinma mobile app, delivering instant approvals and full digital fulfillment.

The digital marketplace continued to expand across insurance, automotive, travel, and e-commerce. Fully digital bancassurance offerings, including travel, medical malpractice, and motor insurance, became accessible end to end through the alinma app, attracting new customer segments and supporting cross-sell growth. Customer activation and engagement were further strengthened through the rollout of a data-driven Customer Value Management framework, enabling personalized activation, deeper engagement, and stronger long-term retention. In parallel, a new digital wealth management platform was launched, allowing seamless mutual fund subscription and expanding access to investment solutions that support customers' wealth-building objectives.

Collectively, these initiatives materially expanded alinma's digital capabilities, strengthened ecosystem partnerships, accelerated digital adoption, and reinforced the Bank's contribution to the Kingdom's financial sector development in alignment with Vision 2030.

### Strategy 2030: Shaping the future of intelligent digital banking

As we look toward 2030, our ambition for the Digital Banking Group is to become the leader in intelligent digital banking in Saudi Arabia, setting a new benchmark that moves decisively ahead of local competitors. This vision builds on the strong foundations established over the past five years and reflects our confidence in digital as a primary driver of primacy, growth, and long-term value creation.

Our 2030 digital strategy is anchored around three tightly connected strategic objectives. First, we will develop intelligent banking platforms that deepen customer primacy. By embedding advanced analytics, AI, and real-time insight into our core digital platforms, we aim to deliver highly personalized, predictive, and proactive experiences that strengthen relationships across retail, SME, and corporate segments. These platforms are designed to move beyond transactions, enabling smarter financial decisions and more meaningful engagement throughout the customer lifecycle.

Second, we will expand beyond traditional banking by launching new digital offerings through strategic partnerships and targeted investments. This includes building and scaling ecosystem-based propositions that integrate financial and non-financial services, unlock new revenue streams, and accelerate innovation. By working closely with fintechs, technology partners, and group entities, we will extend alinma's reach into adjacent value pools while maintaining a seamless, trusted customer experience.

Third, we will continue to enhance our operating model to support scale, speed, and monetization. This includes refining digital governance, streamlining collaboration with other business units and subsidiaries, and strengthening our ability to commercialize digital capabilities efficiently. A more integrated, agile, and performance-driven model will allow us to reduce time to market, improve cost efficiency, and translate innovation into sustainable financial outcomes.

Together, these priorities position Digital Banking as a central pillar of alinma's 2030 Strategy. By combining intelligent platforms, ecosystem-led growth, and a high-performing operating model, we are shaping a digital franchise that delivers primacy, differentiation, and long-term competitive leadership in the Kingdom's rapidly evolving financial landscape.

### Measurable impact on growth, efficiency, and value creation

Digital Banking delivered clear, quantifiable impact on alinma's growth and operating performance in 2025. Digital channels accounted for 95% of all new customer onboarding, confirming a strong customer preference for fully digital journeys and validating the Bank's end-to-end digital design. Digital origination also played an increasingly central role in financing activity, with 18% of PF sales initiated digitally and 87% of execution completed through digital channels, materially reducing processing time and operating cost. In consumer credit, 38% of credit card issuances were generated through digital channels, reflecting strong conversion across targeted digital funnels.

Operational scale deepened across the franchise; 98% of Bank-wide transactions were executed digitally, reinforcing alinma's position as a digital-first institution and supporting its ambition to serve as the primary bank for customers across all segments.



## Strong, balanced KPI performance across the digital ecosystem

### Strong, balanced KPI performance across the digital ecosystem

Digital Banking delivered robust year-over-year growth across all major KPIs in 2025. Digital onboarding increased by 26%, while the active digital customer base expanded by 33%, reflecting sustained acquisition momentum. Engagement levels also strengthened, with engaged customers growing by 25%, indicating deeper usage, higher stickiness, and improved customer satisfaction.

Financial contribution from digital channels continued to scale. Revenue from digital services increased by 27%, matched by a 28% rise in net profit-bearing balances held by digitally onboarded customers, demonstrating that digital growth translated directly into core profitability. Product-level performance was particularly strong, with Portfolio Finance sales increasing by 131% year on year, driven by automated journeys, AI-enabled recommendations, and rapid approval processes. Digital credit card sales rose by 58%, confirming strong consumer demand for digital credit solutions.

### Digital Banking as a scalable growth engine

These results demonstrate balanced performance across acquisition, engagement, monetization, and product delivery, confirming Digital Banking as a scalable and resilient growth engine for the Bank. High digital adoption supported market-share gains, particularly among digitally savvy segments, while automation and straight-through execution reduced manual intervention and accelerated time to revenue.

Overall, Digital Banking exceeded expectations in 2025, delivering tangible business growth, stronger financial outcomes, and improved operational efficiency. These achievements reinforce alinma's position as a leading Shariah-compliant digital banking institution in Saudi Arabia and provide a solid foundation for sustained growth, deeper customer relationships, and continued digital leadership in the years ahead.

## Digital Banking continued

# The Digital Factory

### Accelerating innovation with precision and scale

The Digital Factory is alinma's end-to-end digital delivery engine, bringing together analysis, design, development, testing, and continuous operation within a single, tightly coordinated environment. This integrated model enables rapid time to market, with two releases per month across each channel, while maintaining consistent quality, strong governance, and full adherence to Shariah-compliant standards. By owning the full product lifecycle, the Digital Factory plays a central role in turning strategy into execution and innovation into reliable customer experiences.

In 2025, the Digital Factory achieved a step change in delivery speed, quality, and efficiency through two major innovations. The first was the launch of the AWN Portal (Advanced Workload Navigator), a centralized platform that manages test data, configuration sets, and environment orchestration. AWN accelerated test data generation by 95%, removed cross-team dependencies, and introduced 24/7 monitoring of the user acceptance testing environment. These capabilities eliminated delivery bottlenecks, improved traceability and audit readiness, and significantly increased developer and tester productivity.

The second milestone was the rollout of a unified automation framework, providing scalable, instant execution of functional, regression, and performance tests across multiple device types. By enabling parallel testing and automated reporting, the framework reduced manual effort, minimized human error, and shortened release cycles, while increasing confidence in every deployment. This strengthened alinma's ability to deliver frequent, secure, and stable releases in line with an ambitious digital roadmap.

Customer-centricity remained embedded throughout delivery. Agile squads worked closely with design teams and local and global partners to benchmark experiences against leading players, while CX researchers advanced lifestyle-based insight that informed ongoing and future journey enhancements.

These advances reinforced the Digital Factory's role as a high-performance delivery hub that supports faster innovation, stronger governance, and scalable growth. Building on 2025 momentum, the Digital Factory is well positioned to expand automation, explore intelligent testing, and adopt cloud-native models to support alinma's next phase of digital leadership.



### Digital Banking in 2026

As we move into 2026, alinma enters the execution phase of its digital 2030 Strategy, fully aligned with the Bank's broader agenda. The year will mark a step-change in how we design, deploy, and scale digital capabilities, with a clear focus on building intelligent banking platforms, expanding beyond-banking propositions, and further strengthening our operating model.

Our priorities for 2026 center on launching new digital products and services while continuing to refine end-to-end customer journeys to deliver simpler, faster, and more intuitive experiences. We will intensify efforts to attract new customers, deepen activation and engagement across existing segments, and accelerate digital sales and revenue growth. Marketplace expansion will remain a key growth lever, complemented by a strong focus on maintaining market-leading Net Promoter Scores and top mobile app ratings.

At the same time, we will sharpen execution discipline by reducing time-to-market, scaling personalization through advanced data and AI capabilities, and embedding continuous improvement across our digital delivery model. Together, these priorities position 2026 as a foundational year for digital excellence, setting the pace for sustained growth, stronger customer relationships, and alinma's ambition to lead intelligent digital banking in the Kingdom.





Case Study

# iz Business

## A mobile-first platform redefining how SMEs and freelancers bank

### Modernizing business banking for a new economy

Building on the successful launch and strong adoption of iz Youth, which tapped into the dynamic, rapidly-evolving needs of the youth segment, alinma has extended this strategy to the next growth frontier: Saudi Arabia's SMEs and freelancers. By leveraging the insight and momentum gained from iz Youth, we are now positioned to serve these untapped markets with tailored, innovative solutions. Both segments are central to economic diversification, job creation, and productivity growth.

As entrepreneurial activity accelerated, expectations of banking shifted with a clear demand for faster onboarding, simpler servicing, and digital-first financing. alinma identified a strategic opportunity to support this fast-growing segment with a purpose-built solution aligned with Vision 2030's focus on entrepreneurship and digital enablement, while strengthening its own SME proposition.

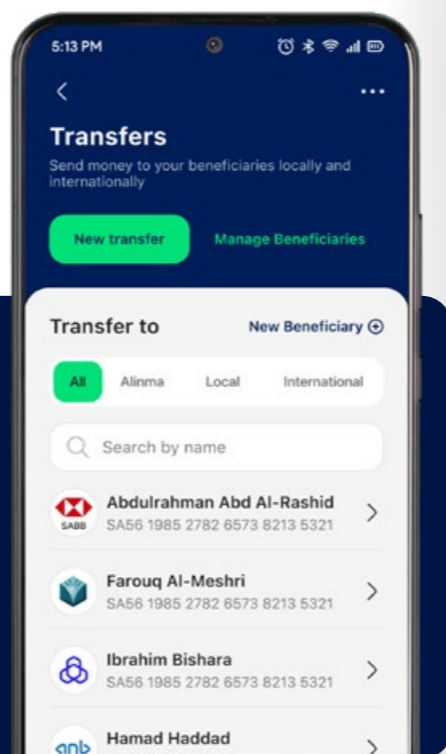
### A fully digital business banking experience

In October 2025, alinma launched iz Business, a mobile-first banking platform designed specifically for SMEs and freelancers. Built around end-to-end digital onboarding, the platform allows customers to open accounts and access services directly from their smartphones, removing friction and significantly reducing time to value.



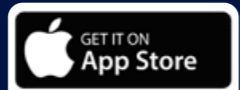

iz Business integrates essential day-to-day capabilities, including business accounts, digital invoicing with account-level payment collection, payroll management, cards, SADAD and government payments, and local and international transfers. A defining innovation was the introduction of straight-through processing SME financing, enabling eligible customers to request and receive financing entirely through the app without manual intervention, an industry-first mobile capability.

### Accelerating inclusion, engagement, and growth

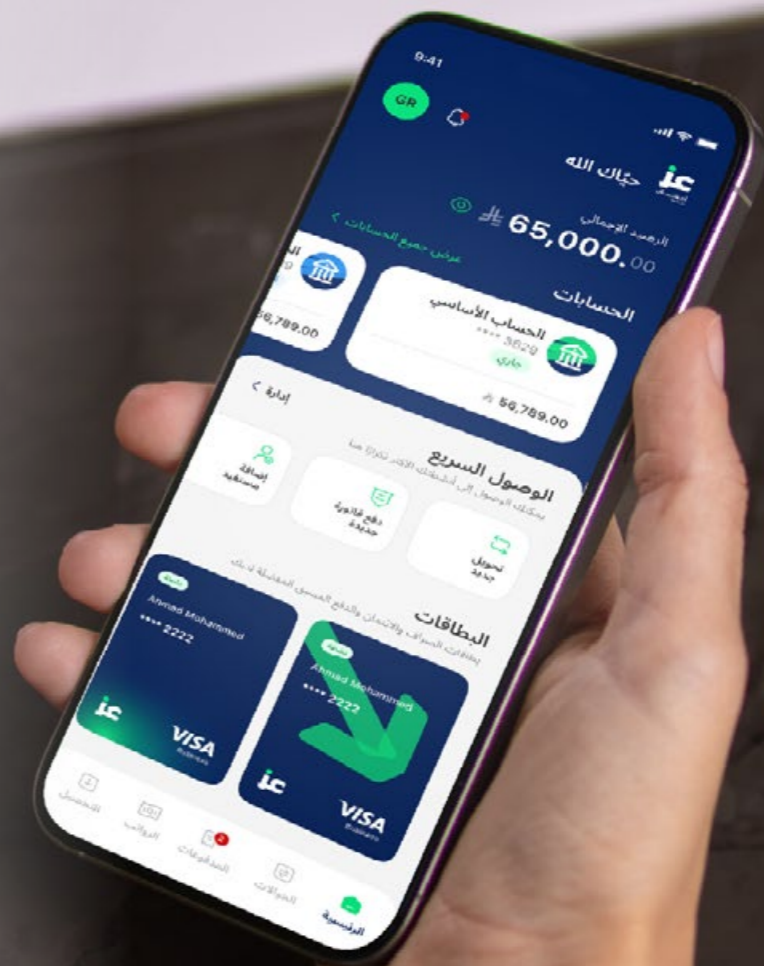
Following launch, iz Business gained rapid traction among SMEs and freelancers, reinforcing alinma's position in digital business banking. The platform simplified operations, improved access to financing, and deepened customer engagement through a single, integrated experience. By combining operational tools with mobile-based financing, iz Business strengthened financial inclusion, supported business scalability, and advanced alinma's digital transformation agenda while contributing to national economic priorities.



Scan to download iz mobile app


iz Business demonstrates how digital innovation can remove barriers for entrepreneurs and unlock faster, more inclusive growth for SMEs across the Kingdom.



# Treasury Group

At alinma, Treasury is not just a function. It is the engine that powers balance-sheet growth, strengthens funding resilience, and empowers clients across every segment. Our mandate goes far beyond liquidity management.

We shape the stability of the Bank, expand its access to diverse capital sources, and engineer Shariah-compliant solutions that help customers navigate complex financial environments with confidence. As alinma enters a new strategic horizon, Treasury will continue to serve as a catalyst for growth, innovation, and long-term value creation.

+86%

Investment growth since 2020



ﷲ 54 Bn

Total investments (2025)



\$ 2 Bn

Sukuk issued in 2025



ﷲ 128.9 Bn

FX business volume



## A stronger, more resilient treasury franchise

Over the past five years, our Treasury Group has undergone a structural transformation that elevated its role as a core contributor to alinma's financial strength, strategic flexibility, and client value proposition. This progress reflects disciplined execution, deeper Shariah-compliant innovation, and a more sophisticated operating model designed to support the Bank's long-term ambitions.

We significantly expanded our investment and funding capabilities, increasing total investments by approximately 86% to ﷲ 54 billion between 2020 and 2025. At the same time, we broadened and diversified our funding base through multi-year Sukuk issuances, including \$2 billion in 2025, \$1 billion in 2024 and ﷲ 5 billion in 2021, strengthening liquidity and improving our maturity profile.

Our Global Sales and Trading delivered strong and sustainable performance through disciplined risk management, enhanced pricing capabilities and expanded client coverage. FX volume increased across corporate and retail clients to more than ﷲ 128 billion over 2025.

Global Sales broadened the exposure of total derivatives solutions across Corporate and Retail clients by 24% on a year-to-year basis, reaching ﷲ 17.2 billion by volume, which was driven by substantial growth in both structured deposits and FX Waad by 35% and 76%, respectively.

In addition, as a primary dealer for NDMC, Treasury played a pivotal role in connecting clients to government Sukuk primary issuances by providing direct participation in monthly auctions, enabling the deployment of more than ﷲ 4.4 billion across diversified government tenors. This reinforced our commitment to serving client investment needs by supporting effective duration management, portfolio diversification, and access to high-quality sovereign instruments.

Our derivatives and hedging platform advanced materially through the implementation of an SPV structure that opened new access to global counterparties and enabled us to secure more competitive pricing. This infrastructure supported the introduction of FX forward, flexi forward, and FX swap solutions that enhanced our ability to meet the risk-management needs of corporate and institutional clients.

We also expanded our suite of Shariah-compliant hedging tools, launching collared floaters, range accruals, repo-to-maturity structures, late payment solutions, cross-currency swaps and Target Accrual Redemption Forward (TARF) structures. These products filled a distinct market need for Islamic treasury instruments and improved our ability to support client portfolios and cash-flow management.

A major milestone was the successful upgrade of the Murex system along with the implementation of new risk assessment and product-development modules, improving integration across the Bank. Collectively, these advancements positioned Treasury as a strategic enabler of alinma's growth and prepared the franchise for alignment with the 2030 Strategy.

## A step change in diversified funding

The defining milestone of 2025 was the upgrade to our funding strategy. As the Bank's balance sheet continued to expand, Treasury delivered long-term, stable, and competitively priced funding that reinforced capital strength and liquidity resilience. The expansion of our Sukuk issuances through several instruments (AT1, Tier2, and senior unsecured), attracted a wider pool of institutional investors and optimized the capital structure, while the introduction of the Certificates of Deposit program and long-term extendable repos added more stability to our funding mix. These initiatives provided for stronger high-quality liquid assets and supported the disciplined management of key prudential ratios.

## Treasury Group continued



### Supporting strategic progress and client value

Treasury played an essential role in supporting alinma's growth and financial performance in 2025 by increasing long-term funding, enhancing capital through capital-market issuances, and maintaining strong liquidity and market-risk profiles.

Our client focus in 2025 centered on broadening Shariah-compliant risk-management and investment solutions across retail, corporate, and institutional segments. We launched structured deposits tailored to various risk-return profiles, introduced profit-rate cap and floor contracts to help clients hedge benchmark volatility, and rolled out cross-currency swaps and TARF structures to improve foreign-exchange risk management. These solutions expanded our product suite meaningfully and reinforced alinma's leadership in Islamic treasury innovation.

Notable 2025 transactions included the introduction of our first sustainable AT1 Sukuk program with a total size of \$1 billion, issued across two transactions; our debut Tier 2 and senior unsecured issuances, totaling \$1 billion pursuant to the \$5 billion Sukuk program; and the launch of a \$2 billion Certificates of Deposit program, which generated \$1.05 billion across multiple tenors.

**35%**

Structure deposits growth

**76%**

FX Waad growth

### Treasury in 2026

In the year ahead, Treasury will enter a new execution phase aligned with alinma's 2030 Strategy. We will focus on strengthening capital through full-spectrum sukuk issuances encompassing AT1 and Tier 2 issuances to secure permanent, sub-senior, and high-grade capital at the lowest achievable cost. We will expand long-term funding through senior unsecured Sukuk issuance, bilateral borrowing, syndicated Islamic financing, and a scalable long-term repo platform, increasing funding diversification and enhancing liquidity stability under various market conditions.

We will also rebalance investment composition with an emphasis on yield enhancement, ensuring optimal deployment of liquidity while maintaining prudent risk parameters. In parallel, we will continue developing our risk-management suite by refining profit-rate cap and floor structures, expanding cross-currency swap offerings, and introducing a new Islamic target-redemption forward. These enhancements will deepen client engagement, generate higher income, and further strengthen alinma's position as a leader in Shariah-compliant treasury solutions.

As we move into 2026, Treasury is positioned to scale its strategic contribution to the Bank, reinforce financial resilience, and support alinma's ambition to lead the next era of Islamic banking in the Kingdom.



Treasury played an essential role in supporting alinma's growth and financial performance in 2025 by increasing long-term funding, enhancing capital through capital-market issuances, and maintaining strong liquidity and market-risk profiles.



# Corporate Banking Group

Our priority is to meet the evolving needs of our corporate clients with solutions that strengthen their ability to grow, invest, and compete. In 2025, we deepened our role as a trusted financial partner for businesses across every sector by delivering tailored financing, expanding digital capabilities, and maintaining a disciplined approach to risk.

We also strengthened our commitment to responsible growth by scaling our sustainable finance portfolio. Through client-focused innovation, relationship-led engagement, and execution anchored in prudence, we continue to reinforce the financial infrastructure that enables businesses to operate with trust and confidence.

~94%

Growth in financing portfolios over five years



ﷲ 18 Bn

Increase in funded assets in 2025



40%

YoY growth in Mid-Corporate assets



+12%

Growth in booked assets YoY



## A stronger Corporate Banking built for scale and stability

The past five years marked a period of significant expansion and structural progress for our Corporate Banking Group. We strengthened our position as a core banking partner for project and structured finance, large corporates, mid-corporates, and SMEs by reshaping our portfolio, enhancing our digital capabilities, and deepening client relationships across a wider economic base. Our financing portfolio grew by 94% over five years, surpassing the aspiration set in 2021 for 60% growth by 2025. This momentum reflected disciplined execution and rising market confidence in our ability to structure, deliver, and service complex financing.

We accelerated the development of the Mid-Corporate banking segment following its launch in 2022. By year-end 2025, this segment expanded to a financing portfolio of ﷲ 15 billion and became a key contributor to our broader growth strategy. At the same time, we enhanced access to credit for less mature SMEs by increasing the share of program-based lending, supporting national objectives for financial inclusion and entrepreneurial development.

Across the portfolio, our relationship-driven model strengthened client engagement while our disciplined risk-management framework ensured high asset quality during a period of rapid growth. Each of these milestones positioned Corporate Banking as a resilient engine for alinma's balance-sheet strength and long-term value creation.

## A year of broad-based progress and stronger client impact

In 2025, Corporate Banking delivered a year of notable progress across financial, operational, and customer-focused dimensions. Funded assets increased by ﷲ 18 billion, representing 12% growth and reinforcing our position as a leading provider of corporate financing in Saudi Arabia. Income from financing portfolio reached ﷲ 11.7 billion, contributing meaningfully to the Bank's full-year performance.

Client reach expanded as we enabled automated invitations for employees of corporate clients to open accounts with alinma, simplifying onboarding at scale. We also enhanced payment capabilities by expanding our Payment Technology Service Provider (PTSP) network through agreements with Total Pay, Payone, InterPay, and Dinero Pay. Our support for national sustainability priorities continued with the signing of a guaranteed financing agreement with the Environment Fund.

These achievements reflected the strength of our model: deepening relationships, strengthening execution, and expanding value-added services while maintaining a prudent approach to risk and capital allocation.

## Driving strategic contribution to the Bank's performance

Corporate Banking played a central role in supporting alinma's strategic and financial progress during 2025. Booked assets grew 12% year on year, deposits increased 9%, and trade finance reached ﷲ 168 million.

Our broader financial metrics also reflected sustained growth. The gross financing portfolio increased to ﷲ 173.7 billion by year-end 2025, an increase of 12% year on year. Income from financing portfolio to ﷲ 11.7 billion, liabilities reached ﷲ 43 billion, and our active customer base expanded from 4,165 to 5,032 over the year. These results underscore the growing strength of our corporate franchise and its contribution to the Bank's resilient performance despite dynamic market conditions.

## Innovation that elevates experience and accelerates growth

In 2025, we advanced our digital and analytical capabilities to deliver more intuitive, efficient, and insight-driven experiences for corporate clients. We also rolled out iTrade to enhance digital trade finance interactions and extend online self-service across more product sets.

## Corporate Banking Group continued

AI became a key enabler of our origination efforts through the launch of the Next Product to Buy (NPtB) engine, which identifies tailored product opportunities to better serve client financing and non-financing needs. To strengthen relationship management, we introduced Dashboard 360, giving our teams a unified view of every client's engagement across the Bank.

We initiated a broad enhancement of the data-analytics capabilities and tools available to Relationship Managers, enabling them to manage client relationships more effectively and maximize results.

These developments enhanced service quality, increased speed to fulfillment, and offered clients a more seamless corporate banking experience.

### Progress in sustainable finance and transactional banking

Our sustainable finance agenda continued to progress throughout the year. As of the end of the 2024, 14.82% of the corporate portfolio comprised sustainable assets, including 7.79% green and 7.03% social assets. This reflects growing demand for financing solutions aligned with environmental and social impact, and our commitment to responsible banking.

Our Project Structured Finance and Real Estate Segment continued its momentum in 2025, delivering 85% portfolio growth since 2020. The success was driven by actively participating in project finance transactions on bilateral or syndicate basis. In addition, the real estate unit continued to structure transactions in line with the Bank's risk appetite.

Our large corporate segment expanded significantly. Between 2020 and 2025, the financing portfolio grew by approximately 52% while the customer base nearly doubled, increasing 103% from 278 to 565 clients. Lending customers rose by 56% over the period, demonstrating strong momentum and rising institutional trust.

The Mid-Corporate segment continued to gain scale, serving more than 174 borrowing clients and reaching a balance sheet of approximately  $\text{SAR}$  15 billion as of year-end.

In Global Transaction Banking, 2025 marked a year of important milestones. We expanded our PTSP ecosystem, executed the first e-commerce transaction through the Saudi Payment Gateway, and introduced the SwiftNet channel for secure cross-border messaging. We also enabled automated account-opening invitations for corporate employees and completed Phase 1 of Liquidity Management (LQM).

Additionally, this year we launched a new corporate internet banking platform to enhance our corporate products and services. The new solutions suite offers innovative tools that simplify financial management, streamline payments, and help grow wealth.

### Recognition that reflects commitment to excellence

Our progress earned notable recognition during the year. alinma was named Fastest Growing Islamic Corporate Bank in Saudi Arabia 2025 by International Finance.



### Corporate Banking in 2026

In 2026, we will accelerate our contribution to alinma's 2030 Strategy by expanding our role as the core banking partner for large corporates, mid-corporates, and project finance clients while strengthening our presence across priority sectors. We will further develop a profitable, high-quality SME business anchored in digital origination, risk-aware growth, and a relationship-led coverage model.

A major focus will be strengthening our trade finance proposition through partnerships with leading global corporate banks to support Saudi corporates' cross-border expansion. We will also enhance international payments across priority trade corridors, providing businesses with greater speed, certainty, and reach.

In parallel, we will develop structured investment opportunities in Saudi corporate credit, in collaboration with alinma capital, enabling domestic and international institutional investors to participate in high-quality corporate lending exposures. These initiatives will broaden our revenue base, deepen client relationships, and position Corporate Banking to play a pivotal role in aligning commercial growth with the Kingdom's economic transformation.



We launched a new corporate internet banking platform to enhance our corporate products and services. The new solutions suite offers innovative tools that simplify financial management, streamline payments, and help grow wealth.

# SME Banking

We reshaped the SME experience in 2025 with a clear ambition: to become the most reliable and enabling banking partner for growing businesses. By simplifying credit journeys, introducing more flexible lending structures, and launching the iz Business digital channel, we made it easier for our partners to access capital, manage operations and scale with confidence.

These improvements, reinforced by Credit Loan Origination (eCLO) enhancements and AI-driven capabilities, strengthened our operating efficiency and sharpened our focus on what matters most, accelerating sustainable growth for SMEs across the Kingdom.



ﷲ 12.0 Bn   
**SME financing portfolio**  
 (ﷲ 9.3 Bn in 2024)

+5,900   
**Customers**

8   
**Dedicated SME financing programs**

## Redefining speed, flexibility, and scale for SMEs

In 2025, the SME Division delivered a decisive shift in how we serve and support our partners, anchored in a singular objective: making banking faster, simpler, and more responsive to the realities of SME growth. This focus on customer experience acted as the catalyst for broad operational progress, materially improving turnaround times for credit decisions and reinforcing our position as a reliable growth partner for SMEs across the Kingdom.

A cornerstone of this progress was the comprehensive upgrade of our internal Credit Loan Origination platform, eCLO. The enhancement significantly improved process quality, consistency, and transparency across the credit lifecycle. In parallel, we strengthened our Kafalah operations by establishing a dedicated, specialized team responsible for end-to-end management of guarantees. By actively overseeing issuance, renewal, and liquidation, this model reduced complexity, improved accuracy, and ensured smoother execution for SMEs relying on Kafalah-backed financing.

Strategic expansion also defined the year. We launched iz Business as a new digital channel designed to extend our reach and simplify access to financing and banking services for SMEs. This was complemented by a fundamental transformation of our lead-generation approach, with the integration of AI-driven models such as Next Product to Buy. These capabilities enable smarter matching between client needs and financial solutions, improving conversion quality and supporting more sustainable growth outcomes for both our partners and the Bank.

## Strong growth driven by diversified programs and disciplined execution

SME Banking delivered solid financial and portfolio growth in 2025, supported by the expansion of program-based financing and continued momentum across traditional SME banking. As of year-end 2025, alinma was offering eight dedicated SME financing programs, collectively reaching ﷲ 3.6 billion funded outstanding. In parallel, the traditional SME Banking portfolio grew to ﷲ 8 billion in funded outstanding, reflecting sustained demand across a broad base of small and medium enterprises.

This diversified approach translated into consistent balance-sheet and income growth year on year. The SME financing portfolio increased from ﷲ 9.3 billion in 2024 to ﷲ 12.0 billion in 2025, reinforcing the division's role as a key contributor to the Bank's overall growth, reflecting stronger utilization, improved product mix, and higher client activity.

Liabilities reached ﷲ 2 billion in 2025, and the SME customer base grew from 5,400 to 5,956 customers. This expansion reflects both successful client acquisition and deeper engagement with existing SME partners.

Together, these results demonstrate the effectiveness of alinma's SME strategy in 2025, combining scalable financing programs, disciplined risk management, and targeted customer growth to deliver sustainable financial performance, while supporting the development of the Kingdom's SME sector.

## Two complementary lending models, one unified SME strategy

SME lending at alinma is built on a dual-pillar model designed to serve businesses at different stages of maturity while maintaining disciplined risk standards and speed to market.

Our traditional lending proposition is tailored to established SMEs with a proven operating track record of at least three years and the ability to provide audited financial statements. Under this model, our teams apply rigorous financial and credit analysis to assess business stability, cash-flow strength, and long-term viability. This approach supports larger, more complex financing needs while preserving portfolio quality and prudent risk management.

Complementing this, our program-based lending proposition is designed to deliver greater flexibility and faster turnaround for growing and digitally enabled businesses. These solutions are built around pre-approved products that do not require audited financials, relying instead on alternative eligibility indicators such as point-of-sale proceeds, average current account balances, or e-commerce transaction history. This model enables newer enterprises with strong revenue momentum to access financing efficiently, supporting entrepreneurship, innovation, and financial inclusion across the SME ecosystem.

## SME Banking continued

### Partnerships and solutions that accelerate SME growth

In 2025, alinma SME strengthened its ecosystem through targeted partnerships and solution-led innovation designed to expand access to finance, improve speed to market, and enhance overall service quality for business owners. We renewed our collaboration with Monsha'at to continue supporting entrepreneurship and SME development across the Kingdom, and renewed our agreement with the General Syndicate of Cars to serve Hajj transportation companies, reinforcing our role in supporting priority national sectors. We also signed a new guaranteed financing agreement with the Environmental Fund, broadening access to credit for SMEs operating in sustainability-linked and environmentally focused activities.

A central milestone of the year was the launch of iz Business, the first end-to-end automated financing journey for SMEs. This digital channel transformed how clients engage with the Bank by enabling faster onboarding, streamlined credit processing, and a fully digital experience from application to disbursement. It significantly reduced friction across the financing lifecycle and set a new benchmark for SME banking convenience and efficiency.

Enhancing customer experience was further supported by the introduction and refinement of eight distinct lending programs. These programs were deliberately structured to address different business profiles, financing tenors, and sector-specific needs. By aligning products more closely with each client's operating model and capital requirements, we ensured greater relevance, faster execution, and a more personalized banking experience. Together, these initiatives strengthened our value proposition for SMEs and reinforced alinma's position as a long-term growth partner for businesses at every stage of their journey.

### Recognition that reinforces leadership

In 2025, alinma's focus on empowering SMEs and strengthening the Kingdom's entrepreneurial ecosystem was reflected in two significant external recognitions. The Bank was named Best SME Bank – Saudi Arabia at the MENA Banking Excellence Awards 2025 under the Retail, SME, and Digital Banking category, affirming its leadership in delivering innovative, accessible, and growth-oriented banking solutions for small and medium enterprises.

At the same time, alinma received the Endowment Sector Support Award from Kafalah, recognizing its contribution to supporting the endowment sector and enhancing its role in sustainable economic and social development. Together, these recognitions underscore alinma's commitment to responsible growth, impactful partnerships, and long-term value creation for the SME sector and the wider economy.



### SME in 2026

In the year ahead, we will sharpen our SME strategy by introducing industry-focused, bundled solutions that reflect the specific operating realities of priority sectors and sub-sectors. Our approach will combine financing, transactional services, and advisory support into coherent propositions tailored to distinct business models, growth stages, and cash flow profiles.

At the same time, we will refine our SME risk appetite framework at a sector and sub-sector level, enabling more precise credit decisions that balance growth with portfolio quality. This evolution will allow us to support a broader range of SMEs with greater confidence, faster execution, and solutions that are better aligned with how businesses actually operate and scale.



iz Business transformed how clients engage with the Bank by enabling faster onboarding, streamlined credit processing, and a fully digital experience from application to disbursement.



## SME Banking continued

# SME as a cornerstone of alinma's 2030 Strategy

As alinma advances toward its 2030 Strategy, the SME division will play a central role in delivering primacy among domestic-oriented clients and supporting the Kingdom's economic transformation. Small and medium enterprises are the backbone of local growth, job creation, and innovation, and our ambition is to move beyond traditional lending to become the long-term strategic partner of choice for this vital segment.

Our approach is anchored in a clear shift from product-led banking to ecosystem-led partnership. By combining tailored financing, advanced digital capability, and sector-specific insight, the SME division will contribute directly to alinma's objectives of sustainable growth, customer primacy, and disciplined value creation.

### Tailored innovation and evolved risk intelligence

A core pillar of our SME strategy is the move away from one-size-fits-all banking. We will develop industry-focused bundled solutions that integrate financing with transaction banking, cash management, and trade services, ensuring SMEs receive offerings aligned with their operating realities and growth trajectories. In parallel, we are evolving our risk appetite by leveraging deeper sector and sub-sector data, allowing us to support high-potential businesses that may fall outside traditional risk models, while maintaining portfolio quality and resilience.

### AI-driven personalization and intelligent platforms

Digital will remain a primary growth engine for SME banking. We are building a next-generation digital corporate platform designed to act as the central financial interface for SME clients. By embedding AI and generative AI capabilities into cash management, trade finance, and advisory journeys, we will deliver predictive insights, automated workflows, and personalized experiences that help clients anticipate needs, manage liquidity, and operate with greater confidence and efficiency.

### A modern, hybrid coverage model

While technology leads enablement, relationships remain foundational. Our future coverage model blends digital efficiency with human expertise. Relationship Managers will be supported by specialized product sales teams to provide deeper technical insight when required, while digital-only offerings will serve more standardized needs. This hybrid model allows clients to engage with alinma in the way that suits them best, combining accessibility, expertise, and seamless execution.

Through these initiatives, the SME division will be a key driver of alinma's 2030 Strategy. By uniting sector intelligence, advanced analytics, and flexible service models, we are positioning alinma as the trusted partner for the enterprises that will shape the Kingdom's next phase of growth.



By combining tailored financing, advanced digital capability, and sector-specific insight, the SME division will contribute directly to alinma's objectives of sustainable growth, customer primacy, and disciplined value creation.





# Subsidiaries



## alinma capital

### alinma shareholding – 100%

alinma capital, a wholly owned subsidiary of alinma, is an underwriter, manager of investment funds and portfolios, and provider of advisory and custodial services. alinma capital's strategy is closely aligned with alinma's 2030 Strategy, and accordingly, has improved its focus on cross-selling products and services.

alinma capital offers alinma customers capital market products and services, including securities trading, investment management, and investment banking services.

### Revenue



### Net profit



### 2025 performance

alinma capital achieved significant milestones during 2025, reinforcing its position as a leading player in the investment sector. alinma capital managed 104.6 billion in Assets under Management (AuM) and introduced 13 new private funds across diverse sectors, including real estate, energy, healthcare, financing, Murabaha, and fixed income, collectively adding 7.6 billion to its AuM.

On the investment banking front, alinma capital successfully executed 18 transactions in debt, equity capital markets, and M&A underscoring its expertise and commitment to delivering value-driven financial solutions.

### 2026 outlook

In the year ahead, alinma capital will scale innovative investment solutions for individual and institutional segments by leveraging deep expertise, technology-driven efficiency, and global reach. The Asset Management enhancement will differentiate offerings for local and international Investors. While building on the continuous innovation in conventional and alternative investments.

For Brokerage, alinma capital aims to continue growing the brokerage business, aiming for opportunities in local market for accelerated growth and scale. In addition, alinma capital will establish institutional trading desks and expand market-making capabilities, which will strengthen investment banking in equity markets and Sukuk.

alinma capital will broaden its global reach and transform its operating model to enable smarter, digitized decision-making powered by advanced technologies, including AI and GenAI.



alinma capital achieved significant milestones during 2025, reinforcing its position as a leading player in the investment sector.



## alinma capital's strategic partnerships

### Strategic partnerships

#### Developing leadership with the Financial Academy

Aim  
**Developing leadership capabilities and enhancing professional competencies among its employees.**

#### Main sponsor of the Capital Markets Forum (CMF)

Aim  
**Strengthening brand visibility and thought leadership within the capital markets community.**

### Headline financing activities



Go station

alinma Fund of Energy services investment

Outcome: **To support the expansion of Saudi Hala Petroleum Services.**



Rosan agreement

alinma Sixth Opportunities RE fund

Financed amount  
**₹ 1 billion**

Outcome: **Developing the infrastructure into residential and commercial plots.**



Rosokh agreement

alinma Residential Fund

Financed amount  
**₹ ~600 million**

Outcome: **Developing the superstructure for the sale of residential apartments.**

### Headline transactions



AYYAN Investment Company

alinma capital role  
**Financial advisor**

Transaction size  
**₹ 660 million**

Outcome: **Acquisition (sell side)**



NDMC

alinma capital role  
**Joint lead manager**

Transaction size  
**₹ 61 billion**

Outcome: **Sukuk**



Saudi Aramco (USD)

alinma capital role  
**Passive bookrunner**

Transaction size  
**USD 3 billion**

Outcome: **Sukuk**



Marketing Home Group for Trading Company

alinma capital role  
**Financial advisor, bookrunner, lead manager, and underwriter**

Transaction size  
**₹ 408 million**

Outcome: **IPO – Main market**



Buruj Cooperative Insurance Company

alinma capital role  
**Financial advisor**

Transaction size  
**₹ 600 million**

Outcome: **Public merger**



Saudi Industrial Development Company (SIDC)

alinma capital role  
**Financial advisor, lead manager, and underwriter**

Transaction size  
**₹ 165 million**

Outcome: **Right issue**

### alinma bank multiple debt issuances with a total of \$2.5 billion



alinma AT1 Sukuk (USD Issuance)

alinma capital role  
**Joint lead manager**

Transaction size  
**USD 1 billion**

Outcome: **Sukuk**

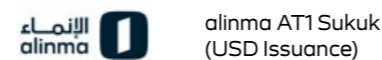


alinma Senior Sukuk (USD Issuance)

alinma capital role  
**Joint lead manager**

Transaction size  
**USD 500 million**

Outcome: **Sukuk**

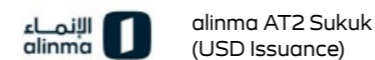


alinma AT1 Sukuk (USD Issuance)

alinma capital role  
**Joint lead manager**

Transaction size  
**USD 500 million**

Outcome: **Sukuk**



alinma AT2 Sukuk (USD Issuance)

alinma capital role  
**Joint lead manager**

Transaction size  
**USD 500 million**

Outcome: **Sukuk**

## Subsidiaries continued



alinmapay

### alinma shareholding – 100%

alinmapay, a wholly owned subsidiary of alinma, was established in 2019 as a fintech arm of alinma. Its mandate is to drive innovation, expand market reach domestically and internationally, and deliver faster collaboration and partnerships. It is also empowered to explore other areas, utilizing open banking and engaging with possible government and private sector ecosystems offering payment innovations.

### Revenue



### Net profit



### YoY revenue growth



alinmapay's agile structure enables the rapid introduction of new, governed products to the market. This strategy of expediting digital product delivery is designed to build market share and secure a competitive advantage.

As a licensed payments company, alinmapay was founded to support advancing Saudi Vision 2030 and its Financial Sector Development program by driving financial inclusion and supporting the Kingdom's transition to a cashless society. A pioneer in launching one of Saudi Arabia's first individual e-wallets, the company has since expanded its solutions to serve diverse customer segments. Its offerings now include payment solutions like ClickPay, an online gateway that enables merchants to accept payments through multiple channels.

alinmapay is committed to equipping MSMEs with a complete portfolio of merchant solutions. This is achieved through close integration with the Bank's broad ecosystem of business-focused services.

### 2025 performance

alinmapay's focused strategy has delivered exceptional results, with the successful completion of most key initiatives leading to the achievement of our core targets. Our customer base has doubled since 2024, serving as the foundation for remarkable growth. We now serve over 1.5 million customers, with 55% showing high engagement and 35% actively transacting. This strong user adoption stabilized the transactions volume, maintaining high levels of processed transactions, exceeding 9 billion in value. Furthermore, international remittances more than doubled, surpassing 700 million and highlighting the expanding use cases for our platform.

alinmapay has achieved a major milestone in user engagement, with nearly 100% of its user base now utilizing its cards for daily banking activities. This widespread adoption was fueled by the successful rollout of cashback cards, whose issuance continues to grow steadily. New customer registrations have doubled the card count from the previous year, driving a substantial rise in transaction volume and generating positive growth across all platform products and services.

Through a complete technological overhaul and user experience revamp, alinmapay significantly enhanced app usability and customer engagement. This innovation was underpinned by strengthened governance and security protocols, ensuring every user interaction is not only seamless, but also secure.

alinmapay achieved remarkable merchant growth in 2025, doubling its e-payment gateway customer base and processing more than 9 billion in transactions. Building on this momentum, the company is accelerating the development of a dedicated product suite designed to meet the specific needs of micro, small, and medium-sized businesses.

### 2026 outlook

As we step into 2026, the fintech battleground is shifting from mere transactional utility to holistic, embedded value. For forward-thinking e-wallet providers, the mandate is clear: deepen relationships by moving beyond the wallet. This year will be defined by hyper-personalization, where static apps evolve into dynamic

financial companions. By leveraging advanced data analytics and AI, the next generation of user experience will deliver tailored customer journeys that anticipate needs – from intelligent nudges to personalized pricing and offering to contextual budgeting insight – transforming passive users into actively engaged financially. Engagement will no longer be a metric to chase, but a natural outcome of delivering indispensable, intuitive value at every tap and swipe.

The true frontier of growth, however, lies beyond the individual consumer, and in the seamless integration of payment infrastructure into the very fabric of daily commerce and civic life. 2026 efforts aim to accelerate strategic collaborations with both private enterprises and government sectors. The goal is to co-create innovative payment solutions deeply embedded within their ecosystems, from integrated toll and transit systems to streamlined corporate disbursement platforms. This B2B2C approach positions the e-wallet not as a stand-alone app, but as an invisible, trusted layer that powers efficiency and accessibility across critical economic touchpoints.

Ultimately, ubiquity is earned at the point of sale. This year's most significant growth vector will be a concentrated expansion in merchant solutions, aggressively increasing market share in the bustling merchant payment and services arena. This means going beyond acceptance to empowerment, offering our business partners a sophisticated suite of tools; advanced point-of-sale along with many other merchant propositions. By helping merchants not just process payments but grow smarter and more profitably, we cement our network's strength, creating a virtuous cycle that attracts more consumers, which in turn attracts more merchants, solidifying our ecosystem as the premier platform for the future of digital commerce.



**Our customer base has doubled since 2024, serving as the foundation for remarkable growth.**



## Subsidiaries continued



### TechStrike Company

#### alinma shareholding – 100%

TechStrike, established in 2025 as a wholly owned subsidiary of alinma, serves as the Bank's dedicated technology arm and the primary provider of IT solutions and services. It was created to enhance the efficiency of technology operations and strengthen direct engagement with global IT distributors without relying on intermediaries, thereby improving operational effectiveness and reducing costs.

TechStrike operates across four core business lines – Hardware, Software Licensing, Software Development, and IT Managed Services – through which it delivers integrated technology services aligned with the Bank's operational and strategic requirements.



Throughout the year, TechStrike strengthened its technology ecosystem by entering into more than 50 strategic partnerships with leading regional and global IT distributors.

#### 2025 performance

TechStrike commenced its operations in May 2025 and delivered notable progress by year-end. The company successfully secured contracts with alinma across its four business lines.

TechStrike was established with a mandate to fulfill four key operational objectives: establishing strategic technology partnerships, effective human capital management, operational efficiency, and delivering services tailored to the Bank's needs.

Throughout the year, TechStrike strengthened its technology ecosystem by entering into more than 50 strategic partnerships with leading regional and global IT distributors. These partnerships enhanced the company's execution capabilities and enabled the delivery of more comprehensive solutions across hardware, software, and managed services.

A major milestone was the establishment of a software development center in Al-Madinah, which became its first remote development center. This expansion enabled access to diverse technical talent and supported the Bank's digital development and transformation initiatives. In addition, expanding development centers across different regions of the Kingdom will create new employment opportunities, contribute to developing local technical capabilities, and support Saudi Vision 2030 objectives related to reducing unemployment and fostering a dynamic and empowered workforce, while laying a solid foundation for sustainable growth in the coming years.

#### 2026 outlook

In the year ahead, TechStrike aims to build on the achievements realized during 2025 by expanding its technology services and further supporting alinma's strategic initiatives. It plans to scale its software development operations, enhance its managed services portfolio, and improve procurement efficiency to achieve greater cost savings and deliver more reliable, high-quality services.

Following the success of the Al-Madinah development center, TechStrike intends to establish additional development centers in other cities across the Kingdom, expanding its technical capabilities, attracting specialized talent, and supporting the Bank's projects with greater flexibility. In parallel, the company is exploring opportunities for international expansion to further strengthen its delivery capacity, diversify its talent base, and enhance its ability to support large-scale technology initiatives.

The company also plans to expand its network of technology distributors and strategic partners, enabling access to innovative solutions that meet the Bank's evolving needs. In addition, TechStrike will focus on strengthening internal governance frameworks, advancing automation initiatives, and enhancing project management capabilities to ensure the delivery of higher value aligned with the Bank's requirements.

With multi-year IT contracts progressing and demand for technology services continuing to rise, TechStrike expects sustained revenue growth and an increasing contribution to the Bank's strategic objectives throughout 2026 and beyond.



## Subsidiaries continued

### التنوير العقارية

#### Altanweer Real Estate Company

alinma shareholding – 100%

Altanweer Real Estate Company (AREC), established in 2009 as alinma's dedicated real estate arm, plays a pivotal role in managing the Bank's real estate activities. It oversees the acquisition of properties for financing purposes, manages and maintains real estate deeds, and handles the purchase of properties required for the Bank's operations.

It facilitates the transfer of property titles through home financing, ensures secure management of deeds held as guarantees and executes the sale, purchase, and title transfer of properties in line with its core mandate. AREC's expertise reinforces alinma's strategic goals and operational efficiency within the real estate sector.

#### 2025 performance

AREC maintained a pivotal role throughout 2025 in overseeing the alinma's real estate operations and upholding full compliance with regulatory, procedural, and governance requirements. During the year, the Company executed property purchases in the Bank's name for Ijara financing contracts, reflecting the effectiveness and accuracy of the lease-based financing framework adopted by the Bank. AREC also completed the transfer of real estate titles to the Company for properties assigned to the Bank as settlement of customer liabilities.

In parallel, AREC advanced its digital transformation agenda by progressing with the conversion of manual deeds into electronic deeds, and by registering properties with the Real Estate Registry Company in line with the announcements and implementation schedules issued by the registry. Additionally, AREC continued to monitor and address any White Land program invoices or assessments associated with its real estate portfolio, ensuring full adherence to applicable regulatory requirements.

#### 2026 outlook

In the year ahead, AREC will strengthen its real estate governance framework and enhance the efficiency and integrity of property-related processes. The company will continue its digital transformation initiatives by converting the remaining manual deeds into electronic deeds, and by registering properties with the Real Estate Registry Company in accordance with the directives, announcements, and execution schedules issued by the registry.

Furthermore, AREC will maintain its mandate in overseeing real estate assets financed by the Bank and held under registered liens, ensuring the ongoing accuracy of title documentation and full compliance with regulatory obligations governing such assets. The Company will also continue to monitor, validate, and address any White Land program-related requirements or invoices that may arise, in alignment with applicable regulations and the Bank's broader governance standards.

### الإيماء alinma

#### alinma SPV Limited

alinma shareholding – 100%

alinma SPV Limited, a wholly owned subsidiary of alinma established in 2022 in the Cayman Islands, serves as a specialized entity for managing the Bank's derivatives and financing products. These include profit rate swaps, FX forwards, and REPO transactions, with plans to expand its offerings as additional products receive approval from alinma's Shariah Committee and relevant departments.

#### 2025 performance

alinma SPV Limited continued efficiently managing the increasing volumes of derivatives transactions conducted with foreign counterparties. Growth came mainly on the back of increased Profit Rate Swaps (PRS) and FX forward transactions in lieu of higher market demand.

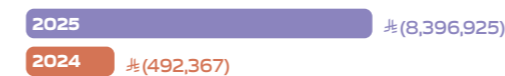
#### 2026 outlook

alinma SPV Limited continues to expand its capabilities to accommodate additional products and counterparties aligned with the Bank's strategic plans and will be expanding its array of services to introduce Target Redemption Forward (TARF) and enhance cross-currency solutions.

#### Revenue



#### Net profit



## Subsidiaries continued



alinma isnad

alinma shareholding – 100%

Established in late 2019 as a wholly owned subsidiary of alinma, alinma isnad plays a vital role in supporting the Bank's operations. It focuses on delivering recruitment services to alinma and its subsidiaries, promoting Saudization initiatives, ensuring the consistent quality of services, and optimizing financial costs to enhance overall efficiency. Through its strategic efforts, alinma isnad contributes to the Bank's commitment to operational excellence and national development goals.

### Revenue



### Net profit

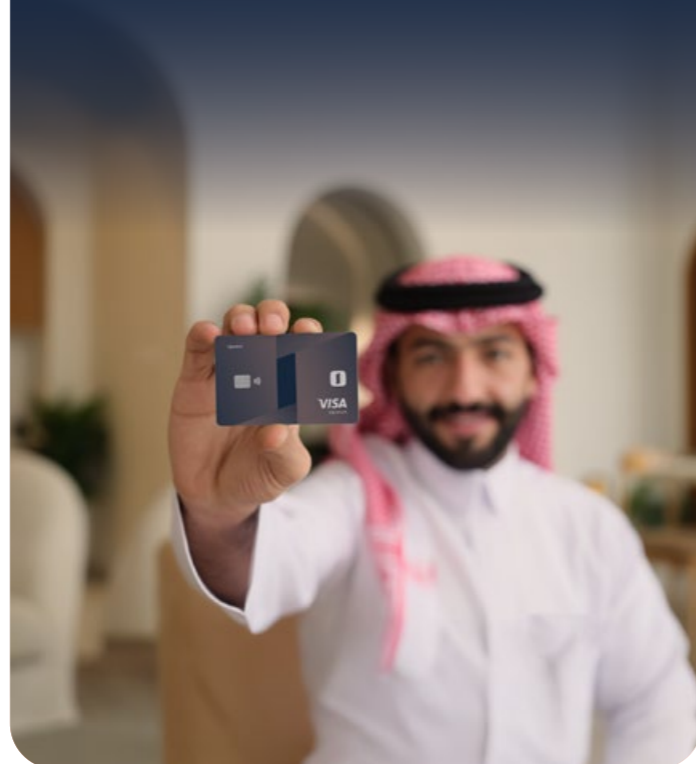


### 2025 performance

alinma isnad made significant strides in advancing its strategic objectives during 2025. The Company successfully increased the hiring rate of women, achieving a 23% representation within the workforce. It also streamlined operations by closing more than 97% of outsourced company arrangements within alinma, enhancing efficiency and reducing costs. Additionally, alinma isnad launched a comprehensive performance system project, further strengthening workforce management and aligning employee contributions with organizational goals.

### 2026 outlook

In the year ahead, alinma isnad will focus on continuing its services across alinma and its subsidiaries.



The company successfully increased the hiring rate of women, achieving a 23% representation within the workforce.





Anchored in the six pillars of our sustainability strategy, we focused on protecting the natural environment, investing in our people, supporting customers and communities, and reinforcing strong governance practices.



# Sustainability Review

# 04

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# Our Approach

For alinma, accountability to people and the environment is integral to who we are. We uphold rigorous ethical principles and disciplined governance, embedding sustainability throughout our business and day-to-day operations. This approach fosters a culture that delivers lasting social and environmental value within alinma, across the banking sector and throughout the Kingdom.



In 2025, we made further progress in strengthening alinma's sustainability agenda. Anchored in the six pillars of our sustainability strategy, we focused on protecting the natural environment, investing in our people, supporting customers and communities, and reinforcing strong governance practices. While we pursue sustainability because it is a core responsibility, we also value the external validation reflected in awards received and improvements in our ESG ratings.



## Our sustainability governance

Sustainability at alinma is fully integrated into our governance structures. Oversight begins at the Board and Executive Management level and extends across the entire organization, further emphasizing our commitment toward robust governance, accountability, and effective risk management.

The Board Governance and Sustainability Committee serves as alinma's highest sustainability authority, chaired by the Vice Chairman of the Board supported by two other Board members and an external subject matter expert. The Committee oversees the implementation of the governance framework, reviews and updates policies related to professional conduct and corporate social responsibility to reflect the Bank's values, and monitors the Bank's compliance with laws and regulations. It also approves strategies and programs related to governance, sustainability and social responsibility, submitting the necessary recommendations to the Board. At Executive Management level, the Sustainability

Committee oversees the execution of alinma's sustainability strategy, promoting alignment and consistency in delivering social and environmental outcomes. This Committee is led by the Deputy CEO and supported by seven other executives. Implementation is actioned by Sustainability Champions from across the Bank and the Sustainability Department at management level. Together, they drive the Sustainability Strategy through awareness programs and targeted initiatives.

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In 2025, alinma completed a thematic internal audit of the sustainability management system, while the Sustainability Champions' work was linked to their annual performance appraisal. These measures served to embed sustainability more deeply across the Bank.



■ Board level    ■ Executive level    ■ Management level



## Our Approach continued

### Our sustainability strategy

Since 2023, our sustainability strategy has provided a clear and practical framework, agile and responsive to alinma's dynamic operating environment, while supporting long-term, sustainable growth. It is closely aligned with the Bank's overall corporate strategy and contributes to the objectives of Saudi Vision 2030 and the United Nations Sustainable Development Goals (UNSDG). It also draws on leading global frameworks, including the Principles for Responsible Banking, the World Federation of Exchanges, the Global Reporting Initiative, and the Carbon Disclosure Project, taking into consideration the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards. The strategy is structured around six core pillars, with clear goals and dedicated sustainability key performance indicators (KPI) embedded in management performance assessments.

Pillar	Goals	Vision 2030	UNSDG
<b>Accelerate sustainable finance</b>	<ul style="list-style-type: none"> <li>Improve ESG integration into lending and investment decision-making</li> <li>Integrate ESG into commercial and retail product offerings</li> </ul>	<ul style="list-style-type: none"> <li>A Vibrant Society</li> <li>A Thriving Economy</li> <li>An Ambitious Nation</li> </ul>	
<b>Foster environmental stewardship and enable a circular carbon economy</b>	<ul style="list-style-type: none"> <li>Align to National Vision commitment on net-zero carbon emissions by 2050, and enable a circular carbon economy</li> <li>Reduce other environmental impacts</li> </ul>	<ul style="list-style-type: none"> <li>A Vibrant Society</li> </ul>	
<b>Empower our customers</b>	<ul style="list-style-type: none"> <li>Maximize customer happiness with attentive service</li> <li>Harness digital transformation to enhance customer experience</li> <li>Support SMEs</li> </ul>	<ul style="list-style-type: none"> <li>A Vibrant Society</li> <li>A Thriving Economy</li> </ul>	
<b>Build a thriving workplace</b>	<ul style="list-style-type: none"> <li>Develop employees' careers and capabilities</li> <li>Create a great work environment</li> <li>Support social engagement</li> <li>Ensure prosperity</li> </ul>	<ul style="list-style-type: none"> <li>A Thriving Economy</li> </ul>	
<b>Strengthen our communities and contribute to greater financial inclusion</b>	<ul style="list-style-type: none"> <li>Improve financial inclusion and access to financial services, primarily through the CSR strategy and programs</li> <li>Support local suppliers</li> </ul>	<ul style="list-style-type: none"> <li>An Ambitious Nation</li> </ul>	
<b>Drive robust governance and responsible operations</b>	<ul style="list-style-type: none"> <li>Encourage good governance practices and integrity</li> <li>Protect user's personal data and regulate alinma's data life cycle such as collection, storage, use, processing, retention, and disposal</li> </ul>	<ul style="list-style-type: none"> <li>An Ambitious Nation</li> </ul>	

This three-year strategy is concluded in 2025, making way for a new sustainability strategy that will guide alinma for the next five years.



Our approach fosters a culture that delivers lasting social and environmental value within alinma, across the banking sector and throughout the Kingdom.

## Our Approach continued

### Materiality assessment

To identify the ESG topics of greatest importance to our Stakeholders, alinma undertook a detailed materiality assessment informed by local and international frameworks as well as comprehensive peer assessments. Material matters are reviewed each year to confirm their continued relevance to the Bank.

Material matter	Pillar	ESG element
<b>Most important</b>		
1 Responsible customer relations and satisfaction	Empower our customers	S
2 Talent attraction, retention, and development	Build a thriving workplace	S
3 Data privacy and cybersecurity	Drive robust governance and responsible operations	G
4 Digitalization and innovation	Empower our customers	G
5 Governance, accountability, transparency, and ethics	Drive robust governance and responsible operations	G
6 Systemic risk management	Drive robust governance and responsible operations	G
7 Climate change and circular carbon economy	Foster environmental stewardship and enable a circular carbon economy	E
<b>Highly important</b>		
8 Diversity, equity, and inclusion	Build a thriving workplace	S
9 Employee engagement and well-being	Build a thriving workplace	S
10 Financial inclusion and community investment	Strengthen our communities and contribute to greater financial inclusion	S
11 Financial and economic performance	Empower our customers	G
12 Sustainable financing and investment	Accelerate sustainable finance	G
<b>Important</b>		
13 Environmental impact and natural resource protection	Foster environmental stewardship and enable a circular carbon economy	E
14 Responsible procurement and localization	Strengthen our communities and contribute to greater financial inclusion	S
15 Community engagement and empowerment	Strengthen our communities and contribute to greater financial inclusion	S
16 Nationalization	Build a thriving workplace	S



### International ESG and sustainability ratings

As part of our performance monitoring, alinma tracks both local and international environment, social, and governance (ESG) ratings to assess progress and external perception of our sustainability efforts. alinma's ESG efforts have resulted in significant ratings improvements since 2022. Our ESG Invest score is the highest of all Saudi banks, and our S&P Global score is the second highest.

Rating	2022 baseline	2025 review	2025 target
MSCI	BB	A	A
ESG Invest	25	75	73*
Sustainalytics	30.9	24.1	20
S&P Global	17	39	58

\* This target was extended from an initial 64, since alinma already achieved and exceeded it

Raters' feedback includes recommendations for improving alinma's material ESG issues management, given that we provide critical financial services, our exposure to data privacy and cybersecurity risks through our large customer base, and the business ethical risks in our areas of operation. To ensure continuous improvement, alinma incorporates ratings feedback by identifying improvement areas, agreeing on action plans with Stakeholders, adopting recommendations and implementing them before disclosing performance with transparency and clarity in the next Sustainability Report. Feedback received in 2025 will inform alinma's updated sustainability strategy.

# Our Performance

## 01 Accelerate Sustainable Finance

Sustainable finance is a core element of our commitment to environmental stewardship and community prosperity. By integrating sustainability considerations into financial decision-making, we aim to support economic progress while generating enduring benefits for society and the environment.

alinma's sustainable financing activities are guided by the Bank's Sustainable Finance Framework. It directs our proactive financing of customers and initiatives that deliver measurable environmental and social value, including through the issuance of green, social, or sustainability Sukuk. The framework is informed by the International Capital Market Association (ICMA), Loan Syndications and Trading Association (LSTA), Loan Market Association (LMA) and Asia Pacific Loan Market Association sustainability financing guidelines, as well as the Local Saudi Capital Market Guidelines for sustainable Sukuk. alinma's working group for sustainable products and ESG risk management ensures the effective implementation of the framework, which was expanded to include new categories in 2025.

[View our Sustainable Finance Framework here](#)

Demand is growing for financial solutions that balance strong returns with positive social and environmental outcomes. In response, we continue to expand our range of sustainable products and services across both commercial and retail portfolios, meeting customer expectations while strengthening the Bank's long-term resilience. We also signed a new guaranteed financing agreement with the Environmental Fund, broadening access to credit for small and medium enterprises (SME) operating in sustainability-linked and environmentally focused activities. Additionally, our new Sustainable Finance Working Group oversees the Bank's sustainable finance initiatives and launched a sustainable finance and investment program. Through these actions, we extended access to underserved groups and contributed to the sustainability goals set out in

### Corporate Banking Group (CBG)

alinma's CBG provides corporates, government, and semi-government entities and SMEs with market-leading, Shariah-compliant banking services. Our sustainable finance focus advances renewable energy, green real estate, and decarbonizing technologies on the environmental front, while social initiatives include supporting the development of affordable basic infrastructure for transport, water, energy, and telecommunication, as well as access to essential services such as healthcare, education, and financial inclusion, alongside employment generation and women empowerment. In 2025, sustainable finance grew substantially in their contribution to our total portfolio.

In addition, alinma's ESG Due Diligence toolkit has been formulated, tested, and implemented as part of credit assessments, with the scope expanded to encompass our large and middle corporate segments on a case-by-case basis. The implementation of the ESG Due Diligence toolkit is an important step in our sustainability journey.

### Treasury

Our Treasury function is responsible for managing the Bank's liquidity, financial holdings, and market risks in strict compliance with Shariah principles. Treasury also integrates ESG considerations into investment and risk management decisions to direct capital toward sustainable instruments, maximizing returns, managing risk, and strengthening the Bank's long-term resilience.

### Total value of investment in sustainable Sukuk

USD 228.7 Mn

### Total value of investment in green Sukuk

USD 50 Mn

## Retail Banking Group (RBG)

The RBG services individual customers with a full suite of Shariah-compliant financial products and services. In 2025, RBG launched the Sustainable Savings Account as a Shariah-compliant savings product for non-individual customers, where corporate savings are allocated to eligible sustainable and responsible financing activities. The product was well received, demonstrated by the growth in stable, long-term bank deposits and increased customer engagement with ESG solutions.

### Sustainable Savings Account customers

521



### Total deposits held

₹ 1,600 Mn



### Subsidized home financing customers

4,444



### Total value of financing provided

₹ 2,490 Mn



We continued to provide specialized lease financing for green transportation, including electric vehicles, helping customers to reduce greenhouse gas (GHG) emissions. Uptake increased steadily in 2025.

### Electric vehicles



### Number of customers

145

### Financing provided

₹ 16.3 Mn

### Hybrid vehicles



### Number of customers

401

### Financing provided

₹ 50.1 Mn

In 2025, we launched a paperless personal finance application service, reducing paper use and enhancing customer experience.

## Our Performance continued

### 02 Foster Environmental Stewardship and Enable a Circular Carbon Economy

Protecting the environment remains a core priority, supported by a proactive approach to reducing our operational footprint. We manage energy, water, and waste responsibly while continuously upgrading our buildings and infrastructure and integrating renewable energy across our assets. By doing so, we bolster environmental performance and encourage efficient use of natural resources. This commitment is reinforced by a culture that engages employees and suppliers as active contributors to our sustainability journey.

Our head office is ISO 14001 (Environmental Management System) certified, demonstrating our commitment to environmental resilience. In addition, our approach to environmental sustainability is guided by our Environmental Management System Policy.

[View the alinma Environmental System Management Policy here.](#)

In 2025, alinma completed the implementation of the Bank's Building Management System (BMS) across all its branches and selected admin buildings. This smart system supports environmental priorities by digitizing business processes and improving energy efficiency to reduce GHG emissions.

#### Climate change and circular carbon economy

alinma has set a clear ambition to reach net zero carbon emissions by 2050, aligning with the Kingdom's 2060 net zero target and broader carbon priorities. Our Net Zero Strategy addresses both direct and indirect emissions and outlines practical actions to deliver this commitment. As part of this strategy, we track our portfolio climate impact, engage with Stakeholders, and decarbonize our operations to achieve carbon neutrality by 2050. We aligned the NICS mapping for Scope 3 Categories 1 and 2 with alinma's internal systems, strengthening data consistency and improving the quality and reliability of Scope 3 emissions data and started establishing a Net Zero Framework that encompasses financed emissions.

In the year under review, alinma implemented renewable energy solutions in 12 additional facilities, increasing the planned solar panel capacity in five of these facilities through the installation of an additional 279 panels.

#### Total alinma facilities benefiting from renewable energy

78



#### Total generating capacity of renewable energy projects

2.69 MWh



alinma also seeks to offset carbon emission impacts by planting trees across our footprint, where feasible. These plants provide shade, enhance air quality, and add aesthetic value to our facilities.

alinma supported the planting of 25,000 mangrove trees in Rabigh as part of the Green Saudi Initiative. All of these trees are documented on the Smart Tree Map, ensuring traceability and measurable environmental impact.

#### Trees planted across our facilities

3,386



#### Water management

As part of our commitment to safeguarding water as a precious resource, we closely monitor our water consumption to ensure effective management and reporting.

#### Waste management

alinma pursues a paperless environment through comprehensive digitalization initiatives across our facilities. In 2025, we also expanded our recycling initiative in Riyadh, Dammam and Jeddah, adding cans and plastic recycling to our existing recycled paper and cardboard efforts. During the year, alinma also enhanced its waste management reporting tools to improve data capture, monitoring and supporting more consistent tracking of waste streams and performance across key locations.

#### Waste recycled

26,355 kg



## Our Performance continued

### 03 Empower Our Customers

Our approach to responsible customer relations focuses on satisfaction, innovation, and access. We deliver customer-centric, Shariah-compliant products while advancing financial inclusion in support of Saudi Vision 2030. Digitalization enables secure, intuitive, and seamless experiences. We also empower SMEs through targeted financial solutions and reinforce trust through customer education and transparent, ethical practices.

alinma's commitment to customer service is captured in and guided by the alinma Position Statement on Customer Relations.

[View the alinma Position Statement on Customer Relations here:](#)

#### Customer service and satisfaction

alinma's approach to customer service and satisfaction is grounded in customer-centricity and building long-term loyalty. By proactively engaging with customers, closely monitoring feedback across all touchpoints, and empowering teams to resolve issues quickly, the Bank works to enhance digital, call center, and branch experiences. In this way, we can efficiently address high-impact pain points and resolve customer concerns speedily, strengthening overall customer retention.

During the year, alinma advanced customer experience and satisfaction through a range of targeted initiatives. These included the introduction of daily Voice of Customer alerts with standardized response protocols to accelerate action, enhancements to in-app complaints management, and the implementation of internal incident notifications to speed up issue resolution. In addition, the Bank launched a CX performance dashboard for all business owners, enabling real monitoring of key customer experience metrics, trends, and accountability to support proactive management.

alinma also introduced a unified awareness platform to centralize frontline knowledge, powered by GPT, providing consistent, accurate, up-to-date information to support employees in serving customers effectively. Customer journeys across the Bank were enhanced through gap identification and targeted improvements, resulting in clearer communication, faster issue resolution, and a more consistent experience across all touchpoints.

**73**  
NPS score

#### Digitalization and innovation

In 2025, alinma shifted from digitalization to digital leadership by expanding its capabilities, deepening ecosystem connectivity and accelerating intelligent automation. The Bank's digital function became a core growth engine, reshaping customer interactions and enabling strategic execution across all segments. Corporate digital services were strengthened through the launch of a new Corporate Portal, delivering fast onboarding and comprehensive daily banking, payments, approvals, and POS requests within a single mobile experience. Our segment-specific propositions, including the iz Business for SMEs and iz youth apps, gained traction. Moreover, the implementation of a paperless, STP-enabled workflow for personal finance and credit card products allowed customers to benefit from fully digital application, approval, and disbursement processes. This eliminated physical documentation and manual document uploads, and accelerated turnaround times, reinforcing our commitment to sustainability and operational excellence.

The digital marketplace was expanded across insurance, automotive, travel, and e-commerce, with fully digital bancassurance offerings available end to end through alinma app to support cross-sell growth and customer acquisition. Platform-led innovation accelerated with the launch of alinma's Banking-as-a-Service platform, enabling seamless partner integration and diversified, scalable revenue models. Our open banking use cases also advanced, improving data access, simplifying onboarding, and strengthening fintech collaboration.

The Digital Factory continued to serve as alinma's digital delivery arm, enabling rapid releases while maintaining quality, governance, and Shariah compliance. Delivery speed and reliability improved significantly through advanced workload management and a unified automation framework that reduced manual effort and shortened release cycles. At the same time, the AMAD Tech Accelerator remained a cornerstone of alinma's innovation agenda, supporting fintech development, talent cultivation, and ecosystem growth. The Accelerator supported innovation through a large-scale hackathon with over 3,500 participants.

#### Empowering SME growth

Small and medium-sized enterprises are central to job creation and economic resilience in the Kingdom, and alinma places them firmly at the heart of its priorities. In line with Saudi Vision 2030's goal to increase SME economic contribution to 35% by 2030, we support businesses in high-growth sectors through purpose-built financial offerings, complemented by training and advisory services that address their distinct operational and development needs.

In the last quarter of 2025, we launched iz Business, the first fully automated, end-to-end financing journey for SMEs, enabling faster credit decisions and a seamless digital lifecycle. As a newly launched platform, the portfolio remains at a very early stage of development. The iz Business mobile app delivers an intuitive, comprehensive banking experience that simplifies financial management and supports growth through invoicing, payroll, collections, and financing, all within fully digital journeys

#### Small and medium enterprises financing – on balance sheet

ﷲ 12,022,536,000

#### Micro enterprises

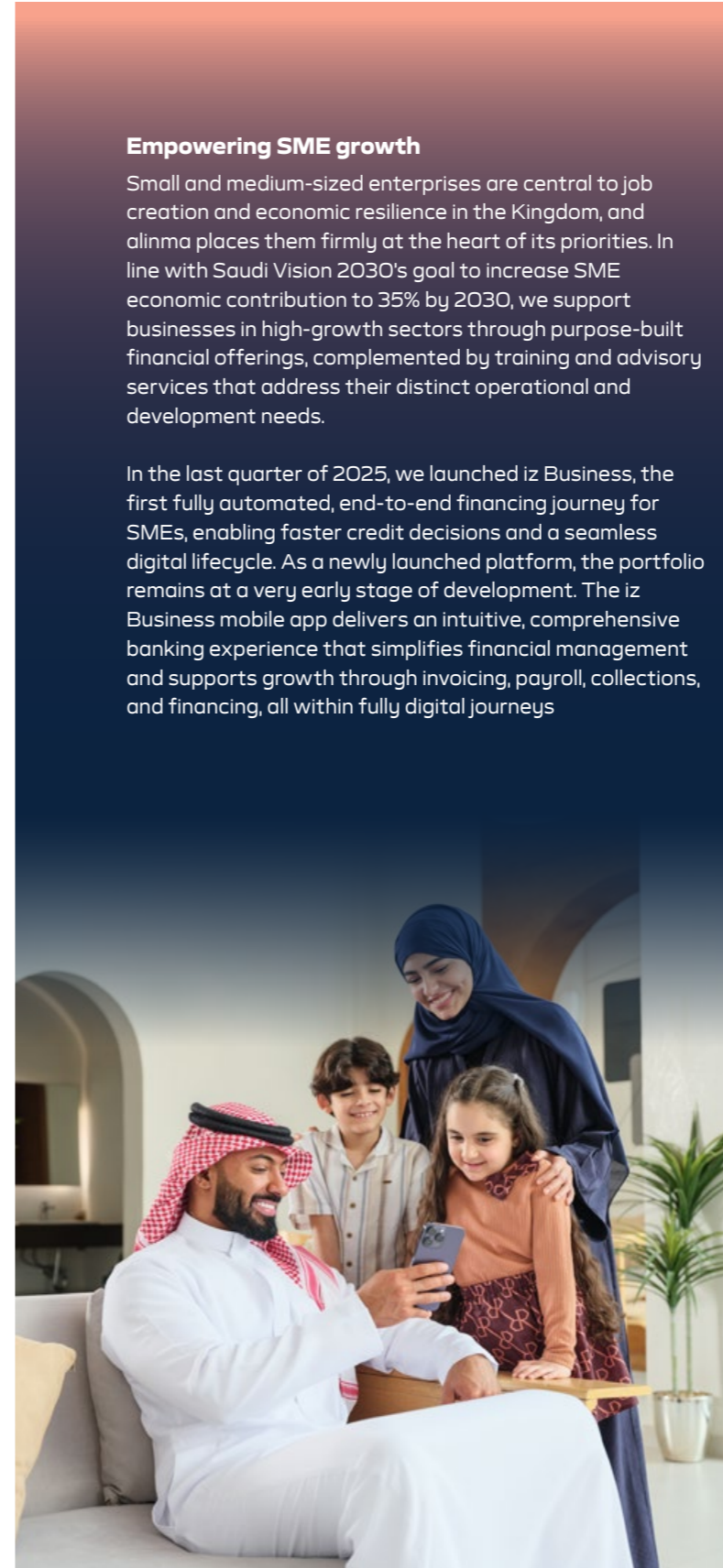
ﷲ 338,441,000

#### Small enterprises

ﷲ 5,509,925,000

#### Medium enterprises

ﷲ 6,174,170,000



## Our Performance continued

### 04 Create a Thriving Workplace

Our people strategy reflects our belief that sustainable performance is built by empowered individuals working within a culture of trust, growth, and care. We continue to strengthen alinma as a workplace where values shape behavior, talent is actively developed, and well-being is treated as a strategic priority.

By aligning culture, capability-building, engagement, and leadership, we create an environment that enables our people to contribute their best, supporting the Bank's long-term ambitions and institutional resilience.

#### Living our values, shaping our culture

In 2025, and in line with the Bank's refreshed corporate identity, alinma updated its values to make them clearer, more focused, and easier to embed across the organization. The values were streamlined into four core principles: Innovation, Collaboration, Transparency, and Passion. We brought the new values to life in a practical and sustainable way through a structured program of workshops, internal communication campaigns, and engagement initiatives to ensure employees clearly understood the meaning of each value and how it translates into everyday decisions and actions.

alinma also collaborated with the Human Rights Commission to present a session on human rights and distributed a human rights survey to all Staff members.

#### Attracting, developing and retaining future-ready talent

We continued to strengthen recruitment through structured partnerships with universities and national development programs, offering students and graduates practical exposure to real-world banking environments. Various

initiatives targeted university engagements enabled us to attract high-potential Saudi talent while supporting Saudization objectives. We delivered 12 recruitment and early-career initiatives, including exhibitions, workshops, bootcamps, job shadowing, and campus visits, with additional programs planned to further deepen this pipeline.

Employee engagement and retention were further supported through the launch of the new Z Program. This initiative reflects our commitment to recognizing employee contribution while supporting financial security beyond immediate compensation.

Leadership development and retention remain a priority. We conducted structured Reach Assessments to identify leadership strengths and development needs, supported by individualized development plans, coaching sessions, feedback discussions, and targeted leadership training. These programs are designed to support internal progression, strengthen succession readiness and ensure continuity in critical roles. In total, six leadership and retention initiatives were delivered during the year, reinforcing a culture of continuous development and performance growth.

19.83

Average days between job posting and candidate signed offer

90%

Retention rate

78

OHI score

7

Job fairs

26

Special needs training

54.9%

Internal hiring

#### Building future-ready capabilities through continuous learning

Throughout 2025, learning and development continued to play a central role in equipping our people with the skills, mindset, and capabilities required to support alinma's transformation and long-term strategy. Our approach focused on combining digital learning platforms with structured development pathways, ensuring learning was accessible, relevant, and closely aligned with business priorities.

A key area of progress was investment in advanced digital learning tools. We continued to expand our partnership with Udacity, scaled in 2025 to support the development of technical, cyber, and risk-related capabilities. By the end of the year, 180 employees were enrolled on the platform, representing 65% growth, with tangible outcomes in cyber readiness, fraud awareness, and the strengthening of technical tracks within the Future Bankers Program. Complementing this, Immersive Labs was introduced in 2025 to provide hands-on cyber and risk simulations. With 70 users in its launch year, the platform enhanced incident-response capabilities and reinforced the Bank's digital risk resilience.

Graduate and early-career development remained a priority. LeanTech standardized technical learning for the Future Bankers Program, supporting 53 users and delivering a 30% improvement in completion rates. This contributed to faster graduate readiness and reduced onboarding time across IT and Operations roles. Kaplan was also introduced in 2025 as the corporate learning platform for Future Bankers, supporting the same cohort and strengthening business acumen, customer focus, and job readiness across graduate rotations.

Alongside formal platforms, internal awareness and knowledge-sharing were expanded through the "We Simplified It for You" initiative. This internal channel delivered simplified and practical content on banking fundamentals, risk, fraud, and values. Employee participation increased by 40%, contributing to reduced operational errors, stronger process awareness, and closer alignment with our values.

These digital tools were reinforced by a broad portfolio of structured development programs delivered throughout the year. The Future Bankers Program recorded more than 4,000 training days, strengthening the graduate talent pipeline. The Athar Program enabled 20 people with disabilities to participate in more than 300 training days, supporting inclusion and skills development. University-

focused initiatives, including the MADARIK Bootcamp and Journey, reached more than 200 participants through 16 workshops and roadshows, bolstering early talent attraction. Additional programs included GOSI GDP rotations, finance for non-finance training, banking excellence programs, and risk development initiatives.

Leadership development formed a dedicated learning pathway, encompassing executive coaching, leadership talks, agile transformation initiatives, branch managers programs, and the Passion to Lead series. These programs were designed to strengthen leadership capability, support succession planning, and embed consistent leadership behaviors across the organization. Language capability was also addressed through an enhanced English Language Program, which supported clearer communication and improved service delivery.

Performance management and learning effectiveness were closely linked to business objectives. Learning KPIs tracked participation levels, completion rates, training days, leadership engagement, certification progress, and digital platform usage. These metrics were directly aligned with strategic outcomes such as graduate readiness, leadership capability enhancement, technical and risk skill development, and employer-of-choice ambitions.

#### Culture of care, balance and sustained engagement

Our approach to employee engagement and well-being is grounded in the belief that high performance is inseparable from a healthy, supported, and engaged workforce.

We strengthened work-life balance through flexible work arrangements and a hybrid model for eligible roles, enabling employees to manage professional and personal commitments more effectively. To further support well-being, we introduced a Mental Health Rest Day, providing short-term well-being leave without impacting annual balances. Our maternity and paternity policies were refined to better support families, including additional remote workdays during pregnancy, fully paid maternity leave, a post-maternity financial allowance, gradual return-to-work support, paid paternity leave, and family-focused financial gifts to celebrate the birth of a child.

Throughout the year, we activated employee recognition programs, department-level team-building initiatives, and an annual calendar of global health days and seasonal well-being events to foster connection, boost collaboration, and reinforce a sense of belonging across teams.

## Our Performance continued

Mental and physical health support was expanded through a comprehensive well-being ecosystem. We established an internal Mental Health Unit and provided confidential psychological consultations through the Nasmaak platform. Monthly sessions with mental health experts were complemented by fitness, nutrition, mindfulness, and stress-management programs. Our strategy was further reinforced through partnerships with leading healthcare and well-being providers. Oversight and professional rigor were ensured through ISO 45001-certified expertise in occupational health and safety.

In 2025, we adopted a more data-driven and proactive approach to engagement. An integrated Employee Engagement System strengthened participation and enabled early intervention. The Employee Voice Platform was enhanced with weekly follow-ups led by a dedicated internal committee that reviews insights, engages directly with employees, and escalates recurring themes to the CHRO with clear recommendations. Monthly mood analytics identified pressure points early, while quarterly burnout

studies tracked stress and fatigue trends. We also introduced an AI-powered burnout prediction model that analyzed mood patterns, absenteeism, and workload indicators.

Leadership effectiveness was strengthened through the rollout of an institutional Leadership Framework built around eight core behaviors: clarity, empowerment, accountability, effective communication, care, recognition, problem solving and role modeling. This framework delivered more than an 85% improvement in leadership behavior scores across departments.

To measure success, we applied a multi-layered assessment approach that included the Organizational Health Index, the Annual Mental Health Index, quarterly burnout measurements, monthly mood analytics, and AI-driven risk indicators. Insight from focus groups and participation levels across well-being initiatives confirmed improved workplace climate, stronger engagement, and higher employee involvement throughout the year.

These efforts positioned employee engagement and well-being as a strategic capability rather than a support function. By combining progressive policies, strong leadership, digital intelligence, and continuous listening, we reinforced a culture where people feel supported, valued, and empowered to perform at their best, today and over the long term.

**2,823**

**Total number of employees**

**23%**

**Female representation on the workforce**

**96%**

**Saudization rate**

**3%**

**People with special needs rate**

**7%**

**Women in leadership roles**



**These efforts positioned employee engagement and well-being as a strategic capability rather than a support function.**



## Our Performance continued

### 05 Strengthen Our Communities and Advance Financial Inclusion

Our approach to corporate social responsibility (CSR) reflects a clear conviction: that long-term value is created when financial strength is matched by social responsibility. In 2025, we continued to embed this belief into how we operate, invest, and engage with society. Our CSR agenda is integrated into our strategy, aligned with national priorities and designed to deliver measurable outcomes that strengthen communities, expand opportunity, and emphasize trust. Through a disciplined framework, focused partnerships, and a commitment to accountability, we translate purpose into action and ensure that our growth contributes meaningfully to the Kingdom's social and economic progress.

### Our CSR strategy

Our CSR strategy outlines a clear and disciplined roadmap to 2030, designed to strengthen governance and accountability, and deliver meaningful, measurable social impact. Grounded in our purpose, values, and long-term vision, the strategy reflects our belief that responsible banking must actively contribute to inclusive growth, social resilience, and sustainable development.

We have structured the strategy around three core pillars, each supported by defined objectives and measurable performance indicators. This ensures that our social impact initiatives are not only well intentioned, but also tracked, evaluated, and continuously improved as we progress toward our 2030 commitments.

#### Our CSR vision



To build an empowered society where responsible banking creates lasting positive change for individuals and communities

#### Our CSR mission



To catalyze positive change by providing inclusive financial services, SDG-related programs, and responsible banking practices that empower individuals and strengthen communities

<b>Our CSR strategic pillars</b>	<b>Financial sustainability and financial inclusion</b>		
<b>Objective</b>	Drive financial inclusion and sustainability through collaboration with governments and NGOs		
<b>Themes</b>	Financial inclusion	Knowledge, skills, and confidence	SMEs empowerment fund
<b>Topics</b>	<ul style="list-style-type: none"> <li>Financial inclusion and sustainability</li> <li>Financial knowledge, skills, and confidence</li> <li>Entrepreneurs, SMEs, and startups</li> </ul>		
<b>Values</b>	<ul style="list-style-type: none"> <li>Inclusion</li> <li>Responsibility</li> <li>Innovation</li> <li>Impact</li> </ul>		

<b>Impact</b>	<b>Responsible practices</b>	<b>Key enablers</b>		
Increase the Bank's social impact by contributing to solving national ecosystem challenges	Strengthen the Bank's responsible practices	<ul style="list-style-type: none"> <li>Leadership support</li> <li>Culture and awareness</li> <li>Stakeholder engagement</li> <li>AMAD (internal and external communication)</li> </ul>		
<table border="1"> <tr> <td>SDG-related programs</td> <td>Community development</td> </tr> </table> <ul style="list-style-type: none"> <li>Social investment</li> <li>Philanthropic initiatives</li> <li>Charters empowerment</li> <li>SDG programs and initiatives</li> <li>Community awareness</li> </ul>	SDG-related programs	Community development	Responsible programs and initiatives that affect internal communities <ul style="list-style-type: none"> <li>Waste reduction</li> <li>Water conservation</li> <li>Diversity and inclusion</li> <li>Data privacy and security</li> <li>Employee well-being and internal community support</li> <li>Ethical business practices</li> </ul>	
SDG-related programs	Community development			



## Our Performance continued

### Social investment and community commitment in 2025

Our commitment to social impact is backed by clear financial discipline. We allocate 1% of our annual revenue to CSR initiatives, ensuring that our contribution to society grows alongside the Bank. In 2025, we approved more than ﷲ 30 million for targeted CSR programs designed to generate lasting social and economic benefits.

#### Pillar one: Financial sustainability and financial inclusion

Financial sustainability and financial inclusion are central to our CSR agenda. We view access to financial services, knowledge, and opportunity as a foundational enabler of economic resilience and social mobility. In 2025, we continued to expand initiatives that empower individuals, women, youth, and entrepreneurs with the tools needed to participate confidently in the financial system.

Our financial knowledge and confidence programs delivered measurable outcomes. Over the past two years, more than 7,000 individuals benefited from structured financial education initiatives, while the AMAD podcast reached close to 700,000 viewers. During 2025, online financial management training reached 1,000 youth through six structured sessions, complemented by volunteering initiatives that strengthened peer learning and engagement. Programs focused on women's financial confidence supported 500 Saudi women through targeted sessions designed to improve money management and long-term financial decision-making.

Financial sustainability and financial inclusion efforts also extended to entrepreneurs and early-stage businesses. Through the pre-seed small business fund and our broader SME empowerment agenda, we supported access to financing and capability-building for emerging enterprises, reinforcing our role as a catalyst for sustainable economic participation.

#### Pillar three: Responsible business practices and internal stewardship

Responsible practices underpin everything we do. In 2025, we continued to strengthen transparency, governance, and ethical standards across our operations. We advanced responsible disclosure through enhanced reporting, strengthened internal community development programs, and reinforced our commitment to ethical business conduct.

#### Pillar Two: Impact through national and community development

Our second pillar focuses on increasing alinma's social impact by contributing to solutions for national and community-level challenges aligned with the Sustainable Development Goals.

We supported the Martyrs Fund with ﷲ 5 million in educational scholarships, enabling long-term educational access for beneficiaries, with educational grants supporting 140 students. We also committed ﷲ 6 million to support genome research, contributing to national healthcare and scientific advancement. Through our partnership with the King Salman Center for Disability Research, we supported the Baby Genome initiative, benefiting 1,000 infants and contributing to the development of a national genome map.

Through the "Jood @ Work" initiative, in partnership with Jood Eskan, 10 homes were completed during the year, while sustainability knowledge transfer initiatives and internal community programs extended impact to employees' families, including children with disabilities.

The AMAD innovation and entrepreneurial ecosystem remained a cornerstone of our impact agenda. In 2025, 14 innovators, 20 talents, and 14 entrepreneurs participated across ecosystem programs, with 14 fintech-related patent opportunities under analysis and three strategic products under development. These initiatives reflect our belief that innovation-led impact can simultaneously create durable economic value and societal benefit.

### Governance, partnerships and enabling impact at scale

Strong governance and collaboration act as enablers across all CSR pillars. Leadership sponsorship, organizational culture, and Stakeholder engagement remain central to how we design and deliver social impact. AMAD continues to serve as a key platform for both internal and external communication, ensuring transparency, alignment, and accountability.

Our partnerships with entities such as Misk, Mawhiba, Tuwaiq Academy, and sector-specific organizations strengthened execution and expanded reach. Notably, the launch of the AMAD Fintech Hackathon in partnership with Tuwaiq Academy reinforced our role in developing future-ready talent and innovation capacity.

Project and partner	Expected outcomes	Objective
Jood Eskan Platform in partnership with Sakan Foundation	Improve living conditions for alinma Bank security guards eligible for social welfare by providing appropriate housing support.	<ul style="list-style-type: none"> <li>• 10 homes delivered</li> <li>• 10 homes under construction</li> <li>• 3 volunteer opportunities</li> </ul>
Baby Genome in partnership with King Salman Humanitarian Aid and Relief Centre	Promote public health through early detection of diseases and disabilities using genetic technology.	<ul style="list-style-type: none"> <li>• 1,000 children benefited</li> <li>• Genome mapping conducted</li> <li>• 3 volunteer opportunities</li> </ul>
Educational grants in partnership with the Martyrs, Injured, Prisoners, and Missing Persons Fund (FFM)	Contribute to empowering children of martyrs through education and enhancing the quality of education to advance Sustainable Development Goals.	<ul style="list-style-type: none"> <li>• 140 students benefited</li> <li>• 5 volunteer opportunities</li> </ul>
Youth Financial Training Program in partnership with The Financial Academy	Empower youth by enhancing financial inclusion and literacy through specialized training in money management, savings, and investment.	<ul style="list-style-type: none"> <li>• 1,000 youth benefited</li> <li>• 6 training sessions</li> <li>• 3 volunteer opportunities</li> </ul>
Financial Awareness and Trust Program for Women in partnership with The Financial Academy	Enhance women's financial awareness and trust, promote short- and long-term financial planning, and contribute to overall financial literacy.	<ul style="list-style-type: none"> <li>• 1,500 women benefited</li> <li>• 6 training sessions</li> <li>• 3 volunteer opportunities</li> </ul>
AMAD Innovation & Entrepreneurship Accelerator in partnership with Falak Investment Hub	Promote innovation and entrepreneurship in the financial sector through the AMADTech program to support innovators and entrepreneurs in financial technologies, aligned with national innovation and financial inclusion initiatives.	<ul style="list-style-type: none"> <li>• 14 innovators</li> <li>• 20 talents</li> <li>• 10 entrepreneurs</li> <li>• 3 strategic products</li> <li>• 5 volunteer opportunities</li> </ul>
Knowledge Transfer Program in Sustainability in partnership with The Financial Academy	Raise community awareness of sustainability concepts through educational programs focusing on sustainable practices across various fields.	<ul style="list-style-type: none"> <li>• 3 training materials developed</li> <li>• 3 volunteer opportunities</li> </ul>
Financial Fraud Awareness Campaign in partnership with a suitable production studio	Produce an official awareness film aimed at raising public awareness of financial fraud risks and prevention methods, while enhancing community and customer understanding of its various techniques.	<ul style="list-style-type: none"> <li>• Reach more than 10 million viewers</li> <li>• Produce a main short film and three short videos supported by a strategic campaign</li> <li>• 5 volunteer opportunities</li> </ul>

## Our Performance continued

Project and partner	Expected outcomes	Objective
Financial Inclusion and Sustainability Initiative in partnership with Associations Support Fund	Support NGOs working on developmental issues by establishing the alinma Developmental Portfolio and providing financial support through donations in compliance with approved regulations.	<ul style="list-style-type: none"> <li>• 1 developmental field</li> <li>• 6 charitable organizations</li> <li>• 6,500 beneficiaries</li> <li>• 4 main products</li> <li>• 6 volunteer opportunities</li> </ul>
AMAD Al-Hiraf – Phase 2, in partnership with Impact Valley Capital and Al-Ahsa Chamber of Commerce	Empower artisans through specialized training programs, improve product quality, and enhance the sustainability of the handicrafts sector in a formal and sustainable manner.	<ul style="list-style-type: none"> <li>• Establishing a retail store in Riyadh</li> <li>• 65 handicraft pieces</li> <li>• 5 volunteer opportunities</li> </ul>
Saudi Green Initiative – Phase 2, in partnership with Net Zero	Plant 25,000 mangrove trees annually in Rabigh as part of the Saudi Green Initiative, and document them on the Smart Tree Map.	<ul style="list-style-type: none"> <li>• 25,000 trees</li> <li>• Monitoring and follow-up system</li> <li>• 3 volunteer opportunities</li> </ul>
Misk – Phase 2, in partnership with the Mohammed Bin Salman Foundation	Enhance the efficiency and sustainability of non-profit organizations by developing financial and accounting practices and ensuring compliance with applicable financial regulations.	<ul style="list-style-type: none"> <li>• 35 youth associations</li> <li>• 3 training sessions</li> <li>• 3 volunteer opportunities</li> </ul>
Shariah specialists and scholars, in partnership with the Saudi Judicial Scientific Society (Qadha)	Qualify Shariah specialists in financial and banking transactions, meeting the growing demand for professionals who combine Shariah knowledge with practical skills in the banking sector.	<ul style="list-style-type: none"> <li>• 10 specialists</li> <li>• 5 scholars</li> <li>• 5 volunteer opportunities</li> </ul>
Children with disabilities, in partnership with specialized educational and rehabilitation centers	Support and improve the quality of life for children with special needs by providing medical and therapeutic sessions tailored to their physical and psychological needs.	<ul style="list-style-type: none"> <li>• 5 children</li> <li>• 5 volunteer opportunities</li> </ul>
Transparency Enhancement – AMAD Report in partnership with Impact Valley Capital	Measure the social impact of the Bank's social responsibility programs to formally and systematically evaluate their influence on society.	<ul style="list-style-type: none"> <li>• Measure the social impact of the AMAD initiative</li> <li>• Impact Report</li> <li>• Knowledge transfer</li> </ul>

### Responsible procurement and localization

alinma expanded the number of suppliers covered by the Bank's ESG assessment from 28 in 2024 to 139 in 2025, complemented by an annual sustainability workshop, delivered in the form of a supplier sustainability webinar attended by 44 participants, supporting effective ESG implementation beyond the Bank's operations.

We strengthened our relationships with suppliers in 2025 by launching a supplier satisfaction survey, achieving a score of 9.3 out of 10.

### Supplier satisfaction survey score

9.3 out of 10

### Recognition for our CSR impact

CSR Awards (Gold and Silver) extended by the Ministry of Human Resources and Social Development

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alinma



## Our Performance continued

### 06 Drive Robust Governance and Responsible Operations

alinma is a trusted steward of personal and commercial financial activity, operating within a financial landscape that is becoming more complex as a result of regulatory intensity, technological disruption, and changing market forces. To meet this responsibility, ethical conduct and accountability are deeply embedded in our governance framework, with integrity underpinning our Shariah-compliant culture.

In line with leading international governance practices, we focus on strong regulatory compliance, effective anti-money laundering and anti-corruption controls, resilient risk and business continuity management, and advanced cybersecurity capabilities. These priorities are overseen by a seasoned Board of Directors and executive leadership team within a well-defined organizational structure.

#### Governance, accountability, transparency, and ethics

alinma is governed by a highly experienced Board of Directors responsible for setting vision, strategic direction, and oversight of sustainability, with appointments made in line with regulatory requirements. Comprised entirely of non-executive and independent members, the Board is structured to ensure objective, transparent decision-making, supported by strict rules to prevent conflicts of interest. This independent oversight enables rigorous scrutiny of Management and promotes strong governance that underpins long-term trust and sustainable growth. In 2025, we were pleased that Ms. Maram Mohammed Alnumay joined the Board, bringing gender diversity and a fresh perspective to the Bank.

As part of its overall supervisory duties, the Board takes sustainability-related issues like governance, risk management, compliance, and long-term strategic objectives into account. alinma arranges comprehensive sustainability training for the Board to enhance ESG capability at this highest level and sustainability metrics are included in the Board's performance evaluation.

alinma's standards for ethical behavior and professional conduct are set out in its Code of Conduct. The Code applies across the organization, from the Board of Directors to employees and suppliers. We place special emphasis on avoiding conflicts of interest through a comprehensive governance framework that requires clear disclosures, Board oversight, and the exclusion of conflicted parties from decision-making, with independent review and approvals

applied where required. Related-party transactions are governed by a dedicated framework to ensure arm's-length terms, supported by centralized disclosure, layered approvals, and transparent reporting to regulators to maintain fairness and regulatory compliance.

Sustainability elements were integrated into the Code of Conduct in 2025, with all employees signing agreement to the Code. This allows us to reinforce ethical decision-making, promote consistent standards of behavior across the organization, and ensure sustainability considerations are embedded in everyday business practices.

In 2025, alinma updated the Bank's whistleblowing policies and procedures to strengthen Stakeholder reporting of improper, unethical, or inappropriate behavior within the Bank.

alinma's compliance approach is centered on full adherence to applicable laws, regulations, and internal policies, while embedding a strong compliance culture across all business and control functions. Compliance is viewed as a shared responsibility, led by the Board and Senior Management and extended to every employee, and is reinforced through an annual risk-based compliance plan and ongoing review of policies to ensure regulatory alignment. In 2025, we raised employees' awareness and institutional knowledge of SAMA regulations and instructions through the alinma Rule Book Portal, a centralized database published on our intranet. In addition, our new Regulatory Compliance Portal streamlines compliance-related requests and responses through automation, clear workflows, and easy request tracking and management.

#### Business continuity

In 2025, we strengthened business continuity by aligning our program with strategic objectives, heightened regulatory expectations, and operational resilience requirements, while actively managing third-party risks and adapting to digital transformation, including AI. In line with SAMA guidance,

alinma conducted disaster recovery drills, crisis simulations, and quarterly readiness exercises, confirming that plans, procedures, and response capabilities were effective and well understood.

We implemented safeguards to maintain the availability of vital services in the event of unforeseen interruptions, such as online and mobile banking, ATMs, and payment gateways. alinma governs business continuity through a structured framework aligned with the Bank's 2025 strategy, the SAMA BCM Framework and ISO standards, using incidents, tests, and regulatory changes to continuously strengthen the program. Active-active data centers and disaster recovery sites enable uninterrupted customer access and flexible working arrangements during physical incidents, while reducing travel requirements and supporting both operational resilience and ESG objectives.

#### ESG risk management

We acknowledge that ESG risks can materially affect financial results, reputation, and regulatory compliance, and we actively manage these risks across our operations. In line with this, the Bank has already begun embedding ESG considerations into alinma's risk management framework in a structured and phased roadmap approach, in close coordination between the risk management and sustainability functions, supporting sustainable growth and long-term value. Potential ESG risk factors affecting the Bank or its customers are identified and assessed using ESG scoring, scenario analysis, and relevant global frameworks. In the year under review, we published an ESG risk framework, establishing a structured and consistent approach to identifying, assessing, and managing ESG risks across the Bank.

#### Data privacy and cybersecurity

alinma manages data privacy through a centralized and clearly defined operating model. Oversight is assigned to the Data Protection Officer, while the Data Privacy Unit, operating under the Enterprise Data Management Department, manages day-to-day execution and control. This ensures consistent application of data protection requirements, effective monitoring of compliance, and timely response to data privacy risks across the organization. Similarly, alinma manages cybersecurity through a centralized and clearly defined operating model. Oversight is assigned to the Chief Information Security Officer (CISO), while the Cybersecurity Department manages day-to-day execution, monitoring and enforcement of security controls. This structure ensures the consistent implementation of cybersecurity policies and standards, effective monitoring of compliance with regulatory and internal security requirements, and a timely response to cyber threats and vulnerabilities across the organization.

During 2025, we made significant progress in strengthening the data privacy framework. We enhanced and finalized core

privacy policies, standards, and procedures in close collaboration with cybersecurity, procurement, and other control functions. The Bank also reinforced contractual governance by strengthening privacy clauses, data processing agreements, and third-party oversight. In parallel, alinma managed evolving regulatory and supervisory requirements, maintaining alignment with the Personal Data Protection Law (PDPL), its Implementing Regulations, and SAMA expectations. We further improved efficiency and traceability by engaging a specialized vendor to automate core data privacy business-as-usual processes. Together, these actions advanced governance maturity and strengthened operational resilience.

Data privacy controls are tested regularly through internal reviews conducted by Compliance and Internal Audit, as well as external regulatory and supervisory assessments by SAMA and independent auditors. These reviews provide objective assurance over the effectiveness of the Bank's data privacy governance and controls. No personal data breaches were identified in 2025.

[View the alinma Bank Privacy Policy here:](#)

During 2025, 112 data privacy awareness and training activities were delivered as part of alinma's broader compliance and governance programs. These activities focused on enhancing employee awareness of PDPL obligations, responsible data handling practices, and core privacy principles.

alinma significantly strengthened its cybersecurity capabilities in 2025 through the establishment of a Cybersecurity Defense Center that provides 24/7 monitoring and incident response, processing more than 72,000 security alerts quarterly. The Bank also enhanced threat detection by building a centralized security data lake, enabling advanced analytics and future AI-driven security use cases, while Cyber Threat Intelligence operations handle over 11,900 intelligence alerts quarterly to support proactive threat detection.

In parallel, alinma continues to strengthen risk management by conducting regular cybersecurity risk assessments, penetration testing, vulnerability testing and architecture reviews to ensure secure technology deployment. The Bank maintains strong regulatory alignment through certifications such as ISO 27001, PCI DSS and SWIFT, alongside compliance with SAMA, NCA and CMA cybersecurity requirements. In addition, the cybersecurity team actively promotes a security-first culture by delivering continuous cybersecurity awareness campaigns and training sessions across the organization. These initiatives are further supported by strong governance, continuous policy enhancement and a forward-looking Cybersecurity Strategy for 2026–2028.



In 2025, we strengthened business continuity by aligning our program with strategic objectives, heightened regulatory expectations, and operational resilience requirements.



## Governance

# 05

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## alinma Board of Directors' Report 2025

The Board of Directors of alinma is pleased to present their 17th Board of Directors' Report for the year ended 31 December, 2025. This report provides concise information of the Bank's operations and financial results, as well as the governance structure that enabled the Bank to conduct its business and successfully navigate through the challenges faced in 2025, while aligning with its future vision. It also supports the continued compliance of sound corporate governance and ethical principles.

### Governance at alinma

Effective corporate governance is critical to the proper functioning of alinma. The Bank's safety and soundness are key to financial stability, and the manner in which we conduct our business is therefore central to the Bank's economic health.

The Saudi Central Bank (SAMA) has issued "Key Principles of Governance in Financial Institutions", which contains seven primary principles that are in accordance with best practices recognized internationally. The members of the Board of Directors and Senior Management of the Bank are required to apply these principles in addition to understanding the related risks within the Bank's operating environment. The Bank also abides by the rules and regulations issued by the Capital Market Authority (CMA) that are designed to reinforce transparency and disclosure standards to safeguard investors and their decisions. The governance activities extend to complying with the requirements of Tadawul (Saudi Exchange) in the listing of the Bank in the securities market in the country.

These governance principles are intended to assist the Bank in enhancing its corporate governance framework, and to help Board members and Senior Managers to oversee the Bank's activities. Corporate governance is a key element in improving economic efficiency and growth as well as in enhancing investor confidence. The governance framework is implemented through six (6) Board Committees.

The Bank has designed comprehensive disclosure policies and regulations that grants all Stakeholders the right to access to material information and developments. The Bank has also designed and implemented training and sharing of information programs to assist new Board members in fulfilling their obligations and duties of oversight of the operations.

### Governance structure

#### Board composition and appointment

The Bank is governed by a Board of Directors consisting of nine (9) members who are appointed by the Shareholders at the General Assembly for a period of three (3) years.

The Board sets out and ensures clear lines of responsibility and accountability at all levels of the Bank. members of the Board choose a Non-Executive Director as the Chairman of the Board of Directors, who ensures a fair representation.

#### Capital and shares issued

The paid-up capital of the Bank is 25,000,000,000 divided into 2,500,000,000 ordinary shares, with a nominal value of 10 each.

#### Corporate governance provisions implementation

The Bank generally complies with implementing the provisions provided by the Corporate Governance Regulation issued by the CMA and with the Key Principles of Governance in Financial Institutions and other directives issued by SAMA, as well as the Companies Law issued by the Ministry of Commerce. The Bank strives to ensure compliance with all governance regulations and to keep pace with any developments arising on the matter.

## Names, qualifications, experience and current and previous positions of the Board and Committee members and the Executive Management

### (A) Board of Directors

#### New members of the Board of Directors



#### Abdullah Ali AlKhalifa

Board member – Managing Director

Appointed: 21 May, 2025

Abdullah AlKhalifa possesses extensive experience in the banking sector, spanning over 31 years in the banking industry; with more than 14 years as a Chief Financial Officer, including experience as Chief Executive Officer of alinma. He has developed deep insight into understanding the banking market and has successfully led financial institutions through periods of major transformation. He has also held several positions at Banque Saudi Fransi, Al Rajhi Bank, and the Arab National Bank.

#### Current memberships and positions

- Board member, alinma (2025 – Present)
- Chief Executive Officer, alinma (2021 – Present)
- Chairman of the Board, TechStrike (2025 – Present)
- Vice Chairman of the Board, alinma Jeddah Economic City Real Estate Fund, (2024 – Present)
- Chairman of the Board, Saudi Fintech Company (2021 – Present)
- Board member, alinma capital (2021 – Present)
- Vice Chairman of the Board, Ersal Financial Remittance Company (2021 – Present)

#### Previous memberships and positions

- Board member, Arabian Sheild Cooperative Insurance Company
- Board member, Saudi Credit Bureau (SIMAH) Company
- Board member, alinma Tokio Marine Company
- Chief Financial Officer, Banque Saudi Fransi
- Chief Financial Officer, Al Rajhi Bank
- Chief Financial Officer, Arab National Bank

#### Educational and professional qualifications

- Master of Accounting, University of Miami, United States
- Bachelor of Accounting, King Saud University, Kingdom of Saudi Arabia

#### Skills and contribution

- Deep knowledge and understanding of banking and financial services operations
- Extensive experience in financial management and strategic planning
- Highly proficient in digital transformation and Shariah compliance

## alinma Board of Directors' Report 2025 continued



### H.E. Ahmed Abdulaziz AlHakbani Board member

Appointed: 21 May, 2025

Risk Committee member

Governance and Sustainability Committee member

H.E. Ahmed AlHakbani is a distinguished expert who combines extensive practical and institutional experience. He is the Founder, Chief Executive Officer, and Vice Chairman of the Board of Simplified Financial Solutions (SiFi). In addition to his professional expertise, he has led comprehensive transformation initiatives through the deployment of modern technologies and has overseen the development of human resources frameworks, including reward and performance management systems.

His membership on the boards of government entities and publicly listed companies has enabled him to contribute to strategy formulation and the enhancement of governance practices. Moreover, his leadership of a financial technology company gives him an advanced perspective, allowing him to contribute effectively to the financial technology sector.

#### Current memberships and positions

- Board member, alinma (2025 – Present)
- Governance and Sustainability Committee member, alinma (2025 – Present)
- Risk Committee member, alinma (2025 – Present)
- Board member, Retal Urban Development Company (2025 – Present)
- Board member, Maaden (2023 – Present)
- Board of Trustees, Waqf Sulaiman AlRajhi (2023 – Present)
- Board member, Acwa (2022 – Present)
- Board member, Communications, Space & Technology Commission (CST) (2022 – Present)
- Board of Trustees member, The National Museum (2022 – Present)
- Board member, The Nuclear and Radiological Regulatory Commission of Saudi Arabia (NRRRC) (2022 – Present)
- Board member, Saudia Airlines (2021 – Present)
- Vice Chairman of the Board and Chief Executive Officer, SiFi (2021 – Present)
- Vice Chairman of the Board, Saudi AZM Telecom and Information Technology Company (2021 – Present)
- Member of the Advisory Body of the Supreme Council of the GCC (2021 – Present)

#### Previous memberships and positions

- Governor and Board member, Zakat, Tax and Customs Authority
- Secretary General and Board member, Saudi Exports Development Authority
- Board member, Saudi Food and Drug Authority
- Board member, Saudi Ports Authority (Mawani)
- Board member, Local Content and Government Procurement Authority
- Chairman of the Board, Tabadul Company
- Board member, Obeikan Glass Company
- Chairman of the Board, King Fahad Causeway Authority
- Board member, Edaa Company
- Board member, Gasco Company
- Board member, Flyadeal
- Chairman of the Board, Siwar Food Company (Asrti Meals)
- Board member, Special Integrated Logistics Zone Company (SILZ)
- Chairman of the Board, Uptown Jeddah Company
- Undersecretary for Foreign Trade and General Supervisor of Overseas Commercial Offices, Ministry of Commerce

#### Educational and professional qualifications

- Master of Business Administration (MBA), INSEAD, France
- Bachelor's in Information Systems Management, King Saud University, Kingdom of Saudi Arabia
- IT Infrastructure Library (ITIL) Certification, United States
- Project Management Professional (PMP) Certification, Project Management Institute (PMI), United States

#### Skills and contribution

- Seasoned executive with in-depth experience in leading large-scale and major transformations
- Extensive experience in developing operations and business models through technology
- Proficient in overseeing audit processes, ensuring financial transparency, and implementing internal governance frameworks
- Extensive experience in achieving sustainability goals and reinforcing corporate governance principles



### Maram Mohammed AlNumay, CFA Board member

Appointed: 21 May, 2025

Executive Committee member

Risk Committee member

Maram AlNumay has extensive experience in investment and risk management, supported by a strong academic and professional background in the financial and asset management sectors. She holds a Bachelor's degree in Finance from King Saud University and a Master's degree from DePaul University. She is also a CFA and CAIA charter holder.

She currently serves as Managing Partner and Head of Risk and Investment Solutions at MRZM Investments Company. Previously, she served as Chief Risk Officer at Hassana Investment Company, where she provided strategic oversight of one of the largest pension funds globally and was a member of the Investment Committee. Prior to that, she held several positions within the International Investments Division.

#### Current memberships and positions

- Board member, alinma (2025 – Present)
- Executive Committee member, alinma (2025 – Present)
- Risk Committee member, alinma (2025 – Present)
- Governance, Risk, and Compliance Committee member, Matarat Holding (2025 – Present)
- Head of Investment and Risk Solutions, MRZM Investments (2025 – Present)
- Board member, Maarif Education, Audit Committee member (2024 – Present)

#### Previous memberships and positions

- Chief Risk Officer, Hassana Investment Company
- Head of Risk, Hassana Investment Company
- Manager, International Markets, Hassana Investment Company
- Senior Analyst, International Markets, Hassana Investment Company
- Analyst, International Markets, Hassana Investment Company
- Lecturer, Finance Department, King Saud University Teaching Assistant, Finance Department King Saud University

#### Educational and professional qualifications

- Master of Finance, DePaul University, United States
- Bachelor of Finance, King Saud University, Kingdom of Saudi Arabia
- CFA Charter holder, United States
- CAIA Charter holder, CAIA

#### Skills and contribution

- Extensive experience in financial planning and investment decision-making
- Comprehensive knowledge of the investment services sector and risk management
- Extensive experience in strategic affairs of institutional investors

## alinma Board of Directors' Report 2025 continued

### Current members of the Board of Directors



#### Dr. Abdulmalik Abdullah AlHogail

Chairman of the Board

Appointed: 21 May, 2019

Chairman of the Executive Committee

Nominations and Remuneration Committee member



#### Saad Abdulaziz AlKroud

Vice Chairman of the Board

Appointed: 21 May, 2022

Chairman of the Governance and Sustainability Committee

Nominations and Remuneration Committee member

Dr. Abdulmalik AlHogail has over 30 years of experience spanning a variety of industries across the Middle East. He has held several positions on the boards of prominent companies. His experience covers multiple sectors, including banking, investment, oil and petrochemical shipping, food processing, and pharmaceuticals. His roles have consistently been distinguished by making important managerial decisions.

Saad AlKroud is a seasoned executive with extensive experience in finance and investment. He currently serves as Vice Chairman of the Board at alinma, in addition to his role as Head of Local Real Estate Investments at the Public Investment Fund, where he plays a pivotal role in defining strategic directions. He developed his expertise in wealth management through previous leadership roles at Mayaas Holding and Abdullatif Alissa Holding.

### Current memberships and positions

- Chairman of the Board, alinma (2019 – Present)
- Chairman of the Executive Committee, alinma (2019 – Present)
- Nominations and Remuneration Committee member, alinma (2022 – Present)
- Vice Chairman of the Board, Americana Restaurant Group (2022 – Present)
- Board member, National Shipping Company (Bahri) (2017 – Present)
- Vice Chairman of the Board, Americana Group (2017 – Present)

### Previous memberships and positions

- Board member, Saudi Electricity Company
- Board member, National Chemicals Company
- Board member, Arabia International Medical Holding Company
- Board member, Saudi Accenture Company
- Board member, Philips Saudi Arabia Healthcare Limited
- Board member, Modern Electronic Company
- Board member, alinma capital
- Board member, Pharma International
- Vice President and CFO, Al Faisaliah Group

### Educational and professional qualifications

- PHD In Accounting Finance, Case Western Reserve University, United States
- Master's degree in Accounting, Case Western Reserve University, United States
- Bachelor's degree in Accounting, King Saud University, Kingdom of Saudi Arabia
- CPA, AICPA, United States
- CMA, IMA, United States
- CFMIMA, United States
- SOCPA

### Skills and contribution

- Experienced executive with extensive expertise in strategic and financial planning
- Advanced knowledge of mergers, acquisitions, and corporate finance
- Proven track record in leading boards across diverse industries
- Skilled at navigating complex business challenges in the Middle East

### Current memberships and positions

- Vice Chairman of the Board, alinma (2022 – Present)
- Chairman of the Governance and Sustainability Committee, alinma (2022 – Present)
- Nominations and Remuneration Committee member, alinma (2022 – Present)
- Head of Local Real Estate Investment Division, Public Investment Fund (2025 – Present)
- Chairman of the Board, Southern Province Cement Company (2024 – Present)
- Board member, King Faisal Specialist Hospital & Research Centre (2024 – Present)
- Chairman of the Board, TAQNIA (2023 – Present)
- Vice Chairman of the Board, El Seif Engineering Contracting (2023 – Present)
- Chairman of the Board, Dan Company (2022 – Present)
- Board member, Diriyah Company (2022 – Present)
- Board member, AlBalad Development Company (2020 – Present)

### Previous memberships and positions

- Secretary General of the Board of Directors and Chief of Staff, Public Investment Fund
- Advisor to the Chairman, Abdullatif Alissa Group Company
- Vice President, Wealth Management and Diversification Company

### Educational and professional qualifications

- Master of Management and Leadership, University of La Verne, United States
- Bachelor of Finance, King Fahd University of Petroleum and Minerals, Kingdom of Saudi Arabia

### Skills and contribution

- Proven expertise in developing strategic business plans and ensuring their effective execution
- Successful track record in leading large-scale institutional projects and managing diversified investment portfolios
- Experienced in establishing and scaling startups to achieve sustainable growth
- Expert in financial management and designing diversified investment strategies

## alinma Board of Directors' Report 2025 continued



### Abdulrahman Mohammed Ramzi Addas Board member

Appointed: 20 November, 2019\*

Chairman of Nomination and Remuneration Committee\*\*

Executive Committee member

Abdulrahman Addas has over 40 years of professional experience in the banking and investment sectors, with a proven record of achievement in risk management and strategic leadership. He held several leadership positions in two major institutions, reflecting the breadth of his experience and his deep knowledge of the financial sector. His career includes 28 years at the Saudi National Bank (SNB), where he held numerous senior executive roles, followed by three years at SEDCO as Managing Director of the Real Estate Investment Group.



### Anees Ahmed Moumina Board member

Appointed: 21 May, 2022

Chairman of the Risk Committee\*

Executive Committee member

Anees Moumina is a well-versed executive with a career spanning more than 35 years in leadership roles across banking, food, retail, and family business companies. Currently, he serves on multiple boards across various sectors, including banking, healthcare, real estate, and government entities, leveraging his diverse experience to contribute to strategic decision-making and corporate governance. Previously, he held the position of CEO at Savola Group and SEDCO Holding Group and had a notable career at Citibank/Samba Financial Group, advancing to the role of General Manager and Senior Credit Officer.

### Current memberships and positions

- Chairman of the Nominations and Remuneration Committee, alinma (2025 – Present)
- Board member, alinma (2019 – Present)
- Executive Committee member, alinma (2019 – Present)
- Board member, Chairman of the Audit Committee, Kinan International Real Estate Development Co. (2022 – Present)
- Loans Committee member, Agricultural Development Fund (2020 – Present)
- Governance, Risk & Compliance Committee member, Zakat, Tax and Customs Authority (2019 – Present)
- Board member and Chairman of the Audit Committee, Al-Rabie Saudi Food Company (2019 – Present)
- Board member, Chairman of the Investment Committee, member of Nomination and Remuneration Committee, Environment Fund (2019 – Present)
- Chairman of the Board and Risk Committee member, Tunisian Saudi Bank (2016 – Present)

### Previous memberships and positions

- Board member, SEDCO Capital
- Board member, Quantum Investment Bank
- Board member, Savola Group
- Board member, Mohammed Ahmed Saleh Ba ashen Company
- Board member, Bank Albilad
- Board member, ARCOMA Company
- Board member, Red Sea Markets Company
- Board member, Abdulaziz AlSaghir Holding Company
- Board member, Acwa
- Founder & Principal, Abdulrahman bin Mohammed Ramzi Addas Financial Consulting Office (Non-Securities Consulting)
- Head of Corporate Banking, Saudi National Bank (SNB)
- Head of Risk Management, Saudi National Bank (SNB)

### Educational and professional qualifications

- Master's degree in Finance, Denver University, United States
- Bachelor's degree in Business Administration, King Abdulaziz University, Kingdom of Saudi Arabia

### Skills and contribution

- Comprehensive expertise spanning banking, risk management, strategic planning, investments, and real estate development, and practical experience in strategy formulation, developing annual business plans, and defining key performance indicators to ensure the achievement of these objectives
- Proven leadership with a track record of success in senior executive roles
- Deep expertise in financial consulting and corporate governance practices

### Current memberships and positions

- Chairman of the Risk Committee, alinma (2025 – Present)
- Board member, alinma (2022 – Present)
- Executive Committee member, alinma (2022 – Present)
- Chairman of the Board, alinma capital (2023 – Present)
- Board member, Mohammed bin Laden Real Estate Development & Investment Company (2025 – Present)
- Board member, Murooj Jeddah (2024 – Present)
- Board member, Fakieh Tourism and Leisure Group (2024 – Present)
- Chairman of the Board, Fakieh Poultry Farms Company (2024 – Present)
- Board member, Jeddah Transport Company (2023 – Present)
- Chairman of the Board, Al Tazaj Fakieh Company (2023 – Present)
- Board member, Halwani Brothers Company (2023 – Present)
- Board member, Abdul Latif Jameel Enterprises (2022 – Present)
- Board member, Jeddah Development & Urban Regeneration Company (2021 – Present)
- Board member, Dar Al Tamleek Company (2021 – Present)
- Board member, Dr. Suliman Fakeeh Hospital Company (2019 – Present)
- Supervisory Board member, Effat University (2010 – Present)

### Previous memberships and positions

- Board member, Saudi National Bank
- Board member, Almarai Company
- Vice Chairman of the Board, Savola Foods
- Vice Chairman of the Board, Panda
- Board member, Knowledge Economic City
- Vice Chairman of the Board, Herfy Food Services Company
- Vice Chairman of the Board, United Sugar Company
- Chairman of the Board, AlShiaka Company
- Board member, Elaf Group
- Board member, Kinan Real Estate Company
- Vice Chairman of the Board, Afia International Company
- Chief Executive Officer, Savola Group
- Chief Executive Officer, SEDCO Group

### Educational and professional qualifications

- Master's of Engineering Management with Honors, George Washington University, United States
- Bachelor's degree in Civil Engineering with Honors, George Washington University, United States
- Senior Executive Management Program, Columbia University, United States
- Executive Program in Global Administration, Harvard University, United States
- Global CEOs Program, Wharton University, United States

### Skills and contribution

- Leader with a strong track record in corporate restructuring and financial recovery for the financial sector, family businesses, and public joint stock companies
- In-depth knowledge of the banking, food, and retail sectors
- Demonstrated success in steering strategic initiatives and driving business transformation
- Extensive board-level experience across various industries, delivering strategic vision and leadership, growth planning, and change management

\* The membership started on 20 November, 2019 to fill the vacant seat on the Board of Directors, completing the fourth term

\*\* The chairmanship of the committee started with the sixth term on 21 May, 2025



## alinma Board of Directors' Report 2025 continued



### Haitham Rashid AlShaikhmubarak, CFA Board member

Appointed: 21 May, 2022

Chairman of the Audit Committee\*

Risk Committee member

Haitham AlShaikhmubarak has over 20 years of experience in banking, asset management, and investment. At the end of 2025, he became Chair of the Audit Committee and a member of the Risk Committee at alinma. His previous roles include senior leadership positions at prominent financial institutions such as Saudi Fransi Capital, Al-Arabi Financial Company, and Saudi National Bank (SNB).

### Current memberships and positions

- Chairman of the Audit Committee, alinma (2025 – Present)
- Risk Committee member, alinma (2025 – Present)
- Board member, alinma (2019 – Present)
- Audit Committee member, Saudi Golf Federation (2024 – Present)
- Board member, G3 Canada Foods (2024 – Present)
- Board member, Minerva Foods (2024 – Present)
- Audit Committee member, Golf Saudi (2021 – Present)

### Previous memberships and positions

- Audit Committee member, Derayah Financial
- Board member, The Investor for Securities
- Board member, King Abdullah Humanitarian Foundation
- Head of Wealth Management, Saudi Fransi Capital
- Head of Asset Management, ANB Capital
- Head of Portfolio Management, Saudi National Bank

### Educational and professional qualifications

- Master's degree in Business Administration and Investments, University of North Carolina, United States
- Bachelor's in Accounting, University of North Carolina, United States
- Chartered Financial Analyst (CFA), United States
- Chartered Market Technician (CMT), CMT Association, United States

### Skills and contribution

- Accomplished expert with a wealth of experience in financial and investment management
- Comprehensive background in asset and wealth management, delivering sustainable growth
- Proficient in strategic planning, business expansion, and introducing cutting-edge financial products and services

\* The chairmanship of the committee started with the sixth term on 21 May, 2025



### Abdullah Abdulaziz AlRomaizan Board member

Appointed: 21 May, 2022

Executive Committee member

Audit Committee member\*

Abdullah AlRomaizan is a finance expert with a distinguished career spanning over 15 years in the banking and investment sectors. He began his professional journey with internships at the Capital Market Authority and Al-Romaizan Group, followed by positions in corporate banking and investment management. He currently serves as Head of Real Estate Investments at MASIC (Mohammed Ibrahim Al Subaie and Sons Investment Company), where his extensive financial expertise and continuous development of skills make him a leader in managing real estate assets.

### Current memberships and positions

- Audit Committee member, alinma (2025 – Present)
- Board member, alinma (2022 – Present)
- Executive Committee member, alinma (2022 – Present)
- Head of Real Estate Investments, MASIC Investment (2023 – Present)

### Previous memberships and positions

- Assistant General Manager, Local Real Estate Assets, Hassana Investment Company
- Manager, Local Real Estate & Infrastructure Portfolio, Raidah Investment Company
- Team Leader, Corporate Banking, Saudi National Bank
- Corporate Banking Relationship Officer, Arab National Bank
- Assistant Asset Manager, Al-Romaizan Group

### Educational and professional qualifications

- Master's degree in Business management, London Business School, United Kingdom
- Bachelor's degree in Finance, Prince Sultan University, Kingdom of Saudi Arabia

### Skills and contribution

- Accomplished finance professional with a proven track record in corporate banking and investment management
- Expert in managing portfolios and assets, specializing in local real estate and infrastructure investments
- Proficient in building relationships and leading teams to achieve strategic goals
- Extensive knowledge of financial planning, capable of creating added value through diverse investment initiatives

\* The membership of the committee started with the sixth term on 21 May, 2025

## alinma Board of Directors' Report 2025 continued

### Former members of the Board of Directors



**Dr. Saud Mohammed AlNimir**  
Board member

21 May, 2019 – 20 May, 2025

Chairman of the Nominations and Remuneration Committee until 20 May, 2025

Governance and Sustainability Committee member until 20 May, 2025

Dr. Saud AlNimir is a distinguished professional with a blend of academic and corporate expertise. With a career spanning over 35 years as an assistant and associate professor of public administration at King Saud University, he brings a wealth of knowledge to his current roles. His diverse board memberships, including roles at Saudi Public Transport Company and Maaden Star Real Estate Company, showcase his versatility and depth of knowledge across various sectors.

#### Memberships and positions

- Governance and Sustainability Committee member, alinma (2022 – 20 May, 2025)
- Board member, alinma (2019 – 20 May, 2025)
- Chairman of the Nominations and Remuneration Committee, alinma (2019 – 20 May, 2025)
- Board member, (Tamkeen) Ministry of Energy (2021 – Present)
- Board member, Saudi Public Transport Company (SAPTCO) (2019 – Present)
- Board member, Maaden Star Real Estate Company (2016 – Present)

#### Skills and contribution

- Seasoned executive with in-depth expertise in corporate governance and board leadership
- Strong background in designing nomination and remuneration policies
- Proficient in overseeing audits and ensuring financial transparency
- Skilled in advancing sustainability goals and upholding governance principles



**Ahmed Abdullah AlSheikh**  
Board member

21 May, 2022 – 20 May, 2025

Risk Committee member until 20 May, 2025

Governance and Sustainability Committee member until 20 May, 2025

Ahmed AlSheikh is a seasoned financial professional with extensive experience in the banking and regulatory sectors. He has served as an Independent Board member at alinma, contributing to both the Risk Committee and the Governance and Sustainability Committee. His career includes senior positions at the Saudi Central Bank (SAMA), the Council of Economic and Development Affairs, and the Capital Market Authority, giving him a comprehensive understanding of Saudi Arabia's financial landscape.

#### Memberships and positions

- Board member, alinma (2022 – 20 May, 2025)
- Risk Committee member, alinma (2022 – 20 May, 2025)
- Governance and Sustainability Committee member, alinma (2022 – 20 May, 2025)
- Audit Committee member, Red Sea Authority (2025 – Present)
- Audit Committee member, King Saud University (2025 – Present)
- Chairman of the Audit Committee, Saudi Export-Import Bank (2022 – Present)
- Chairman of the Audit Committee, National Housing Company (2022 – Present)
- Board member, National Housing Company (2022 – Present)
- Risk Committee member, National Housing Company (2022 – Present)
- Part-time Consultant, Ministry of Industry and Mineral Resources (2021 – 2022)
- Part-time Consultant, Ministry of Housing (2021 – 2022)
- Chairman of the Audit Committee, Non-Oil Revenues Development Center (2019 – Present)

#### Skills and contribution

- Deep knowledge and comprehensive understanding of banking and financial services operations
- Extensive experience in risk management and corporate governance frameworks
- Advanced skills in economic and development affairs, with a focus on fostering sustainable growth
- Proven experience in leading audit committees and ensuring strong, effective financial oversight

## alinma Board of Directors' Report 2025 continued



### Mohammed Abdulrahman Bindayel Board member

21 May, 2019 – 20 May, 2025

Executive Committee member until 20 May, 2025

Nominations and Remuneration Committee member until 20 May, 2025

Mohammed Bindayel brings 22 years of proven expertise in the finance and investment sectors, with a strong track record of driving strategic growth and value creation. He currently serves as the Chief Executive Officer at the Cultural Development Fund. Prior to joining CDF, he was the Executive Director of Operations at AlRa'idah Investment Company. Mohammed has previously held distinguished roles at Saudi Aramco.

### Memberships and positions

- Nominations and Remuneration Committee member, alinma (2022 – 20 May, 2025)
- Board member, alinma (2019 – 20 May, 2025)
- Executive Committee member, alinma (2019 – 20 May, 2025)

### Skills and contribution

- Seasoned leader with a wealth of experience in strategic financial management and investment decision-making
- Deep understanding of banking and financial services industry
- Significant experience in leading government institutions and providing strategic advice to multinational companies

## (B) Non-Board Committee members

### (B/1) Audit Committee

Name	Current positions	Previous positions	Qualifications
Maher Saad Al-Aiyadhi	<ul style="list-style-type: none"> <li>• Audit Committee member, alinma</li> <li>• Chief Internal Audit Officer, Royal Commission for AlUla (RCU)</li> <li>• Chairman of the Audit Committee, AlUla Sports Club</li> <li>• Audit Committee member, Almoosah Hospital</li> <li>• Audit Committee member, Saudi Internal Auditors Association</li> <li>• Audit Committee member, Saudi National Industrialization Company</li> </ul>	<ul style="list-style-type: none"> <li>• Chief Auditor, SADARA</li> <li>• Audit Manager, Operation Support and Vice President, Support Services, Saudi Center of International Strategic Partnership (SCISP), Aramco</li> <li>• Deputy Chief Auditor, Fujian Refining and Petrochemical Company Ltd.</li> <li>• Chief Auditor, Beijing Services, a Finance Representative at SADAF, SABIC</li> <li>• Chief Auditor, Deloitte</li> </ul>	<ul style="list-style-type: none"> <li>• Bachelor of Accounting, King Fahd University of Petroleum &amp; Minerals, Kingdom of Saudi Arabia</li> <li>• Certified Internal Auditor (CIA)</li> <li>• Certified in Risk Management Assurance (CRMA)</li> <li>• Certified Port Facility Security Officer (PFSO)</li> <li>• Chinese Certified Internal Auditor (C-CIA)</li> </ul>
Fahad Hussain Alsudairi*	<ul style="list-style-type: none"> <li>• Audit Committee member, alinma</li> <li>• Chairman of the Board, Etihad Salam Telecom Company (Salam)</li> <li>• Board member, Saudi Power Procurement Company (Principal Buyer)</li> <li>• Board member, Al-Mawarid Insurance Group</li> <li>• Board member, Adl Real Estate Company</li> <li>• General Manager, Mawarid Investment</li> </ul>	<ul style="list-style-type: none"> <li>• Chief Financial Officer (CFO), Elm Company</li> <li>• Advisory Board member, Smart Energy &amp; Water Company, United States</li> <li>• Chairman of the Board, Integrated Dawiyat Company</li> <li>• Chief Executive Officer (CEO), Saudi Electricity Company (SEC)</li> <li>• Board member, Samba Financial Group</li> <li>• Member of the Board of Directors, Saudi Power Procurement Company (Principal Buyer)</li> <li>• Board member, Mulkia Investment</li> <li>• Board member, Al-Murjan for Electricity Production</li> <li>• Member of the Board of Directors, Integrated Dawiyat for Telecom and Information Technology</li> </ul>	<ul style="list-style-type: none"> <li>• Bachelor of Accounting, University of South Dakota, United States</li> </ul>
Majed Mohammed Aldakheel*	<ul style="list-style-type: none"> <li>• Audit Committee member, alinma</li> <li>• Board member, Saudi Steel Pipe Company (SSP)</li> <li>• Audit Committee member, Saudi Steel Pipe Company (SSP)</li> <li>• Chief Financial Officer (CFO), Social Development Bank (SDB)</li> </ul>	<ul style="list-style-type: none"> <li>• Deputy Chief Financial Officer, Saudi Investment Bank (SAIB)</li> <li>• Chairman of the Audit Committee, Alistithmar for Financial Securities and Brokerage Company (Alistithmar Capital)</li> <li>• Audit Committee member, American Express Saudi Arabia</li> <li>• Board member, Saudi Credit Information Company (SIMAH)</li> <li>• Board member and Audit Committee member, Saudi Ceramic Company</li> </ul>	<ul style="list-style-type: none"> <li>• Bachelor of Accounting, King Saud University, Kingdom of Saudi Arabia</li> </ul>
Dr. Saad Saleh Al-Rowaite**	<ul style="list-style-type: none"> <li>• Audit Committee member, alinma</li> <li>• Vice Chairman of the Board, Saudi Industrial Investment Group (SIIG)</li> <li>• Vice President for Administrative and Financial Affairs, Prince Sultan University, Kingdom of Saudi Arabia</li> </ul>	<ul style="list-style-type: none"> <li>• Part-time Consultant, Ministry of Health</li> <li>• Head - Accounting Department, King Saud University, Kingdom of Saudi Arabia</li> </ul>	<ul style="list-style-type: none"> <li>• PhD in Accounting, University of Colorado, United States</li> </ul>
Othman Mohammed Al-Tuwaijri**	<ul style="list-style-type: none"> <li>• Audit Committee member, alinma</li> <li>• Vice President, Finance Sector, Elm Company</li> </ul>	<ul style="list-style-type: none"> <li>• Executive Director, Financial Operations, Elm Company</li> <li>• Audit Director and Licensed Partner, Ernst &amp; Young Company</li> </ul>	<ul style="list-style-type: none"> <li>• Bachelor of Accounting, King Saud University, Kingdom of Saudi Arabia</li> <li>• Certified Public Accountant (SOCPA)</li> </ul>

\* The membership of the committee started with the sixth term on 21 May, 2025

\*\* The membership of the committee ended with the fifth term on 20 May, 2025

## alinma Board of Directors' Report 2025 continued

### (B/2) Shariah Committee

Name	Current positions	Previous positions	Qualifications
Dr. Abdullah Wakeel Al-Sheikh	<ul style="list-style-type: none"> <li>Chairman of the Shariah Committee</li> </ul>	<ul style="list-style-type: none"> <li>Professor, Department of Sunnah and its Sciences, College of Fundamentals of Religion, College of Shariah, College of Da'awa and Information, Imam University, Kingdom of Saudi Arabia</li> <li>Professor, Postgraduate Studies, Department of Sunnah and its Sciences and the College of Education</li> <li>Presidency of Girls' Education</li> <li>Consultant for Law Firm for a period of four years</li> </ul>	<ul style="list-style-type: none"> <li>PhD in Sunnah and its Sciences, Imam University, Kingdom of Saudi Arabia</li> </ul>
Dr. Abdulrahman Bin Saleh Al-Atram	<ul style="list-style-type: none"> <li>Shariah Committee member</li> </ul>	<ul style="list-style-type: none"> <li>Associate Professor, Department of Jurisprudence, College of Shariah, Imam University, Kingdom of Saudi Arabia</li> <li>Head of the Department of Jurisprudence, College of Shariah</li> <li>Member of the Shura Council</li> </ul>	<ul style="list-style-type: none"> <li>PhD in Islamic Jurisprudence (Fiqh), Imam Muhammad bin Saud Islamic University, Kingdom of Saudi Arabia</li> </ul>
Dr. Suleiman Bin Turki Al-Turki	<ul style="list-style-type: none"> <li>Shariah Committee member</li> </ul>	<ul style="list-style-type: none"> <li>Associate Professor, Department of Shariah Policy, Higher Judicial Institute, Imam University, Kingdom of Saudi Arabia</li> </ul>	<ul style="list-style-type: none"> <li>PhD in Islamic Jurisprudence (Fiqh), Imam Muhammad bin Saud Islamic University, Kingdom of Saudi Arabia</li> <li>PhD in Law, London University, United Kingdom</li> </ul>
Dr. Khalid Bin Abdulrahman Almuhanna	<ul style="list-style-type: none"> <li>Shariah Committee member</li> <li>Faculty member, College of Shariah at Imam Muhammad bin Saud Islamic University, Kingdom of Saudi Arabia</li> </ul>	<ul style="list-style-type: none"> <li>Vice Dean, College of Shariah for Postgraduate Studies and Scientific Research</li> <li>Board member, Saudi Judicial Association</li> <li>Judicial Code Committee member, Ministry of Justice</li> <li>Advisor, Ministry of Justice</li> </ul>	<ul style="list-style-type: none"> <li>PhD in Islamic Jurisprudence (Fiqh), Imam Muhammad bin Saud Islamic University, Kingdom of Saudi Arabia</li> <li>Master of Law, School of Law at Middlesex University, London, United Kingdom</li> </ul>

### (B/3) Governance and Sustainability Committee

Name	Current positions	Previous positions	Qualifications
Maha Suliman Alnuhait*	<ul style="list-style-type: none"> <li>Governance and Sustainability Committee member, alinma</li> <li>Sustainability General Manager, STC</li> <li>Board member, EMG Group</li> <li>Board member, UNGC</li> <li>Women's Award Committee member – Princess Nourah bint Abdulrahman University</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Sustainability Advisor, Ministry of Energy</li> <li>Co-Founder and CEO, Athar Consultancy</li> <li>CEO, Biban Exhibition, Monsha'at</li> <li>Board member, Riyadh Chamber</li> <li>Board member, Saudi Archery Federation</li> </ul>	<ul style="list-style-type: none"> <li>Diploma in Languages and Translation, King Saud University, Kingdom of Saudi Arabia</li> <li>Diploma of Business Administration, King Saud University, Kingdom of Saudi Arabia</li> </ul>
Dina Hassan Alnahdi**	<ul style="list-style-type: none"> <li>Governance and Sustainability Committee member</li> </ul>	<ul style="list-style-type: none"> <li>Chief Executive Officer, Environmental Technology (ENTEC)</li> <li>Member of the Industrial Sector Council, Jeddah Chamber of Commerce</li> </ul>	<ul style="list-style-type: none"> <li>Master in Environmental Management, Open University, United Kingdom</li> <li>Honorary Doctorate in Environmental Sustainability, United Nations University</li> </ul>

\* The membership of the committee started with the sixth term on 21 May, 2025

\*\* The membership of the committee ended with the fifth term on 20 May, 2025

### (B/4) Risk Committee

Name	Current positions	Previous positions	Qualifications
Saad Saleh ALAboodi*	<ul style="list-style-type: none"> <li>Risk Committee member, alinma</li> <li>Board member, National Company of Data &amp; Information Security</li> <li>Board member, Colleges of Excellence</li> <li>Nominations and Remuneration Committee member, Colleges of Excellence</li> <li>Board member, Saudi Information Technology Company (SITE)</li> <li>Investment Committee member, Saudi Information Technology Company (SITE)</li> <li>Chairman of the Executive Committee, Saudi Information Technology Company (SITE)</li> <li>Chief Executive Officer, Saudi Information Technology Company (SITE)</li> </ul>	<ul style="list-style-type: none"> <li>Board member, Pluralsight</li> <li>Assistant Professor, College of Computer and Information Sciences, King Saud University, Kingdom of Saudi Arabia</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's degree in Computer Information Systems, King Saud University, Kingdom of Saudi Arabia</li> <li>Master of Business Administration (MBA), University of Hull, United Kingdom</li> <li>Master's degree in Computer Engineering, University of Waterloo, Canada</li> <li>PhD in Computer Engineering, University of Waterloo, Canada</li> </ul>
Mohammed Awad Almalki**	<ul style="list-style-type: none"> <li>Risk Committee member</li> </ul>	<ul style="list-style-type: none"> <li>Director, Cybersecurity Governance Department, Saudi Industrial Development Fund</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Computer Science, University of Otago</li> <li>Certified Data Privacy Solutions Engineer (CDPSE)</li> <li>Certified Information Systems Auditor (CISA)</li> </ul>

\* The membership of the committee started following the commencement of the sixth term on 01 September, 2025

\*\* The membership of the committee ended upon his resignation on 01 May, 2025

## alinma Board of Directors' Report 2025 continued

### (C) Executive Management



**Abdullah Ali AlKhalifa**  
Managing Director and Chief Executive Officer

#### Previous positions

- Chief Financial Officer, Banque Saudi Fransi
- Chief Financial Officer, Al Rajhi Bank
- Chief Financial Officer, Arab National Bank

#### Qualifications

- Master of Accounting, University of Miami, United States
- Bachelor of Accounting, King Saud University, Kingdom of Saudi Arabia



**Adel Saleh Abalkhail**  
Chief Financial Officer (CFO)

#### Previous positions

- Deputy General Manager, Financial Group, Al Rajhi Bank
- Chief Financial Officer, Al Rajhi Bank, Malaysia
- Chief Financial Officer, Al Rajhi Bank, Jordan

#### Qualifications

- Certified Public Accountant (CPA)
- Certified Public Accountants (SOCPA)
- Master of Accounting and Finance, University of Illinois, United States
- Bachelor of Accounting, King Saud University, Kingdom of Saudi Arabia



**Saleh Abdullah AlZumaie**  
Deputy Chief Executive Officer

#### Previous positions

- General Manager, Digital and Payments, Al Rajhi Bank
- General Manager, Retail Banking Group, Al Rajhi Bank
- Manager, Remittances Department, Al Rajhi Bank

#### Qualifications

- Bachelor of English Language, Imam Muhammad bin Saud Islamic University, Kingdom of Saudi Arabia



**Meshary Abdulaziz AlJubair**  
Chief Operating Officer (COO)

#### Previous positions

- General Manager, Information Technology Division, alinma
- Deputy General Manager, Information Technology Division, alinma
- Manager, Information Security Planning Department, Saudi Telecom Company

#### Qualifications

- Bachelor of Science in Computer Engineering, King Saud University, Kingdom of Saudi Arabia

alinma Board of Directors' Report 2025 continued



**Jameel Naif Hamdan**  
Chief Corporate Banking Officer

**Previous positions**

- General Manager, Corporate Banking, Bank AlBilad
- Acting Head, Corporate Banking Group, Banque Saudi Fransi
- Regional Head, Business Banking Group, Banque Saudi Fransi

**Qualifications**

- Bachelor of Administrative Sciences, King Saud University, Kingdom of Saudi Arabia



**Abdullah Jamaan AlZahrani**  
Chief Treasury Officer

**Previous positions**

- Head, Investment and Treasury, Gulf Bank
- Senior Vice Treasurer, Riyad Bank
- Assistant General Manager of the Portfolio Management, Arab National Bank

**Qualifications**

- Bachelor of Industrial Management, King Fahd University of Petroleum and Minerals, Kingdom of Saudi Arabia



**Abdulrahman Mohammed Al Nasser**  
Chief Retail Banking Officer

**Previous positions**

- General Manager of Branch and Sales Banking, alinma
- Regional Manager, Eastern Region, alinma
- Branch Manager, alinma

**Qualifications**

- Master of Business Administration (MBA), Dar Al Uloom University, Kingdom of Saudi Arabia
- Bachelor's degree in Computer Science, Qassim University, Kingdom of Saudi Arabia



**Meshal Hamad Alrabiah**  
Chief Risk Officer (CRO)

**Previous positions**

- Deputy General Manager, Market Risk, ERM and basel, alinma
- Assistant General Manager, Market Risk, ERM and basel, alinma
- Senior Market Risk Manager, ERM and basel, alinma

**Qualifications**

- Master of Science in Information Management, Leeds Beckett University, United Kingdom
- Bachelor of Computing, Leeds Beckett University, United Kingdom

alinma Board of Directors' Report 2025 continued



**Saud Aied Al Mufaddaly**  
Chief Compliance Officer (CCO)

**Previous positions**

- Acting Head, Compliance, Riyad Bank
- Deputy Head, Compliance and Anti-Financial Crimes Sector, Riyad Bank
- Head, Compliance and Anti-Financial Crimes Department, Banque Saudi Fransi

**Qualifications**

- Certified Anti-Money Laundering Specialist (CAMS)
- Certified Compliance Officer (CCO) Professional Certificate
- Bachelor of Economics, King Saud University, Kingdom of Saudi Arabia



**Eyad Osama AlOthman**  
Chief Legal and Corporate Governance Officer

**Previous positions**

- General Manager, Legal Department, alinma
- Legal Advisor to the Chairman of the Board, Capital Market Authority (CMA)
- Director, Legal Advisory Unit, Bank Albilad

**Qualifications**

- Master of Business Administration (MBA), University of Hull, United Kingdom
- Bachelor of Law, King Saud University, Kingdom of Saudi Arabia



**Hisham Abdullah AlTuraigi**  
Chief Credit Officer (CCRO)

**Previous positions**

- Director, Credit Risk Management, alinma
- Manager, Credit Evaluation Department, Al Rajhi Bank

**Qualifications**

- Certified Public Accountants (SOCPA)
- Master of Accounting, King Saud University, Kingdom of Saudi Arabia
- Bachelor of Accounting, King Saud University, Kingdom of Saudi Arabia



**Dr. Mohammed Sultan AlSehali**  
Chief Internal Audit Officer

**Previous positions**

- Executive Director, PwC Company
- Head, Accounting Department, College of Business Administration, King Saud University
- Team Leader, Regulatory Bodies Development Project, King Saud University

**Qualifications**

- PhD in Accounting, University of Melbourne, Australia
- Master of Professional Accounting (MPAcc), Saint Louis University, Missouri, United States
- Bachelor of Administrative Sciences in Accounting, King Saud University, Kingdom of Saudi Arabia

alinma Board of Directors' Report 2025 continued



**Yaser Abdulaziz AlMarshde**  
Chief Shariah Officer (CSO)

**Previous positions**

- Chief of Shariah Advisors and Chairman of the Council of Shariah Scholars, Al Rajhi Bank
- Senior Shariah Advisor and Chairman of the Council of Shariah Scholars, Al Rajhi Bank

**Qualifications**

- Master of Islamic Jurisprudence (Shariah Law), Higher Institute of Judiciary, Imam Muhammad bin Saud Islamic University, Kingdom of Saudi Arabia
- Bachelor's degree in Shariah, College of Shariah at Imam Muhammad bin Saud Islamic University, Kingdom of Saudi Arabia



**Fahad Abdulaziz AlMohaimeed**  
Chief Strategy and Sustainability Officer

**Previous positions**

- Head, Islamic Banking, Arab National Bank
- Head, Shariah Affairs, Arab National Bank
- Product Development Manager, Saudi Awwal Bank

**Qualifications**

- Bachelor of Finance, King Saud University, Kingdom of Saudi Arabia



**Abdullah Mohammed AlSalamah**  
Chief Human Capital Officer (CHCO)

**Previous positions**

- Deputy General Manager, Human Capital Division, alinma
- Deputy General Manager, Information Technology Division, alinma
- Manager, Information Security Awareness Department, Saudi Telecom Company

**Qualifications**

- Master of Information Systems, King Saud University, Kingdom of Saudi Arabia
- Bachelor of Information Systems, King Saud University, Kingdom of Saudi Arabia



## alinma Board of Directors' Report 2025 continued

### Names of the companies inside and outside the Kingdom in which a Board member is a Manager or a member of their current or previous Board

Member name	Names of companies where the Board Member is a member of its current Board or one of its Directors			Names of companies where the Board Member was a member of its past Board or one of its Directors		
	Company name	Inside / outside the Kingdom	Position	Company name	Inside / outside the Kingdom	Position
Dr. Abdulmalik Abdullah AlHogail	National Shipping Company of Saudi Arabia "Bahri"	Inside the Kingdom	Board member	alinma capital	Inside the Kingdom	Board member
	Americana Restaurants International Company	Outside the Kingdom	Vice Chairman of the Board	National Chemical Carriers Co., Ltd.	Inside the Kingdom	Board member
	The Kuwait Food Company (Americana Group)	Outside the Kingdom	Vice Chairman of the Board	Accenture PLC	Inside the Kingdom	Board member
				Arabia International Medical Holding Company	Inside the Kingdom	Board member
				Pharma International	Outside the Kingdom	Board member
				Philips Healthcare Saudi Arabia LTD	Inside the Kingdom	Board member
				Electronics and Systems Holding Company	Inside the Kingdom	Board member
				Saudi Electricity Company	Inside the Kingdom	Board member
				Al Faisaliah Group	Inside the Kingdom	Vice President and Chief Financial Officer
Saad Abdulaziz AlKrouf	Public Investment Fund	Inside the Kingdom	Head of Local Real Estate Investments	Public Investment Fund	Inside the Kingdom	Chief of Staff and Secretary General
	Southern Province Cement Company	Inside the Kingdom	Chairman of the Board	Alissa Group	Inside the Kingdom	Advisor to the Chairman of the Board
	Diriyah Gate Co. Ltd.	Inside the Kingdom	Board member	Wealth and Diversification Management Company (MIAS)	Inside the Kingdom	Vice President
	Dan Company	Inside the Kingdom	Chairman of the Board			
	The Saudi Technology Development and Investment Company (TAQNIA)	Inside the Kingdom	Chairman of the Board			
	El Seif Engineering Contracting	Inside the Kingdom	Vice Chairman of the Board			
	King Faisal Specialist Hospital and Research Center	Inside the Kingdom	Board member			
AlBalad Development Company	Inside the Kingdom	Board member				

Member name	Names of companies where the Board Member is a member of its current Board or one of its Directors			Names of companies where the Board Member was a member of its past Board or one of its Directors		
	Company name	Inside / outside the Kingdom	Position	Company name	Inside / outside the Kingdom	Position
Abdulrahman Mohammed Ramzi Addas	Kinan International Real Estate Development Company	Inside the Kingdom	Board member	AlBilad Bank	Inside the Kingdom	Board member Executive Committee member Chairman of Compliance and Governance Committee Chairman of Nomination and Remuneration Committee
	Al Rabie Saudi Foods Co. Ltd.	Inside the Kingdom	Board member	ARCOMA Company	Inside the Kingdom	Board member
	TSB Bank	Outside the Kingdom	Chairman of the Board	SEDCO Capital	Inside the Kingdom	Board member
				Abdulaziz Al-Sughayir Holding Company	Inside the Kingdom	Board member
	Environment Fund	Inside the Kingdom	Board member	Acwa	Inside the Kingdom	Board member
	Zakat, Tax and Customs Authority	Inside the Kingdom	Governance, Risk, Compliance Committee member	Growth Cable Development Limited Company	Inside the Kingdom	Chairman of the Board
	Agricultural Development Fund	Inside the Kingdom	Loans committee member	AlSorayai Group	Inside the Kingdom	Board member
				Quantum Investment Bank	Outside the Kingdom	Board member
				AMS Baeshen Company	Inside the Kingdom	Board member
				Diyar Al Khayal for Real Estate Development	Inside the Kingdom	Chairman of the Board
			Red Sea Markets	Inside the Kingdom	Board member	
			Savola Group	Inside the Kingdom	Board member	

## alinma Board of Directors' Report 2025 continued

Member name	Names of companies where the Board Member is a member of its current Board or one of its Directors			Names of companies where the Board Member was a member of its past Board or one of its Directors		
	Company name	Inside / outside the Kingdom	Position	Company name	Inside/ outside the Kingdom	Position
Anees Ahmed Mومina	alinma capital	Inside the Kingdom	Chairman of the Board	Panda Company	Inside the Kingdom	Vice Chairman of the Board
	Jeddah Urban Development and Renewal Company	Inside the Kingdom	Board member	Afia International Company	Inside the Kingdom	Vice Chairman of the Board
	Dr. Soliman Fakeeh Hospital	Inside the Kingdom	Board member	United Sugar Company	Inside the Kingdom	Vice Chairman of the Board
	Dar Al Tamleek	Inside the Kingdom	Board member	Kinan International Real Estate Development Company	Inside the Kingdom	Board member
	Abdul Latif Jameel Enterprises	Inside the Kingdom	Board member	AlKabeer Group	Inside the Kingdom	Chairman of the Board
	Halwani Brothers Company	Inside the Kingdom	Board member	SEDCO Holding	Inside the Kingdom	Chief Executive Officer of the Group
	Moroaj Jeddah Company	Inside the Kingdom	Board member	Elaf Group	Inside the Kingdom	Board member
	Jeddah Transport Company	Inside the Kingdom	Board member	Dunya AlAswaf Company (AlShiaka)	Inside the Kingdom	Chairman of the Board
	Faqih Group for Tourism and Entertainment	Inside the Kingdom	Board member	Knowledge Economic City (ECZA)	Inside the Kingdom	Board member
	Al Tazaj Faqih Company	Inside the Kingdom	Chairman of the Board	Herfy Food Services Company	Inside the Kingdom	Vice Chairman of the Board
	Faqih Poultry Farms Company	Inside the Kingdom	Chairman of the Board	Savola Group	Inside the Kingdom	Chief Executive Officer
	Mohammed Binladin Company	Inside the Kingdom	Board member	Savola Foods	Inside the Kingdom	Vice Chairman of the Board
	Effat University	Inside the Kingdom	Supervisory Board member	Almarai Company	Inside the Kingdom	Board member
				Saudi National Bank	Inside the Kingdom	Board member
Haitham Rashid AlShaikhmubarak	Minerva Foods	Outside the Kingdom	Board member	King Abdullah Humanitarian Foundation	Inside the Kingdom	Board member
	G3 Limited Canadian Company	Outside the Kingdom	Board member			
	Saudi Golf Federation	Inside the Kingdom	Audit Committee member			
				Saudi Fransi Capital	Inside the Kingdom	Head of Wealth Management
	Golf Saudi	Inside the Kingdom	Audit Committee member	Derayah Financial	Inside the Kingdom	Audit Committee member
			The Investor for Securities	Inside the Kingdom	Board member	

Member name	Names of companies where the Board Member is a member of its current Board or one of its Directors			Names of companies where the Board Member was a member of its past Board or one of its Directors		
	Company name	Inside / outside the Kingdom	Position	Company name	Inside/ outside the Kingdom	Position
Abdullah Abdulaziz AlRomaizan				Al-Romaizan Group	Inside the Kingdom	Assistant Portfolio Manager
				Arab National Bank	Inside the Kingdom	Relationship Officer, Corporate Banking
				Saudi National Bank (SNB)	Inside the Kingdom	Team Leader, Corporate Banking
				Raidah Investment Company	Inside the Kingdom	Portfolio Manager, Local Real Estate and Infrastructure Management
				Hassana Investment Company	Inside the Kingdom	Assistant Director General, Local Real Estate and Infrastructure Investments
Abdullah Ali AlKhalifa*	alinma Jeddah Economic City Real Estate Fund	Inside the Kingdom	Vice Chairman of the Board	alinma Tokio Marine Company	Inside the Kingdom	Board member
	Saudi Fintech Company	Inside the Kingdom	Chairman of the Board	Saudi Credit Information Company, (SIMAH)	Inside the Kingdom	Board member
	alinma capital	Inside the Kingdom	Board Member	Arabian Sheild Cooperative Insurance Company	Inside the Kingdom	Board member
	TechStrike Company	Inside the Kingdom	Chairman of the Board			
				Banque Saudi Fransi	Inside the Kingdom	Chief Financial Officer
	Ersal Financial Remittance Company	Inside the Kingdom	Vice Chairman of the Board	Al Rajhi Bank	Inside the Kingdom	Chief Financial Officer
				Arab National Bank	Inside the Kingdom	Chief Financial Officer

\* The membership started with the sixth term on 21 May, 2025

## alinma Board of Directors' Report 2025 continued

Member name	Names of companies where the Board Member is a member of its current Board or one of its Directors			Names of companies where the Board Member was a member of its past Board or one of its Directors		
	Company name	Inside / outside the Kingdom	Position	Company name	Inside/ outside the Kingdom	Position
H.E. Mr. Ahmed AlHakbani*	Communications, Space and Technology Commission	Inside the Kingdom	Board member	Obeikan Glass Company	Inside the Kingdom	Board member
				Uptown Jeddah Company	Inside the Kingdom	Chairman of the Board
	Nuclear and Radiological Regulatory Commission	Inside the Kingdom	Board member	Zakat, Tax and Customs Authority	Inside the Kingdom	Governor and Board member
	Acwa	Inside the Kingdom	Board member	Saudi Food and Drug Authority	Inside the Kingdom	Board member
	Simplified Financial Solutions Fintech Company (SiFi)	Inside the Kingdom	Vice Chairman of the Board, Chief Executive Officer	Saudi Ports Authority	Inside the Kingdom	Board member
	Saudi Azm Telecom and Information Technology Company	Inside the Kingdom	Vice Chairman of the Board	Local Content & Government Procurement Authority	Inside the Kingdom	Board member
				Tabadul	Inside the Kingdom	Chairman of the Board
	Saudia Airlines	Inside the Kingdom	Board member	Special Integrated Logistics Zone Company	Inside the Kingdom	Board member
	Member of the Advisory Body of the Supreme Council of the GCC	Inside the Kingdom	Vice Chairman of the Board	Ministry of Commerce	Inside the Kingdom	Deputy Minister of Foreign Trade, Ministry of Commerce
	The National Museum	Inside the Kingdom	Board of Trustees member	Siwar Foods	Inside the Kingdom	Chairman of the Board
	Retal Urban Development Company	Inside the Kingdom	Board member	Saudi Export Development Authority	Inside the Kingdom	Secretary General and Board member
	Waqf Sulaiman AlRajhi	Inside the Kingdom	Board of Trustees member	National Gas & Industrialization Company (Gasco)	Inside the Kingdom	Board member
				King Fahad Causeway Authority	Inside the Kingdom	Chairman of the Board
	Maaden	Inside the Kingdom	Board member	Edaa	Inside the Kingdom	Board member
				Flyadeal	Inside the Kingdom	Board member
Maram Mohammed AlNumay*	Maarif Education	Inside the Kingdom	Board member, Audit Committee member	Hassana Investment Company	Inside the Kingdom	Head of Risk Management
	MRZM Investments	Inside the Kingdom	Head of Investments and Risk Solution			
	Matarat Holding	Inside the Kingdom	Governance, Risk, Compliance Committee member			

Member name	Names of companies where the Board Member is a member of its current Board or one of its Directors			Names of companies where the Board Member was a member of its past Board or one of its Directors		
	Company name	Inside / outside the Kingdom	Position	Company name	Inside/ outside the Kingdom	Position
Dr. Saud Mohammed AlNimir**	Saudi Public Transport Company (SAPTCO)	Inside the Kingdom	Board member	Alinma	Inside the Kingdom	Board member
	Maaden Star Real Estate	Inside the Kingdom	Audit Committee member	Saudi Electricity Company	Inside the Kingdom	Board member
				Solidarity Insurance	Inside the Kingdom	Board member
				Central Riyadh Company	Inside the Kingdom	Audit Committee member
Ahmed Abdullah AlSheikh**	Non-Oil Revenues Development Center	Inside the Kingdom	Chairman of the Audit Committee	Alinma	Inside the Kingdom	Board member
	Saudi Export-Import Bank	Inside the Kingdom	Chairman of the Audit Committee	Saudi Tadawul Group	Inside the Kingdom	Joint Committee member with the aim of completing the settlement and clearance projects
	National Housing Company (NHC)	Inside the Kingdom	Board member, Chairman of the Audit Committee, Risk Committee member	Capital Market Authority (CMA)	Inside the Kingdom	Joint Committee member with the aim of completing the settlement and clearance projects
						Deputy Chairman - Authority for Market Institutions
	Red Sea Authority	Inside the Kingdom	Audit Committee member	Saudi Central Bank (SAMA)	Inside the Kingdom	Joint Committee member with the aim of completing the settlement and clearance projects
						Deputy Portfolio Manager – Oversight
	King Saud University	Inside the Kingdom	Audit Committee member	National Housing Company (NHC)	Inside the Kingdom	Supervisory Committee member, Executive Committee member
				Binladin Group Company	Inside the Kingdom	Project Review Committee member, Executive Committee member for Governance
				General Organization for Social Insurance	Inside the Kingdom	Board member
				Ministerial Committee for Monitoring the Work of Binladin Group Company - Council of Economic and Development Affairs	Inside the Kingdom	Sub-Committee member of the Permanent Committee Strategic Committee member Housing Program Committee member Permanent Committee member
Mohammed Abdulrahman Bindayel**	alinma Bank	Inside the Kingdom	Board member			
	International Public Sector Accounting Standards Board (IPSASB)	Inside the Kingdom	Executive Committee member for Governance			
	Exclusive Accommodation Center	Inside the Kingdom	Chairman of the Executive Committee			Supervisory Committee member
	alinma	Inside the Kingdom	Board Member			
	Cultural Development Fund	Inside the Kingdom	Chief Executive Officer			
			alinma Bank	Inside the Kingdom	Board member	
			Raidah Investment Company	Inside the Kingdom	Chief Operating Officer (COO)	

\*\* The membership ended with the fifth term on 20 May, 2025

\* The membership started with the sixth term on 21 May, 2025

## alinma Board of Directors' Report 2025 continued

### Composition of the Board and classification of its members, as follows: (Executive/Non-Executive/Independent)

Member name	Position	Membership rating (Executive/Non-Executive/ Independent)
Dr. Abdulmalik Abdullah AlHogail	Chairman of the Board	Independent
Saad Abdulaziz AlKroud	Vice Chairman of the Board	Non-Executive
Anees Ahmed Moumina	Member	Non-Executive
Abdullah Abdulaziz AlRomaizan	Member	Independent
Abdulrahman Mohammed Ramzi Addas	Member	Independent
Haitham Rashid AlShaikhmubarak	Member	Independent
Abdullah Ali AlKhalifa*	Member	Executive
H.E. Mr. Ahmed Abdulaziz AlHakbani*	Member	Non-Executive
Maram Mohammed AlNumay*	Member	Independent
Ahmed Abdullah AlSheikh**	Member	Independent
Dr. Saud Mohammed AlNimir**	Member	Independent
Mohammed Abdulrahman Bindayel**	Member	Independent

\* The membership started with the sixth term on 21 May, 2025

\*\* The membership ended with the fifth term on 20 May, 2025

### Meetings of the Board of Directors during the last financial year

The Board held nine (9) meetings in 2025, as reflected below:

Member name	Meeting date – 2025									Total
	29/01	10/03	22/05	01/07	26/08	02/09	03/09	23/12	24/12	
Dr. Abdulmalik Abdullah AlHogail	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Saad Abdulaziz Alkroud	✓	✓	✓	✓	✓	x	✓	✓	✓	8
Abdulrahman Mohammed Ramzi Addas	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Anees Ahmed Moumina	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Haitham Rashid AlShaikhmubarak	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Abdullah Abdulaziz AlRomaizan	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Abdullah Ali AlKhalifa*			✓	✓	✓	✓	✓	✓	✓	7
H.E. Mr. Ahmed Abdulaziz AlHakbani*			✓	✓	✓	✓	✓	✓	✓	7
Maram Mohammed AlNumay*			✓	✓	✓	✓	✓	✓	✓	7
Dr. Saud Mohammed AlNimir**	✓	✓								2
Ahmed Abdullah AlSheikh**	✓	✓								2
Mohammed Abdulrahman Bindayel**	✓	✓								2

\* The membership started with the sixth term on 21 May, 2025

\*\* The membership ended with the fifth term on 20 May, 2025

### Procedures taken by the Board to inform its members, Non-Executive Directors in particular, of Shareholders' suggestions and remarks on the Company and its performance

The Board is keen on enabling Shareholders to exercise their rights, present observations, and raise inquiries during the General Assembly Meetings. These are documented by way of minutes of meetings. Additionally, the Board allocates different means of communication to receive Shareholders' queries and observations, if any. The Board also continued to receive periodic briefings on investors' interactions with the Bank's quarterly, semi-annual, and annual performance disclosures, in addition to material matters and any issues raised by Shareholders that fall within the Board's mandates. The Board is keen to maintain ongoing dialogue with Shareholders and to follow up on their comments and views in a systematic and structured manner.

### A brief description of duties, competencies and working of Board Committees

The Executive Committee, as well the Nominations and Remuneration, Audit, Risk, Shariah, and Governance and Sustainability committees, assist the Board in performing its duties and responsibilities, encouraging independent opinion, and enhancing greater synergies across alinma.

Below is a statement outlining the responsibilities and duties of each Committee, the names of its members, and the number of meetings held during the year 2025:

#### 1) The Executive Committee

Responsible to the Board, the Executive Committee has overall authority to review, approve, or reject operating expenses, capital expenditure, and credit provisions that fall beyond the delegated authority of the Chief Executive Officer, to approve credit facilities recommended by the Executive management, and to approve debt restructuring or write-off. The Committee is composed of five (5) members headed by the Chairman of the Board. A total of 13 (thirteen) meetings were held by the Executive Committee during the fiscal year 2025, which were attended by members as shown below.

Member name	Meeting date – 2025														Total
	14/01	18/02	23/03	13/04	06/05	17/06	22/07	23/07	07/08	26/08	07/10	25/11	30/12		
Dr. Abdulmalik Abdullah AlHogail (Chairman of the Committee)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13
Anees Ahmed Moumina	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13
Abdullah Abdulaziz AlRomaizan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13
Abdulrahman Mohammed Ramzi Addas	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13
Maram Mohammed AlNumay*						✓	✓	✓	x	✓	✓	✓	✓	✓	7
Mohammed Abdulrahman Bindayel**	✓	✓	✓	✓	✓										5

\* The membership of the Committee started with the sixth term on 21 May, 2025

\*\* The membership of the Committee ended with the fifth term on 20 May, 2025

## alinma Board of Directors' Report 2025 continued

### 2) Nomination and Remuneration Committee

The Nominations and Remuneration Committee comprises three (3) members appointed by the Board of Directors. The Committee is responsible for developing policies relating to the nomination and remuneration of the members of the Board of Directors, its Committees, and senior executives, in accordance with the relevant instructions issued by the Saudi Central Bank (SAMA) and the Capital Market Authority (CMA). The Committee is also responsible for

overseeing and monitoring the implementation of the Bank's employee remuneration and incentive programs in a manner that ensures the protection of the interests of Shareholders, Investors, and other Stakeholders, and that does not conflict with the requirements of regulatory and supervisory authorities. The Committee held six (6) meetings during the year 2025, as shown in the table below.

Member name	Meeting date – 2025						Total
	21/01	03/03	19/05	16/06	25/08	05/11	
Abdulrahman Mohammed Ramzi Addas (Chairman of the Committee)*				✓	✓	✓	3
Dr. Abdulmalik Abdullah AlHogail	✓	✓	✓	✓	✓	✓	6
Saad Abdulaziz AlKroud	✓	✓	✓	✓	✓	✓	6
Dr. Saud Mohammed AlNimir**	✓	✓	✓				3
Mohammed Abdulrahman Bindayel**	✓	✓	✓				3

\* The membership of the Committee started with the sixth term on 21 May, 2025

\*\* The membership of the Committee ended with the fifth term on 20 May, 2025

### 3) Audit Committee

The Audit Committee is the internal control mechanism that independently assures the Bank's adherence to all regulatory, accounting, and fiscal requirements, while also coordinating with external auditors to ensure their independence.

The Committee is composed of five (5) Independent members. A total of nine (9) meetings were held by the Committee during the fiscal year 2025, which were attended by members as shown in the table below.

Member name	Meeting date – 2025									Total
	13/01	28/01	03/03	28/04	07/07	23/07	15/09	20/10	29/12	
Haitham Rashid AlShaikhmubarak (Chairman of the Committee)*	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Maher Saad Al-Aiyadhi	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Abdullah Abdulaziz AlRomaizan**					✓	✓	✓	✓	✓	5
Majed Mohammed Aldakheel**					✓	✓	✓	✓	✓	5
Fahad Hussain Alsudairi**					✓	✓	✓	✓	✓	5
Abdulrahman Mohammed Ramzi Addas***	✓	✓	✓	✓						4
Othman Mohammed Al-Tuwajiri***	✓	✓	✓	✓						4
Dr. Saad Saleh Al-Rowaite***	✓	✓	✓	✓						4

\* The chairmanship of the Committee started with the sixth term on 21 May, 2025

\*\* The membership of the Committee started with the sixth term on 21 May, 2025

\*\*\* The membership of the Committee ended with the fifth term on 20 May, 2025

### 4) Risk Committee

The Risk Committee was formed to assist the Board of Directors in overseeing the enterprise risk management process and to discharge other related responsibilities, such as ensuring the development of strategies and comprehensive policies for risk management that are in line with the nature and volume of the Bank's activities; taking into account cyber and technical risks, and verifying the

implementation, review, and update of the same based on internal and external changes; ensuring that an acceptable risk appetite is set and maintained by the Bank and submitting a recommendation of the same to the Board. The Risk Management Committee is composed of five (5) members. A total of six (6) meetings were held in the fiscal year 2025, which were attended by members as shown below.

Member name	Meeting date – 2025						Total
	22/01	17/04	25/06	19/08	25/09	08/12	
Anees Ahmed Moumina (Chairman of the Committee)*	✓	✓	✓	✓	✓	✓	6
Haitham Rashid AlShaikhmubarak	✓	✓	✓	✓	✓	✓	6
H.E. Mr. Ahmed Abdulaziz AlHakbani**			✓	✓	✓	✓	4
Maram Mohammed AlNumay**			✓	✓	✓	✓	4
Saad Saleh Alaboodi***			x	x	✓	✓	2
Ahmed Abdullah AlSheikh****	✓	✓					2
Abdullah Abdulaziz AlRomaizan****	✓	✓					2
Mohammed Awad AlMalki*****	✓	✓					2

\* The chairmanship of the Committee started with the sixth term on 21 May, 2025

\*\* The membership of the Committee started with the sixth term on 21 May, 2025

\*\*\* The membership of the Committee started following the commencement of the sixth term on 01 September, 2025

\*\*\*\* The membership of the Committee ended with the fifth term on 20 May, 2025

\*\*\*\*\* The membership of the Committee ended upon his resignation on 01 May, 2025

## alinma Board of Directors' Report 2025 continued

### 5) Shariah Committee

alinma is committed to conduct its business in compliance with Shariah. Article (49) of the Articles of Association stipulates that "The business of the company shall be governed by Shariah provisions and controls". The Shariah Committee is responsible for considering all Bank transactions, contracts, agreements, forms, documents, etc., and issuing the necessary decisions or directives in this regard. The Committee contributes to various Bank departments in the innovation and development of

products, in light of the provisions of Islamic Shariah, and is responsible for monitoring the Bank's compliance with the provisions of Islamic Shariah in all its activities and transactions, ensuring that the Committee's decisions are properly implemented. The Shariah Committee is composed of four (4) members, all of whom are specialized in the jurisprudence of Islamic finance and economics. The Committee held 29 meetings during the fiscal year 2025, as shown in the following table.

		Member name			
Meeting date – 2025		Dr. Abdullah Bin Wakeel Al-Sheikh (Chairman of the Committee)	Dr. Abdulrahman Bin Saleh Al-Atram	Dr. Suleiman Bin Turki Al-Turki	Dr. Khalid Bin Abdulrahman Almuhanna
1.	January 20	✓	✓	✓	✓
2.	February 05	✓	✓	✓	✓
3.	February 11	✓	✓	✓	✓
4.	February 27	✓	✓	✓	✓
5.	March 10	✓	✓	✓	✓
6.	March 18	✓	✓	✓	✓
7.	April 08	✓	✓	✓	✓
8.	April 17	✓	✓	✓	✓
9.	May 13	✓	✓	✓	✓
10.	May 15	✓	✓	✓	✓
11.	June 25	✓	✓	✓	✓
12.	June 30	✓	✓	✓	✓
13.	July 22	✓	✓	✓	✓
14.	August 05	✓	✓	✓	✓
15.	August 24	✓	✓	✓	✓
16.	August 27	✓	✓	✓	✓
17.	September 01	✓	✓	✓	✓
18.	September 02	✓	✓	✓	✓
19.	September 16	✓	✓	✓	✓
20.	October 01	✓	✓	✓	✓
21.	October 28	✓	✓	✓	✓
22.	November 05	✓	✓	✓	✓
23.	November 19	✓	✓	✓	✓
24.	November 26	✓	✓	✓	✓
25.	December 02	✓	✓	✓	✓
26.	December 04	✓	✓	✓	✓
27.	December 22	✓	✓	✓	✓
28.	December 23	✓	✓	✓	✓
29.	December 31	✓	✓	✓	✓
<b>Total</b>		<b>29</b>	<b>29</b>	<b>29</b>	<b>29</b>

### 6) Governance and Sustainability Committee

Formed in 2022, the Committee's core function is to assist the Board in monitoring the general framework of governance across alinma, studying the topics presented by the Executive Management, and ensuring all tools required for sound governance including policies, procedures, and

manuals are reviewed, updated, and are in compliance with regulatory requirements and best practices within the Bank's operational parameters. The Governance and Sustainability Committee is composed of three (3) members. The Committee held four (4) meetings during 2025, which were attended by members as shown below.

Member name	Meeting date – 2025				Total
	26/02	08/05	29/07	14/12	
Saad Abdulaziz AlKroud (Chairman of the Committee)	✓	✓	✓	✓	4
H.E. Mr. Ahmed Abdulaziz AlHakbani*			✓	✓	2
Maha Suliman Alnuhait*			✓	✓	2
Dr. Saud Mohammed AlNimir**	✓	✓			2
Ahmed Abdullah AlSheikh**	✓	✓			2
Dina Hassan Alnahdi**	✓	✓			2

\* The membership of the Committee started with the sixth term on 21 May, 2025

\*\* The membership of the Committee ended with the fifth term on 20 May, 2025

### Methods adopted by the Board to assess its performance, the performance of its Committees, and members

During the year, the Board of Directors conducted an internal evaluation of its performance and that of its Committee members, in accordance with an approved methodology.

### Training and development for Board members, Committee members, Senior Executives, and Bank employees

alinma places strong emphasis on providing ongoing training and development opportunities to all members of the Board of Directors and members of the Committees, underscoring its proactive commitment to develop its leadership and governance and all its other areas.

These efforts included the delivery of training sessions covering a range of topics, aimed at enhancing awareness, keeping pace with evolving developments, and ensuring that the Bank adheres to the highest standards of banking practices and remains at the forefront of banking standards.

alinma has adopted a human capital policy that includes a comprehensive training and development approach, supported by a well-defined learning and development

strategy and implemented through structured phases and an approved methodology. This aims at strengthening implementation effectiveness and sustaining long-term impact. The policy includes the following:

- Continuous development of the Bank's employees' competencies – including core, leadership, and technical skills – in order to enhance knowledge levels and build advanced learning capabilities. This initiative aligns with the Bank's approach and supports its strategic objectives
- Formal registration of training and development programs through relevant governmental platforms, in accordance with labor law requirements, thereby supporting the Bank's national contribution to human capital development
- Supporting the Bank's social responsibility agenda by training and developing national talent through university-based training initiatives, as well as training programs and camps that promote financial and professional awareness among students and graduates
- Optimal utilization of resources through building strategic partnerships with education and development service providers, ensuring the delivery of high-quality training programs in line with best practices
- Supporting the embedding of alinma Bank's values among employees through training workshops and continuous awareness and communication initiatives

## alinma Board of Directors' Report 2025 continued

alinma adopts an integrated approach to learning and development. This process begins with the systematic identification and analysis of training needs and concludes with the design of effective training plans that align with those needs. The Bank delivers its training programs according to rigorous standards, supported by ongoing training schedules and carefully chosen partnerships. It prioritizes measuring training impact and assessing program quality to ensure effective learning and development outcomes.

Special focus is given to leadership development at all organizational levels through customized leadership learning pathways, alongside targeted coaching sessions. This approach strengthens leadership capabilities and ensures a sustainable leadership pipeline.

In addition, alinma is committed to helping its employees to stay current with evolving training trends and access professional development opportunities. Through its Professional Certification Support Program, the Bank aims to qualify employees for accredited certifications while fostering a supportive learning environment that encourages continuous development.

Design of induction programs for newly appointed members of the Board, Committees, and Executive Management in order to introduce them to the Bank's business operations and activities.

Targeted induction training is delivered to newly appointed Board and Committee members to familiarize them with the Bank's operations and activities, ensuring they are well-prepared to fulfill their roles and responsibilities effectively.

### Succession planning

The aim of succession planning is to identify strategic and sensitive positions within the Bank, nominate qualified leaders to fill these positions, and develop plans to ensure their readiness, thereby achieving the Bank's objectives.

The succession planning policy includes:

- Periodic study of succession planning, defining criteria and guidelines to identify strategic and sensitive positions, which are of utmost importance within the Bank, which are then approved by the Chief Executive Officer
- Reviewing and monitoring development plans for candidates for sensitive positions, ensuring the suitability of candidates for these positions
- Reviewing and updating competencies for strategic and sensitive positions
- Monitoring the career paths of leaders and supervisors included in the succession plan, to ensure the availability of an alternative for every strategic and sensitive position within the Bank at any given time

### Remuneration of Board members, Committee members and Executive Management

alinma strictly adheres to the provisions of the Companies Law and instructions issued by the supervisory bodies for the banking sector in the Kingdom, when demarcating remuneration for the Board of Directors. Remuneration and compensation policies determine the remuneration and compensation of employees and Senior Executives in accordance with their respective contracts and the policies and resolutions approved by the Board of Directors in this regard, in light of the relevant rules and regulations.

### (A) Board member remuneration (ﷲ)

Members of the Board	*Specific amount	Fixed remunerations					Total	Variable remunerations					Total	End-of service benefits	***Grand total	****Expenses allowance
		Allowance for attending Board meetings	Total allowance for attending Committee meetings	In-kind benefits	Remunerations for technical managerial and consultative work	Remunerations of the Chairman, Managing Director or Secretary, if a member		Percentage of the profits	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares				
<b>First: Independent Directors</b>																
Dr. Abdulmalik Abdullah AlHogail**	1,150,000	45,000	95,000	-	-	3,500,000	4,790,000	-	-	-	-	-	-	-	4,790,000	-
Abdulrahman Mohammed Ramzi Addas	1,149,372	45,000	100,000	-	-	-	1,294,372	-	-	-	-	-	-	-	1,294,372	77,283
Haiham Rashid AlShaikhmubarak	1,148,870	45,000	75,000	-	-	-	1,268,870	-	-	-	-	-	-	-	1,268,870	22,111
Abdullah Abdulaziz AlRomaizan	1,099,497	45,000	100,000	-	-	-	1,244,497	-	-	-	-	-	-	-	1,244,497	-
Maram Mohammed AlNumay <small>(The membership started with the sixth term on 21 May, 2025)</small>	670,593	35,000	55,000	-	-	-	760,593	-	-	-	-	-	-	-	760,593	-
Dr. Saud Mohammed AlNimir <small>(The membership ended with the fifth term on 20 May, 2025)</small>	444,555	10,000	25,000	-	-	-	479,555	-	-	-	-	-	-	-	479,555	-
Ahmed Abdullah AlSheikh <small>(The membership ended with the fifth term on 20 May, 2025)</small>	425,205	10,000	20,000	-	-	-	455,205	-	-	-	-	-	-	-	455,205	-
<b>Total</b>	<b>6,088,093</b>	<b>235,000</b>	<b>470,000</b>	<b>-</b>	<b>-</b>	<b>3,500,000</b>	<b>10,293,093</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,293,093</b>	<b>99,394</b>
<b>Second: Non-Executive Directors</b>																
Saad Abdulaziz AlKrouad	1,150,000	40,000	50,000	-	-	-	1,240,000	-	-	-	-	-	-	-	1,240,000	-
Anees Ahmed Maumina	1,130,023	45,000	95,000	-	-	-	1,270,023	-	-	-	-	-	-	-	1,270,023	36,101
Abdullah Ali AlKhalifa <small>(The membership started with the sixth term on 21 May, 2025)</small>	426,393	35,000	-	-	-	-	461,393	-	-	-	-	-	-	-	461,393	-
H.E. Ahmed Abdulaziz AlHakbani <small>(The membership started with the sixth term on 21 May, 2025)</small>	670,593	35,000	30,000	-	-	-	735,593	-	-	-	-	-	-	-	735,593	-
Mohammed Abdulrahman Bindayel <small>(The membership ended with the fifth term on 20 May, 2025)</small>	425,205	10,000	40,000	-	-	-	475,205	-	-	-	-	-	-	-	475,205	-
<b>Total</b>	<b>3,802,214</b>	<b>165,000</b>	<b>215,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,182,214</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,182,214</b>	<b>36,101</b>
<b>Grand total</b>	<b>9,890,307</b>	<b>400,000</b>	<b>685,000</b>	<b>-</b>	<b>-</b>	<b>3,500,000</b>	<b>14,475,307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,475,307</b>	<b>135,495</b>

(A) \* This specific amount includes annual remuneration for membership of the Board of Directors and fixed remunerations for membership of Committees in accordance with the section 5.1 of the "Remunerations and Allowances Policy for members of the Board of Directors, Committees, secretariat and Executive management".

(B)\*\* Special reward for the Chairman of the Board of Directors, in accordance with section 5.7 of the "Remunerations and Allowances Policy for members of the Board of Directors, Committees, secretariat and Executive management".

(C)\*\*\*The change in the maximum limit for remuneration for members of the Board of Directors was in accordance with the applicable regulations and instructions and the remuneration policy and allowances for members of the Board of Directors, its Committees, the Secretariat, and the Executive Management approved by the General Assembly.

(D) \*\*\*\* Expenses Allowance refers to the travel expense allowance reimbursed for attending meetings of the Board of Directors and its Committees.

## alinma Board of Directors' Report 2025 continued

### (B) Committee member remuneration

\* Remuneration for Committee members (within the Board) are included in the Board member remuneration stated in clause (A) above.

Audit Committee members	Fixed remuneration (except for the allowance for attending Committee meetings)	Committee meeting allowance	Total (١٤)
Haitham Rashid AlShaikhmubarak (Chairman of the Committee)*	230,023	45,000	275,023
Maher Saad Al-Aiyadhi	200,000	45,000	245,000
Abdullah Abdulaziz AlRomaizan**	122,100	25,000	147,100
Majed Mohammed Aldakheel**	122,100	25,000	147,100
Fahad Hussain Alsudairi**	122,100	25,000	147,100
Abdulrahman Mohammed Ramzi Addas***	96,747	20,000	116,747
Dr. Saad Saleh Al-Rowaite***	77,397	20,000	97,397
Othman Mohammed Altwajiri***	77,397	20,000	97,397
<b>Total</b>	<b>1,047,865</b>	<b>225,000</b>	<b>1,272,865</b>

\* The chairmanship of the Committee started with the sixth term on 21 May, 2025

\*\* The membership of the Committee started with the sixth term on 21 May, 2025

\*\*\* The membership of the Committee ended with the fifth term on 20 May, 2025

Nomination and Remuneration Committee members	Fixed remuneration (except for the allowance for attending Committee meetings)	Committee meeting allowance	Total (١٤)
Abdulrahman Mohammed Ramzi Addas (Chairman of the Committee)*	152,626	15,000	167,626
Dr. Abdulmalik Abdullah AlHogail	200,000	30,000	230,000
Saad Abdulaziz AlKroud	200,000	30,000	230,000
Dr. Saud Mohammed AlNimir**	96,747	15,000	111,747
Mohammed Abdulrahman Bindayel**	77,397	15,000	92,397
<b>Total</b>	<b>726,769</b>	<b>105,000</b>	<b>831,769</b>

\* The membership of the Committee started with the sixth term on 21 May, 2025

\*\* The membership of the Committee ended with the fifth term on 20 May, 2025

Risk Committee members	Fixed remuneration (except for the allowance for attending Committee meetings)	Committee meeting allowance	Total (١٤)
Anees Ahmed Moumina (Chairman of the Committee)*	230,023	30,000	260,023
Haitham Rashid AlShaikhmubarak	218,847	30,000	248,847
H.E. Ahmed Abdulaziz AlHakbani**	122,100	20,000	142,100
Maram Mohammed AlNumay**	122,100	20,000	142,100
Saad Saleh Alaboodj***	100,000	10,000	110,000
Mohammed Awad AlMalkj****	66,438	10,000	76,438
Ahmed Abdullah AlSheikh*****	77,397	10,000	87,397
Abdullah Abdulaziz AlRomaizan*****	77,397	10,000	87,397
<b>Total</b>	<b>1,014,304</b>	<b>140,000</b>	<b>1,154,304</b>

\* The chairmanship of the Committee started with the sixth term on 21 May, 2025

\*\* The membership of the Committee started with the sixth term on 21 May, 2025

\*\*\* The membership of the Committee started following the commencement of the sixth term on 01 September, 2025

\*\*\*\* The membership of the Committee ended upon his resignation on 01 May, 2025

\*\*\*\*\* The membership of the Committee ended with the fifth term on 20 May, 2025

Executive Committee members	Fixed remuneration (except for the allowance for attending Committee meetings)	Committee meeting allowance	Total (١٤)
Dr. Abdulmalik Abdullah AlHogail	250,000	65,000	315,000
Anees Ahmed Moumina	200,000	65,000	265,000
Abdullah Abdulaziz AlRomaizan	200,000	65,000	265,000
Abdulrahman Mohammed Ramzi Addas	200,000	65,000	265,000
Maram Mohammed AlNumay*	122,100	35,000	157,100
Mohammed Abdulrahman Bindayel**	77,397	25,000	102,397
<b>Total</b>	<b>1,049,498</b>	<b>320,000</b>	<b>1,369,498</b>

\* The membership of the Committee started with the sixth term on 21 May, 2025

\*\* The membership of the Committee ended with the fifth term on 20 May, 2025

Governance and Sustainability Committee members	Fixed remuneration (except for the allowance for attending Committee meetings)	Committee meeting allowance	Total (١٤)
Saad Abdulaziz AlKroud (Chairman of the Committee)	250,000	20,000	270,000
H.E. Mr. Ahmed Abdulaziz AlHakbani*	122,100	10,000	132,100
Maha Suliman Alnuhait*	122,100	10,000	132,100
Dr. Saud Mohammed AlNimir**	77,397	10,000	87,397
Ahmed Abdullah AlSheikh**	77,397	10,000	87,397
Dina Hassan Alnahdi**	77,397	10,000	87,397
<b>Total</b>	<b>726,393</b>	<b>70,000</b>	<b>796,393</b>

\* The membership of the Committee started with the sixth term on 21 May, 2025

\*\* The membership of the Committee ended with the fifth term on 20 May, 2025



## alinma Board of Directors' Report 2025 continued

Shariah Committee members	Fixed remuneration (except for the allowance for attending Committee meetings)	Committee meeting allowance	Total (ﷲ)
Dr. Abdullah Wakeel Al-Sheikh	350,000	145,000	495,000
Dr. Abdulrahman Bin Saleh Al-Atram	300,000	145,000	445,000
Dr. Suleiman Bin Turki Al-Turki	300,000	145,000	445,000
Dr. Khalid Bin Abdulrahman Almuhanna	300,000	145,000	445,000
<b>Total</b>	<b>1,250,000</b>	<b>580,000</b>	<b>1,830,000</b>

### (C) Senior Executive remuneration

Top five (5) Senior Executives who received the highest remuneration and compensation, including the Chief Executive Officer and Chief Financial Officer.

	Fixed remunerations				Variable remunerations						Total remuneration of Executives for the Board, if any	Grand total	
	Salaries	Allowances	In-kind benefits	Total	Periodic remunerations	Profit	Short-term incentive plans	Long-term incentive plans	Granted shares	Total			End-of service benefits
<b>Total</b>	<b>12,915,770</b>	<b>6,697,876</b>	<b>-</b>	<b>19,613,646</b>	<b>11,800,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,970,023</b>	<b>24,770,023</b>	<b>2,065,691</b>	<b>-</b>	<b>46,449,360</b>

**Any punishment, penalty, precautionary procedure, or preventive measure imposed on the Bank by any supervisory, regulatory, or judiciary authority, describing the reasons for non-compliance, the imposing authority, and the measures undertaken to remedy and avoid such non-compliance in the future**

In exercising its day-to-day operations, the Bank applies all banking and regulatory rules issued by supervisory authorities. The Bank is keen to reduce violations and, if they do occur, take the necessary and immediate corrective action.

The following data outlines the violations imposed on the Bank by regulatory and supervisory authorities:

### First/Saudi Central Bank (SAMA)

The following table shows fines imposed on the Bank during the preceding financial year 2024 and the current year 2025:

Violation	Financial year 2024		Financial year 2025	
	Number of penalties	Total amount (ﷲ)	Number of penalties	Total amount (ﷲ)
Violation of SAMA Supervisory directives	15	8,616,300	17	16,147,300
Violation of SAMA directives related to customer protection	2	180,000	3	966,600
Violation of SAMA directives related to conducting due diligence	Nil	Nil	Nil	Nil
Violation of SAMA directives related to ATMs and POS performance level	Nil	Nil	Nil	Nil
Violation of SAMA directives related to conducting due diligence with respect to anti-money laundering and terrorism financing	1	420,000	3	26,435,000
<b>Total</b>	<b>18</b>	<b>9,216,300</b>	<b>23</b>	<b>43,548,900</b>

### Second/ Ministry of Municipal and Rural Affairs and Housing

Entity	Reasons for imposing the fine	Corrective plan	Total amount (ﷲ)
Ministry of Municipal and Rural Affairs and Housing	Violation of the General Administration Building in Al-Yasmin District – under construction	The Bank will work on complying with relevant regulations and obtaining the necessary permits.	16,000
Riyadh Region Municipality	Absence of designated entry and exit lanes, proximity of ATMs to private property, insufficient drive-thru lanes, encroachment on parking space, unlicensed advertisements, inadequate maintenance, and lack of building permits. Advertising stickers inside ATM rooms, advertising stickers affixed to the metal covers of ATMs, and construction enclosures/rooms Lack of designated lanes and encroachment on parking spaces for 139 ATMs, and failure to provide adequate capacity space for 72 ATMs The Bank's violations related to certain ATM locations and advertising stickers	The Bank will work to comply with the requirements and relevant regulations by removing ATMs that cannot be architecturally fixed and replace them with suitable ones. Additionally, the Bank will remove promotional stickers, electronic screens, side panels, and damaged signage, as well as prepare a plan for parking reservations, remove unlicensed ATMs, and begin installing QR code stickers on ATMs in accordance with the directives of the Ministry of Municipal and Rural Affairs and Housing. The Bank will also enhance procedures to ensure full compliance.	5,163,150

### Third/Social insurance

Entity	Reasons for imposing the fine	Corrective plan	Total amount (ﷲ)
General Organization of Social Insurance	Modification of the start date for new employees on the Qiwa platform	The Bank will strive to comply with relevant requirements	48,000

## alinma Board of Directors' Report 2025 continued

### Internal control system and procedures

The Bank adopts and bases its internal control framework on the three lines of defense model. Business departments and divisions function as a first line, as their activities take into account the laws and regulations issued by the regulatory authorities. The Compliance Division, Risk Division, and Finance Division represent the second line, which provide oversight, assessment, and monitoring of the risk management activities carried out with daily transactions, credit operations, and information security. Departments and divisions, both in the first and second lines, submit periodic reports to the Management's internal committees and the Board's Committees to ensure the Bank meets the regulatory requirements and achieves the business objectives. The Internal Audit Division represents the third line and conducts tests and necessary reviews to cover all the Bank's divisions based on the Audit Committee's approved risk-based plan. The Internal Audit Division affirms its organizational and functional independence within the Bank, which enables it to carry out tasks and responsibilities effectively without any due influence.

Based on the responsibility of the Bank's Management in terms of preparing a comprehensive and effective system for internal controls to achieve the approved objectives of the Bank, an internal control system has been developed that suits the Bank's activities and takes into account the relative importance of financial and other risks inherent

in these activities. An internal control system has been designed to manage and control risks in a timely manner. This provides a reasonable amount of continuous control and early detection and handling of potential risks.

The internal control system is based on the vision and assessment of the Bank's Management to put in place a control system commensurate with the relative importance of financial and other risks inherent in the Bank's activities with a reasonable cost and benefit in order to achieve specific controls. The internal control system has been designed to mitigate risks in order to achieve specific objectives. It is therefore designed to give reasonable assurances to avoid material errors and relevant losses.

The Audit Committee periodically reviews the reports prepared by Internal and External Auditors. These reports include an assessment of the adequacy and effectiveness of internal controls currently in place.

Based on the aforementioned, we believe that the Bank has a reasonably adequate and effective internal control system in terms of design and implementation. During the year, there were no material observations relating to the effectiveness of the internal control system and procedures in the Bank.

### The Bank's social responsibility contributions

Project and partner	Expected outcomes	Objective
Jood Eskan Platform in partnership with Sakan Foundation	Improve living conditions for alinma Bank security guards eligible for social welfare by providing appropriate housing support	<ul style="list-style-type: none"> <li>• 10 homes delivered</li> <li>• 10 homes under construction</li> <li>• 3 volunteer opportunities</li> </ul>
Baby Genome in partnership with King Salman Humanitarian Aid and Relief Centre	Promote public health through early detection of diseases and disabilities using genetic technology	<ul style="list-style-type: none"> <li>• 1,000 children benefited</li> <li>• Genome mapping conducted</li> <li>• 3 volunteer opportunities</li> </ul>
Educational grants in partnership with the Martyrs, Injured, Prisoners, and Missing Persons Fund (FFM)	Contribute to empowering children of martyrs through education and enhancing the quality of education to advance Sustainable Development Goals	<ul style="list-style-type: none"> <li>• 140 students benefited</li> <li>• 5 volunteer opportunities</li> </ul>
Youth Financial Training Program in partnership with The Financial Academy	Empower youth by enhancing financial inclusion and literacy through specialized training in money management, savings, and investment	<ul style="list-style-type: none"> <li>• 1,000 youth benefited</li> <li>• 6 training sessions</li> <li>• 3 volunteer opportunities</li> </ul>
Financial Awareness and Trust Program for Women in partnership with The Financial Academy	Enhance women's financial awareness and trust, promote short- and long-term financial planning, and contribute to overall financial literacy	<ul style="list-style-type: none"> <li>• 1,500 women benefited</li> <li>• 6 training sessions</li> <li>• 3 volunteer opportunities</li> </ul>
AMAD Innovation & Entrepreneurship Accelerator in partnership with Falak Investment Hub	Promote innovation and entrepreneurship in the financial sector through the AMADTech program to support innovators and entrepreneurs in financial technologies, aligned with national innovation and financial inclusion initiatives	<ul style="list-style-type: none"> <li>• 14 innovators</li> <li>• 20 talents</li> <li>• 10 entrepreneurs</li> <li>• 3 strategic products</li> <li>• 5 volunteer opportunities</li> </ul>
Knowledge Transfer Program in Sustainability in partnership with The Financial Academy	Raise community awareness of sustainability concepts through educational programs focusing on sustainable practices across various fields	<ul style="list-style-type: none"> <li>• 3 training materials developed</li> <li>• 3 volunteer opportunities</li> </ul>
Financial Fraud Awareness Campaign in partnership with a suitable production studio	Produce an official awareness film aimed at raising public awareness of financial fraud risks and prevention methods, while enhancing community and customer understanding of its various techniques	<ul style="list-style-type: none"> <li>• Reach more than 10 million viewers</li> <li>• Produce a main short film and three short videos supported by a strategic campaign</li> <li>• 5 volunteer opportunities</li> </ul>
Financial Inclusion and Sustainability Initiative in partnership with Associations Support Fund	Support NGOs working on developmental issues by establishing the alinma Developmental Portfolio and providing financial support through donations in compliance with approved regulations	<ul style="list-style-type: none"> <li>• 1 developmental field</li> <li>• 6 charitable organizations</li> <li>• 6,500 beneficiaries</li> <li>• 4 main products</li> <li>• 6 volunteer opportunities</li> </ul>
AMAD Al-Hiraf – Phase 2, in partnership with Impact Valley Capital and Al-Ahsa Chamber of Commerce	Empower artisans through specialized training programs, improve product quality, and enhance the sustainability of the handicrafts sector in a formal and sustainable manner	<ul style="list-style-type: none"> <li>• Establishing a retail store in Riyadh</li> <li>• 65 handicraft pieces</li> <li>• 5 volunteer opportunities</li> </ul>
Saudi Green Initiative – Phase 2, in partnership with Net Zero	Plant 25,000 mangrove trees annually in Rabigh as part of the Saudi Green Initiative, and document them on the Smart Tree Map	<ul style="list-style-type: none"> <li>• 25,000 trees</li> <li>• Monitoring and follow-up system</li> <li>• 3 volunteer opportunities</li> </ul>
Misk – Phase 2, in partnership with the Mohammed Bin Salman Foundation	Enhance the efficiency and sustainability of non-profit organizations by developing financial and accounting practices and ensuring compliance with applicable financial regulations	<ul style="list-style-type: none"> <li>• 35 youth associations</li> <li>• 3 training sessions</li> <li>• 3 volunteer opportunities</li> </ul>
Shariah specialists and scholars, in partnership with the Saudi Judicial Scientific Society (Qadha)	Qualify Shariah specialists in financial and banking transactions, meeting the growing demand for professionals who combine Shariah knowledge with practical skills in the banking sector	<ul style="list-style-type: none"> <li>• 10 specialists</li> <li>• 5 scholars</li> <li>• 5 volunteer opportunities</li> </ul>
Children with disabilities, in partnership with specialized educational and rehabilitation centers	Support and improve the quality of life for children with special needs by providing medical and therapeutic sessions tailored to their physical and psychological needs	<ul style="list-style-type: none"> <li>• 5 children</li> <li>• 5 volunteer opportunities</li> </ul>
Transparency Enhancement – AMAD Report in partnership with Impact Valley Capital	Measure the social impact of the Bank's social responsibility programs to formally and systematically evaluate their influence on society	<ul style="list-style-type: none"> <li>• Measure the social impact of the AMAD initiative</li> <li>• Impact Report</li> <li>• Knowledge transfer</li> </ul>

## alinma Board of Directors' Report 2025 continued

### The General Assembly Meeting dates during the last fiscal year and names of the Board members and the Committee Chairpersons who attended

The Ordinary General Assembly Meeting was held on April 24, 2025. Attendance at the meeting is reflected below.

Board member name	Attendance record
Dr. Abdulmalek Abdullah AlHogail (Chairman)	✓
Saad Abdulaziz AlKroud (Vice Chairman)	✓
Anees Ahmed Moumina	✓
Abdullah Abdulaziz AlRomaizan	✓
Abdulrahman Mohammed Ramzi Addas	✓
Haitham Rashid AlShaikhmubarak	✓
Ahmed Abdullah AlSheikh*	✗
Dr. Saud Mohammed AlNimir*	✓
Mohammed Abdulrahman Bindayel*	✓

\* The membership ended with the fifth term on 20 May, 2025

Name of the Committee Chairman or designated member	Attendance record
Dr. Abdulmalik Abdullah AlHogail (Chairman of the Executive Committee)	✓
Dr. Abdullah Wakeel Alshaikh (Chairman of the Shariah Committee)	✓
Haitham Rashid AlShaikhmubarak (Chairman of the Risk Committee)*	✓
Abdulrahman Mohammed Ramzi Addas (Chairman of the Audit Committee)*	✓
Dr. Saud Mohammed AlNimir (Chairman of the Nomination and Remuneration Committee)**	✓

\* The chairmanship of the Committee ended with the fifth term on 20 May, 2025

\*\* The membership ended with the fifth term on 20 May, 2025

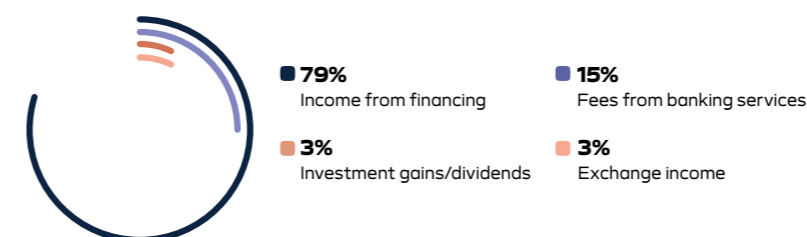
### A description of the main business areas of the Bank and its affiliates, along with a statement for each activity and its impact on the Bank's operations and results

The primary activity of alinma, as a banking institution, lies in providing a comprehensive range of banking services that are Shariah-compliant. The Bank is committed to understanding and meeting the needs of its customers, while maintaining a distinctive competitive edge in the market. These services are delivered through 127 branches,

supported by multiple digital platforms employing the latest technologies, as well as a professional human workforce with high levels of efficiency and training. Accessible channels include the Bank's website (www.alinma.com), the alinma application, phone services, and email. Additionally, the Bank has an expanding network comprising 1,408 ATMs spread across the Kingdom of Saudi Arabia. Throughout the provision of these services, the Bank is dedicated to aligning with the objectives of Saudi Vision 2030, aimed at reducing unemployment rates, empowering women, and providing financial resources for all.

The chart below reflects the activities of the Bank, and their share of contribution to the Bank's gross revenue.

### Operating income composition



### Future plans

The Bank will continue to implement its ambitious strategic plans aimed at strengthening its activities and expanding its operations through the provision of a diverse range of innovative, Shariah-compliant products and services that address customer needs and respond to market developments by investing in the latest technology, focusing on digital banking, and increasing the customer base of individuals and corporates. The Bank will continue its efforts related to operational quality, speed of procedures, and continuous improvement of the customer experience to enhance customer satisfaction levels. The Bank will also continue to focus on sustainability and social responsibility, implementing relevant initiatives in these areas.

Over the past five years, the Bank developed a detailed and ambitious growth strategy for the period 2021–2025, aimed at achieving its future aspirations and keeping pace with changes in the business environment. By the end of 2025, 100% of the strategic initiatives associated with this plan had been successfully completed.

Following the successful achievement of its strategic objectives for 2021–2025, the Bank developed its strategy for the period 2026–2030 as a continuation of past achievements, with ambitious future aspirations covering

all business activities and operations. Implementation of the strategy will commence in early 2026.

Looking beyond 2025:

- To become the most innovative and customer-centric bank in Saudi Arabia, leveraging artificial intelligence (AI) to build sustainable competitive advantages
- To offer innovative financial products and services tailored to targeted customer segments
- To reduce the time required to obtain key products and services
- To enhance alinma's retail and corporate apps through continuous improvement of digital experiences
- To continuously review and assess customer experiences across key products and services
- To enhance overall customer experience across key products, services, and channels to improve the Bank's Net Promoter Score (NPS)
- To develop employee capabilities through specialized training programs at all organizational levels
- To adopt sustainable practices
- To support community engagement
- To foster employee engagement and implement initiatives aimed at improving the Organizational Health Index (OHI)

## alinma Board of Directors' Report 2025 continued

### Information on any risks facing the Bank and the policy of managing and monitoring these risks

During the normal course of business, the Bank is exposed to various risks. Systems and procedures are in place in alinma to identify, control, and report the major risks that could be encountered by the Bank.

#### The major risk types that might be encountered by the Bank are as follows

##### A. Operational risk

Operational risk arises from human error, failures in systems used in the Bank's operations, or from a lack of clarity or non-compliance with operational controls relating to internal procedures. Such risks may result in adverse impacts, financial losses, and other hazards that could directly affect the continuity of business operations. In this context, operational risk management seeks to apply appropriate methodologies for the identification and management of operational risks and to ensure the implementation of internal controls to mitigate the potential impact of such risks on the Bank and its strategic objectives. Operational risk management also emphasizes the adoption of a structured approach across the Bank's departments to identify operational risks within each functional area and to determine appropriate corrective action plans, thereby enabling departments to achieve their objectives more effectively. The operational risk management framework further provides for ongoing coordination with all Bank departments to assess the effectiveness of mechanisms for managing operational risks and the adequacy of controls implemented to mitigate their impact.

##### B. Credit risk

Credit risk arises when a counterparty fails to meet its obligations to the Bank, which may result in financial loss and represents the principal risk faced by the Bank. alinma actively manages its exposure to credit risk through the establishment of comprehensive credit risk policies and procedures, which provide guidance on target markets, risk acceptance criteria, minimum customer disclosure requirements, review and approval processes, and concentration limits. To ensure the integrity and independence of the credit assessment process, the Bank

has established an independent Risk Management Group responsible for implementing and monitoring the credit risk policy, credit operations, and related documentation following approval. In addition, the Group is responsible for monitoring and addressing any credit-related issues that may arise in customers' financial positions.

##### C. Market risk

Market risk is the risk that the fair value or the future cash flows of the financial instruments will fluctuate owing to changes in market variables such as equity prices, profit rates, foreign exchange rates, and commodity prices. The Bank regularly monitors market risks, including liquidity risk of the Bank through a dedicated Market Risk Management team within the Risk Management Group.

##### D. Liquidity risk

Liquidity risk is defined as the risk that the Bank may encounter difficulty in meeting obligations arising from its financial liabilities that are settled through the delivery of cash or other financial assets. Such risk may result from market disruptions or credit downgrades, which could cause certain funding sources to become unavailable on an immediate basis. To mitigate liquidity risk, the Bank's management has diversified its funding sources, and manages its assets with due regard to liquidity considerations, including the maintenance of an adequate balance of cash and cash equivalents. Exposure to the aforementioned risks is monitored by the Board of Directors and other management committees. In addition, the Board of Directors has constituted a Risk Committee to assist in overseeing the enterprise risk management process and in discharging related responsibilities.

##### E. Mitigating risks through insurance coverage

The Bank maintains insurance policies to cover potential risks arising from damage to its assets, including property insurance covering all risks, as well as insurance policies covering internal fraud and embezzlement.

In addition, the Bank maintains insurance coverage on the lives of Board members and employees, together with liability insurance in respect of third parties. Furthermore, the Bank operates a credit life insurance program covering the outstanding obligations of borrowers within the mortgage portfolio.

Set out below are the various types of insurance coverages that the Bank may utilize to hedge against risks associated with the real estate finance portfolio.

1. **Life insurance:** Life insurance provides financial protection in the event of death resulting from accidents or any other causes specified in the insurance policy. This enables the recovery of the outstanding financing amount from the insurance company.

2. **Disability insurance:** Disability insurance provides financial protection to recover the outstanding financing amount in the event that the policyholder suffers a total and permanent disability resulting in an inability to work or engage in any income-generating activity.

3. **Property insurance:** Property insurance provides coverage against physical damage or losses incurred by properties as a result of events such as fires, floods, natural disasters, and similar occurrences. This type of insurance aims to mitigate the financial impact of damage to properties, thereby enabling the Bank to recover costs arising from both anticipated and unforeseen events.

### Assets, liabilities, and results of the last five fiscal years

	₺ million				
Operating results	2025	2024	2023	2022	2021
Income from investment and financing, net	9,377	8,649	7,655	6,066	5,140
Fee, exchange, and other income	2,529	2,291	2,071	1,897	1,519
Total operating income	11,905	10,940	9,726	7,963	6,660
Operating expenses*	(3,719)	(3,389)	(3,032)	(2,761)	(2,372)
Net income before provisions	8,186	7,551	6,694	5,202	4,288
Provision for financing and other assets	(1,060)	(1,049)	(1,299)	(1,189)	(1,266)
Net income before zakat	7,126	6,502	5,395	4,013	3,022
Zakat	(729)	(670)	(556)	(414)	(312)
Net income after zakat	6,397	5,832	4,839	3,599	2,709

\*Includes share of profit or loss from associates and joint ventures

All major banking activities of alinma showed positive growth during 2025, with total assets increased from ₺ 276,827 million in 2024 to ₺ 311,067 million in 2025, representing a growth of 12.4%. The financing portfolio also grew by 13.6%, reaching ₺ 229,747 million in December 2025, compared to ₺ 202,308 million in 2024:

	₺ million				
Financial position	2025	2024	2023	2022	2021
Financing, net	229,747	202,308	173,624	146,492	126,271
Investments	56,623	48,625	43,236	38,529	33,278
Total assets	311,067	276,827	236,715	200,436	173,476
Customers' deposits	227,374	210,545	187,901	145,168	121,061
Total liabilities	262,826	235,386	202,381	168,560	142,765
Shareholders' equity	48,241	41,442	34,334	31,876	30,711

## alinma Board of Directors' Report 2025 continued

### Geographical analysis of the Bank and its subsidiaries' revenues

Almost all revenue recorded by alinma for the fiscal year 2025 was derived from banking activities conducted within the Kingdom of Saudi Arabia. The Bank's business locations are organized into five (5) regions. The table below presents the allocation of the Bank's total operating income across these regions for the year 2025.

	S million					
Total revenues	Western Region	Eastern Region	Northern Region	Southern Region	Central Region	Total
Financial year ended December 31, 2025	1,220	1,410	118	154	9,004	11,905
Financial year ended December 31, 2024	1,363	1,667	142	153	7,615	10,940

### Any material differences in the results compared to the previous year's results, along with any expectations announced by the Bank

Description (S million)	2025	2024	Changes (+) (-)	Change rate (%)
Income from investment and financing, net	9,377	8,649	728	8.4%
Fee, exchange, and other income	2,529	2,291	238	10.4%
Total operating income	11,905	10,940	965	8.8%
Operating expenses*	(3,719)	(3,389)	(330)	9.7%
Net income before provisions	8,186	7,551	635	8.4%
Provision for financing and other assets	(1,060)	(1,049)	(11)	1.0%
Net income after zakat	6,397	5,832	565	9.7%

\*Includes share of profit or loss from associates and joint ventures

### Adhering to the approved accounting standards set by the Saudi Organization for Chartered and Professional Accountants (SOCPA)

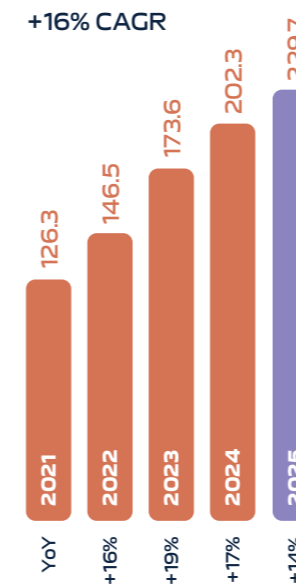
The accounting policies applied in preparing the Bank's consolidated financial statements for the year ended 31 December, 2025 are consistent with those applied in preparing the annual consolidated financial statements for the year ended 31 December, 2025, except for the application of the following amendments to the International Financial Reporting Standards, as set out below, which became effective for annual financial reporting periods beginning on or after 01 January, 2024.

Standard, interpretation, amendments	Description	Effective date
Amendment to IAS 21 – Lack of exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. The amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	1 January, 2025

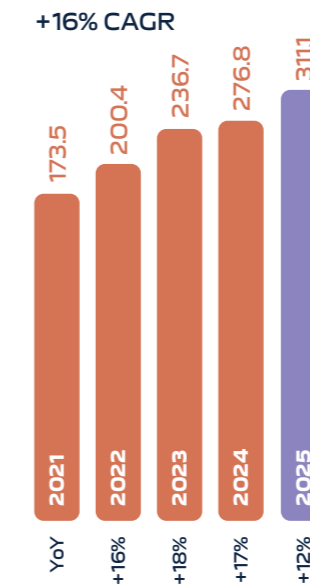
This standard, interpretation and amendment that has been issued do not have an impact on the consolidated financial statements of the Bank.

### Financial results

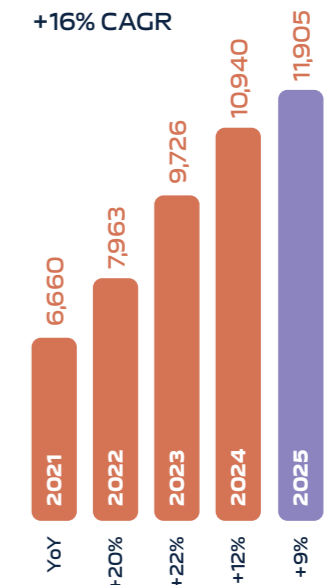
#### Financing S Bn



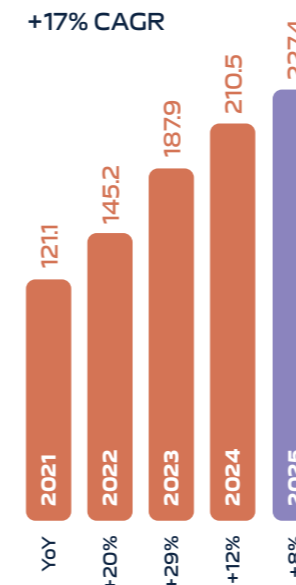
#### Total assets S Bn



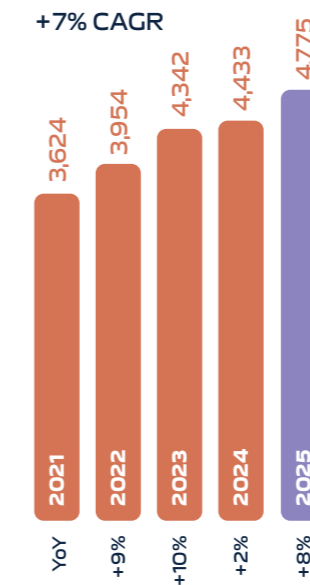
#### Total operating income S Mn



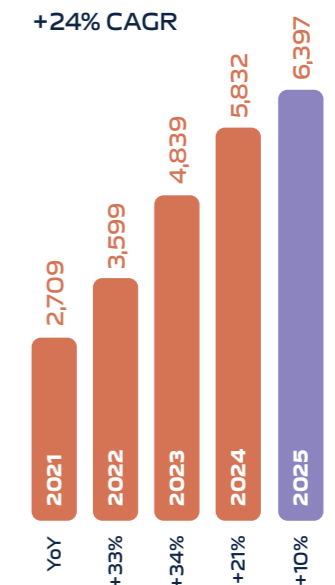
#### Customers' deposits S Bn



#### Total operating expenses S Mn



#### Net income S Mn



## alinma Board of Directors' Report 2025 continued

### The subsidiary companies of the Bank

alinma owns six subsidiary companies conducting different business activities. The following are the corporate details of these subsidiaries:

Subsidiary	Capital	Bank's ownership percentage	Main scope of business	Country of operation	Country of incorporation
alinma capital (closed joint stock company)	Authorized: ₪ 1,000 million Paid up: ₪ 500 million	100	Providing a comprehensive suite of Shariah-compliant investment products and services, which include the following: brokerage services, trading in local, GCC, and international equities; providing discretionary portfolio management (DPM) services; investment funds; arranging and advising; and providing custody services for securities.	The Kingdom of Saudi Arabia	The Kingdom of Saudi Arabia
Tanweer Real Estate Company (limited liability company)	₪ 100,000	100	Custody and management of assets transferred to the Bank from third parties as collateral, as well as the purchase, sale, and transfer of real estate for the financing purposes for which the company was established.	The Kingdom of Saudi Arabia	The Kingdom of Saudi Arabia
Saudi Fintech Company (closed joint stock company)	₪ 200 million	100	Providing the digital financial products and services in cooperation with banks, together with providing digital financial platforms and engaging in banking agency activity for e-commerce payment services.	The Kingdom of Saudi Arabia	The Kingdom of Saudi Arabia
Isnad Company (limited liability company)	₪ 500,000	100	Providing outsourced staff to the Bank (management support, technical support); management consultancy activities; temporary employment agency activities; and integrated administrative support services for offices.	The Kingdom of Saudi Arabia	The Kingdom of Saudi Arabia
TechStrike (closed joint stock company)	₪ 20 million	100	Providing a comprehensive suite of information technology services, products, and solutions, in compliance with the instructions and regulations of SAMA.	The Kingdom of Saudi Arabia	The Kingdom of Saudi Arabia
alinma SPV Limited (limited liability company)	USD 50,000	100	Executing financial derivatives transactions and repurchase agreements with international banks.	The Kingdom of Saudi Arabia	Cayman Islands

In addition to the aforementioned subsidiaries, the Bank exercises effective control over the funds listed below. Accordingly, the financial statements of these funds are consolidated with those of the Bank.

Investment fund	Purposes	Net assets	Percentage of ownership	Country of incorporation	Country of operation
alinma Sukuk Fund	To invest in a basket of local sovereign Sukuks issued by the Kingdom of Saudi Arabia.	₪ 428 million	92.5	The Kingdom of Saudi Arabia	The Kingdom of Saudi Arabia
alinma IPO Fund	To achieve capital appreciation over the long-term by investing mainly in Saudi joint stock companies.	₪ 149 million	50.1	The Kingdom of Saudi Arabia	The Kingdom of Saudi Arabia
alinma Digital Fund	To provide long-term capital gains to unitholders through investing in private equity companies operating in the fintech or payments sector, or in similar companies operating in related sectors.	-	100	The Kingdom of Saudi Arabia	The Kingdom of Saudi Arabia

The following table summarizes the operational activities and gross revenues of the subsidiary companies together with their contributions to the Bank's results:

Activity	Activity's profit/revenues ₪ million	Percentage %
Fund management	609	47
Investment banking and brokerage	132	10
Others	547	42
<b>Total operating income</b>	<b>1,289</b>	<b>100</b>

### Details of shares and debt instruments issued by each subsidiary company

Name of subsidiary company	Shares		Debt instruments	
	Number of shares	Bank's ownership %	Number of debt instruments	Bank's ownership
alinma capital	50,000,000	100	-	-
Saudi Fintech Company	20,000,000	100	-	-
Isnad Company	50,000	100	-	-
Tanweer Real Estate Company	10,000	100	-	-
alinma SPV Limited	50,000	100	-	-
TechStrike Company	20,000	100	-	-

## alinma Board of Directors' Report 2025 continued

### Dividends distribution policy

Annual or interim (semi-annual or quarterly) net profits of the Company shall be distributed after deducting general expenses and other costs and forming necessary reserves against bad debts, investment losses and contingent liabilities in line with the Banking Control Law and SAMA's instructions. The Bank also aims to distribute quarterly dividends of no less than 50% of the Bank's annual profits, bearing in mind that dividend distributions may be subject to change based on any substantial or circumstantial changes in the Bank's strategy, future growth opportunities, regulatory, or supervisory requirements, as follows:

1. Calculation and payment of the zakat and tax amounts to the concerned authorities.
2. Transferring no less than 25% of the remaining net profit after the zakat deduction to the Statutory Reserve account until it becomes at least equal to the paid-up capital.
3. Allocating (from the remaining profit after deducting the zakat and reserve amounts) at least 5% of the paid-up capital to be distributed to Shareholders as proposed by the Board of Directors and decided by the General

Assembly. If the remaining profit is insufficient to cover this amount (5%), Shareholders shall have no right to claim the payment of the same in the next year/years. The General Assembly shall have no right to distribute profits in excess of the mounts proposed by the Board of Directors.

4. The remaining balance (after allocating the amounts referred to in paragraphs 1, 2 and 3) shall be used as proposed by the Board of Directors and decided by the General Assembly.
5. Based on a proposal made by the Board of Directors, the General Assembly may allocate part of the net profit to establish social institutions for the Bank's staff or to assist existing ones.
6. The Board of Directors may distribute interim dividends (semi-annual or quarterly) in accordance with the regulations governing such distribution.
7. Dividends are paid to Shareholders according to the decision of the General Assembly in this regard. The distribution decision specifies the eligibility date and distribution date, and the eligibility shall be for the Shareholders' register at the end of the dividend eligibility date.

### Description of any interest in a class of voting shares held by persons (other than the Company's Directors, Senior Executives and their relatives) who have noticed the Bank of their holdings pursuant to Article (85) of the Rules on The Offer of Securities and Continuing Obligations, along with any change to such rights during the last fiscal year.

The following table details the major Shareholders of the Bank during the financial year 2025.

Name	Beginning of the year		End of the year	
	Number of shares	Ownership (%)	Number of shares	Ownership (%)
Public Investment Fund	250,000,000	10	250,000,000	10

### Due to banks and other financial institutions

The total outstanding funding from the financial sector as of 31 December, 2025 amounted to ١٦,٢١٣ million, with amounts due for funding maturing by March 2025. The aggregate maximum exposure during 2025 was ١٦,٢١٣

million. These borrowings represent short-term interbank deposits for liquidity management purposes, and neither the Bank nor its subsidiaries have any financing maturing upon demand.

### Bank issuances during the financial year

Below are the details of the classes and amounts of convertible debt instruments, subscription warrants, and similar rights issued or granted by the Bank during the financial year:

Category	Amount (USD)
Tier 1 Sukuk (AT1)	1,000,000,000.00
Tier 2 Sukuk (Tier 2)	500,000,000.00
Senior Unsecured Sukuk	500,000,000.00
Certificates of Deposit	1,050,000,000.00

The profit distribution applicable to the Sukuk is paid in arrears on each periodic distribution date, unless a non-payment or an election not to pay occurs at the Bank's discretion. In such cases, the Bank may, at its sole discretion (subject to certain terms and conditions), decide not to make any distributions. Such non-payment or election not to pay shall not constitute an event of default, and any unpaid amounts shall not be cumulative nor compounded with any future distributions.

### Description of any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the Bank

#### Tier 1 Sukuk

The Bank did not issue or grant any convertible debt instruments, contractual securities, subscription warrants, or similar rights during the financial year ended 31 December, 2025.

### Description of any redemption, purchase or cancellation by the Bank of any redeemable debt instruments and the value of such securities outstanding, distinguishing between those listed securities purchased by the Bank and those purchased by its subsidiaries

The Bank did not conduct any redemption operations during the fiscal year ending on 31 December, 2025.

## alinma Board of Directors' Report 2025 continued

### Description of any interest, contractual securities or subscription rights of Board Members, Senior Executives and their relatives in the shares or debt instruments issued by the Bank or any of its subsidiaries and any change therein during the last financial year

Description of all ownership by members of the Board of Directors, their spouses and children in the shares, Sukuks issued by the Bank or any of its subsidiaries:

Name	Beginning of the year		End of the year		Net change	Change %
	Number of shares	Debt instruments	Number of shares	Debt instruments	Number of shares	%
1 Dr. Abdulmalik Abdullah AlHogail	500,000	8	500,000	17	-	0%
2 Saad Abdulaziz AlKroud	-	-	-	-	-	0%
3 Abdulrahman Mohammed Ramzi Addas	2,681	-	3,991	-	1,310	49%
4 Anees Ahmed Moumina	17,860	-	17,860	-	-	0%
5 Haitham Rashid AlShaikhmubarak	62	-	62	1.5	-	0%
6 Abdullah Abdulaziz AlRomaizan	-	-	100	-	100	100%
7 Abdullah Ali AlKhalifa*	199,968	-	436,970	-	237,002	119%
8 H.E. Mr. Ahmed Abdulaziz AlHakbani*	-	-	83,563	-	83,563	100%
9 Maram Mohammed AlNumay*	-	-	-	-	-	0%
10 Dr. Saud Mohammed AlNimir**	99,867	-	112,374	-	12,507	13%
11 Ahmed Abdullah Alsheikh**	125,000	-	125,000	-	-	0%
12 Mohammed Abdulrahman Bindayel**	1,666	-	1,666	-	-	0%

\* The membership started with the sixth term on 21 May, 2025

\*\* The membership ended with the fifth term on 20 May, 2025

Description of all ownership by members of the Executive Management, their spouses and children in the shares, Sukuks issued by the Bank or any of its subsidiaries:

Name	Beginning of the year		End of the year		Net change	Change %
	Number of shares	Debt instruments	Number of shares	Debt instruments	Number of shares	%
1. Abdullah Ali AlKhalifa	199,968	-	436,970	-	237,002	119%
2. Saleh Abdullah AlZumaie	35,462	-	-	1	(35,462)	(100%)
3. Meshary Abdulaziz AlJubair	302,321	-	348,008	-	45,687	15%
4. Jameel Naif Hamdan	34,246	-	57,624	-	23,378	68%
5. Abdulrahman Mohammed Al Nasser	4,150	-	4,150	-	-	0%
6. Abdullah Jamaan AlZahrani	232,370	-	274,819	-	42,449	18%
7. Meshal Hamad Alrabiah	35,494	-	60,887	-	25,393	72%
8. Eyad Osama AlOthman	100,000	-	125,000	-	25,000	25%
9. Dr. Mohammed Sultan AlSehali	124,463	-	152,721	-	28,258	23%
10. Yaser Abdulaziz AlMarshde	235,470	-	259,893	-	24,423	10%
11. Abdullah Mohammed AlSalamah	33,917	-	52,990	-	19,073	56%

Part of the increase in shares during the period is due to incentive shares granted in previous periods.

### Requests for Shareholder records

The table below lists the number of Bank requests of Shareholder records, dates, and reasons thereof:

Date of request – 2025	Nature of requests
1. 05 January	Update Shareholders' Register
2. 04 February	Update Shareholders' Register
3. 04 March	Update Shareholders' Register
4. 06 April	Update Shareholders' Register
5. 24 April	The General Assembly Meeting
6. 28 April	Q4 2024 dividends
7. 15 May	Q1 2025 dividends
8. 03 June	Update Shareholders' Register
9. 03 July	Update Shareholders' Register
10. 11 August	Q2 2025 dividends
11. 02 September	Update Shareholders' Register
12. 06 October	Update Shareholders' Register
13. 06 November	Q3 2025 dividends
14. 04 December	Update Shareholders' Register

### A description of any transaction between the Bank and any related party

During its normal course of business, the Bank deals with related parties. Transactions with related parties shall be subject to the ratios stipulated in the Banking Control Law and the instructions of SAMA. The table below shows the balances resulting from transactions with related parties and included in the consolidated financial statements as at December 31, 2025:

	2025 (S'000s)	2024 (S'000s)
<b>Balances with related parties except the Bank's mutual funds</b>		
Financing to Directors and key Management personnel	176,432	195,280
Impairment provision for financing granted to Board members, Senior Management, and major Shareholders	350	443
Customers' deposits from major Shareholder	3,533,339	4,202,955
Customers' deposits from Directors and key Management personnel	111,669	86,437
Customer's deposits from associates and joint ventures	34,428	30,573
Investments in associate and joint venture	132,221	50,267
Investments in major Shareholder held at FVOCI	170,322	166,679
<b>Bank's mutual funds</b>		
Investments in mutual fund	1,032,052	922,514
Deposits from mutual funds	298,854	705,846

\* Financing and customer deposits with related parties are transacted at market rate and in the normal course of business



## alinma Board of Directors' Report 2025 continued

(A) Income and expenses pertaining to transactions with related parties included in the consolidated statement of income are as follows

	2025 (S'000s)	2024 (S'000s)
Income from financing	15,538	16,850
Return on customers' time investments	230,230	120,847
Fee from banking services, net	555,367	470,512
Directors' remuneration	17,925	14,565

The advances and expenses related to Executives are in line with the normal employment terms.

(B) The total amount of compensation to key management personnel during the year is as follows:

	2025 (S'000s)	2024 (S'000s)
Short-term employee benefits	125,151	113,408
End-of service benefits	3,808	8,562

**If the Auditor's report includes any reservations regarding the annual financial statements, the Board of Directors' Report must clarify those reservations, their reasons, and any relevant information**

The Auditor's report did not include any reservations on any item in the financial statements for the fiscal year ending 31 December, 2025.

**If the Board of Directors recommends changing the Auditor before the end of their designated term, the report must include this recommendation along with the reasons for the proposed change**

The Board of Directors has not made any recommendation to change the Auditor before the end of their designated term.

**Statement as to the value of any investments made or any reserves set up for the benefit of the employees of the Bank**

Benefits and compensation are paid to employees in accordance with the provisions of the Saudi Labor Law. As at 31 December, 2025, the balance due to employees on account of the end of service benefits obligation amounted to S 505 million. Additionally, the Bank makes monthly contributions towards the General Organization for Social Insurance (GOSI) for staff welfare as per the Saudi Labor Law.

**Information relating to any business or contract to which the Bank is a party and in which a Director of the Bank, a senior Executive or any person is related to any of them. If none exist, the Bank shall provide a formal declaration to that effect**

	Company name	Work or contract nature	Total paid amount during the year 2025 (S)	Work or contract duration	Work or contract conditions	Name of the Director/ Senior Executive or any person related to any of them
1	Elm Information Security Company	Comprehensive agreement for vehicle information verification services, customer fingerprint verification, electronic notary, SMS, national access, Yaqeen, and Nadheer services	57,789,166.40	1 July, 2025 to 30 June, 2026	Standard, no preferential terms	• Public Investment Fund
2	Elm Information Security Company	Digital Authentication of the National Identity	1,300,000.00	1 January, 2025 to 31 December, 2025	Standard, no preferential terms	• Public Investment Fund
3	Tahakom Technical Company Ltd.	Nabeeh Service	4,772,500.00	16 March, 2025 to 15 March, 2026	Standard, no preferential terms	• Public Investment Fund
4	Saudi Azm for Communication and Information Technology Company	Accounts Receivable Product Development Agreement Commercial Loan Product Setup Fees	206,785.48	1 October, 2022 to 19 January, 2026	Standard, no preferential terms	• H.E. Ahmed Abdulaziz AlHakbani – Board member
5	Arabian Shield Cooperative Insurance Company	Bankers' Insurance Policy, Executive and Employee Money Insurance, All Risks Property Insurance, Third-Party Liability Insurance and ATM Insurance at Airports	6,844,281.23	1 June, 2025 to 31 May, 2026	Standard, no preferential terms	• Adel Saleh Abalkhail - Chief Financial Officer • Meshal Hamad Alrabiah - Chief Risk Officer
6	Arabian Shield Cooperative Insurance Company	Debt Insurance Policy for Individual Real Estate Financing Products	36,426,621.90	21 November, 2025 to 20 November, 2026	Standard, no preferential terms	• Adel Saleh Abalkhail - Chief Financial Officer • Meshal Hamad Alrabiah - Chief Risk Officer
7	Arabian Shield Cooperative Insurance Company	Mortgage Property Insurance Policy	4,485,782	21 November, 2025 to 20 November, 2026	Standard, no preferential terms	• Adel Saleh Abalkhail - Chief Financial Officer • Meshal Hamad Alrabiah - Chief Risk Officer

**A description of any arrangement or agreement under which a Director or a Senior Executive of the Bank has waived any remuneration**

The Bank is not aware of any arrangements or agreements pursuant to which any Board members or Senior Executives have waived their entitlement to receive remuneration or compensation.

**A description of any arrangement or agreement under which a Shareholder of the Bank has waived any rights to dividends.**

The Bank is not aware of any arrangements or agreements pursuant to which any Shareholders have waived their right to receive dividends from the Bank.

## alinma Board of Directors' Report 2025 continued

### A statement of the value of any paid and outstanding statutory payment on account of any zakat, taxes, fees, or any other charges that have not been paid until the end of the annual financial period with a brief description and the reasons therefor

The following table shows the value of regulatory and outstanding payments for the financial period ended 31 December, 2025:

Item	Paid amount (ﷲ million)	Outstanding amount until the end of the Annual Financial period (ﷲ million)	Brief description
Zakat	672.25	734.78	The amount paid represents the zakat paid for the year 2024, and the accrued amount represents the zakat calculated for the financial year 2025 and will be paid in April 2026.
Withholding tax	70.74	1.53	The amount paid represents the withholding tax paid for the period from December 2024 to November 2025, and the accrued amount represents the withholding tax for December 2025, payable in January 2026.
Value Added Tax	237.13	5.83	The amount paid represents the VAT paid for the period from December 2024 to November 2025, and the accrued amount represents the VAT for December 2025, payable in January 2026.

### Board of Directors' Declarations

The Bank adheres to the following principles in the preparation of the consolidated financial statements:

1. International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia and other standards and pronouncements adopted by the Saudi Organization for Chartered and Professional Accountants (SOCPA), collectively referred to as "Adopted Standards in the Kingdom of Saudi Arabia".

2. Provisions of the Banking Control Law and the Companies Law applicable in the Kingdom of Saudi Arabia and the Bank's bylaws.

3. The Board of Directors affirms the following:

a. The financial statements prepared by the Bank's management fairly represent its financial position, results of operations, cash flows, and changes in equity.

b. Appropriate accounting policies are consistently applied to the Bank's circumstances when preparing financial statements, as explained in Note (3) of the Bank's consolidated financial statements. Estimates and fundamental judgments are used in preparing the financial statements, as outlined in Note 2(e) of the Bank's consolidated financial statements.

c. The accounting books have been prepared correctly.

d. The internal control system has been established on sound principles and effectively implemented.

e. There is no significant doubt about the Bank's ability to continue its operations.

f. Except for the information provided in Note (36) in the consolidated financial statements, the Bank did not engage in any contracts during the fiscal year 2024 that involve significant interests for any members of the Board of Directors, the Chief Executive Officer or the Chief Financial Officer, and any related parties.

### Information relating to any competing business with the Bank or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses

Member name	Company name	Main business	Business terms
Anees Ahmed Moumina	Dar Al Tamleek	Buying, selling, and owning real estate and land and investing in them, as well as managing financing programs for others.	There are no preferential terms
H.E. Ahmed Abdulaziz AlHakbani	Simplified Financial Solutions Fintech Company (SiFi)	Providing technology solutions in the field of financial services	There are no preferential terms

### Treasury shares, value and details

During 2010 and 2011, the Bank held a portion of its shares at various intervals with the intention of granting them to a specified category of employees who meet the relevant terms and conditions. Pending the transfer of ownership of these shares to the eligible beneficiaries, the shares are classified as treasury shares and are used to finance long-term, share-based employee remuneration plans, as disclosed in Notes (17) and (22) to the Bank's consolidated financial statements for the period ended 31 December, 2025.

In addition to the above, the Extraordinary General Assembly, at its meeting held on 30 April, 2023, approved an employee stock grant program. Under this program,

The details of the treasury shares held by the Bank are as follows:

Number of treasury shares held by the Bank as at 31 December, 2025	Value (ﷲ)
12,799,672	312,056,003.36

### Dividend distributions

The following details the percentages of profits distributed to Shareholders during various periods of the fiscal year 2025:

For the period	Total distributed amount	Number of eligible dividend shares	Share portion of the distribution	Distribution percentage to nominal share value (%)	Due date	Distribution date
Q4 2024	ﷲ 746,144,795	2,487,149,317 shares	0.30 per share after zakat deduction	3%	26 Shawwal 1446H, 24 April, 2025	11 Dhual-Qi'dah 1446H, 8 May, 2025
Q1 2025	ﷲ 746,160,098	2,487,200,328 shares	0.30 per share after zakat deduction	3%	15 Dhual-Qi'dah 1446H, 13 May, 2025	29 Dhual-Qi'dah 1446H, 27 May, 2025
Q2 2025	ﷲ 746,160,098	2,487,200,328 shares	0.30 per share after zakat deduction	3%	13 Safar 1447H, 7 August, 2025	27 Safar 1447H, 21 August, 2025
Q3 2025	ﷲ 746,160,098	2,487,200,328 shares	0.30 per share after zakat deduction	3%	13 Jumada al-Awwal 1447H, 4 November, 2025	27 Jumada al-Awwal 1447H, 18 November, 2025
<b>Total</b>	<b>ﷲ 2,984,625,089</b>					

In addition, alinma announces the Board of Directors' resolution dated 8 Shaban 1447H, corresponding to 27 January, 2026, recommending to the Bank's Extraordinary General Assembly an increase in the Bank's capital by capitalizing ﷲ 5 billion from reserves and retained earnings, through granting one share for every five shares, resulting in the Bank's capital increasing to ﷲ 30 billion, representing an increase of 20%.

## alinma Board of Directors' Report 2025 continued

### Disclosures related to micro, small and medium enterprises (MSME)

MSMEs shall be defined as follows:

Type of enterprise	Revenue (SAR millions)	Number of employees
Micro enterprise	0 to 3	1 to 5
Small enterprise	< 3 to 40	6 to 49
Medium enterprise	< 40 to 200	50 to 249

Total number of employees in the SME sector in the Bank stood at 38 employees at the end of the fiscal year 2025.

The SME sector is a key driver of economic diversification and job creation. It plays a pivotal role in achieving the ambitious objectives of Saudi Vision 2030. A core objective of the Vision 2030 is to increase the SME sector's contribution to the GDP from current levels to 35% by 2030.

In alignment with this national direction, alinma strategically developed its operations and innovations in 2025 to serve as a key enabler of SME growth, efficiency, and sustainability. The achievements detailed in this report – including operational transformation, strategic technology expansion, targeted product development, and major national partnerships – directly support this commitment to Vision 2030.

#### Enhancing customer experience and operational efficiency

The SME sector successfully underwent a radical transformation during 2025, prioritizing customer experience (CX) by streamlining credit approval processes and offering flexible, program-based financing solutions. This focus acted as a catalyst for large-scale operational enhancements, resulting in a significant and tangible improvement in the turnaround time for financing applications.

At the core of this improved experience was the launch and enhancement of eight distinct financing programs, strategically designed to address diverse client needs in terms of financing duration and sector specialization. This ensured that SMEs received products fully aligned with their business models and capital requirements.

The sector's programs cover a wide range of economic activities, ensuring targeted financing reaches SMEs operating in key sectors, including:

- Retail
- Wholesale
- Contracting
- Real estate
- Services
- Manufacturing

#### Optimizing systems and processes

The internal electronic credit loan origination system (eCLO) underwent a major upgrade, delivering a comprehensive improvement in operational quality. Concurrently, the Bank streamlined and strengthened "Kafalah" processes by establishing a dedicated, independent team responsible for end-to-end (E2E) management. This team meticulously monitors every stage of the Kafalah guarantee lifecycle, from seamless acquisition and timely renewal to precise liquidation. This direct, focused oversight ensures maximum efficiency and accuracy, reducing complexities for our SME partners benefiting from this vital support mechanism.

#### Digital and strategic market expansion

A key milestone this year was the strategic expansion, highlighted by the successful innovation of a new digital business channel (iz Business), which is expected to significantly increase the Bank's market penetration. To conclude the year's innovations, the lead generation process was completely restructured. The Bank revolutionized the referral system by integrating advanced artificial intelligence (AI) models, such as next-product-to-buy, ensuring optimal customer-product alignment to achieve exceptional business outcomes.

### New products, services, partnerships, and technologies

In 2025, the SME sector executed a multi-faceted expansion strategy encompassing technology, services, and national partnerships to strengthen sector growth:

- Launch of iz Business: The first fully automated end-to-end financing journey for SMEs, delivering a seamless customer experience and enhanced efficiency through digital transformation.
- Renewal of Cooperation Agreement with Monsha'at: To continue supporting the national agenda for SME sector development.
- Signing of a Guaranteed Financing Agreement with the Environment Fund: To provide targeted financial support to SMEs focused on sustainability and environmental sector.
- Renewal of the Agreement with the General Syndicate of Cars: To serve Hajj transportation companies, reinforcing the Bank's position in a vital national sector.

These initiatives reflect our commitment to digital innovation and integrated economic support, ensuring SMEs can access appropriate financing through the most efficient channels available.

#### Awards and recognitions in 2025

In 2025, the SME sector received a prestigious award:

- The Best SME Bank in Saudi Arabia at the MENA Banking Excellence Awards 2025. The award falls under the Retail, SME, and Digital Banking category.

alinma Bank's achievement reaffirms its pioneering role in offering advanced banking solutions that contribute to empowering the business sector, and reflects our continued commitment to supporting national enterprises and promoting their growth.

	Number of training days
Number of man-days training provided to SMEs staff	147

The following are the main performance indicators of the SME sector during the year 2025 compared to 2024:

	2025 (SAR '000s)			
	Micro enterprise	Small enterprise	Medium enterprise	Total
Small and medium enterprises financing – On balance sheet	1,226,247	5,379,357	5,016,814	11,622,418
Small and medium enterprises financing – Off balance sheet	15,122	296,174	422,859	734,155
SMEs financing as a percentage of total financing – On balance sheet	0.53%	2.31%	2.15%	4.99%
SMEs financing as a percentage of total financing – Off balance sheet	0.04%	0.74%	1.06%	1.84%
Number of financing transactions – On/Off balance sheet	4,727	2,786	1,260	8,773
Number of financing customers – On/Off balance sheet	4,640	1,095	223	5,958
Number of financing transactions guaranteed by the Kafalah program	479	1,674	348	2,501
Total financing amounts guaranteed by the Kafalah program	273,108	1,044,777	315,306	1,633,191

## alinma Board of Directors' Report 2025 continued

	2024 (S'000s)			
	Micro enterprise	Small enterprise	Medium enterprise	Total
Small and medium enterprises financing – On balance sheet	984,911	4,060,685	6,268,899	11,314,495
Small and medium enterprises financing – Off balance sheet	16,978	235,778	419,594	672,350
SMEs financing as a percentage of total financing – On balance sheet	0.48%	1.97%	3.04%	5.49%
SMEs financing as a percentage of total financing – Off balance sheet	0.04%	0.57%	1.01%	1.62%
Number of financing transactions – On/Off balance sheet	4,380	2,391	1,210	7,981
Number of financing customers – On/Off balance sheet	4,250	952	198	5,400
Number of financing transactions guaranteed by the Kafalah program	192	980	118	1,290
Total financing amounts guaranteed by the Kafalah program	129,476	1,522,422	493,713	2,145,611

### Acknowledgement

The alinma Board of Directors greatly appreciates the commitment of the Bank in 2025 to achieve noteworthy progress in line with the Bank's overarching strategy to be recognized as the fastest and most convenient bank in the Kingdom. This progress included the expansion of product and service offerings powered by the enhancement of digital capabilities and emerging technologies, while maintaining a strong balance sheet. During the year, alinma experienced a growth in our customer base and overall operations, which positively impacted the Bank's financial results.

The Board of Directors would like to take this opportunity to thank the Bank's customers and Shareholders for placing their trust in the Bank and its Board. We also wish to thank the government and regulatory authorities for their guidance, support and cooperation. Most importantly, appreciation is also extended to alinma's employees, for their sincere and diligent efforts in working toward the Bank's goals.

Lastly, the Board of Directors and all employees of the Bank express their gratitude and appreciation to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and His Royal Highness the Crown Prince and Prime Minister, Mohammed bin Salman, for their tireless service to the Kingdom and its people.

## Shariah Committee

In line with alinma's efforts to implement a Shariah governance framework for local banks operating in the Kingdom, the Bank is dedicated to adhering to the principles and regulations of Islamic Shariah in all its transactions. This ensures compliance with Shariah when offering its products, services, and activities. The Shariah Committee is tasked with fulfilling these obligations.

The Committee consists of scholars specializing in the jurisprudence of financial transactions, and its composition is approved by the Bank's Board of Directors, ensuring its independence from all executive departments. All transactions conducted by the Bank require approval and oversight from the Shariah Committee, and its decisions are binding for all departments and personnel within the Bank.

### Committee objectives

- Clarifying Shariah terms concerning all transactions performed by the Bank
- Confirming the Shariah compliance of all Bank transactions
- Assisting the Bank in enhancing its performance from a Shariah viewpoint while preserving its Islamic identity in policies, standards and procedures
- Strengthening the Bank's involvement in the promotion and advancement of Islamic banking

During 2025, the Committee conducted 29 meetings, discussed a total of 605 topics which resulted in the issuance of 80 resolutions and 308 memos. These topics covered various areas, including products and services, new ideas, amendments to approved documents, Shariah's observations and its corrective action plans and inquiries from business groups.

By the end of 2025, the Committee has issued a total of 1,523 Shariah resolutions.

In accordance with the established procedures, the Shariah Committee convened during 2025. The Chairman of the Shariah Committee attended the General Assembly meeting, where he presented the Shariah Committee's annual report on the Bank's Shariah compliance and addressed Shareholders' Shariah-related inquiries during the assembly.

Throughout the year, the Shariah Committee participated in numerous activities, such as discussions, workshops, and meetings with relevant academic organizations and subject matter associations.

### Shariah Division

The Shariah Division serves as an executive, functional, and administrative entity committed to assisting the Shariah Committee in reaching its goals and executing its directions.

It accomplishes its duties and responsibilities through its various departments as outlined below.

### Studies and Consultancy

The Studies and Consultancy Department is responsible for offering Shariah consultancy and research services to all departments and groups within the Bank. This includes reviewing the Bank's activities, contracts, agreements, documents, and forms, and preparing research and memos for the Shariah Committee regarding products, transactions and activities, along with the necessary documentation. Furthermore, the department prepares the minutes for Shariah Committee meetings, as well as research papers and studies related to banking and participates in workshops with other Bank groups and departments.

### Shariah Products Development

The Shariah Products Development Department is responsible for participating in the innovation and development of products in alignment with Islamic Shariah guidelines. This involves working closely with relevant business units, conducting Shariah studies and research, and playing a key role in the design and development of new products for the Bank.

### Shariah Control

The Shariah Control Department is responsible for ensuring compliance with Shariah provisions and guidelines established by the Shariah Committee. This includes managing risks related to non-compliance with the Committee's resolutions, performing internal Shariah audits of the Bank's business activities to confirm adherence to those resolutions, and submitting the findings and observations from these audits to both the Shariah Committee and the Audit Committee.

## Shariah Committee continued

### Sharia Excellence

The Shariah Excellence Department is responsible for preparation, coordinating, and following up on the Shariah Committee meeting's timetable and publishing the outcomes. As a focal point of contact, it is maintaining effective communication channels between the Shariah Division and its internal and external Stakeholders. It also supports the Shariah Division in providing technical and logistical as well as the knowledge resources tools assistance to facilitate and host symposiums and workshops.

In 2025, the Shariah Division studied 486 topics and extended its support to the Bank in accordance with the resolutions issued by the Shariah Committee. The range of studied topics covered ideas for products and services, new products and services, as well as modifications to approved documents.

The Shariah Division engaged in the development and innovation of products and services in collaboration with other groups within Bank to introduce 22 products and services for the year under review.

Using the dedicated Shariah's communication digital and ordinary channels, the Shariah Division has received and answered a total of 177 inquiries, including 76 inquiries from the Bank's staff about executing transactions with accordance to the Shariah Committee's resolutions and 101 inquiries from the Bank's clients pertaining to Shariah compliance of the transactions.

To meet the requirements of Shariah governance and ensure ongoing monitoring and evaluation of the Bank's activities, a methodology for assessing Shariah non-compliance risks was developed. This resulted in the creation of a risks register where a total of 159 risks were identified and assessed, which were managed through 361 controls.

### Awareness and training

In line with alinma's dedication to advancing development and growth from a Shariah perspective while preserving its Islamic identity in policies, standards and procedures, the Bank continued to strengthen its efforts in sharing the decisions of its Shariah Committee, along with research

and educational resources related to its Shariah-compliant operations. This initiative was facilitated by the launch of the "alinma Shariah Publications" app for smart devices, which is the first electronic app of its kind in the Islamic financial sector and remains unique since its introduction in 2018. By the end of 2025, the app had surpassed 83,880 downloads, while the number of visits and views reached 491,688.

During the year, updates to the app were also launched, and its latest release included the following:

- A dedicated section for scholarly sessions and seminars
- A new set of Shariah resolutions
- Research and studies on the app are now available in both Arabic and English

In continuation of the Bank's leadership in promoting awareness of Shariah-compliant banking and extending the reach of the "Book of Shariah Provisions and Controls" for alinma's products and services, the Book was updated to incorporate the new controls issued from early 2023 until the end of the Fifth Term, which concluded on 20 May, 2025. The second edition includes the addition of 85 new Shariah controls derived from the resolutions of the Shariah Committee.

The sector also engaged a number of specialists and researchers to study complex Shariah-related issues across various topics related to the Bank's operations and products, resulting in 21 specialized Shariah research papers.

In 2025, the Shariah Division implemented several awareness and training programs:

- Developing the advanced and distinguished qualification program in the Shariah Division within financial institutions, in line with the Board of Directors' directives, and obtaining approval and accreditation from the Governance and Sustainability Committee
- Delivering introductory programs on Shariah-compliant banking and Shariah work at the Bank through community engagement with university students, amounting to 750 training hours

- Delivering an introductory presentation on the Shariah Division and an overview of Shariah-compliant banking for new employees. This was implemented in cooperation with Human Capital over a total of 12 days during the year
- Preparing specialized training and awareness materials covering Shariah governance, treasury products, cards, retail financing, and banking services for the Bank's employees, benefiting 1,043 male and female employees

### Shariah Division participation

- Signing of the Fifth Cooperation Memorandum with Saudi Universities: (Majmaah University)
- In line with the previously signed memorandum of cooperation with universities:
  - A scientific event on Islamic banking was held at the University of Tabuk
  - Continuation of the doctoral research project on "Study of the Shariah Provisions and Controls Issued by the Shariah Committee of alinma" in collaboration with Imam Muhammad bin Saud Islamic University
  - Reviewing and evaluating several research papers by specialized faculty members from the Universities of Hail and Tabuk
  - Academic meeting with Master's program students from the Law Department at Majmaah University

- The division also actively participated in a number of initiatives, including:

1. Chairing the membership of the Islamic Banking Committee under the supervision of the Saudi Central Bank. Four (4) meetings were held in which issues related to Islamic banking were discussed
2. Conduct a Workshop: using technology in planning and executing internal Shariah audits, with the participation of a select group of specialists and practitioners, totaling over 113 participants
3. Organized a scientific seminar titled "Mediation in Murabaha and Negotiation for Making Investments," attended by members of Shariah committees across the Kingdom and a group of scholars, specialists, and researchers. The seminar was attended by over 75 participants. Its scholarly materials were published via the alinma Shariah Publications app
4. Presented a paper titled: "Shariah Governance in Saudi Arabia and alinma Bank's Implementation Experience" at the 45th Al Baraka Seminar held at the University of Prince Mughrin (UPM) in Medina

## Shariah Committee continued

### Shariah Committee report submitted to alinma Board of Directors for the fiscal year ended 11/07/1447 AH, 31 December, 2025

Praise be to Allah, the Lord of the Worlds, and may His blessings and peace be upon our Prophet Muhammad, his family, all his companions, and all righteous people.

The Shariah Committee has diligently and precisely reviewed the reports detailing the results and observations from the internal Shariah audit, including the final report for the year 2025, which was prepared by the Shariah Control Department of the Bank in accordance with the Shariah governance framework for local banks in the Kingdom of Saudi Arabia and established internal auditing standards, emphasizing the Bank's commitment to correctly implementing the Committee's resolutions.

As the responsibility for performance and execution in line with Shariah requirements rests with the Bank's Executive Management, while the Committee is tasked with offering an independent assessment of the Bank's compliance,

#### Shariah Committee



**Abdullah Bin Wakeel Al-Sheikh**  
Chairman



**Abdulrahman Bin Saleh Al-Atram**  
Member



**Sulaiman Bin Turki Al-Turki**  
Member



**Khalid Bin Abdulrahman Almuhanna**  
Member

the Committee, based on the aforementioned points and following thorough review and analysis, states the following:

The Shariah performance reports revealed that the Bank adheres to the resolutions of the Shariah Committee in its transactions, and no significant violations impacting the Bank's overall operations and revenues were observed.

We pray to Allah, the Exalted, to grant success to everyone in their good endeavors, to bless our efforts, and to unite us all in righteousness and piety. May peace and blessings be upon our Prophet Muhammad, his family, and all his companions.

We ask Allah Almighty to grant us success, bless our efforts, and make us among those who cooperate in righteousness and piety. May Allah's prayers and peace be upon our Prophet Muhammad, his family, and all his companions.

## The Audit Committee's report to the General Assembly

For the Financial Year Ending 31 December 2025

The Audit Committee reviews financial statements and accounting policies and supervises the activities of internal audit and external auditors. During the fiscal year 2025, the Committee held nine (9) meetings to carry out activities within its jurisdiction, the most prominent of which are:

- Establishing an internal audit strategy aligned with the Bank's approved strategy
- Reviewing and approving the internal audit plan for the fiscal year 2025
- Reviewing and approving the internal Sharia audit plan for the fiscal year 2025
- Supervising the Internal Audit Division and monitoring the execution of the audit plan during the fiscal year 2025
- Reviewing internal audit reports during 2025
- Reviewing internal Sharia audit reports during 2025
- Monitoring the implementation and closure of observations identified across various departments
- Reviewing the annual financial statements as of 31 December, 2025, as well as quarterly statements, and recommending their approval to the Board of Directors
- Reviewing the Management Letter issued by the External Auditors and monitoring the closure of observations therein
- Reviewing auditors' proposals and recommending the appointment of auditors for the year ending 31 December, 2025
- Reviewing the quarterly compliance reports on the Bank's adherence to regulatory requirements and internal policies and procedures

### Results of the annual internal audit on the effectiveness of the Bank's internal controls

The Bank adopts an internal control framework based on the three lines of defense model. Business departments and divisions function as the first line, ensuring that their activities comply with the regulations and directives issued by regulatory authorities. The second line of defense comprises the Compliance, Risk, and Finance Divisions,

which assess, monitor, and oversee risk management activities across daily operations, credit activities, and information security. Departments and divisions, both in the first and second lines, submit periodic reports to the management's internal committees and the Board's Committees to ensure the Bank meets the regulatory requirements and achieves the business objectives. The Internal Audit Division represents the third line, conducting tests and necessary reviews to cover all the Bank's divisions based on the Audit Committee's approved risk-based plan. The Internal Audit Division affirms its organizational and functional independence within the Bank, which enables it to carry out tasks and responsibilities effectively without any due influence.

### Adequacy of the internal control system

Based on the responsibility of the Bank's Management in terms of preparing a comprehensive and effective system for internal controls to achieve the approved objectives of the Bank, an internal control system has been developed that suits the Bank's activities and takes into account the relative importance of financial and other risks inherent in these activities. An internal control system has been designed to manage and control risks in a timely manner. This provides a reasonable amount of continuous control and early detection and handling of potential risks.

The internal control system is based on the vision and assessment of the Bank's Management to put in place a control system which is commensurate with the relative importance of financial and other risks inherent in the Bank's activities with a reasonable cost and benefit in order to achieve specific controls. The internal control system has been designed to mitigate risks in order to achieve specific objectives. It is therefore designed to give reasonable assurances to avoid material errors and relevant losses.



## The Audit Committee's report to the General Assembly continued

The Audit Committee periodically reviews the reports prepared by Internal and External Auditors. These reports include an assessment of the adequacy and effectiveness of internal controls currently in place.

Based on the aforementioned, we believe that the Bank has a reasonably adequate and effective internal control system in terms of design and implementation. During the year, there were no material observations relating to the effectiveness of the internal control system and procedures in the Bank.

**Mr. Haitham Rashid AlShaikhmubarak**  
Chairman of the Committee

**Mr. Abdullah Abdulaziz AlRomaizan**  
(Committee Member)

**Mr. Maher Saad Al-Aiyadhi**  
(Committee Member)

**Mr. Fahad Hussain Alsudairi**  
(Committee Member)

**Mr. Majed Mohammed Aldakheel**  
(Committee Member)



Through disciplined execution, financial strength, and continued innovation, alinma reinforced its position as a resilient, high-performing Islamic bank.



## Financial Statements

# 06

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## Independent Auditors' Report

To the shareholders of Alinma Bank (a Saudi Joint Stock Company)

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Alinma Bank and its subsidiaries (collectively referred to as the "Bank"), which comprise the consolidated statement of financial position as at December 31, 2025, the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, which include material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Bank as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") (collectively referred to as "IFRSs that are endorsed in the Kingdom of Saudi Arabia").

#### Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code's requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, a description of how our audit addressed the matter is provided in that context:

## Independent Auditors' Report

To the shareholders of Alinma Bank (a Saudi Joint Stock Company)

Key audit matter	How our audit addressed the key audit matter
<p>Expected credit loss allowance against financing and credit related commitments and contingencies</p> <p>As at December 31, 2025, the Bank's gross financing and credit related commitments and contingencies were ₪ 232,955 million (2024: ₪ 206,067 million) and ₪ 39,796 million (2024: ₪ 41,326 million) respectively against which an expected credit loss ("ECL") allowance of ₪ 3,208 million (2024: ₪ 3,759 million) and ₪ 236 million (2024: ₪ 1,112 million) was maintained respectively.</p> <p>We considered this as a key audit matter, as the determination of ECL involves significant estimation and management judgement and this has a material impact on the consolidated financial statements of the Bank. The key areas of judgement include:</p> <ol style="list-style-type: none"> <li>Categorisation of financing into Stages 1, 2 and 3 based on the identification of:                             <ol style="list-style-type: none"> <li>exposures with a significant increase in credit risk ("SICR") since their origination; and</li> <li>individually impaired / defaulted exposures.</li> </ol> <p>The Bank has applied judgements to identify and estimate the likelihood of borrowers that may have individually experienced SICR due to current economic outlook.</p> </li> <li>Assumptions used in the ECL models for determining probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD") including but not limited to assessment of financial condition of the counterparties, expected future cash flows, developing and incorporating forward looking assumptions, macroeconomic factors and the associated scenarios and expected probability weightages.</li> <li>The need to apply post model overlays using expert credit judgement to reflect all relevant risk factors that might not have been captured by the ECL models.</li> </ol>	<ul style="list-style-type: none"> <li>We obtained and updated our understanding of management's assessment of the ECL allowance against financing and credit related commitments and contingencies including the Bank's internal rating model, accounting policy, and model methodology considering any key changes made during the year.</li> <li>We compared the Bank's accounting policy for ECL allowance and the ECL methodology with the requirements IFRS 9.</li> <li>We assessed the design and implementation, and on a sample basis tested the operating effectiveness of the key controls (including relevant Information Technology ("IT") general and application controls) over:                             <ul style="list-style-type: none"> <li>the ECL models, including governance over the models, and any model updates performed during the year, including approval of the key inputs, assumptions and post model overlays;</li> <li>the classification of financing and credit related commitments and contingencies into Stages 1, 2 and 3 and timely identification of SICR and the determination of default / individually impaired exposures;</li> <li>the IT systems and applications supporting the ECL models; and</li> <li>the integrity of data inputs into the ECL models.</li> </ul> </li> <li>For a sample of customers, we assessed:                             <ul style="list-style-type: none"> <li>The internal ratings determined by management, based on the Bank's internal rating model and considered these assigned ratings in light of external market conditions and available industry information. We also confirmed that these were consistent with the ratings used as inputs in the ECL models; and</li> <li>management's computations of ECL.</li> </ul> </li> </ul>

## Independent Auditors' Report

To the shareholders of Alinma Bank (a Saudi Joint Stock Company)

Key audit matter	How our audit addressed the key audit matter
<p>The application of these judgements and estimates, result in greater estimation uncertainty and the associated audit risk around ECL calculation as at December 31, 2025.</p> <p>Refer to the material accounting policy note 3 (j) for the impairment of financial assets; note 2 (e) (i) which contains the disclosure of critical accounting judgements, estimates and assumptions relating to impairment losses on financial assets and the impairment assessment methodology used by the Bank; note 8.1 which contains the disclosure of impairment against financing; note 19.3 (iv) which contains the disclosure of impairment against credit related commitments and contingencies and note 29.1 for details of credit quality analysis and key assumptions and factors considered in determination of ECL.</p>	<ul style="list-style-type: none"> <li>For selected financings, we assessed management's assessment of recoverable cash flows, including the impact of collateral, and other sources of repayment, if any.</li> <li>We assessed the appropriateness of Bank's criteria for the determination of SICR and identification of "default" or "individually impaired" exposures; and their classification into stages. Furthermore, for a sample of exposures, we assessed the appropriateness of the staging classification of the Bank's financing portfolio.</li> <li>We assessed the governance process implemented, the qualitative factors and assumptions considered by the Bank when applying any overlays or making any adjustment to the output from the ECL models, due to data or model limitations or otherwise.</li> <li>We assessed the reasonableness of the underlying assumptions used by the Bank in the ECL model, including forward looking assumptions, keeping in view uncertainty and volatility in economic scenarios.</li> <li>We tested the completeness and accuracy of data supporting the ECL calculations as at December 31, 2025.</li> <li>Where required, we involved our internal experts to assist us in reviewing model calculations, interrelated inputs (including EADs, PDs and LGDs) and assessing the reasonableness of assumptions used in the ECL models particularly around macroeconomic variables, and probability weights.</li> <li>We assessed the adequacy of disclosures in the consolidated financial statements.</li> </ul>

### Other information included in the Bank's 2025 Annual Report

Management is responsible for the other information in the Bank's annual report. Other information consists of the information included in the Bank's 2025 annual report (the "annual report"), other than the consolidated financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Bank's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Independent Auditors' Report

To the shareholders of Alinma Bank (a Saudi Joint Stock Company)

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs that are endorsed in the Kingdom of Saudi Arabia, the applicable requirements of the Regulations for Companies, the Banking Control Law in the Kingdom of Saudi Arabia and the Bank's By-Laws, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance i.e., the Board of Directors and Audit Committee are responsible for overseeing the Bank's financial reporting process.

### Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Independent Auditors' Report

To the shareholders of Alinma Bank (a Saudi Joint Stock Company)

- Plan and perform the Bank audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

Based on the information that has been made available to us, nothing has come to our attention that causes us to believe that the Bank is not in compliance, in all material respects, with the applicable requirements of the Regulations for Companies, the Banking Control Law in the Kingdom of Saudi Arabia and the Bank's By-laws in so far as they affect the preparation and presentation of the consolidated financial statements.

**KPMG Professional Services Company**

**Khalil Ibrahim Al Sedais**  
Certified Public Accountant  
License number 371

**PricewaterhouseCoopers**

**Mufaddal A. Ali**  
Certified Public Accountant  
License number 447

(Shaban 16, 1447H)  
(February 4, 2026)

ALINMA BANK (A Saudi Joint Stock Company)

## Consolidated Statement of Financial Position

As at December 31

	Notes	2025 S'000	2024 S'000
<b>ASSETS</b>			
Cash and balances with Saudi Central Bank (SAMA)	4	14,942,407	13,849,670
Due from banks and other financial institutions, net	5	1,720,458	4,510,142
Investments held at fair value through statement of income (FVSI)	6	3,895,782	3,142,665
Investments held at fair value through other comprehensive income (FVOCI)	6	13,654,039	13,750,818
Investments held at amortized cost, net	6	38,940,510	31,681,460
Investments in associates and joint venture	6	132,221	50,267
Positive fair value of derivatives	7	443,077	505,417
Financing, net	8	229,746,838	202,308,094
Property, equipment and right of use assets, net	9	4,522,728	3,400,866
Other assets	10	3,069,088	3,628,082
<b>TOTAL ASSETS</b>		<b>311,067,148</b>	<b>276,827,481</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Due to SAMA, banks and other financial institutions	11	16,212,965	13,936,256
Customers' deposits	12	227,373,930	210,544,650
Sukuks and certificates of deposit issued	18.1	7,624,921	-
Negative fair value of derivatives	7	265,984	436,626
Amount due to Mutual Funds' unitholders	13	100,782	114,557
Other liabilities	14	11,247,444	10,353,617
<b>TOTAL LIABILITIES</b>		<b>262,826,026</b>	<b>235,385,706</b>
<b>EQUITY</b>			
Share capital	15	25,000,000	25,000,000
Treasury shares	17.1	(180,957)	(203,958)
Statutory reserve	16	6,435,633	4,836,346
Other reserves	17.2	233,953	(129,404)
Retained earnings		4,250,443	3,188,291
<b>Equity attributable to the shareholders of the Bank</b>		<b>35,739,072</b>	<b>32,691,275</b>
Tier 1 Sukuk	18.2	12,502,050	8,750,500
<b>TOTAL EQUITY</b>		<b>48,241,122</b>	<b>41,441,775</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>311,067,148</b>	<b>276,827,481</b>

The accompanying notes from 1 to 41 form an integral part of these consolidated financial statements.



Chief Financial Officer



Managing Director and CEO



Authorized Board Member

ALINMA BANK (A Saudi Joint Stock Company)

## Consolidated Statement of Income

For the year ended December 31

	Notes	2025 S'000	2024 S'000
Income from investments and financing	20	17,369,920	16,154,779
Return on time investments	20	(7,993,202)	(7,506,150)
<b>Income from investments and financing, net</b>	20	<b>9,376,718</b>	<b>8,648,629</b>
Fee from banking services – income	21.1	3,203,015	2,921,597
Fee from banking services – expense	21.1	(1,470,687)	(1,313,278)
Fees from banking services, net	21.1	1,732,328	1,608,319
Exchange income, net		365,243	379,564
Income from FVSI financial instruments, net	6.1	352,071	237,073
Gain from FVOCI sukuk investments, net		25	911
Dividend income on FVOCI equity investments		30,053	33,004
Other operating income	21.2	48,892	32,576
<b>Total operating income</b>		<b>11,905,330</b>	<b>10,940,076</b>
Salaries and employee related expenses	22	1,810,892	1,664,098
Rent and premises related expenses		71,215	74,210
Depreciation and amortization	9	431,055	353,839
Other general and administrative expenses	27	1,401,433	1,291,492
<b>Operating expenses before impairment charges</b>		<b>3,714,595</b>	<b>3,383,639</b>
Impairment charge on financing, net of recoveries	8.2	1,030,365	1,049,809
Impairment charge / (reversal) on other financial assets		29,706	(550)
<b>Total operating expenses</b>		<b>4,774,666</b>	<b>4,432,898</b>
<b>Net operating income</b>		<b>7,130,664</b>	<b>6,507,178</b>
Share of loss from associates and joint venture	6.5, 6.6	(4,713)	(5,106)
<b>Income for the year before zakat</b>		<b>7,125,951</b>	<b>6,502,072</b>
Zakat for the year	24	(728,802)	(670,411)
<b>Net income for the year after zakat</b>		<b>6,397,149</b>	<b>5,831,661</b>
<b>Basic and diluted earnings per share (S)</b>	23	<b>2.37</b>	<b>2.22</b>

The accompanying notes from 1 to 41 form an integral part of these consolidated financial statements.



Chief Financial Officer



Managing Director and CEO



Authorized Board Member

ALINMA BANK (A Saudi Joint Stock Company)

## Consolidated Statement of Comprehensive Income

For the year ended December 31

	Notes	2025 S'000	2024 S'000
<b>Net income for the year after zakat</b>		<b>6,397,149</b>	<b>5,831,661</b>
<b>Other comprehensive income / (loss):</b>			
<b>Items that cannot be recycled back to consolidated statement of income in subsequent periods</b>			
Net change in fair value of FVOCI equity investments	17.2	(134,148)	23,721
Share of joint venture's other comprehensive loss	17.2	-	(11,553)
Actuarial gain on re-measurement of end of service benefits	17.2	28,676	5,486
<b>Items that can be recycled back to consolidated statement of income in subsequent periods</b>			
Net change in fair value of FVOCI sukuk investments	17.2	172,229	(174,260)
Gain from FVOCI sukuk investments, net	17.2	(25)	(911)
<b>Cash flow hedge:</b>			
Effective portion of change in fair value of cash flow hedge		42,339	(51,435)
Net amounts transferred to consolidated statement of income		28,569	28,475
<b>Total other comprehensive income / (loss)</b>		<b>137,640</b>	<b>(180,477)</b>
<b>Total comprehensive income for the year</b>		<b>6,534,789</b>	<b>5,651,184</b>

The accompanying notes from 1 to 41 form an integral part of these consolidated financial statements.



Chief Financial Officer



Managing Director and CEO



Authorized Board Member

ALINMA BANK (A Saudi Joint Stock Company)

## Consolidated Statement of Changes in Equity

For the year ended December 31

2025 (في '000)	Notes	Share capital	Treasury shares	Statutory reserve	Other reserves	Retained earnings	Total equity attributable to the shareholders	Tier 1 Sukuk	Total equity
<b>Balance at the beginning of the year</b>		25,000,000	(203,958)	4,836,346	(129,404)	3,188,291	32,691,275	8,750,500	41,441,775
Net income for the year after zakat		-	-	-	-	6,397,149	6,397,149	-	6,397,149
Net change in fair value of FVOCI equity investments	17.2	-	-	-	(134,148)	-	(134,148)	-	(134,148)
Actuarial gain on re-measurement of end of service benefits	17.2	-	-	-	28,676	-	28,676	-	28,676
Net change in fair values of FVOCI sukuk investments	17.2	-	-	-	172,229	-	172,229	-	172,229
Gain on sale of FVOCI sukuk investments		-	-	-	(25)	-	(25)	-	(25)
Cash flow hedge	7, 17.2	-	-	-	70,908	-	70,908	-	70,908
<b>Total comprehensive income</b>		-	-	-	137,640	6,397,149	6,534,789	-	6,534,789
Transfers to retained earnings on disposal of FVOCI equity investments	17.2	-	-	-	179,565	(179,565)	-	-	-
Transfer to statutory reserve	16	-	-	1,599,287	-	(1,599,287)	-	-	-
Tier 1 Sukuk costs	18.2	-	-	-	-	(504,538)	(504,538)	-	(504,538)
Issuance of Tier 1 sukuk	18.2	-	-	-	-	(20,952)	(20,952)	3,751,550	3,730,598
Final dividends paid for 2024	15.1	-	-	-	-	(746,160)	(746,160)	-	(746,160)
Interim dividends paid for 2025	15.1	-	-	-	-	(2,238,465)	(2,238,465)	-	(2,238,465)
Employee share based plans and other reserve movements	17.2	-	23,001	-	46,152	(46,030)	23,123	-	23,123
<b>Balance at the end of the year</b>		25,000,000	(180,957)	6,435,633	233,953	4,250,443	35,739,072	12,502,050	48,241,122

The accompanying notes from 1 to 41 form an integral part of these consolidated financial statements.

Chief Financial Officer

Managing Director and CEO

Authorized Board Member

ALINMA BANK (A Saudi Joint Stock Company)

## Consolidated Statement of Changes in Equity continued

For the year ended December 31

2024 (في '000)	Notes	Share capital	Treasury shares	Statutory reserve	Other reserves	Retained earnings	Proposed issue of bonus shares	Total equity attributable to the shareholders	Tier 1 Sukuk	Total equity
<b>Balance at the beginning of the year</b>		20,000,000	(225,611)	3,378,431	62,359	1,118,422	5,000,000	29,333,601	5,000,000	34,333,601
Net income for the year after zakat		-	-	-	-	5,831,661	-	5,831,661	-	5,831,661
Net change in fair value of FVOCI equity investments	17.2	-	-	-	23,721	-	-	23,721	-	23,721
Actuarial gain on re-measurement of end of service benefits	17.2	-	-	-	5,486	-	-	5,486	-	5,486
Net change in fair values of FVOCI sukuk investments	17.2	-	-	-	(174,260)	-	-	(174,260)	-	(174,260)
Gain on sale of FVOCI sukuk investments		-	-	-	(911)	-	-	(911)	-	(911)
Cash flow hedge	7, 17.2	-	-	-	(22,960)	-	-	(22,960)	-	(22,960)
Share of joint venture's other comprehensive loss	17.2	-	-	-	(11,553)	-	-	(11,553)	-	(11,553)
<b>Total comprehensive income</b>		-	-	-	(180,477)	5,831,661	-	5,651,184	-	5,651,184
Issuance of bonus shares	15.2	5,000,000	-	-	-	-	(5,000,000)	-	-	-
Transfers to retained earnings on disposal of FVOCI equity investments	17.2	-	-	-	(85,926)	85,926	-	-	-	-
Realized share of joint venture's other comprehensive loss	17.2	-	-	-	11,553	(11,553)	-	-	-	-
Transfer to statutory reserve	16	-	-	1,457,915	-	(1,457,915)	-	-	-	-
Tier 1 Sukuk costs	18	-	-	-	-	(321,921)	-	(321,921)	-	(321,921)
Issuance of Tier 1 sukuk	18	-	-	-	-	(15,149)	-	(15,149)	3,750,500	3,735,351
Interim dividends paid for 2024	15.1	-	-	-	-	(1,988,419)	-	(1,988,419)	-	(1,988,419)
Employee share based plans and other reserve movements	17.2	-	21,653	-	63,087	(52,761)	-	31,979	-	31,979
<b>Balance at the end of the year</b>		25,000,000	(203,958)	4,836,346	(129,404)	3,188,291	-	32,691,275	8,750,500	41,441,775

The accompanying notes from 1 to 41 form an integral part of these consolidated financial statements.

Chief Financial Officer

Managing Director and CEO

Authorized Board Member

ALINMA BANK (A Saudi Joint Stock Company)

## Consolidated Statement of Cash Flows

For the year ended December 31

	Notes	2025 S' 000	2024 S' 000
<b>OPERATING ACTIVITIES</b>			
Income for the year before zakat		7,125,951	6,502,072
<b>Adjustments to reconcile income for the year before zakat to net cash from operating activities:</b>			
Depreciation and amortization	9	431,055	353,839
Loss / (gain) on disposal of property and equipment, net		(2,808)	4,172
Unrealized loss / (gain) from FVSI financial instruments, net		(143,138)	26,710
Gain from FVOCI sukuk investments, net		(1,115)	(911)
Fair value adjustment to derivatives		(108,302)	(34,783)
Dividend income on FVOCI equity investments		(30,053)	(33,004)
Impairment charge on financing, net of recoveries	8.2	1,030,365	1,049,809
Impairment charge / (reversal) on other financial assets		29,706	(550)
Recoveries of previously written-off bad debts	8.2	228,096	197,137
Unwinding of deferred payment program modification loss		(8,750)	(15,228)
Unwinding of fair value impact of SAMA deposits		749	10,110
Employees share based plans reserve	17.2	77,125	62,141
Share of loss from associates and joint venture	6.5, 6.6	4,713	5,106
		8,633,594	8,126,620
<b>Net (increase) / decrease in operating assets:</b>			
Statutory deposit with Saudi Central Bank		(1,165,889)	(2,448,205)
Due from banks and other financial institutions with original maturity of more than three months		(1,590)	(376,268)
Investments held at FVSI		(609,979)	(520,398)
Financing		(29,563,693)	(29,460,082)
Other assets		361,252	(1,118,163)
<b>Net increase / (decrease) in operating liabilities:</b>			
Due to SAMA, banks and other financial institutions		2,275,960	6,494,916
Customers' deposits		16,829,280	22,644,069
Other liabilities		1,765,036	2,957,319
Financing cost on lease liability		(19,988)	(14,745)
<b>Net cash from operating activities before Zakat paid</b>		<b>(1,496,017)</b>	<b>6,285,063</b>
Zakat paid, net of refund	24	(664,476)	(556,318)
<b>Net cash (used in) / from operating activities</b>		<b>(2,160,493)</b>	<b>5,728,745</b>
<b>INVESTING ACTIVITIES</b>			
Purchases of investments held at FVOCI		(1,059,729)	(1,217,789)
Purchases of investments held at amortized cost	6.4	(10,328,074)	(8,558,637)
Purchases of investment in joint venture		-	(218,579)
Purchases of investment in an associate		(86,667)	-
Proceeds from sales and maturities of investments held at FVOCI		1,194,589	783,011
Proceeds from sales and maturities of investments held at amortized cost	6.4	3,046,134	3,985,029
Proceeds from derecognition of investment in joint venture		-	167,290
Proceed from sale of investment in subsidiary		183,000	-
Purchase of property and equipment		(1,367,623)	(788,806)
Proceeds from disposal of property and equipment		10,862	6,748
Dividends received from FVOCI equity investments		36,210	33,004
<b>Net cash used in investing activities</b>		<b>(8,371,298)</b>	<b>(5,808,729)</b>

The accompanying notes from 1 to 41 form an integral part of these consolidated financial statements.



Chief Financial Officer



Managing Director and CEO



Authorized Board Member

ALINMA BANK (A Saudi Joint Stock Company)

## Consolidated Statement of Cash Flows continued

For the year ended December 31

	Notes	2025 S' 000	2024 S' 000
<b>FINANCING ACTIVITIES</b>			
Proceeds for the issuance of Tier 1 Sukuk, net of related costs		3,730,598	3,735,351
Payment for Tier 1 Sukuk costs		(504,538)	(321,921)
Proceeds for the issuance of Sukuks and certificates of deposit		7,526,473	-
Cash payment for principal portion of lease liability		(100,454)	(109,293)
Dividend paid	17.1	(2,984,625)	(1,988,419)
<b>Net cash from financing activities</b>		<b>7,667,454</b>	<b>1,315,718</b>
<b>Net change in cash and cash equivalents</b>		<b>(2,864,337)</b>	<b>1,235,734</b>
Cash and cash equivalents at beginning of the year		6,408,581	5,172,847
<b>Cash and cash equivalents at end of the year</b>	25	<b>3,544,244</b>	<b>6,408,581</b>
Income received from investments and financing		17,058,701	16,561,599
Return paid on time investments		7,706,098	7,797,323
<b>Supplemental non-cash information:</b>			
Right-of-use assets		(187,243)	(85,851)
Lease liabilities		92,894	(20,683)
Net change in fair value of FVOCI investments		(38,081)	(150,539)

The accompanying notes from 1 to 41 form an integral part of these consolidated financial statements.



Chief Financial Officer



Managing Director and CEO



Authorized Board Member

ALINMA BANK (A Saudi Joint Stock Company)

# Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

## 1. General

### a) Incorporation

Alinma Bank, a Saudi Joint Stock Company, was formed and licensed pursuant to Royal Decree No. M/15 dated 28 Safar 1427H (corresponding to March 28, 2006), in accordance with the Council of Ministers' Resolution No. 42 dated 27 Safar 1427H (corresponding to March 27, 2006). It operates under Ministerial Resolution No.173 and Commercial Registration No.1010250808 both dated 21 Jumada I, 1429 (corresponding to May 26, 2008) and provides banking services through 127 branches (2024: 115 branches) in the Kingdom of Saudi Arabia ("KSA"). The address of the Bank's head office is as follows:

**Alinma Bank**  
**Head Office**  
**King Fahad Road**  
**P.O. Box 66674**  
**Riyadh 11586**  
**Kingdom of Saudi Arabia**

The consolidated financial statements comprise the financial statements of Alinma Bank and its following subsidiaries (collectively referred as the "Bank") which are registered in KSA except for Alinma SPV Ltd which is registered in the Cayman Islands:

Subsidiaries	Bank's Ownership	Commercial Registration Date	Main Activities
Alinma Capital Company	100%	23 Jumada - II 1430H (corresponding to June 16, 2009)	Asset management, custodianship, advisory, underwriting and brokerage services.
Al-Tanweer Real Estate Company	100%	24 Sha'aban 1430H (corresponding to August 15, 2009)	Formed principally to hold legal title of properties financed by the Bank.
Saudi Fintech Company	100%	28 Dhul Hijjah 1440H (corresponding to August 29, 2019)	Provide financial technology products and services to the Bank and others.
Esnad Company	100%	24 Ramadan 1440H (corresponding to May 29, 2019)	To provide outsourced staff to the Bank.
Alinma SPV Ltd	100%	22 Jumada - II 1443H (corresponding to January 25, 2022)	Engage and execute financial derivatives transactions and repurchase agreements with international banks.
TechStrike Company	100%	19 Sha'aban 1446H (corresponding to February 18, 2025)	Provide technology products and services to the Bank.

ALINMA BANK (A Saudi Joint Stock Company)

# Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

In addition to above subsidiaries, the management has concluded that the Bank has effective control of the below funds and started consolidating the funds' financial statements from the respective dates of effective control:

Funds	Bank's Ownership	Establishment date	Date of effective control	Purpose
Alinma Sukuk ETF	As at December 31, 2025: 92.5% (2024: 92.9%)	January 1, 2020	January 22, 2020	To invest in a basket of local sovereign Sukuks issued by the Kingdom of Saudi Arabia.
Alinma IPO Fund	As at December 31, 2025: 50.1% (2024: 54.9%)	April 15, 2015	January 1, 2020	To achieve capital appreciation over the long term by investing mainly in Saudi joint stock companies.
Alinma Digital Fund	As at December 31, 2025: 100% (2024: Nil)	May 18, 2025	October 12, 2025	To provide unit holders with long-term capital gains by investing in private equity companies operating in the financial technology or payments sector, or in similar companies operating in related sectors.

Dhahban Real Estate Fund, a previously fully-owned Fund, established on 30 Safar 1445H (corresponding to September 15, 2023). The Bank lost control of the Fund during the year ended December 31, 2025.

The objective of the Bank is to provide a full range of banking and investment services through products and instruments that are in accordance with Sharia'a, its By-Laws and within the provisions of laws and regulations applicable to banks in the Kingdom of Saudi Arabia.

### b) Sharia'a Committee

The Bank has established a Sharia'a Committee in accordance with its commitment to comply with Islamic Sharia'a Laws. Sharia'a Committee ascertains that all the Bank's activities are subject to its review and approval.

## 2. Basis of preparation

### a) Statement of compliance

The consolidated financial statements of the Bank as at and for the year ended December 31, 2025 and 2024 have been prepared:

- i. in accordance with the International Financial Reporting Standards as issued by International Accounting Standards Board and endorsed in the Kingdom of Saudi Arabia ("IFRS") and in compliance with other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"); and,
- ii. in compliance with the provisions of Banking Control Law, the Regulations for Companies in the Kingdom of Saudi Arabia and By-Laws of the Bank.

ALINMA BANK (A Saudi Joint Stock Company)

## Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

### b) Basis of measurement and presentation

The consolidated financial statements are prepared on a going concern basis. The consolidated financial statements are prepared under the historical cost convention except for the measurement at fair value of derivatives, financial instruments held at fair value through statement of income ("FVSI"), investments carried at fair value through other comprehensive income ("FVOCI") and end of service benefits which are measured using projected unit credit method under IAS-19.

The consolidated statement of financial position is stated broadly in order of liquidity.

### c) Functional and presentation currency

These consolidated financial statements are presented in Saudi Arabian Riyals ("ﷲ") which is the Bank's functional currency. Except where indicated, financial information presented in ﷲ has been rounded off to the nearest thousand.

### d) Going concern

The Bank's management has made an assessment of the Bank's ability to continue as a going concern and is satisfied that the Bank has the intention and resources to continue in business for the foreseeable future. In making the going concern assessment, the Bank has considered a wide range of information relating to present and future projections of profitability, cash flows and other capital resources, etc. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

### e) Critical accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements in conformity with IFRS as endorsed in the KSA and other standards and pronouncements issued by SOCPA, requires the use of certain critical accounting judgements, estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires management to exercise its judgement in the process of applying the Bank's accounting policies. Such judgements, estimates, and assumptions are continually evaluated and are based on historical experience and other factors, including obtaining professional advices and expectations of future events that are believed to be reasonable under the circumstances.

The significant accounting estimates impacted by these forecasts and associated uncertainties are predominantly related to expected credit losses and fair value measurement.

### Critical accounting judgment

#### Judgement of equity vs liability for Tier 1 Sukuk

The determination of equity classification of Tier 1 Sukuk requires significant judgement as certain clauses of the Offering Circular require interpretation. The Bank classifies as part of equity the Tier 1 Sukuk issued with no fixed redemption/maturity dates (Perpetual Sukuk) and not obliging the Bank for payment of profit upon the occurrence of a non-payment event or non-payment election by the Bank subject to certain terms and conditions and essentially mean that the remedies available to sukuk holders are limited in number and scope and very difficult to exercise. The related initial costs and distributions thereon are recognized directly in the consolidated statement of changes in equity under retained earnings.

ALINMA BANK (A Saudi Joint Stock Company)

## Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

### Critical accounting estimates

Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and in future periods if the revision affects both current and future periods. Significant areas where management has used estimates, assumptions or exercised judgements are as follows:

- i. Expected credit losses ("ECL") on financial assets (Notes 3(j), 29)

The measurement of ECL under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Bank's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

1. The selection of an estimation technique or modelling methodology, covering below key judgements and assumptions:
  - a. The Bank's internal credit grading model, which assigns Probability of Defaults ("PDs") to the individual grades
  - b. The Bank's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Lifetime ECL basis and the qualitative assessment
  - c. The segmentation of financial assets when their ECL is assessed on a collective basis
  - d. Development of ECL models, including the various formulas
  - e. Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models
  - f. Overlays
2. The selection of inputs for those models, and the interdependencies between those inputs such as macroeconomic scenarios and economic inputs.
  - ii. Fair value measurement and fair value hierarchy (Note 35)
  - iii. Classification of financial assets (Note 3(g))
  - iv. Valuation of end of service benefits scheme (Notes 3(s), 26)
  - v. Recognition and measurement of contingencies (Note 19)
  - vi. Determination of significant influence over an investee (Notes 3(y), 6.5)

### 3. Material accounting policy information

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below.

#### a) Change in accounting policies

The accounting policies used in the preparation of these consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2024 except for the adoption of the following amendments to IFRS explained below which became applicable for annual reporting periods commencing on or after January 1, 2025. The management has assessed that the below amendments have no material impact on the Bank's consolidated financial statements.



ALINMA BANK (A Saudi Joint Stock Company)

## Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

### New standards, interpretations and amendments adopted by the Bank

Below amendment to accounting standards and interpretations became applicable for annual reporting periods commencing on or after January 1, 2025 and does not have an impact on the consolidated financial statements of the Bank:

Standard, interpretation, amendments	Description	Effective date
Amendment to IAS 21 – Lack of exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. The amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	January 1, 2025

This standard, interpretation and amendment that has been issued do not have an impact on the consolidated financial statements of the Bank.

### b) Basis of consolidation

The consolidated financial statements comprise the financial statements of Alinma Bank and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of Alinma Bank, using consistent accounting policies.

Subsidiaries are the entities that are controlled by Alinma Bank. The control over an investee arises when, someone has power over the investee, and it is exposed, or has a right, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over that investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The control indicators set out below are subject to management's judgements that can have a significant effect in the case of the Bank's interests in securitization vehicles and investments funds. Specifically, the Bank controls an investee if and only if the Bank has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect amount of its returns

When the Bank has less than a majority of the voting or similar rights of an investee entity, it considers relevant facts and circumstances in assessing whether it has power over the entity, including:

- The contractual arrangement with the other voters of the investee entity
- Rights arising from other contractual arrangements
- Bank's current and potential voting rights granted by equity instruments such as shares

The Bank re-assesses whether or not it controls an investee entity if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Bank obtains control over the subsidiary and ceases when the Bank loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of income from the date the Bank gains control until the date the Bank ceases to control the subsidiary.

ALINMA BANK (A Saudi Joint Stock Company)

## Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Bank loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in consolidated statement of income
- Reclassifies the parent's share of components previously recognized in OCI to consolidated statement of income or retained earnings, as appropriate, as would be required if the Bank had directly disposed of the related assets or liabilities.

Since the subsidiaries, other than mutual funds, are fully owned by the Bank, there is no non-controlling interest to be disclosed. The functional currency of all subsidiaries is Saudi Arabian Riyal ("ﷻ"), except for Alinma SPV Ltd whose financial currency is in United States Dollar ("USD").

Amounts due to Mutual Funds' unitholders represent the portion of net assets of the mutual funds which are attributable to interests which are not owned, directly or indirectly, by the Bank or its subsidiaries and are presented separately within liability in the Bank's consolidated statement of financial position.

All inter-group balances, transactions, income and expenses are eliminated in full in preparing these consolidated financial statements.

The consolidated financial statements have been prepared using uniform accounting policies and valuation methods for like transactions and other events in similar circumstances. The accounting policies adopted by the subsidiaries are consistent with that of Bank's accounting policies. Adjustments, if any, are made to the financial statements of the subsidiaries to align with the Bank's consolidated financial statements.

### Investment funds

The Bank acts as Fund Manager to a number of investment funds. Determining whether the Bank controls such an investment fund usually focuses on the assessment of the aggregate economic interests of the Bank in the Fund (comprising any carried profit and expected management fees) and the investors' rights to remove the Fund Manager. As a result, the Bank has concluded that it acts as an agent for the investors in all cases, and therefore has not consolidated these funds.

### c) Trade date accounting

All regular way purchases and sales of financial assets are initially recognized and derecognized on the trade date (i.e. the date on which the Bank becomes a party to the contractual provisions of the instrument). Regular way purchases or sales of financial assets require delivery of those assets within the time frame generally established by regulation or convention in the market place.

All other financial assets and liabilities are also initially recognized on the trade date at which the Bank becomes a party to the contractual provisions of the instrument.

### d) Foreign currencies

Transactions in foreign currencies are translated into Saudi Arabian Riyals at the spot exchange rates prevailing at transaction dates.

ALINMA BANK (A Saudi Joint Stock Company)

## Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

Monetary assets and liabilities at year-end, denominated in foreign currencies, are translated into Saudi Arabian Riyals at the exchange rates prevailing at the reporting date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year adjusted for the effective profit rate and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or consolidated statement of income are also recognised in OCI or consolidated statement of income, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Bank initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Bank determines the transaction date for each payment or receipt of advance consideration.

### e) Offsetting

Financial assets and liabilities are offset and reported net in the consolidated statement of financial position when there is a currently legally enforceable right to set off the recognized amounts and when the Bank intends to settle on a net basis, or to realize the asset and to settle the liability simultaneously.

Income and expenses are not offset in the consolidated statement of income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Bank.

### f) Revenue / expenses recognition

#### Income from investments and financing and return on time investments

Revenue and expenses related to profit bearing financial instruments are recognized in the consolidated statement of income using the effective profit rate (EIR) method. The EIR is the rate that exactly discounts the estimated future cash flows through the expected life (or where appropriate, a short period) of the financial asset or liability to its carrying amount. When calculating the EIR, the Bank estimates future cash flows considering all contractual terms including all fees, transaction costs, discounts that are an integral part of the effective yield but does not include the expected credit losses. Transaction costs include incremental costs that are directly attributable to the acquisition, issue or disposal of financial asset or liability.

The carrying amount of the financial asset or liability is adjusted if the Bank revises its estimates of payments or receipts. The change in carrying amount is recorded as income/expense.

#### Exchange income/loss

Exchange income/loss is recognized when earned/incurred.

ALINMA BANK (A Saudi Joint Stock Company)

## Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

### Fees from banking services, net

Fee and commission income and expense that are integral to the effective profit rate on a financial asset or financial liability are included in the "Income from investments and financing" or "Return on time investments" as applicable.

Brokerage income is recognized when the deal is executed. Brokerage income on local shares is recognized net of discounts and rebates allowed to customers. Fee from asset management, including mutual funds, is recognized over time as the services are rendered. Subscription fee is recognized upon subscription to a fund managed by the Bank.

Fee from investment banking services is recognized when the related services have been fully provided to the customer. Underwriting fees are recognized when the Bank has rendered all services to the issuer and is entitled to collect the fee from the issuer with no contingencies associated with the fees. Custody fees is received upfront as deferred income and amortized over the period of service.

Corporate finance fee revenues are recognized over the period of time when the performance obligations are met in accordance with the applicable terms of the contract.

Other fee and commission income – including account servicing fees, sales commission, placement fees and syndication fees – is recognized as the related services are performed and performance obligations are satisfied at point-in-time. If a loan commitment is not expected to result in the draw-down of a loan or if the fee relates to multiple loan commitments and cannot be reasonably allocated, then the related loan commitment fee is recognized on a straight-line basis over the commitment period.

Other fee and commission expenses relate mainly to transaction and service fees, which are expensed as the services are received.

### Dividend income

Dividend income is recognized in consolidated statement of income, when the right to receive income is established.

### Income / (loss) from FVSI financial instruments, net

Net income / (loss) from FVSI financial instruments relates to financial assets designated as FVSI and includes all realized and unrealized fair value changes, profit, dividends and foreign exchange differences.

### g) Financial assets and financial liabilities

#### 1) Classification and measurement of financial assets

On initial recognition, a financial asset is classified at amortized cost, FVOCI or FVSI. The classification and measurement of financial assets under IFRS-9 is a result of two main assessments, namely, business model assessment and analysis of contractual cash flows.

ALINMA BANK (A Saudi Joint Stock Company)

## Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

### Business model assessment

The Bank assess the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual profit revenue, maintaining a particular profit rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Bank's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated- e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realized.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Financial assets that are held for trading and whose performance is evaluated on a fair value basis are measured at FVSI because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

### Assessments whether contractual cash flows are solely payments of principal and profit

For the purposes of this assessment, 'principal' is the fair value of the financial asset on initial recognition. 'Profit' is the consideration for the time value of money, the credit and other basic lending risk associated with the principal amount outstanding during a particular period and other basic lending costs (e.g. liquidity risk and administrative costs), along with profit margin.

In assessing whether the contractual cash flows are solely payments of principal and profit, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- Terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and,
- Features that modify consideration of the time value of money- e.g. periodical reset of profit rates.

ALINMA BANK (A Saudi Joint Stock Company)

## Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

### Financial assets held at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVSI:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and return on the principal amount outstanding.

Generally, financing to customers, due from banks and other financial institutions, SAMA Murabaha and certain investments in Sukuk qualify for measurement under amortized cost.

### Financial assets held at FVOCI

**Sukuk and Sukuk-like instruments:** are measured at FVOCI only if they meet both of the following conditions and are not designated at FVSI:

- The asset is held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and return on the principal amount outstanding.

**Equity Instruments:** On initial recognition, for an equity investment that is not held for trading. The Bank may irrevocably elect to present subsequent changes in fair value in other comprehensive income (OCI). This election is made on an instrument-by-instrument basis.

Financial assets at FVOCI are subsequently measured at fair value with gains and losses arising due to changes in fair values are recognized in OCI. Income from Sukuk and like investments, dividends and foreign exchange gains and losses are recognized in the consolidated statement of income.

### Financial assets held at FVSI

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVSI. Financial assets in this category are classified as either investment held for trading or those designated as FVSI on initial recognition. Financial assets classified as held trading are acquired principally for the purpose of selling in short term.

In addition, on initial recognition, the Bank may irrevocably designate a financial asset to be measured at FVSI that otherwise meets the requirements to be measured at amortized cost or at FVOCI, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVSI are recorded in the consolidated statement of financial position at fair value. Changes in the fair value are recognized in the consolidated statements of income for the year in which it arises. Transaction costs, if any, are not added to the fair value measurement at initial recognition of FVSI investments and are expensed through consolidated statement of income. Dividend income on financial assets held as FVSI is reflected as "Income/(loss) from FVSI financial instruments, net" in the consolidated statement of income.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Bank changes its business model for managing financial assets.

A financial asset is measured initially at fair value plus, for an item not at FVSI, transaction costs that are directly attributable to its acquisition or issue.

ALINMA BANK (A Saudi Joint Stock Company)

## Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

### 2) Classification and measurement of financial liabilities

The Bank classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on issue funds and costs that are an integral part of financial liabilities' effective interest rate (EIR).

Financial guarantees issued or commitments to provide a loan at a below-market profit rate are initially measured at fair value and the initial fair value is amortized over the life of the guarantee or the commitment. Subsequently, financial guarantees and loan commitments are measured at higher of amortized cost and the amount of ECL.

A financial liability is measured initially at fair value plus, for an item not at FVSI, transaction costs that are directly attributable to its acquisition or issue.

### 3) De-recognition of financial assets and financial liabilities

#### Financial assets

The Bank derecognizes a financial asset when:

- The contractual rights to the cash flows from the financial asset expires or,
- It transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership are transferred or,
- The Bank neither transfers nor retains substantially all of the risks and rewards of ownership but it does not retain control of the financial asset.

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and-repurchase transactions, as the Bank retains all or substantially all of the risks and rewards of ownership of such assets.

In transactions in which the Bank neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Bank continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions, the Bank retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognized if it meets the derecognition criteria. An asset or liability is recognized for the servicing contract if the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in consolidated statement of income.

However, the cumulative gain/loss recognized in OCI in respect of equity investments is not recognized in consolidated statement of income on de-recognition of such investments.

#### Financial liabilities

The Bank derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expired.

ALINMA BANK (A Saudi Joint Stock Company)

## Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

### 4) Modifications of financial assets and financial liabilities

#### Financial assets

If the terms of a financial asset are modified, the Bank evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value. Any fees received as part of the modification are accounted for as follows:

- Fees that are considered in determining the fair value of the new financial asset and fees that represents reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- Other fees are included in consolidated statement of income as part of the gain or loss on derecognition.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in de-recognition of the financial asset. In this case, the Bank recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in consolidated statement of income. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as 'Income from financing'.

#### Financial liabilities

The Bank derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the consolidated statement of income.

If the modification of a financial liability is not accounted for as derecognition, then the amortized cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognized in consolidated statement of income.

For financial liabilities, the Bank considers a modification to be substantial based on qualitative factors and if it results in a difference between the adjusted discounted present value and the original carrying amount of the financial liability of, or greater than, ten percent.

### 5) Fair value measurement

The Bank measures financial instruments, such as financial assets measured at FVSI and FVOCI, at fair value at each reporting date. Also, fair values of financial instruments measured at amortized cost are disclosed in note 35.

Fair value is the price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Bank.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described in note 35.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Bank determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Bank has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 6) Sale and repurchase agreements

Financial assets sold with a simultaneous commitment to repurchase at a specified future date (repos) continue to be recognized in the statement of financial position as the Bank retains substantially all the risks and rewards of ownership. When substantially all the risks and rewards of ownership remain with the Bank, these financial assets are continued to measure in accordance with related accounting policies for investments held as FVSI, FVOCI or at amortized cost. The transactions are treated as collateralized borrowing and counter-party liability for amounts received under these agreements is included in "Due to SAMA, banks and other financial institutions" or "Customer's deposits", as appropriate. The difference between sale and repurchase price is treated as "Return on time investments" and accrued over the life of the repo agreement on an effective yield basis.

Financial assets purchased with a corresponding commitment to resell at a specified future date (reverse repo) are not recognized in the statement of financial position, as the Bank does not obtain control over the financial assets. Amounts paid under these agreements are included in "Cash and balances with Saudi Central Bank (SAMA)", "Due from banks and other financial institutions" or "Financing", as appropriate. The difference between purchase and resale price is treated as "Income from investments and financing" and accrued over the life of the reverse repo agreement on an effective yield basis.

### h) Derivative financial instruments

Derivative financial instruments, including foreign exchange contracts, forward rate agreements, currency, and commission rate swaps, are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured at fair value in the consolidated statement of financial position with transaction costs recognized in the consolidated statement of income. All derivatives are carried at their fair value as assets where the fair value is positive and as liabilities where the fair value is negative. Fair values are obtained by reference to quoted market prices, discounted cash flow models and other pricing models as appropriate.

#### Derivatives held for trading

Any changes in the fair value of derivatives that are held for trading purposes are taken directly to the consolidated statement of income and disclosed in "Income from FVSI financial instruments, net". Derivatives held for trading do not include those derivatives, which qualify for hedge accounting.

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### Hedge accounting

The Bank designates certain derivatives as hedging instruments in qualifying hedging relationships to manage profit rate risk exposures. In order to manage particular risk, the bank applies hedge accounting for transactions that meet specific criteria.

For the purpose of hedge accounting, hedges are classified into two categories:

- a. fair value hedges which hedge the exposure to changes in the fair value of a recognized asset or liability, (or assets or liabilities in case of portfolio hedging), or an unrecognized firm commitment or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect the reported net gain or loss; and
- b. cash flow hedges which hedge exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or to a highly probable forecasted transaction that will affect the reported net gain or loss.

In order to qualify for hedge accounting, the hedge should be expected to be highly effective, i.e., the changes in fair value or cash flows of the hedging instrument should effectively offset corresponding changes in the hedged item and should be reliably measurable. At inception of the hedge, the risk management objective and strategy is documented including the identification of the hedging instrument, the related hedged item, the nature of risk being hedged, and how the Bank will assess the effectiveness of the hedging relationship. Subsequently, the hedge is required to be assessed and determined to be an effective hedge on an on-going basis.

At each hedge effectiveness assessment date, a hedge relationship must be expected to be highly effective on a prospective basis and demonstrate that it was effective (retrospective effectiveness) for the designated period in order to qualify for hedge accounting. A formal assessment is undertaken by comparing the hedging instrument's effectiveness in offsetting the changes in fair value or cash flows attributable to the hedged risk in the hedged item, both at inception and at each quarter end on an ongoing basis.

A hedge is expected to be highly effective if the changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated were offset by the hedging instrument and were expected to achieve such offset in future periods. Hedge ineffectiveness is recognized in the consolidated statement of income under 'Income from FVSI financial instruments, net'. For situations where the hedged item is a forecast transaction, the bank also assesses whether the transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect the consolidated statement of income.

### Cash flow hedges

For designated and qualifying cash flow hedging, derivatives instruments in a hedge of a variability in cash flows attributable to a particular risk associated with recognized asset or a liability or a highly probable forecast transaction that could affect the statement of income, the portion of the gain or loss on the hedging instrument that is determined to be an effective portion is recognized directly in other comprehensive income and the ineffective portion, if any, is recognized in the consolidated statement of income. For cash flow hedges affecting future transactions, the gains or losses recognized in other reserves, are transferred to the consolidated statement of income in the same period in which the hedged item affects the consolidated statement of income. However, if the Bank expects that all or a portion of a loss recognized in other comprehensive income will not be recovered in one or more future periods, it shall reclassify into the consolidated statement of income as a reclassification adjustment the amount that is not to be recognized.

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When the hedging instrument is expired or sold, terminated, or exercised, or no longer qualifies for hedge accounting, or the forecast transaction is no longer expected to occur, or the Bank revokes the designation then hedge accounting is discontinued prospectively. At that point of time, any cumulative gain or loss on the cash flow hedging instrument that was recognized in other comprehensive income from the period when the hedge was effective is transferred from equity to statement of income when the forecasted transaction occurs. Where the hedged forecasted transaction is no longer expected to occur and the transaction affects the statement of income, the net cumulative gain or loss recognized in other comprehensive income is transferred immediately to the consolidated statement of income.

### i) Financing

Financing assets are non-derivative financial assets originated or acquired by the Bank with fixed or determinable payments. These are recognized upon actual disbursements. Financing assets are derecognized upon repayment, or when sold or written off, or upon transfer of substantially all risk and rewards of ownership.

All financing assets are initially measured at fair value including any incremental associated acquisition charges. Subsequently, these are measured at amortized cost less allowance for impairment. All of the Bank's financing products are approved by the Sharia'a Committee.

Financing primarily includes Murabaha, Ijarah, Musharaka and Bei Ajel products. A brief description of these products is as follows:

**Murabaha:** is an agreement whereby the Bank sells to a customer certain commodity or an asset, which the Bank has initially purchased and acquired based on a promise received from the customer to buy. The selling price comprises of cost plus an agreed profit margin.

**Ijarah:** is an agreement whereby the Bank, acting as a lessor, purchases or constructs an asset according to the customer (lessee) request, based on his promise to lease the asset for an agreed rent over a specific period.

Ijarah could conclude either by transferring the ownership of the leased asset to the lessee at an agreed amount or by termination of lease and re-possession of underlying asset.

**Musharaka:** is an agreement between the Bank and the customer to contribute to a project, investment enterprise or property and concludes by transferring the full ownership of the underlying investment to the customer. The profit or loss is shared as per the terms of the agreement.

**Bei Ajel:** is an agreement whereby the Bank sells on a deferred payment basis, to a customer certain commodity or an asset on a negotiated price.

### j) Impairment of financial assets

The Bank recognizes impairment allowances based on a forward-looking Expected Credit Loss (ECL) approach on financial assets that are not measured at FVSI. This mainly includes financing, investments that are measured at amortized cost or at FVOCI (other than equity investments), interbank placements, financial guarantees, lease receivables and credit commitments.

No impairment loss is recognized on FVOCI equity investments.

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The Bank measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Other financial instruments on which credit risk has not increased significantly since their initial recognition.

The Bank considers a financial asset to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Bank considers its exposure to other banks, financial institutions and Sukuk investments to have low credit risk as their credit risk rating is equivalent to the globally accepted definition of 'investment grade'.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which 12-month ECL are recognized are referred to as 'Stage 1' financial instruments. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument or the maximum contractual period of exposure. Financial instruments for which lifetime ECL are recognized but that are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired.

Financial instruments for which the lifetime ECL are recognized and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

### Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive);
- Financial assets that are credit-impaired at the reporting date: as the present value of cash shortfalls being the difference between the gross carrying amount and the present value of estimated future cash flows;
- Undrawn loan commitments: as the present value of cash shortfalls being the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- Financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

When discounting future cash flows, the following discount rates are used:

- financial assets other than purchased or originated credit-impaired (POCI) financial assets and lease receivables: the original effective interest rate or an approximation thereof;
- POCI assets: a credit-adjusted effective interest rate;
- Lease receivables: the discount rate used in measuring lease receivables;
- Undrawn loan commitments: the effective interest rate, or an approximation thereof, that will be applied to the financial asset resulting from the loan commitment; and
- Financial Guarantee contracts issued: the rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows.

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The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default (PD)
- Loss given default (LGD)
- Exposure at default (EAD)

The above parameters are generally derived from internally developed statistical models and historical data which are adjusted for forward looking information. The Bank categorizes its financial assets into the following three stages in accordance with IFRS 9 methodology:

- **Stage 1: Performing assets:** Financial asset(s) that have not significantly deteriorated in credit quality since origination. The impairment allowance is recorded based on 12 months ECL.
- **Stage 2: Underperforming assets:** Financial asset(s) that have significantly deteriorated in credit quality since origination but are not credit impaired. This credit quality assessment is made by comparing the remaining lifetime of PD as at reporting date with the remaining lifetime PD point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations). The impairment allowance is recorded based on lifetime ECL.
- **Stage 3: Credit-impaired assets:** For financial asset(s) that are impaired, the Bank recognize the impairment allowance based on lifetime ECL.

The Bank also considers the forward-looking information in its assessment of significant deterioration in credit risk since origination as well as the measurements of ECLs.

The forward-looking information includes the elements such as macroeconomic factors and economic forecasts obtained through internal and external sources.

### Credit-impaired assets

At each reporting date, the Bank assesses whether financial assets carried at amortized cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or significant past due event;
- The restructuring of a loan or advance by the Bank on terms that the Bank would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail financing that is overdue for 90 days or more is considered impaired.

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In making an assessment of whether an investment in sovereign sukuk is credit-impaired, the Bank considers the following factors:

- The market's assessment of creditworthiness as reflected in the sukuk yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new sukuk issuance.
- The probability of sukuk being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

### Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognized and ECL are measured as follows.

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

### Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for ECL are presented in the consolidated statement of financial position as follows:

- Financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;
- Loan commitments and financial guarantee contracts: generally, as a provision which is reported under 'Other liabilities';
- Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision under 'Other liabilities'; and
- Sukuk and like instruments measured at FVOCI: no loss allowance is recognized in the consolidated statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognized in the fair value reserve.

### Write-off

Financial assets are written off (either partially or in full) when there is no realistic prospect of recovery. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank's procedures for recovery of amounts due. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to 'Impairment charge of financing'.

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### k) Property and equipment

Property and equipment are measured at cost and presented net of accumulated depreciation / amortization and impairment loss, if any. Land is not depreciated. Subsequent expenditure is capitalized only when it is probable that the future economic benefits of the expenditure will flow to the Bank. On-going repairs and maintenance are expensed as incurred. The cost of other property and equipment is depreciated and amortized on the straight-line method over the estimated useful lives of the assets as follows:

Buildings	33 years
Furniture and equipment (including intangibles)	5-10 years
Leasehold improvements	the shorter of lease period or 10 years
Right of use assets	the shorter of lease period or useful life

Intangibles pertains mainly to computer software. The assets' residual values, depreciation / amortization methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Depreciation / amortization is charged from the date of addition (when asset is available for use) and up till the date preceding disposal.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of income.

All assets are reviewed for impairment at each reporting date whenever that events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

### l) Impairment of non-financial assets

The Bank assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Bank estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units (CGU) fair value less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses are recognized in the consolidated statement of income except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of income.

### m) Real estate held for sale

The Bank, in the ordinary course of business, acquires certain real estate properties in settlement of due financing. Such properties are considered as assets held for sale and are initially stated at the lower of carrying amount of due financing and the current fair value of the related properties, less any costs to sell. No depreciation is charged on such properties.

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Subsequent to initial recognition, any write down to fair value, less costs to sell, is charged to the consolidated statement of income. Any subsequent revaluation gains in the fair value less costs to sell of these assets to the extent this does not exceed the cumulative write down is recognized in the consolidated statement of income. Gains or losses on disposal are recognized in the consolidated statement of income.

### Collateral valuation

To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Bank's statement of financial position. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodic basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

To the extent possible, the Bank uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as professional real estate appraisers and brokers, or based on housing price indices.

### Collateral repossessed

The Bank's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold.

Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Bank's policy.

In its normal course of business, the Bank does not physically repossess properties or other assets in its financing portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the consolidated statement of financial position.

### n) Financial guarantees and credit commitments

Financial guarantees are contracts that require the Bank to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

'Credit commitments' (includes letters of credit, standby letters of credit, acceptances and irrevocable commitments) are firm commitments to provide credit under pre-specified terms and conditions. Similar to financial guarantee contracts, these contracts are in the scope of the ECL requirements. The nominal contractual value of financial guarantees, letters of credit and loan commitments, where the loan agreed to be provided is on market terms, are not recorded on in the statement of financial position. The nominal values of these instruments together with the corresponding ECL is recorded.



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Financial guarantees issued or commitments to provide a loan at a below-market profit rate are initially measured at fair value. Subsequently, they are measured at the higher of the amount of ECL and the amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the principle of IFRS 15. Other loan commitments issued are measured at the sum of (i) the loss allowance determined in accordance with IFRS 9 and (ii) the amount of any fees received, less, if the commitment is unlikely to result in a specific lending arrangement, the cumulative amount of income recognized. The Bank has issued no loan commitments that are measured at FVSI. For other loan commitments, the Bank recognizes loss allowance. Any increase in the liability relating to the financial guarantee is recognized as "Impairment charge on financing, net of recoveries", in the consolidated statement of income. Liabilities arising from financial guarantees and loan commitments are included within other liabilities.

The premiums received is recognized in the consolidated statement of income under "Fees from banking services - income" on a straight-line basis over the life of the guarantee or commitment.

### o) Provisions

Provisions are recognized when a reliable estimate can be made by the Bank for a present legal or constructive obligation as a result of past events and it is more likely than not that an outflow of resources embodying economic benefit will be required to settle the obligation.

### p) Accounting for Ijarah (leases)

#### Where the Bank is the lessor

When assets are leased under Islamic lease arrangements (e.g., Ijarah), the present value of the lease payments is recognized as a receivable and disclosed under "Financing". The difference between the gross receivable and the present value of the receivable is recognized as unearned income from financing. Lease income is recognized over the term of the lease on net investment basis, using the effective yield method, which reflects a constant periodic rate of return.

#### Where the Bank is the lessee

On initial recognition, at inception of the contract, the Bank shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is identified if most of the benefits are flowing to the Bank and the Bank can direct the usage of such assets.

At inception or on reassessment of a contract that contains a lease component, the Bank allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Bank has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

#### Right of Use Assets

Bank applies cost model, and measure right of use asset at cost:

1. Less any accumulated depreciation and any accumulated impairment losses; and
2. Adjusted for any re-measurement of the lease liability for lease modifications

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Generally, right of use asset would be equal to the lease liability. However, if there are additional costs such as site preparation, non-refundable deposits, application money, other expenses related to transaction etc. need to be added to the right of use asset value.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment.

#### Lease Liability

On initial recognition, the lease liability is the present value of all remaining payments to the lessor, discounted using the discount rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

After the commencement date, Bank measures the lease liability by:

1. Increasing the carrying amount to reflect financing cost on the lease liability;
2. Reducing the carrying amount to reflect the lease payments made and;

Re-measuring the carrying amount to reflect any re-assessment or lease modification. The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank's estimate of the amount expected to be payable under a residual value guarantee, or if the Bank changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in consolidated statement of income if the carrying amount of the right-of-use asset has been reduced to zero.

#### Short-term leases and leases of low-value assets

The Bank has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Bank recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### q) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, "cash and cash equivalents" are defined as amounts included in cash in hand, balances with SAMA excluding statutory deposits, and due from banks and other financial institutions with an original maturity of three months or less from the date of acquisition which are subject to insignificant risk of changes in their fair value for the purpose of meeting short-term cash commitments.

#### r) Short term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the related services are provided. A liability is recognized for the amount expected to be paid under short term cash bonus or share based plans if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided to the Bank and the obligation can be estimated reliably.

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### s) End of service benefits

Benefits payable to the employees of the Bank at the end of their services are accrued based on actuarial valuation in accordance with Saudi Arabian Labor laws. These are included in other liabilities in the consolidated statement of financial position. The liability recognized is the present value of the defined benefit obligation discounted at the yield on government bonds that have terms approximating the related obligation. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

Discount cost is calculated by applying the discount rate to the net defined benefit liability. The Bank recognizes the following changes in the net defined benefit obligation under 'salaries and employee related expenses' in the consolidated statement of income.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements, and
- Discount cost.

The assumptions used to calculate the scheme obligations include assumptions such as expected future salaries growth, expected employee resignation rates, and discount rate to discount the future cash flows.

### t) Zakat

The Bank is subject to Zakat in accordance with the regulations of the Zakat, Tax and Customs Authority ("ZATCA"). Zakat expense is charged to the consolidated statement of income.

Due accruals have been made for the obligation as at December 31, 2025. Zakat is not accounted for as an income tax and as such no deferred tax is calculated relating to Zakat.

### u) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

Where the Bank purchases the Bank's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the owners of the Bank as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Bank.

### v) Treasury shares

These are recorded at cost and presented as a deduction from the equity as adjusted for any transaction cost, dividends and gains or losses on sale of such shares. Subsequent to their acquisition, these are carried at the amount equal to consideration paid.

These stocks are acquired by the Bank with the approval of SAMA, primarily for discharging its obligation under its employee share-based payment plans.

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### w) Tier 1 Sukuk

The Bank classifies as part of equity the Tier 1 Sukuk issued with no fixed redemption/maturity dates (Perpetual Sukuk) and not obliging the Bank for payment of profit upon the occurrence of a non-payment event or non-payment election by the Bank subject to certain terms and conditions and essentially mean that the remedies available to sukuk holders are limited in number and scope and very difficult to exercise.

The related initial costs and distributions thereon are recognised directly in the consolidated statement of changes in equity under retained earnings.

### x) Investment management services

The Bank provides investment management services to its customers, through its subsidiary which includes management of certain mutual funds. Determining whether the Bank controls such a mutual fund usually depends on the assessment of the aggregate economic interests of the Bank in the fund (comprising its investments, any carried profit and expected management fees) and the investor's rights to remove the Fund Manager.

As a result of the above assessment, where the Bank has concluded that it acts as an agent for the investors, such funds are not consolidated by the Bank. Fee earned from these funds are disclosed in consolidated statement of income while the Bank's share of investments is included under "Investments held at FVSI" in the consolidated statement of financial position.

Any assets held in trust or in a fiduciary capacity are not treated as assets of the Bank and accordingly are not included in the consolidated financial statements.

### y) Investments in associate and joint venture

Investments in associate and joint venture are initially recognized at cost and subsequently accounted for under the equity method of accounting. An associate is an entity in which the Bank has significant influence (but not control), over financial and operating policies and which is neither a subsidiary nor a joint venture. A joint venture is an entity in which the Bank exercises joint control.

Under the equity method, the investments in associate and joint venture is carried on the statement of financial position at cost plus post acquisition changes in the Bank's share of net assets of the associate/joint venture. The Bank's share of profit of associate and joint venture is shown on the face of the consolidated statement of income.

The consolidated statement of income reflects the Bank's share of the results of operations of the associate and joint venture. When there has been a change recognized directly in the equity of the associate and joint venture, the Bank recognises its share of any changes and discloses this, when applicable, in the consolidated statement of changes in equity. Unrealised gains on transactions are eliminated to the extent of the Bank's interest in the investee. Unrealised losses are also eliminated unless the transaction provides evidence of impairment in the asset transferred.

The Bank's share of profit of associate and joint venture is shown on the face of the consolidated statement of income. This is the profit attributable to equity holders of the associate and joint venture and, therefore, is profit after tax and non-controlling interests in the subsidiaries of the associate and joint venture. The financial statements of the associate and joint venture are prepared for the same reporting period as the Bank. When necessary, adjustments are made to bring the accounting policies in line with those of the Bank.

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After application of the equity method, the Bank determines at each reporting date whether there is any objective evidence that the investment in the associate and joint venture is impaired. If this is the case, the Bank calculates the amount of impairment as the difference between the recoverable amount of the associate / joint venture and its carrying value and recognises the amount in the 'share of income/loss from associate and joint venture' in the consolidated statement of income.

### z) Share based payments

The Bank offers its eligible employees the following types of plans (the "Plans"). Brief description of the plans are as follows:

#### Employees Share Grant Scheme (ESGS)

Under the terms of Employees Share Grant Scheme, eligible employees are granted shares with a vesting period of 3-5 years. At the maturity of vesting period, the Bank delivers the underlying allotted shares to the employee.

The cost of the shares in the scheme is measured by reference to the fair value at the grant date. The management is of the view that the fair value at grant date approximates its market value.

The cost of the scheme is recognized over the period during which the service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the shares ('the vesting date'). The cumulative expense recognized for the schemes at each reporting date until the vesting date, reflects the extent to which the vesting period has expired and the Bank's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statement of income for a reporting period represents the movement in cumulative expense recognized as at the beginning and end of that reporting period.

#### Deferred bonus schemes

Under the terms of the Deferred Bonus Schemes, eligible employees are granted shares with a vesting period of 1-3 years. At the maturity of each vesting period, the Bank delivers the underlying allocated shares to the employee. The Deferred Bonus Schemes is accounted for similar way with ESGS.

### aa) Profit sharing investment account (PSIA)

The Bank offers Unrestricted Investment Accounts based on fully sharia compliant concept.

In Mudaraba, the Bank (Mudarib) manages Investment Account Funds along with its own share of investment, to an unrestricted joint investment pool. Funds from this unrestricted joint investment pool are utilized to provide financing to customers under Islamic modes and to invest in other Sharia compliant investments opportunities. Such information is available for all customers at Bank's website, branches, and call center.

Any profits accrued out of the investment are shared between the two parties on a pre-agreed basis, while loss (if any) is borne by the Investor (Rab-ul-Maal) and the Bank has the right, in its sole discretion and without being obligated, to cover the Investor loss. Operating expenses incurred by the Bank are not charged to investment account.

Unrestricted investment accountholders are commingled with Bank funds for investment, no priority is granted to any party for the purpose of investments and distribution of profits.

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### 4. Cash and balances with Saudi Central Bank (SAMA)

	2025 S'000	2024 S'000
Cash in hand	2,239,507	1,947,985
Current account	42,042	12,693
Money market placements	-	330,000
Statutory deposit	12,603,389	11,437,500
Others	57,469	121,492
<b>Total</b>	<b>14,942,407</b>	<b>13,849,670</b>

In accordance with the Banking Control Law and regulations issued by Saudi Central Bank ("SAMA"), the Bank is required to maintain a statutory deposit with SAMA at stipulated percentages of its customers' deposits as calculated on monthly average at the end of reporting period. The statutory deposit is not available to finance the Bank's day to day operations and therefore does not form part of cash and cash equivalents. Money market placements represent securities purchased under an agreement to re-sell (reverse repos) with SAMA.

### 5. Due from banks and other financial institutions, net

	Notes	2025 S'000	2024 S'000
Current accounts		464,183	727,907
Murabaha and Wakala with banks	5.1	1,077,909	2,979,462
Reverse repos	5.2	179,489	803,807
Less: Allowance for impairment	5.3	(1,123)	(1,034)
<b>Total</b>		<b>1,720,458</b>	<b>4,510,142</b>

**5.1** These are predominantly investment grade exposures in the range of "substantially credit risk free to very good credit risk quality" based on external credit ratings.

**5.2** Securities pledged with the Bank in respect of reverse repo transactions comprise of S'188.8 million (2024: S'832.9 million). The Bank is allowed to sell or repledge these securities in the event of default by the counterparty.

**5.3** The following table shows reconciliations from the opening to the closing balance of the gross exposure and allowance for impairment for due from banks and other financial institutions:

	December 31, 2025		
	S'000		
	12-month ECL	Life time ECL not credit impaired	Total
<b>Gross exposure</b>			
Balance as at January 1, 2025	4,479,858	31,318	4,511,176
Net movement	(2,801,515)	11,920	(2,789,595)
<b>Balance as at December 31, 2025</b>	<b>1,678,343</b>	<b>43,238</b>	<b>1,721,581</b>

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	December 31, 2024		
	S'000		
	12-month ECL	Life time ECL not credit impaired	Total
<b>Gross exposure</b>			
Balance as at January 1, 2024	1,700,280	1,915	1,702,195
Transfer to life time ECL, not credit impaired	(9,257)	9,257	-
Net movement	2,788,835	20,146	2,808,981
<b>Balance as at December 31, 2024</b>	<b>4,479,858</b>	<b>31,318</b>	<b>4,511,176</b>

	December 31, 2025		
	S'000		
	12-month ECL	Life time ECL not credit impaired	Total
<b>Allowance for impairment</b>			
Balance as at January 1, 2025	406	628	1,034
Net (reversal) / charge during the year	(140)	229	89
<b>Balance as at December 31, 2025</b>	<b>266</b>	<b>857</b>	<b>1,123</b>

	December 31, 2024		
	S'000		
	12-month ECL	Life time ECL not credit impaired	Total
<b>Allowance for impairment</b>			
Balance as at January 1, 2024	1,031	257	1,288
Transfer to life time ECL, not credit impaired	(443)	443	-
Net reversal during the year	(182)	(72)	(254)
<b>Balance as at December 31, 2024</b>	<b>406</b>	<b>628</b>	<b>1,034</b>

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### 6. Investments

	Notes	2025 S'000	2024 S'000
<b>Investments held at FVSI</b>	<b>6.1</b>	<b>3,895,782</b>	<b>3,142,665</b>
<b>Investments held at FVOCI</b>	<b>6.2</b>	<b>13,654,039</b>	<b>13,750,818</b>
<b>Investments held at amortized cost, net</b>			
Sukuk	6.3, 6.4	38,077,054	29,927,069
Murabahas with SAMA	6.3, 6.4	904,597	1,771,552
Less: Allowance for impairment	6.4	(41,141)	(17,161)
		<b>38,940,510</b>	<b>31,681,460</b>
<b>Investments in associates and joint venture</b>			
Investment in associates	6.5	132,221	46,550
Investment in a joint venture	6.6	-	3,717
		<b>132,221</b>	<b>50,267</b>
<b>Total</b>		<b>56,622,552</b>	<b>48,625,210</b>

#### 6.1 Investments held at FVSI

	2025 S'000	2024 S'000
Equities	268,424	226,087
Sukuk	78,423	76,960
Funds	3,548,935	2,839,618
<b>Total</b>	<b>3,895,782</b>	<b>3,142,665</b>

Below is an analysis of the Bank's net income from FVSI financial instruments:

	2025 S'000	2024 S'000
Trading income, net	212,824	124,614
Dividend income	139,247	112,459
<b>Total</b>	<b>352,071</b>	<b>237,073</b>

#### 6.2 Investments held at FVOCI

	Notes	2025 S'000	2024 S'000
Sukuk	6.4	13,274,948	12,923,422
Equities		379,091	827,396
<b>Total</b>		<b>13,654,039</b>	<b>13,750,818</b>

During the year, out of the Bank's FVOCI sukuk portfolio, instruments with a principal of S' 880.3 million matured/ redeemed during the year (2024: S' 292 million).

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The Bank designated these equity securities as at FVOCI. The FVOCI designation was made because the investments are expected to be held for the long-term for strategic purposes. During the year, the Bank sold equity securities held at FVOCI having a fair value of ٢ 493.9 million (2024: ٢ 405.3 million) and the loss amounting to ٢ 179.6 million (2024: ٢ 85.9 million) was transferred to retained earnings.

The Bank holds ٢ 4,513 million (2024: ٢ 3,578 million) in investments in Tier 1 sukuk out of the total FVOCI sukuk investments.

**6.3** The fair value of sukuk (at amortized cost) as at December 31, 2025 was ٢ 38,235 million (2024: ٢ 29,090 million).

**6.4** The following table shows reconciliations from the opening to the closing balance of the gross exposure and allowance for impairment for investments:

Gross exposure - Investments held at FVOCI Sukuks	2025 ٢'000		Total	2024
	12-month ECL	Life time ECL not credit impaired		٢'000
Balance as at January 1	12,923,422	-	12,923,422	12,319,584
Transfer to life time ECL, not credit impaired	(306,426)	306,426	-	-
Purchase of new investments	1,059,590	-	1,059,590	1,069,893
Disposals and maturities during the year	(880,268)	-	(880,268)	(291,795)
Net other movements	175,334	(3,130)	172,204	(174,260)
<b>Balance as at December 31</b>	<b>12,971,652</b>	<b>303,296</b>	<b>13,274,948</b>	<b>12,923,422</b>

Gross exposure - Investments held at amortized cost	2025 ٢'000		Total	2024
	12-month ECL	Life time ECL not credit impaired		٢'000
Balance as at January 1	31,698,621	-	31,698,621	27,125,013
Purchase of new investments	8,991,091	-	8,991,091	8,318,123
Disposals and maturities during the year	(3,045,044)	-	(3,045,044)	(3,985,029)
Change in profit accruals	1,336,983	-	1,336,983	240,514
<b>Balance as at December 31</b>	<b>38,981,651</b>	<b>31,698,621</b>	<b>70,680,272</b>	<b>39,668,670</b>

Allowance for impairment	2025 ٢'000		Total	2024
	12-month ECL	Life time ECL not credit impaired		٢'000
Balance as at January 1	17,161	-	17,161	19,854
Transfer to life time ECL, not credit impaired	(1,822)	1,822	-	-
Net charge / (reversal) during the year	20,695	3,285	23,980	(2,693)
<b>Balance as at December 31</b>	<b>36,034</b>	<b>5,107</b>	<b>41,141</b>	<b>17,161</b>

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### 6.5 Investment in associates

The investment in associates represent the Bank's ownership interest of 20.25% (2024: 20.25%) in Alinma Water Fund. During the year ended 31 December 2025, the Bank also invested ٢ 86.7 million in the Alinma Jeddah Residential Fund, representing an ownership interest of 46.19%.

### 6.6 Investment in a joint venture

The Bank has invested ٢ 6 million (50%) in Ersal Financial Remittance Company (a joint venture between Alinma Bank and Saudi Post). The joint venture was established under Commercial Registration No.1010431244 dated 21 Jumada I 1436H (corresponding to March 12, 2015) with a paid-up capital of ٢ 12 million.

The Bank's share of net loss from its associates and joint venture for the year is ٢ 4.7 million (2024: share of net loss of ٢ 5.1 million) which included share of loss from joint venture i.e. Ersal Financial Remittance Company of ٢ 3.7 million (2024: share of loss of ٢ 11.9 million) and share of loss from associates i.e. Alinma Water Fund of ٢ 1 million (2024: share of income ٢ 6.8 million).

### 6.7 Analysis of investments by type and location

	Domestic ٢'000		International ٢'000		Total ٢'000	
	2025	2024	2025	2024	2025	2024
<b>Investments held at FVSI</b>						
Equities	113,813	117,844	154,611	108,243	268,424	226,087
Fixed-rate investments	63,278	61,318	15,145	15,642	78,423	76,960
Funds	1,448,185	1,280,723	2,100,750	1,558,895	3,548,935	2,839,618
	<b>1,625,276</b>	<b>1,459,885</b>	<b>2,270,506</b>	<b>1,682,780</b>	<b>3,895,782</b>	<b>3,142,665</b>
<b>Investments held at FVOCI</b>						
Fixed-rate investments	7,981,498	7,157,183	1,433,224	1,425,607	9,414,722	8,582,790
Floating-rate investments	3,860,226	4,340,632	-	-	3,860,226	4,340,632
Equities	369,465	821,224	9,626	6,172	379,091	827,396
	<b>12,211,189</b>	<b>12,319,039</b>	<b>1,442,850</b>	<b>1,431,779</b>	<b>13,654,039</b>	<b>13,750,818</b>
<b>Investments held at amortized cost, net</b>						
Fixed-rate investments	37,902,581	29,772,175	133,332	137,733	38,035,913	29,909,908
Floating-rate investments	904,597	1,771,552	-	-	904,597	1,771,552
	<b>38,807,178</b>	<b>31,543,727</b>	<b>133,332</b>	<b>137,733</b>	<b>38,940,510</b>	<b>31,681,460</b>
<b>Investments in associates and joint venture</b>						
Equity and Fund	132,221	50,267	-	-	132,221	50,267
<b>Total</b>	<b>52,775,864</b>	<b>45,372,918</b>	<b>3,846,688</b>	<b>3,252,292</b>	<b>56,622,552</b>	<b>48,625,210</b>

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### 6.8 Analysis of investments by composition

	Quoted S'000		Unquoted S'000		Total S'000	
	2025	2024	2025	2024	2025	2024
<b>Investments held at FVSI</b>						
Equities	204,515	168,270	63,909	57,817	268,424	226,087
Fixed-rate investments	63,278	61,318	15,145	15,642	78,423	76,960
Funds	670,874	562,410	2,878,061	2,277,208	3,548,935	2,839,618
	938,667	791,998	2,957,115	2,350,667	3,895,782	3,142,665
<b>Investments held at FVOCI</b>						
Fixed-rate investments	5,411,912	4,708,072	4,002,810	3,874,718	9,414,722	8,582,790
Floating-rate investments	-	7,231	3,860,226	4,333,401	3,860,226	4,340,632
Equities	347,193	800,194	31,898	27,202	379,091	827,396
	5,759,105	5,515,497	7,894,934	8,235,321	13,654,039	13,750,818
<b>Investments held at amortized cost, net</b>						
Fixed-rate investments	37,933,347	29,876,908	102,566	33,000	38,035,913	29,909,908
Floating-rate investments	-	-	904,597	1,771,552	904,597	1,771,552
	37,933,347	29,876,908	1,007,163	1,804,552	38,940,510	31,681,460
<b>Investments in associates and joint venture</b>						
Equity and Fund	-	-	132,221	50,267	132,221	50,267
<b>Total</b>	<b>44,631,119</b>	<b>36,184,403</b>	<b>11,991,433</b>	<b>12,440,807</b>	<b>56,622,552</b>	<b>48,625,210</b>

### 6.9 Analysis of investments by counterparties

	2025 S'000	2024 S'000
Government and quasi government	42,729,122	35,655,488
Banks and other financial institutions	6,462,997	5,992,795
Corporate	7,430,433	6,976,927
<b>Total</b>	<b>56,622,552</b>	<b>48,625,210</b>

### 6.10 Analysis of investments by asset quality

	2025 S'000	2024 S'000
Government and quasi government	42,729,122	35,655,488
Investment grade	7,915,944	7,480,602
Non-investment grade	1,816,494	506,501
Equities and funds	4,160,992	4,982,619
<b>Total</b>	<b>56,622,552</b>	<b>48,625,210</b>

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Investment grade includes exposures in the range of "substantially credit risk free to very good credit risk quality". The maximum exposure to credit risk for financial assets carried at fair value as of December 31, 2025 is S 13,431 million (2024: S 13,279 million).

Investments include S 3,273.1 million (2024: S 2,534.7 million) which have been pledged under repurchased agreement with other banks. The market value of such investments is S 3,771.8 million (2024: S 2,695.1 million). These transactions are conducted under the terms that are usual and customary to standard lending and securities financing and lending activities.

### 7. Derivative financial instruments

In the ordinary course of business, the Bank utilizes the following derivative financial instruments for both trading and hedging purposes:

#### a) Swaps

Swaps are commitments to exchange one set of cash flows for another. For profit rate swaps, counterparties generally exchange fixed and floating rate commission payments in a single currency without exchanging principal. For cross-currency commission rate swaps, principal, fixed and floating commission payments are exchanged in different currencies.

#### b) Forwards

Forwards are contractual agreements to either buy or sell a specified currency, commodity or financial instrument at a specified price and date in the future. Forwards are customized contracts transacted in the over-the-counter market.

The table below summarizes the positive and negative fair values of derivative financial instruments, together with the notional amounts. The notional amounts, which provide an indication of the volumes of the transactions outstanding at the period-end, do not necessarily reflect the amounts of future cash flows involved. These notional amounts, therefore, are neither indicative of the Bank's exposure to credit risk, which is generally limited to the positive fair value of the derivatives, if any, nor market risk.

December 31, 2025	S'000		
	Positive fair value	Negative fair value	Total notional amount
<b>Held for trading:</b>			
Profit rate swaps	388,257	258,460	45,110,111
Foreign exchange forward contracts	5,992	3,516	6,521,557
Foreign exchange swaps	-	985	3,097,135
<b>Held as cash flow hedges:</b>			
Profit rate swaps	48,828	3,023	5,201,000
<b>Total</b>	<b>443,077</b>	<b>265,984</b>	<b>59,929,803</b>

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December 31, 2024	S'000		Total notional amount
	Positive fair value	Negative fair value	
<b>Held for trading:</b>			
Profit rate swaps	483,599	390,663	31,938,466
Foreign exchange forward contracts	9,343	8,477	2,919,587
Foreign exchange swaps	-	2,051	937,601
<b>Held as cash flow hedges:</b>			
Profit rate swaps	12,475	35,435	4,551,000
<b>Total</b>	<b>505,417</b>	<b>436,626</b>	<b>40,346,654</b>

The maximum credit exposure for positive value derivatives as of December 31, 2025 is S' 443.1 million (2024: S' 505.4 million).

December 31, 2025	Notional amounts by term to maturity S'000				Total
	Within 1 year	1-3 years	3-5 years	Over 5 years	
<b>Held for trading:</b>					
Profit rate swaps	6,824,221	13,912,704	4,237,309	20,135,877	45,110,111
Foreign exchange forward contracts	6,521,557	-	-	-	6,521,557
Foreign exchange swaps	3,097,135	-	-	-	3,097,135
<b>Held as cash flow hedges:</b>					
Profit rate swaps	-	1,026,000	3,425,000	750,000	5,201,000
<b>Total</b>	<b>16,442,913</b>	<b>14,938,704</b>	<b>7,662,309</b>	<b>20,885,877</b>	<b>59,929,803</b>

December 31, 2024	Notional amounts by term to maturity S'000				Total
	Within 1 year	1-3 years	3-5 years	Over 5 years	
<b>Held for trading:</b>					
Profit rate swaps	343,750	8,759,347	902,654	21,932,715	31,938,466
Foreign exchange forward contracts	2,919,587	-	-	-	2,919,587
Foreign exchange swaps	937,601	-	-	-	937,601
<b>Held as cash flow hedges:</b>					
Profit rate swaps	-	500,000	3,051,000	1,000,000	4,551,000
<b>Total</b>	<b>4,200,938</b>	<b>9,259,347</b>	<b>3,953,654</b>	<b>22,932,715</b>	<b>40,346,654</b>

### Held for trading purposes

Most of the Bank's derivative trading activities relate to sales, and are covered on back-to-back basis. Sales activities involve offering products to customers and banks in order, inter alia, to enable them to transfer, modify or reduce current and future risks. Positioning involves managing market risk positions with the expectation of profiting from favorable movements in prices, rates, or indices.

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### Held for hedging purposes

The Bank has adopted a comprehensive system for the measurement and management of risk. Part of the risk management process involves managing the Bank's exposure to fluctuations in foreign exchange and profit rates to reduce its exposure to currency and profit rate risks to acceptable levels as determined by the Bank and within the guidelines issued by SAMA.

The Bank has established levels of currency risk by setting limits on counterparty and currency position exposures. Positions are monitored on a daily basis and hedging strategies are used to ensure positions are maintained within the established limits. The Bank has established the level of profit rate risk by setting limits on profit rate gaps for stipulated periods. Asset and liability profit rate gaps are reviewed on a periodic basis and hedging strategies are used to reduce commission rate gap within the established limits.

As part of its asset and liability management the Bank uses derivatives for hedging purposes in order to adjust its own exposure to profit rate risks. This is generally achieved by hedging specific transactions.

The Bank uses profit rate swaps to hedge against the cash flow risk arising on certain floating rate exposures. In all such cases, the hedging relationship and objective, including details of the hedged items and hedging instrument are formally documented and the transactions are accounted for as cash flow hedges.

Possible sources of ineffectiveness are as follows:

- Difference between the expected and actual volume of prepayments, as the Bank hedges to the expected repayment date taking into account expected prepayments based on past experience;
- Difference in the discounting between the hedge item and hedge instrument;
- Hedging derivative with a non-zero fair value at the date of initial designation as a hedging instrument; and,
- Counter party credit risk which impacts the fair value of uncollateralized profit rate swaps but not the hedge items.

### Cash flow hedges

The Bank is exposed to variability in future profit rate cash flows on non-trading assets and liabilities which bear commission at a variable rate. The Bank uses profit rate swaps as cash flow hedges of these profit rate risks. Below is the schedule indicating as at 31 December, the periods when the hedged cash flows are expected to occur and when they are expected to affect the consolidated statement of income:

	December 31, 2025 S'000			
	Within 1 year	1-3 years	3-5 years	Over 5 years
<b>Held as cash flow hedges:</b>				
Cash inflows (Assets)	2,792	63,373	8,228	-
Cash outflows (Liabilities)	(17,290)	(991)	(2,388)	(2,562)
<b>Net Cash Outflows</b>	<b>(14,498)</b>	<b>62,382</b>	<b>5,840</b>	<b>(2,562)</b>

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	December 31, 2024 S'000			
	Within 1 year	1-3 years	3-5 years	Over 5 years
<b>Held as cash flow hedges:</b>				
Cash Inflows (Assets)	2,921	9,813	5,497	862
Cash outflows (Liabilities)	(23,173)	(9,766)	(10,251)	(3,527)
<b>Net Cash Outflows</b>	<b>(20,252)</b>	<b>47</b>	<b>(4,754)</b>	<b>(2,665)</b>

The amounts relating items designated as hedging instruments and hedge ineffectiveness at December 31, 2025 were as follows:

	December 31, 2025 S'000			
	Change in fair value used for calculating hedge ineffectiveness	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in statement of income	Amount reclassified from the hedge reserve to statement of income
<b>Held as cash flow hedges:</b>				
Profit rate swaps	70,908	70,908	-	(28,569)

	December 31, 2024 S'000			
	Change in fair value used for calculating hedge ineffectiveness	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in statement of income	Amount reclassified from the hedge reserve to statement of income
<b>Held as cash flow hedges:</b>				
Profit rate swaps	(22,960)	(22,960)	-	(28,475)

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The amounts relating to items designated as hedged items at December 31, 2025 were as follows:

	December 31, 2025 S'000			Balance remaining in cash flow hedge reserve for hedge relationships for which hedge accounting is no longer applied
	Line item in the statement of financial position in which hedge item is included	Changes in value used for calculating hedge ineffectiveness	Cashflow hedge reserve	
<b>Held as cash flow hedges:</b>				
Sukuk	Investments held at FVOCI	8,198	9,244	-
Corporate financing	Financing, net	37,608	38,704	-
<b>Net cash inflows</b>		<b>45,806</b>	<b>47,948</b>	<b>-</b>

	December 31, 2024 S'000			Balance remaining in cash flow hedge reserve for hedge relationships for which hedge accounting is no longer applied
	Line item in the statement of financial position in which hedge item is included	Changes in value used for calculating hedge ineffectiveness	Cashflow hedge reserve	
<b>Held as cash flow hedges:</b>				
Sukuk	Investments held at FVOCI	977	977	-
Corporate financing	Financing, net	(23,937)	(23,937)	-
<b>Net cash outflows</b>		<b>(22,960)</b>	<b>(22,960)</b>	<b>-</b>

The net loss on cash flow hedges reclassified to the consolidated statement of income during the year was as follows:

	2025 S'000	2024 S'000
<b>Held as cash flow hedges:</b>		
Income from investments and financing	(28,569)	(28,475)

The tables below show a summary of hedged items and portfolios, the nature of the risk being hedged, the hedging instrument and its fair value.

	December 31, 2025 S'000					
	Fair Value	Hedge inception value	Risk	Hedging instrument	Positive fair value	Negative fair value
<b>Held as cash flow hedges:</b>						
Floating rate investments	759,198	751,000	Cash flow	Profit rate swap	8,255	57
Floating rate financing	4,487,608	4,450,000	Cash flow	Profit rate swap	40,573	2,966
<b>Total</b>	<b>5,246,806</b>	<b>5,201,000</b>			<b>48,828</b>	<b>3,023</b>



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	December 31, 2024 S'000					
	Fair Value	Hedge inception value	Risk	Hedging instrument	Positive fair value	Negative fair value
<b>Held as cash flow hedges:</b>						
Floating rate investments	751,977	751,000	Cash flow	Profit rate swap	3,985	3,008
Floating rate financing	3,776,063	3,800,000	Cash flow	Profit rate swap	8,490	32,427
<b>Total</b>	<b>4,528,040</b>	<b>4,551,000</b>			<b>12,475</b>	<b>35,435</b>

### 8. Financing, net

2025	S'000				
	Performing	Non-performing	Gross	Allowance for impairment (note 8.1)	Financing, net
<b>Retail</b>					
-Home finance	29,110,475	197,419	29,307,894	(254,434)	29,053,460
-Personal finance	24,722,292	110,698	24,832,990	(222,637)	24,610,353
-Auto finance	3,908,642	34,564	3,943,206	(55,350)	3,887,856
-Credit cards	1,139,612	24,545	1,164,157	(45,256)	1,118,901
	58,881,021	367,226	59,248,247	(577,677)	58,670,570
<b>Commercial</b>					
-Corporate	160,029,383	1,655,076	161,684,459	(2,331,570)	159,352,889
-SMEs	11,910,175	112,361	12,022,536	(299,157)	11,723,379
	171,939,558	1,767,437	173,706,995	(2,630,727)	171,076,268
<b>Total</b>	<b>230,820,579</b>	<b>2,134,663</b>	<b>232,955,242</b>	<b>(3,208,404)</b>	<b>229,746,838</b>

2024	S'000				
	Performing	Non-performing	Gross	Allowance for impairment (note 8.1)	Financing, net
<b>Retail</b>					
-Home finance	24,747,059	225,830	24,972,889	(298,548)	24,674,341
-Personal finance	21,506,519	225,293	21,731,812	(278,419)	21,453,393
-Auto finance	2,806,573	21,451	2,828,024	(32,376)	2,795,648
-Credit cards	917,680	29,830	947,510	(38,877)	908,633
	49,977,831	502,404	50,480,235	(648,220)	49,832,015
<b>Commercial</b>					
-Corporate	144,689,940	1,585,502	146,275,442	(2,842,573)	143,432,869
-SMEs	9,217,151	94,330	9,311,481	(268,271)	9,043,210
	153,907,091	1,679,832	155,586,923	(3,110,844)	152,476,079
<b>Total</b>	<b>203,884,922</b>	<b>2,182,236</b>	<b>206,067,158</b>	<b>(3,759,064)</b>	<b>202,308,094</b>

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The comparative figures have been disaggregated to provide more granular information and to align with the current year presentation. Retail financing, previously presented as a single category, has been separated into Home Finance, Personal Finance, Auto Finance, and Credit Cards. In addition, Commercial financing has been further disaggregated into Corporate and SMEs.

The below table shows the product-wise analysis of Gross Financing:

	December 31, 2025 S'000			December 31, 2024 S'000		
	Retail	Corporate	Total	Retail	Corporate	Total
Murabaha	43,225,479	1,559,429	44,784,908	35,451,064	2,214,176	37,665,240
Ijarah	6,016,447	52,865,746	58,882,193	5,250,055	50,605,744	55,855,799
Bei Ajel	8,770,800	119,281,820	128,052,620	8,415,088	102,767,003	111,182,091
Others	1,235,521	-	1,235,521	1,364,028	-	1,364,028
<b>Total</b>	<b>59,248,247</b>	<b>173,706,995</b>	<b>232,955,242</b>	<b>50,480,235</b>	<b>155,586,923</b>	<b>206,067,158</b>

### 8.1 Movement in gross exposure and allowance for impairment of financing:

The following table shows reconciliation from the opening to the closing balance of the gross exposure of financing:

	December 31, 2025			
	12-month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
<b>Gross exposure</b>	S' in '000'			
<b>Retail</b>				
Balance at the beginning of the year	48,522,099	1,455,732	502,404	50,480,235
Transfer to 12-month ECL	394,386	(351,995)	(42,391)	-
Transfer to life time ECL, not credit impaired	(582,634)	605,453	(22,819)	-
Transfer to life time ECL, credit impaired	(107,484)	(87,750)	195,234	-
New financial assets, net of financial assets derecognized and repayments	9,237,274	(204,060)	129,245	9,162,459
Write-off	-	-	(394,447)	(394,447)
<b>Balance as at December 31, 2025</b>	<b>57,463,641</b>	<b>1,417,380</b>	<b>367,226</b>	<b>59,248,247</b>
<b>Corporate</b>				
Balance at the beginning of the year	144,064,196	9,842,895	1,679,832	155,586,923
Transfer to 12-month ECL	222,051	(222,051)	-	-
Transfer to life time ECL, not credit impaired	(3,502,775)	4,251,996	(749,221)	-
Transfer to life time ECL, credit impaired	(254,672)	(2,914,299)	3,168,971	-
New financial assets, net of financial assets derecognized and repayments	21,815,478	(1,363,261)	(42,233)	20,409,984
Write-off	-	-	(2,289,912)	(2,289,912)
<b>Balance as at December 31, 2025</b>	<b>162,344,278</b>	<b>9,595,280</b>	<b>1,767,437</b>	<b>173,706,995</b>
<b>Total</b>				
Balance at the beginning of the year	192,586,295	11,298,627	2,182,236	206,067,158
Transfer to 12-month ECL	616,437	(574,046)	(42,391)	-
Transfer to life time ECL, not credit impaired	(4,085,409)	4,857,449	(772,040)	-
Transfer to life time ECL, credit impaired	(362,156)	(3,002,049)	3,364,205	-
New financial assets, net of financial assets derecognized and repayments	31,052,752	(1,567,321)	87,012	29,572,443
Write-off	-	-	(2,684,359)	(2,684,359)

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Balance as at December 31, 2025	219,807,919	11,012,660	2,134,663	232,955,242
December 31, 2024				
	12-month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
S in '000'				
<b>Gross exposure</b>				
<b>Retail</b>				
Balance at the beginning of the year	41,365,515	1,008,533	851,915	43,225,963
Transfer to 12-month ECL	449,278	(388,112)	(61,166)	-
Transfer to life time ECL, not credit impaired	(903,815)	921,657	(17,842)	-
Transfer to life time ECL, credit impaired	(160,015)	(144,961)	304,976	-
New financial assets, net of financial assets derecognized and repayments	7,771,136	58,615	(47,473)	7,782,278
Write-off	-	-	(528,006)	(528,006)
<b>Balance as at December 31, 2024</b>	<b>48,522,099</b>	<b>1,455,732</b>	<b>502,404</b>	<b>50,480,235</b>
<b>Corporate</b>				
Balance at the beginning of the year	123,254,867	9,565,369	2,010,546	134,830,782
Transfer to 12-month ECL	997,462	(997,462)	-	-
Transfer to life time ECL, not credit impaired	(2,780,594)	2,780,594	-	-
Transfer to life time ECL, credit impaired	(44,582)	(861,640)	906,222	-
New financial assets, net of financial assets derecognized and repayments	22,637,043	(643,966)	(300,045)	21,693,032
Write-off	-	-	(936,891)	(936,891)
<b>Balance as at December 31, 2024</b>	<b>144,064,196</b>	<b>9,842,895</b>	<b>1,679,832</b>	<b>155,586,923</b>
<b>Total</b>				
Balance at the beginning of the year	164,620,382	10,573,902	2,862,461	178,056,745
Transfer to 12-month ECL	1,446,740	(1,385,574)	(61,166)	-
Transfer to life time ECL, not credit impaired	(3,684,409)	3,702,251	(17,842)	-
Transfer to life time ECL, credit impaired	(204,597)	(1,006,601)	1,211,198	-
New financial assets, net of financial assets derecognized and repayments	30,408,179	(585,351)	(347,518)	29,475,310
Write-off	-	-	(1,464,897)	(1,464,897)
<b>Balance as at December 31, 2024</b>	<b>192,586,295</b>	<b>11,298,627</b>	<b>2,182,236</b>	<b>206,067,158</b>

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The following tables show reconciliations from the opening to the closing balance of the allowance for impairment of financing:

December 31, 2025				
	12-month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
S in '000'				
<b>Allowance for impairment</b>				
<b>Retail</b>				
Balance at the beginning of the year	216,715	81,692	349,813	648,220
Transfer to 12-month ECL	47,227	(27,931)	(19,296)	-
Transfer to life time ECL, not credit impaired	(4,845)	17,709	(12,864)	-
Transfer to life time ECL, credit impaired	(952)	(16,549)	17,501	-
Net (reversal) / charge for the year	(20,527)	64,285	280,146	323,904
Write-off	-	-	(394,447)	(394,447)
<b>Balance as at December 31, 2025</b>	<b>237,618</b>	<b>119,206</b>	<b>220,853</b>	<b>577,677</b>
<b>Corporate</b>				
Balance at the beginning of the year	583,623	1,675,928	851,293	3,110,844
Transfer to 12-month ECL	17,029	(17,029)	-	-
Transfer to life time ECL, not credit impaired	(37,635)	357,290	(319,655)	-
Transfer to life time ECL, credit impaired	(2,988)	(2,057,821)	2,060,809	-
Net charge for the year	67,215	1,291,872	450,708	1,809,795
Write-off	-	-	(2,289,912)	(2,289,912)
<b>Balance as at December 31, 2025</b>	<b>627,244</b>	<b>1,250,240</b>	<b>753,243</b>	<b>2,630,727</b>
<b>Total</b>				
Balance at the beginning of the year	800,338	1,757,620	1,201,106	3,759,064
Transfer to 12-month ECL	64,256	(44,960)	(19,296)	-
Transfer to life time ECL, not credit impaired	(42,480)	374,999	(332,519)	-
Transfer to life time ECL, credit impaired	(3,940)	(2,074,370)	2,078,310	-
Net charge for the year	46,688	1,356,157	730,854	2,133,699
Write-off	-	-	(2,684,359)	(2,684,359)
<b>Balance as at December 31, 2025</b>	<b>864,862</b>	<b>1,369,446</b>	<b>974,096</b>	<b>3,208,404</b>

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	December 31, 2024			Total
	12-month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	
<b>Allowance for impairment</b>	S in '000'			
<b>Retail</b>				
Balance at the beginning of the year	225,433	115,840	638,641	979,914
Transfer to 12-month ECL	57,975	(28,152)	(29,823)	-
Transfer to life time ECL, not credit impaired	(7,883)	16,820	(8,937)	-
Transfer to life time ECL, credit impaired	(2,077)	(27,862)	29,939	-
Net (reversal) / charge for the year	(56,733)	5,046	247,999	196,312
Write-off	-	-	(528,006)	(528,006)
<b>Balance as at December 31, 2024</b>	<b>216,715</b>	<b>81,692</b>	<b>349,813</b>	<b>648,220</b>
<b>Corporate</b>				
Balance at the beginning of the year	460,499	1,600,519	1,391,769	3,452,787
Transfer to 12-month ECL	27,135	(27,135)	-	-
Transfer to life time ECL, not credit impaired	(17,358)	17,358	-	-
Transfer to life time ECL, credit impaired	(965)	(57,671)	58,636	-
Net charge for the year	114,312	142,857	337,779	594,948
Write-off	-	-	(936,891)	(936,891)
<b>Balance as at December 31, 2024</b>	<b>583,623</b>	<b>1,675,928</b>	<b>851,293</b>	<b>3,110,844</b>
<b>Total</b>				
Balance at the beginning of the year	685,932	1,716,359	2,030,410	4,432,701
Transfer to 12-month ECL	85,110	(55,287)	(29,823)	-
Transfer to life time ECL, not credit impaired	(25,241)	34,178	(8,937)	-
Transfer to life time ECL, credit impaired	(3,042)	(85,533)	88,575	-
Net charge for the year	57,579	147,903	585,778	791,260
Write-off	-	-	(1,464,897)	(1,464,897)
<b>Balance as at December 31, 2024</b>	<b>800,338</b>	<b>1,757,620</b>	<b>1,201,106</b>	<b>3,759,064</b>

### Write off

As at December 31, 2025, the contractual amount outstanding on financial assets that were written off and that are still subject to enforcement activity is S 6,834 million (2024: S 4,401 million).

### 8.2 Impairment charge on financing, net of recoveries:

	2025 S'000	2024 S'000
Charge for impairment on financing	2,133,699	791,260
Net (reversal) / charge for impairment of non-funded financing and credit related commitments (Note 19.3)	(875,238)	455,686
Recoveries of previously written off bad debts	(228,096)	(197,137)
	<b>1,030,365</b>	<b>1,049,809</b>

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### 8.3 Financing includes Ijarah as follows:

	2025 S'000	2024 S'000
Less than 1 year	23,752,616	19,936,438
1 to 5 years	26,632,988	30,418,349
Over 5 years	29,711,062	25,417,212
Gross receivables from Ijarah	80,096,666	75,771,999
Unearned future finance income on Ijarah	(21,214,473)	(19,916,200)
<b>Net receivables from Ijarah</b>	<b>58,882,193</b>	<b>55,855,799</b>

### 9. Property, equipment and right of use assets, net

2025	S'000				Total
	Land and buildings	Leasehold improvements	Furniture and equipment	Right-of-Use assets	
<b>Cost:</b>					
Balance at beginning of the year	1,863,849	655,014	2,903,365	900,506	6,322,734
Additions during the year	556,072	66,762	744,789	196,433	1,564,056
Disposals during the year	(858)	(42)	(50,472)	(9,190)	(60,562)
<b>Balance at end of the year</b>	<b>2,419,063</b>	<b>721,734</b>	<b>3,597,682</b>	<b>1,087,749</b>	<b>7,826,228</b>
<b>Accumulated depreciation:</b>					
Balance at beginning of the year	201,901	423,699	1,721,731	574,537	2,921,868
Charge for the year	22,101	34,789	239,879	134,286	431,055
Disposals during the year	(357)	(42)	(42,919)	(6,105)	(49,423)
<b>Balance at end of the year</b>	<b>223,645</b>	<b>458,446</b>	<b>1,918,691</b>	<b>702,718</b>	<b>3,303,500</b>
<b>Net book value-as at December 31, 2025</b>	<b>2,195,418</b>	<b>263,288</b>	<b>1,678,991</b>	<b>385,031</b>	<b>4,522,728</b>

2024	S'000				Total
	Land and buildings	Leasehold improvements	Furniture and equipment	Right-of-Use assets	
<b>Cost:</b>					
Balance at beginning of the year	1,602,031	597,997	2,477,565	814,655	5,492,248
Additions during the year	275,340	57,017	456,449	102,125	890,931
Disposals during the year	(13,522)	-	(30,649)	(16,274)	(60,445)
<b>Balance at end of the year</b>	<b>1,863,849</b>	<b>655,014</b>	<b>2,903,365</b>	<b>900,506</b>	<b>6,322,734</b>
<b>Accumulated depreciation:</b>					
Balance at beginning of the year	181,627	391,789	1,561,510	469,113	2,604,039
Charge for the year	23,188	31,910	190,558	108,183	353,839
Disposals during the year	(2,914)	-	(30,337)	(2,759)	(36,010)
<b>Balance at end of the year</b>	<b>201,901</b>	<b>423,699</b>	<b>1,721,731</b>	<b>574,537</b>	<b>2,921,868</b>
<b>Net book value-as at December 31, 2024</b>	<b>1,661,948</b>	<b>231,315</b>	<b>1,181,634</b>	<b>325,969</b>	<b>3,400,866</b>

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Property, equipment and right of use assets include work in progress as at December 31, 2025 amounting to ₪ 1,580.1 million (2024: ₪ 1,060.9 million).

Furniture and equipment include information technology-related assets as follows:

	Tangible	Intangible	Total
	₪'000		
<b>2025</b>			
<b>Cost</b>			
January 1, 2025	830,469	1,787,300	2,617,769
Additions during the year	128,910	532,411	661,321
Disposals during the year	(36,238)	-	(36,238)
December 31, 2025	923,141	2,319,711	3,242,852
<b>Accumulated depreciation/amortization</b>			
January 1, 2025	522,147	986,665	1,508,812
Charge during the year	85,797	137,996	223,793
Disposals during the year	(36,153)	-	(36,153)
December 31, 2025	571,791	1,124,661	1,696,452
<b>Net book value-as at December 31, 2025</b>	<b>351,350</b>	<b>1,195,050</b>	<b>1,546,400</b>

	Tangible	Intangible	Total
	₪'000		
<b>2024</b>			
<b>Cost</b>			
January 1, 2024	785,865	1,436,792	2,222,657
Additions during the year	71,317	350,508	421,825
Disposals during the year	(26,713)	-	(26,713)
December 31, 2024	830,469	1,787,300	2,617,769
<b>Accumulated depreciation/amortization</b>			
January 1, 2024	478,755	887,274	1,366,029
Charge during the year	70,105	99,391	169,496
Disposals during the year	(26,713)	-	(26,713)
December 31, 2024	522,147	986,665	1,508,812
<b>Net book value-as at December 31, 2024</b>	<b>308,322</b>	<b>800,635</b>	<b>1,108,957</b>

Intangibles pertains mainly to computer software. Right of Use asset pertains mainly to leases of the Bank's head office, branches and ATM kiosks.

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### 10. Other assets

	Note	2025 ₪'000	2024 ₪'000
Fee receivable for asset management services		637,122	650,119
Financing inventory		583,000	390,394
Real estate held for sale	10.1	539,593	659,847
Advance Payments and prepaid expenses		372,015	386,208
Other receivables		245,967	208,095
Others	10.2	691,391	1,333,419
<b>Total</b>		<b>3,069,088</b>	<b>3,628,082</b>

**10.1** These properties were acquired in settlement of financing due from customers. During the year ended December 31, 2025, properties have been acquired in settlement of financing claims amounting to ₪ 14.3 million (2024: ₪ 190.9 million).

**10.2** These mainly include sundry debtors, settlement accounts and items in transit which are cleared in the normal course of business.

### 11. Due to SAMA, banks and other financial institutions

	Notes	2025 ₪'000	2024 ₪'000
Placements from SAMA		5,317,974	7,395,877
Time investments from banks and other financial institutions	11.1	10,370,382	5,810,299
Current accounts		524,609	730,080
<b>Total</b>		<b>16,212,965</b>	<b>13,936,256</b>

**11.1** This balance represents Murabaha, Mudaraba and Wakala with banks including repurchase agreements with other banks of ₪ 3,294 million (2024: ₪ 2,550.5 million).

### 12. Customers' deposits

	Notes	2025 ₪'000	2024 ₪'000
Demand		94,465,228	95,253,337
Savings		13,463,935	11,643,387
Customers' time investments	12.1	117,591,129	101,805,095
Others	12.2	1,853,638	1,842,831
<b>Total</b>		<b>227,373,930</b>	<b>210,544,650</b>

**12.1** These represent Murabaha and Mudaraba with customers.

**12.2** Others represent cash margins for letters of credit and guarantees.

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12.3 The above includes foreign currency deposits as follows:

	2025 S'000	2024 S'000
Demand	3,600,166	3,586,941
Customers' time investments	2,760,569	10,305,578
Others	24,610	53,479
<b>Total</b>	<b>6,385,345</b>	<b>13,945,998</b>

### 12.4 Profit sharing investment accounts (PSIA)

a) Analysis of PSIA income according to types of investments and their financing

As of December 31, 2025 and 2024, the PSIA gross pool of assets is funded by comingled pool which includes funds from Unrestricted Investment Account Holders (IAH).

Gross Pool of Assets funded by PSIA by type of contract:

	2025 S'000	2024 S'000
Investments in sukuk - FVOCI	5,102,288	4,364,266
Investments held at amortized cost, net	14,737,738	10,505,700
Financing, net	87,885,939	67,284,528
<b>Total pool of assets funded by PSIA</b>	<b>107,725,965</b>	<b>82,154,494</b>

b) The basis for calculating and allocating profits between the bank and the IAHs:

Computation of pool income is as follows:

	2025 S'000	2024 S'000
Income from investments	550,562	495,861
Income from financing	3,913,626	3,524,793
<b>Total Pool Income</b>	<b>4,464,188</b>	<b>4,020,654</b>
Pool income	4,464,188	4,020,654
Mudarib fee	(44,642)	(40,207)
Top up / (excess)	979,998	344,652
<b>Total amount paid/payable to investment account holders</b>	<b>5,399,544</b>	<b>4,325,099</b>

The total pool increase is net of attributable cost and impairment charges.

	IAH Share	Bank Share
Profit sharing allocation percentages	99%	1%

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c) The equity of the IAHs at the end of the reporting period:

	2025 S'000	2024 S'000
Investment account holders balance before profit	107,501,406	82,506,644
Add: Profit for the IAH during the year	5,399,544	4,325,099
Less: Profit paid out during the year	(5,174,985)	(4,677,249)
<b>Total equity for Investment Account Holders</b>	<b>107,725,965</b>	<b>82,154,494</b>

### 13. Amount due to Mutual Funds' unitholders

Amount due to Mutual Funds' unitholders represents the non-controlling interest in Mutual Funds consolidated in these financial statements.

### 14. Other liabilities

	Notes	2025 S'000	2024 S'000
Outward drafts payable		4,354,377	4,250,397
Accounts payable		3,132,051	1,931,710
Unearned revenue		1,091,895	989,595
Provision for zakat	24	734,737	670,411
Accrued expenses		589,907	489,507
End of service liability	26.2	573,520	537,472
Lease liability	14.1	438,303	345,409
Provision for credit-related commitments	19.3	236,311	1,111,549
Others		96,343	27,567
<b>Total</b>		<b>11,247,444</b>	<b>10,353,617</b>

### 14.1 Lease liabilities and lease-related expenses

Below are the undiscounted contractual cash flows for lease liabilities:

	2025 S'000	2024 S'000
Less than 1 year	148,142	111,513
1 to 5 years	271,636	200,310
Over 5 years	78,164	73,886
<b>Total</b>	<b>497,942</b>	<b>385,709</b>

Other general and administrative expenses include lease-related financing costs of S' 20 million (2024: S' 14.7 million). Rent and premises related expenses include payments for leases excluded in the calculation of lease liabilities (i.e., short term leases and leases of low value assets) of S' 9.5 million (2024: S' 8.8 million).

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### 15. Share capital

The authorized, issued and fully paid share capital of the Bank consists of 2,500 million shares (2024: 2,500 million shares) of 10 each.

The ownership of the Bank's share capital is as follows:

	2025	2024
	Percentage	
Public Investment Fund ("PIF")	10	10
General public and others	90	90
<b>Total</b>	<b>100</b>	<b>100</b>

### 15.1 Dividends

During the year ended 31 December 2025, The Board of Directors approved total interim dividends of 2,238.5 million (2024: 1,988.4 million). This resulted to a total payment of 0.9 per share to the shareholders of the Bank (2024: 0.8 per share)

The Board of Directors in their meeting held on January 29, 2025 proposed a final 2024 dividend of 746.1 million which was approved in the ordinary general assembly meeting held on April 24, 2025. This resulted to a net payment of 0.30 per share to the shareholders of the Bank.

### 15.2 Issuance of bonus shares

On December 31, 2023, the Board of Directors recommended to the Extraordinary General Assembly of the Bank to increase the capital by 5,000 million through capitalization from the retained earnings by way of granting one share for every four shares. On April 23, 2024, the Shareholders, in their Extraordinary General Assembly meeting approved the increase of share capital by issuance of bonus shares. Accordingly, the total shares increased by 500 million shares to be 2,500 million shares and share capital increased by 5,000 million to be 25,000 million.

### 16. Statutory reserve

In accordance with the Banking Control Law in the Kingdom of Saudi Arabia, and Bank's By-Laws, a minimum of 25% of the annual net income is required to be transferred to a statutory reserve until this reserve equals the paid-up capital of the Bank. Accordingly, 1,599.3 million (2024: 1,457.9 million) has been transferred from the net income for the year to the statutory reserve. The statutory reserve is not available for cash distribution.

### 17. Treasury shares and other reserves

#### 17.1 Treasury shares

Treasury shares have been acquired, after due approvals, for discharging the obligations of employees share based plans (refer to note 22.2).

On January 4, 2026, the Board of Directors recommended to the Extraordinary General Assembly of the Bank to buy-back a number of the Bank shares with a maximum of 5 million shares to allocate them within the Employee Stock Long Term Incentive Plan. The proposed share buy-back is conditional on obtaining the approval of the official authorities and the extraordinary general assembly of the Bank.

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### 17.2 Other reserves

	Fair value reserve for FVOCI investments	Employees share-based plan reserve	Social contribution reserve	Remeasurement of End of Service Benefits	Cash flow hedge reserve	Total
2025	1,000					
<b>Balance at January 1, 2025</b>	<b>(421,404)</b>	<b>119,794</b>	<b>190,582</b>	<b>4,584</b>	<b>(22,960)</b>	<b>(129,404)</b>
Net change in fair value of FVOCI equity investments	(134,148)	-	-	-	-	(134,148)
Net change in fair value of FVOCI sukuk investments	172,229	-	-	-	-	172,229
Gain on sale of FVOCI sukuk investments, net	(25)	-	-	-	-	(25)
Cash flow hedge	-	-	-	-	70,908	70,908
Actuarial gain on Remeasurement of End of Service Benefits (Note 26)	-	-	-	28,676	-	28,676
Transfers to retained earnings on disposal of FVOCI equity investments	179,565	-	-	-	-	179,565
Employee share based plan reserve	-	77,125	-	-	-	77,125
Vesting of shares	-	(33,369)	-	-	-	(33,369)
Appropriation, net of utilizations	-	-	2,396	-	-	2,396
<b>Balance as at December 31, 2025</b>	<b>(203,783)</b>	<b>163,550</b>	<b>192,978</b>	<b>33,260</b>	<b>47,948</b>	<b>233,953</b>

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	Fair value reserve for FVOCI investments	Employees share-based plan reserve	Social contribution reserve	Remeasurement of End of Service Benefits	Cash flow hedge reserve	Total
<b>2024</b>	S'000					
<b>Balance at January 1, 2024</b>	<b>(184,028)</b>	<b>93,886</b>	<b>153,403</b>	<b>(902)</b>	<b>-</b>	<b>62,359</b>
Net change in fair value of FVOCI equity investments	23,721	-	-	-	-	23,721
Net change in fair value of FVOCI sukuk investments	(174,260)	-	-	-	-	(174,260)
Share of joint venture's other comprehensive loss	(11,553)	-	-	-	-	(11,553)
Gain on sale of FVOCI sukuk investments, net	(911)	-	-	-	-	(911)
Cash flow hedge	-	-	-	-	(22,960)	(22,960)
Actuarial gain on Remeasurement of End of Service Benefits (Note 26)	-	-	-	5,486	-	5,486
Transfers to retained earnings on disposal of FVOCI equity investments	(85,926)	-	-	-	-	(85,926)
Realized share of joint venture's other comprehensive loss	11,553	-	-	-	-	11,553
Employee share based plan reserve	-	62,141	-	-	-	62,141
Vesting of shares	-	(36,233)	-	-	-	(36,233)
Appropriation, net of utilizations	-	-	37,179	-	-	37,179
<b>Balance as at December 31, 2024</b>	<b>(421,404)</b>	<b>119,794</b>	<b>190,582</b>	<b>4,584</b>	<b>(22,960)</b>	<b>(129,404)</b>

During the year, an amount of S' 64 million for 2025 (2024: S' 58.3 million) was appropriated from retained earnings to social community reserve. Such reserves will be utilized towards discharging the Bank's corporate social responsibilities.

### 18. Sukuk, certificates of deposit issued and Tier 1 Sukuk

#### 18.1 Sukuk and certificates of deposit issued

During the year ended December 31, 2025, the Bank established a USD 5 billion senior unsecured and Tier 2 Sukuk programme.

On July 15, 2025, the Bank issued U.S. dollar denominated senior unsecured Sukuk, amounting to USD 500 million with 5-years maturity and a profit rate of 4.937%. The Sukuk is listed on the London Stock Exchange's International Securities Market and could be sold in light of applicable acts and regulations.

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On November 10, 2025, the Bank issued USD dollar Tier 2 Sukuk, amounting to USD 500 million with maturity of 10 years, callable after 5 years with a profit rate of 5.792%. The Sukuk is listed on the London Stock Exchange's International Securities Market and could be sold in light of applicable acts and regulations.

	2025 S'000
Senior unsecured sukuk issued	1,918,087
Certificates of deposits issued	3,816,638
Tier 2 Sukuk issued	1,890,196
<b>Total</b>	<b>7,624,921</b>

As at the reporting date, Sukuks and certificates of deposit issued comprise senior unsecured sukuks, Tier 2 sukuk and certificates of deposit issued by the Bank, carrying profit at fixed rates, with maturities up to 2035. Below is the movement:

	2025 S'000
Senior unsecured sukuks, certificates of deposit and Tier 2 issued	7,525,883
Profit Accrued	99,038
<b>Total</b>	<b>7,624,921</b>

During 2025, the Bank established a USD 2 billion Certificates of Deposit programme out of which USD 1 billion was issued during the period ended December 31, 2025.

The movement in Certificates of deposits issued is as follows:

	2025 S'000
Certificates of deposits issued	3,775,673
Profit Accrued	40,965
<b>Total</b>	<b>3,816,638</b>

The table below shows the details of Certificates of deposits:

Issuance Year	Tenure	Particulars	2025 S'000
2025	Within 1 year	Certificates of Deposit issued at a fixed profit rate	3,775,673

#### 18.2 Tier 1 Sukuk

On July 1, 2021, the Bank through a Shariah compliant arrangement issued Tier 1 Sukuk of S' 5 billion with a profit rate of 4% payable on quarterly basis.

On March 6, 2024, the Bank issued additional Tier 1 sukuk of USD 1 billion with a profit rate of 6.5% payable on semi-annual basis.

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On May 28, 2025, the Bank has issued its first international sustainable Tier 1 Sukuk of USD 500 million with a profit rate of 6.5% payable on semi-annual basis.

On September 3, 2025, the Bank has issued additional sustainable Tier 1 Sukuk of USD 500 million with a profit rate of 6.25% payable on semi-annual basis.

These issuances were approved by the regulatory authorities and the Board of Directors of the Bank. These Sukuks are perpetual securities in respect of which there is no fixed redemption dates and represents an undivided ownership interest of the Sukuk-holders in the Sukuk assets, with each Sakk constituting an unsecured, conditional and subordinated obligation of the Bank classified under equity. However, the Bank shall have the exclusive right to redeem or call the Sukuks in a specific period of time, subject to the terms and conditions stipulated in the Sukuk Agreement. These securities also allow the Bank to write-down (in whole or in part) any amounts due to the holders in the event of non-viability with the approval of SAMA.

The applicable profit on the Sukuks is payable in arrears on each periodic distribution date except upon the occurrence of a non-payment event or non-payment election by the Bank, whereby the Bank may at its sole discretion (subject to certain terms and conditions) elect not to make any distributions. Such non-payment event or non-payment election are not considered to be events of default and the amounts not paid thereof shall not be cumulative or compound with any future distributions.

### 19. Commitments and contingencies

#### 19.1 Legal proceedings

As at December 31, 2025 and 2024, there were no significant legal proceedings outstanding against the Bank.

#### 19.2 Capital commitments

As at December 31, 2025, the Bank had capital commitments of ٢ 226 million (2024: ٢ 183 million) relating to acquisition of property and equipment.

#### 19.3 Credit related commitments and contingencies

Credit related commitments and contingencies comprise letters of guarantee, letters of credit, acceptances and unused irrevocable commitments to extend financing facilities. The primary purpose of these instruments is to ensure that funds are available to customers as required. Letters of guarantee and standby letters of credit, which represent irrevocable assurances that the Bank will make payments in the event that a customer cannot meet its obligations to third parties, carry the same credit risk as investments and financing. Cash requirements under guarantees and standby letters of credit are considerably less than the amount of the commitment because the Bank does not generally expect the third party to invoke such commitments.

Documentary letters of credit, which are written undertakings by the Bank on behalf of a customer authorizing a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions, are generally collateralized by the underlying shipments of goods to which they relate, and therefore have significantly less risk.

Acceptances comprise undertakings by the Bank to pay bills of exchange drawn on customers. The Bank expects most acceptances to be presented before being reimbursed by the customers.

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Commitments to extend credit represent the unused portion of approved credit, principally in the form of financing, guarantees and letters of credit. With respect to these commitments to extend credit, the Bank is potentially exposed to a loss in an amount equal to the total unused commitments. However, the likely amount of loss, which cannot readily be quantified, is expected to be considerably less than the total unused commitment as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The total outstanding commitments to extend credit do not necessarily represent future cash requirements, as many of these commitments could expire or terminate without being funded.

i. The contractual maturity structure of the Bank's commitments and contingencies is as follows:

	٢'000				
2025	Within 3 months	3-12 months	1-5 years	Over 5 years	Total
Letters of credit	3,028,853	1,945,903	181,230	62,279	5,218,265
Letters of guarantee	3,353,820	10,363,615	6,744,829	116,270	20,578,534
Acceptances	1,167,413	-	-	-	1,167,413
Irrevocable commitments to extend credit	-	-	12,831,447	-	12,831,447
<b>Total</b>	<b>7,550,086</b>	<b>12,309,518</b>	<b>19,757,506</b>	<b>178,549</b>	<b>39,795,659</b>

	٢'000				
2024	Within 3 months	3-12 months	1-5 years	Over 5 years	Total
Letters of credit	1,531,781	1,715,739	145,410	-	3,392,930
Letters of guarantee	2,307,082	10,172,884	8,970,910	98,098	21,548,974
Acceptances	1,203,262	-	-	-	1,203,262
Irrevocable commitments to extend credit	-	-	15,181,257	-	15,181,257
<b>Total</b>	<b>5,042,125</b>	<b>11,888,623</b>	<b>24,297,577</b>	<b>98,098</b>	<b>41,326,423</b>

This is as per contractual period of the letters of guarantee and irrevocable commitments and in event of default may be payable on demand and therefore current in nature.

ii. The analysis of commitments and contingencies by counter-party is as follows:

	2025 ٢'000	2024 ٢'000
Government and quasi government	2,003	27,761
Corporate	35,547,103	39,271,120
Banks and other financial institutions	4,246,553	2,027,542
<b>Total</b>	<b>39,795,659</b>	<b>41,326,423</b>

iii. The outstanding unused portion of commitments as at December 31, 2025 which can be revoked unilaterally at any time by the Bank, amounts to ٢ 46,572 million (2024: ٢ 38,891 million).



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iv. The following table shows reconciliations from the opening to the closing balance of the gross exposure of credit commitments and contingencies and 'Provision for credit-related commitments':

	December 31, 2025			
	12-month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
<b>Gross exposure of credit commitments and contingencies</b>	ﷲ in '000'			
Balance at the beginning of the year	36,309,069	3,777,580	1,239,774	41,326,423
Transfer to 12-month ECL	2,901	(2,901)	-	-
Transfer to life time ECL, not credit impaired	(115,489)	117,739	(2,250)	-
Transfer to life time ECL, credit impaired	(152,645)	(961,889)	1,114,534	-
New commitments, net of expired / matured commitments during the year	346,282	(53,821)	(1,823,225)	(1,530,764)
<b>Balance as at December 31, 2025</b>	<b>36,390,118</b>	<b>2,876,708</b>	<b>528,833</b>	<b>39,795,659</b>

	December 31, 2024			
	12-month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
<b>Gross exposure of credit commitments and contingencies</b>	ﷲ in '000'			
Balance at the beginning of the year	31,345,483	4,453,682	566,493	36,365,658
Transfer to life time ECL, not credit impaired	(65,970)	65,970	-	-
Transfer to life time ECL, credit impaired	(4,938)	(773,274)	778,212	-
New commitments, net of expired / matured commitments during the year	5,034,494	31,202	(104,931)	4,960,765
<b>Balance as at December 31, 2024</b>	<b>36,309,069</b>	<b>3,777,580</b>	<b>1,239,774</b>	<b>41,326,423</b>

	December 31, 2025			
	12-month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
<b>Provision for credit-related commitments</b>	ﷲ in '000'			
Balance at the beginning of the year	45,955	537,245	528,349	1,111,549
Transfer to 12-month ECL	33	(33)	-	-
Transfer to life time ECL, not credit impaired	(1,374)	2,501	(1,127)	-
Transfer to life time ECL, credit impaired	(206)	(237,884)	238,090	-
Net charge / (reversal) for the year	4,356	(252,319)	(627,275)	(875,238)
<b>Balance as at December 31, 2025</b>	<b>48,764</b>	<b>49,510</b>	<b>138,037</b>	<b>236,311</b>

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	December 31, 2024			Total
	12-month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	
<b>Provision for credit-related commitments</b>	ﷲ in '000'			
Balance at the beginning of the year	40,469	402,016	213,378	655,863
Transfer to life time ECL, not credit impaired	(26)	26	-	-
Transfer to life time ECL, credit impaired	(22)	(50,101)	50,123	-
Net charge for the year	5,534	185,304	264,848	455,686
<b>Balance as at December 31, 2024</b>	<b>45,955</b>	<b>537,245</b>	<b>528,349</b>	<b>1,111,549</b>

## 20. Income from investments and financing, net

	2025 ﷲ'000	2024 ﷲ'000
<b>Income from investments and financing:</b>		
Investments in Murabaha and money market placement with SAMA	196,459	139,333
Investments in Sukuk held at amortized cost	1,269,416	1,048,400
Investments in Sukuk held at FVOCI	734,439	710,806
Murabaha with banks and other financial institutions	183,934	118,025
<b>Financing:</b>		
Murabaha	2,462,831	2,127,196
Ijarah	3,989,718	3,848,119
Bei Ajel	8,521,124	8,119,700
Other financing products	11,999	43,200
Total income from financing	14,985,672	14,138,215
<b>Total</b>	<b>17,369,920</b>	<b>16,154,779</b>
<b>Return on time investments:</b>		
Customers' time investments	(7,229,015)	(7,014,904)
Time investments from SAMA, banks and other financial institutions	(764,187)	(491,246)
	(7,993,202)	(7,506,150)
<b>Total</b>	<b>9,376,718</b>	<b>8,648,629</b>

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### 21. Fees from banking services, net and other operating income

#### 21.1 Fees from banking services, net

	2025 S'000	2024 S'000
<b>Income from:</b>		
Trade finance services	218,778	212,484
Card services	1,791,247	1,592,179
Brokerage fees	132,233	171,687
Fund management and other services	1,060,757	945,247
	<b>3,203,015</b>	<b>2,921,597</b>
<b>Expense on:</b>		
Card services	(1,408,011)	(1,259,675)
Other fees	(62,676)	(53,603)
	<b>(1,470,687)</b>	<b>(1,313,278)</b>
	<b>1,732,328</b>	<b>1,608,319</b>

#### 21.2 Other operating income

	2025 S'000	2024 S'000
Gain on sale of property and equipment	34,165	1,703
Gain on derecognition of joint venture / associate	-	4,766
(Loss) / gain from derecognition of financial assets held at amortized cost	(2,241)	7,662
Others, net	16,968	18,445
	<b>48,892</b>	<b>32,576</b>

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### 22. Salaries and employees related expenses

The following table summarizes the Bank's employee categories defined in accordance with SAMA's rules on compensation practices.

Categories of employees	S'000									
	Number of employees		Fixed compensation Cash		Variable Compensation paid					
	2025	2024	2025	2024	Shares (note 22.2)		Total		2025	2024
Senior executives requiring SAMA no objections	35	37	64,696	64,170	23,588	25,338	19,794	12,479	43,382	37,817
Employees engaged in risk taking activities	805	791	373,386	331,247	40,185	39,819	5,345	4,690	45,530	44,509
Employees engaged in control functions	527	475	217,065	169,486	42,342	34,968	5,820	4,129	48,162	39,097
Other employees	2,849	2,871	728,445	659,208	81,602	67,924	9,219	6,501	90,821	74,425
Outsourced employees (engaged in risk taking activities)	-	-	-	-	-	-	-	-	-	-
	4,216	4,174	1,383,592	1,224,111	187,717	168,049	40,178	27,799	227,895	195,848
Variable compensation accrued	-	-	198,756	171,947	-	-	-	-	-	-
Other employee related benefits	-	-	228,544	268,040	-	-	-	-	-	-
<b>Total</b>	<b>4,216</b>	<b>4,174</b>	<b>1,810,892</b>	<b>1,664,098</b>	<b>187,717</b>	<b>168,049</b>	<b>40,178</b>	<b>27,799</b>	<b>227,895</b>	<b>195,848</b>

Refer to note 22.2 for more details on shares paid during the year ended December 31, 2025 and 2024.

#### 22.1 Salient features of Compensation Policy

As an integral part of the compensation governance, the Bank follows appropriate compensation practices in line with the SAMA guidelines and Financial Stability Board (FSB) Principles/Standards. The Bank has implemented a "Compensation & Allowances" policy approved by the Board of Directors (the "Board").

The Bank has also established a Nomination and Remuneration Committee ("NRC"). It has been mandated by the Board to review and recommend sound compensation policies for adoption by the Bank.

While developing and implementing such policies, the Bank has sought to align the same with the risks related to capital, liquidity and sustainability as well as timing of revenue streams.

The Bank has adopted fixed as well as variable compensation schemes. The variable component is aligned not only with the aforesaid risks but also with the overall performance of the Bank and the individual, and risk involved in the relevant job function. The Bank consistently evaluates its compensation policies against the industry and makes necessary revisions as and when required.

The Bank, as part of their compensation practices which are aligned with the SAMA rules, considers variable compensation programs which are based on (1) market practice, (2) strategy of the business area, (3) roles of the business area, (4) nature and tail of risks undertaken, and (5) actual performance delivered.

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As part of the Bank's variable compensation structure, following are the key components of variable compensation in the Bank:

1. Cash Bonus – The portion of the variable compensation that is awarded and paid out in cash on conclusion of the performance evaluation process for each year.
2. Deferred Bonus – The portion of the variable compensation that is awarded and paid in shares over a period of 3 years.

Below are the details of the deferred bonus payments for the outstanding years and no deferred bonus is reduced through performance adjustments.

Year	Total amount deferred	Amount vested	Amount unvested	Amount paid in 2025
2021 (awarded in shares)	28,638,600	28,638,600	-	11,125,980
2022 (awarded in shares)	44,534,987	24,394,064	20,140,923	12,865,693
2023 (awarded in shares)	60,487,514	19,918,037	40,569,477	19,400,645
2024 (awarded in shares)	64,673,410	-	64,673,410	-

The Bank implements procedures so as to support the principles of adjustment to variable compensation outcomes so as to reflect true underlying and actual, realized performance. This can either be achieved through:

1. Withholding, whereby deferred payments are to be withheld following subdued or negative performance; or
2. Malus, whereby a portion of variable pay is deferred and only released subject to no subdued or negative performance indicating the results on which the variable pay was paid were overstated and that were used to calculate the overall bonus.

As a Sharia'a compliant bank, the Bank uses claw back of previously paid bonuses in its purest form to be appropriate in the context of Sharia'a Committee decisions only when the malus clause applies.

Therefore, for the purpose of bonus deferral, the Bank may apply a further malus clause to this deferred amount that may require either a restatement of results for which the bonus was paid and / or additional performance measures.

### Linkage of compensation with actual performance

The variable compensation in the Bank is purely performance based and consists of the annual performance bonus. As part of the staff's variable compensation, the annual bonus is driven by delivery of operational and financial targets set each year, the individual performance of the employees and their contribution in delivering the overall Bank's objectives.

The Bank has adopted a Board-approved framework to develop a clear link between variable compensation and performance. The framework is designed on the basis that the combination of meeting both financial performance and achievement of other non-financial factors would deliver a target bonus pool for the employees, prior to consideration of any allocation to business areas and employees individually.

The key performance metrics at the Bank level include a combination of short-term and long-term measures, and include profitability, liquidity and growth indicators. The performance management process ensures that all goals are appropriately cascaded down to respective business units and employees.

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In determining the amount of variable compensation, the Bank starts from setting specific targets, establishing market comparable bottom-up, setting a profit target and other qualitative performance measures that would result in a target top-down bonus pool. The bonus pool is then adjusted to take account of risks via the use of risk-adjusted measures. The NRC carefully evaluates practices by which compensation is paid for potential future revenues whose timing and likelihood remain uncertain. The NRC demonstrates that its decisions are consistent with an assessment of the Bank's financial condition and future prospects. The Bank uses a formalized and transparent process to adjust the bonus pool for quality of earnings. It is the Bank's objective to pay out bonuses out of realized and sustainable profits. If the quality of earnings is not strong, the profit base could be adjusted based on the discretion of the NRC. For the Bank to have any funding for distribution of a bonus pool, thresholds of financial targets have to be achieved. The performance measures ensure that the total variable compensation is generally considerably contracted where subdued or negative financial performance occurs. Furthermore, the target bonus pool, as determined above, is subject to risk adjustments in line with the risk adjustment and linkage framework.

### Deferral policy and vesting criteria

For certain categories of employees such as (1) Employees requiring SAMA No Objection, (2) Material Risk Takers and (3) Material Risk Controllers, where deemed appropriate, the Bank provides a portion of variable compensation in the form of corporate performance linked shares paid out on a multi-year cycle for identified key employees who have direct impact on the Bank growth and success.

Where variable compensation plans that include corporate performance linked shares payments are introduced, the Bank provides criteria for determining the value for allocation of deferred payments within the plan rules or guidelines. Payouts of such conditional deferred shares plans are required to be subject to a retention or vesting policy that is determined on a plan to plan basis. Such retention or vesting policies are to be outlined within the plan rules or guidelines. As a minimum requirement, the Bank's policy is for shares based awards to be subject to an appropriate retention policy.

### Parameters for allocating cash versus other forms of compensation

The quality and long-term commitment of all employees is fundamental to the success of the Bank. The Bank therefore attracts, retains and motivates the best people who are committed to maintaining a career with the Bank, and who will perform their role in the long-term interests of Shareholders. The Bank's reward package comprises the following key elements;

1. **Fixed Pay** (comprises of basic salary and cash allowances) and other benefits programs are developed so as to support the pay positioning and pay mix policies and align with all applicable regulatory requirements.
2. **Cash Allowances** are provided to support the Bank's pay positioning policies and to aid recruitment of sufficiently qualified talent to drive sustainable growth. The Bank reviews which allowances it offers to employees and the quantum of such allowances so as to ensure they support the aims of compensation across the whole Bank.
3. **Benefits** to support retention and recruitment of sufficiently experienced talent across the business. Provision of these benefits is provided in line with local market norms and reviewed on a regular basis to ensure they remain appropriate.
4. **Annual Performance Bonus** to enhance employee effectiveness by driving the Bank, business group and individual performance in a sustainable process and create a competitive compensation strategy that supports the Bank's business growth strategy.

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### 22.2 Employees share-based plans

Significant features of the Employees Share based schemes outstanding at the end of the period are as follows:

Nature of scheme	2023	2024	2025
No. of outstanding Schemes	1	1	1
Grant date	Jan-2023	Jan-2024	Jan-2025
Maturity date	Jan-2026	Jan-2027	Jan-2028
Number of shares granted – adjusted after issuance of bonus shares	1,203,141	2,086,184	2,282,054
Vesting period	3 years	3 years	3 years
Value of shares granted (ﷲ)	42,182,109	58,313,010	64,673,410
Fair value per share at grant date (ﷲ) – adjusted after issuance of bonus shares	35.06	28.77	28.34
Vesting condition	Employee remain in service and meets prescribed performance criteria	Employee remain in service and meets prescribed performance criteria	Employee remain in service and meets prescribed performance criteria
Method of settlement	Equity	Equity	Equity
Valuation model used	Market Value	Market Value	Market Value
Weighted average remaining contractual life	0.1 Years	1 Years	2 Years

The movement in weighted average price and in the number of shares in the employees share participation scheme is as follows:

	Deferred bonus schemes	
	Weighted average exercise price (ﷲ)	Number of shares in scheme
<b>2025</b>	<b>December 31, 2025</b>	
Beginning of the year	29.41	4,091,798
Granted during the year	28.34	2,282,054
Vested during the year	29.19	(1,451,726)
Expired during the year	29.19	(318,590)
End of the year	29.19	4,603,536
Exercisable at year end	29.19	4,603,536

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	ESGS Plan A		Deferred bonus schemes	
	Weighted average exercise price (ﷲ)	Number of shares in scheme	Weighted average exercise price (ﷲ)	Number of shares in scheme
<b>2024</b>	<b>December 31, 2024</b>			
Beginning of the year	19.70	223,562	30.06	2,610,282
Granted during the year	19.70	-	28.77	2,670,216
Vested during the year	19.70	(220,905)	29.41	(1,042,725)
Expired during the year	19.70	(2,657)	29.41	(145,976)
End of the year	19.70	223,562	29.41	4,091,798
Exercisable at year end	-	-	29.41	4,091,798

These rights are granted only under a service/performance condition with no market condition associated with them. Total amount of expense recognized in consolidated statement of income during the year ended December 31, 2025 in respect of these schemes was ﷲ 77.1 million (2024: ﷲ 62.1 million).

### 23. Earnings per share

Basic and diluted earnings per share are calculated by dividing the net income adjusted for Tier 1 Sukuk costs by the weighted average number of outstanding shares which were 2,487 million shares at December 31, 2025 (2024: 2,485.3 million shares). The diluted earnings per share is the same as the basic earnings per share.

### 24. Zakat liability

	2025 ﷲ'000	2024 ﷲ'000
Opening balance	670,411	556,318
Zakat expense	728,802	670,411
Payments during the year, net of refund	(664,476)	(556,318)
<b>Ending balance</b>	<b>734,737</b>	<b>670,411</b>

The Bank submitted its zakat return for the year ended 31 December 2024, and obtained the unrestricted zakat certificate. The zakat returns of the years 2019 through 2023 have been finalized from ZATCA and the bank received a final assessment with no zakat liability.

### 25. Cash and cash equivalents

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:

	2025 ﷲ'000	2024 ﷲ'000
Cash in hand	2,239,507	1,947,985
Balances with SAMA excluding statutory deposit	99,511	464,185
Due from banks and other financial institutions maturing within three months of acquisition	1,205,226	3,996,411
<b>Total</b>	<b>3,544,244</b>	<b>6,408,581</b>

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### 26. Employee benefit obligations

#### 26.1 General description of Defined Benefit Plan

The Bank operates an End of Service Benefit Plan for its employees based on the prevailing Saudi Labor Laws. Accruals are made in accordance with the actuarial valuation under projected unit credit method while the benefit payments obligation is discharged as and when it falls due.

**26.2** The amounts recognized in the consolidated statement of financial position and movement in the obligation during the year based on its present value are as follows:

	2025 S'000	2024 S'000
Defined benefit obligation at the beginning of the year	537,472	485,254
Charge for the year	102,839	98,610
Benefits paid	(38,115)	(40,906)
Actuarial gain on re-measurement recognized in OCI	(28,676)	(5,486)
Defined benefit obligation at the end of the year	573,520	537,472

Charge for the year is comprised of:

	2025 S'000	2024 S'000
Current service cost	73,498	76,448
Past service cost	-	117
Discount cost	29,341	22,045
<b>Total</b>	<b>102,839</b>	<b>98,610</b>

Actuarial gain / (loss) on re-measurement recognized in OCI is comprised of:

	2025 S'000	2024 S'000
Gain from change in demographic assumptions	3,884	15,255
Loss from change in experience assumptions	(10,122)	(4,303)
Gain / (Loss) from change in financial assumptions	34,914	(5,466)
<b>Total</b>	<b>28,676</b>	<b>5,486</b>

#### 26.3 Principal actuarial assumptions (in respect of the end of service benefit plan)

	2025	2024
Discount rate	5.55% p.a.	5.67% p.a.
Expected rate of salary increase	3% for the next year	3.5% p.a. for the next two years
– thereafter	5% p.a.	6% p.a.
Normal retirement age	60 years	60 years

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The assumptions regarding future mortality are set based on actuarial advice in accordance with the published statistics and experience in the region.

#### 26.4 Sensitivity of actuarial assumptions

The table below illustrates the sensitivity of the defined benefit obligation valuation as at December 31, 2025 and 2024:

2025	S'000		
	Impact on defined benefit obligation – Increase/(Decrease)		
Base scenario	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	(40,711)	46,418
Expected rate of salary increase	1%	48,256	(43,052)

2024	S'000		
	Impact on defined benefit obligation – Increase/(Decrease)		
Base scenario	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	(37,364)	42,514
Expected rate of salary increase	1%	44,010	(39,374)

The above sensitivity analyses are based on a change in an assumption holding all other assumptions constant.

#### 26.5 Expected maturity

Expected maturity analysis of undiscounted defined benefit obligation for the end of service benefit plan is as follows:

	2025 S'000	2024 S'000
Less than a year	59,143	57,477
1-2 years	49,123	47,027
2-5 years	149,865	146,797
Over 5 years	681,911	630,455
<b>Total</b>	<b>940,042</b>	<b>881,756</b>

The weighted average duration of the defined benefit obligation is 11.9 years (2024: 11.9 years).

#### 26.6 Defined contribution plan

The Bank makes contributions for a defined contribution retirement benefit plan to the General Organization for Social Insurance in respect of its Saudi employees. The total amount expensed during the year in respect of this plan was S' 86.3 million (2024: S' 80 million).

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### 27. Other general and administrative expenses

	Notes	2025 S'000	2024 S'000
Value added tax, withholding tax and other governmental expenses		231,913	196,780
Computer and software expenses		193,360	173,236
Subscriptions		191,766	152,593
Communications expenses		145,352	129,126
POS Terminals		137,897	139,197
Other general and administrative expenses	271	501,145	500,560
<b>Total</b>		<b>1,401,433</b>	<b>1,291,492</b>

271 Other expenses include auditor's fees as follows:

	2025 S'000	2024 S'000
Audit fees	9,525	6,095
Other services	200	150
<b>Total</b>	<b>9,725</b>	<b>6,245</b>

### 28. Operating segments

Operating segments are identified on the basis of internal reports about activities of the Bank that are regularly reviewed by the key decision makers including CEO and the Assets and Liabilities Committee (ALCO), in order to allocate resources to the segments and to assess their performance.

The Bank's primary business is conducted in Saudi Arabia. Transactions between the operating segments are on terms as approved by the management. Majority of the segment assets and liabilities comprise operating assets and liabilities. There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since December 31, 2024.

The Bank's reportable segments are as follows:

#### a) Retail banking

Financing, deposit and other products/services for individuals.

#### b) Corporate banking

Financing, deposit and other products and services for corporate, SME and institutional customers.

#### c) Treasury

Murabahas with banks, investments and treasury services.

#### d) Investment and brokerage

Asset Management, custodianship, advisory, underwriting and brokerage services.

Profit is charged or credited to operating segments using internally developed Fund Transfer Pricing (FTP) rates which approximate the marginal cost of funds.

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Following is an analysis of the Bank's assets, liabilities, income and results by operating segments:

S'000	December 31, 2025				
	Retail	Corporate	Treasury	Investment & brokerage	Total
<b>Total assets</b>	57,457,639	171,076,268	78,132,643	4,400,598	311,067,148
<b>Total liabilities</b>	146,725,452	43,769,678	71,960,436	370,460	262,826,026
Income from investments and financing	8,346,931	4,647,761	4,245,930	129,298	17,369,920
Return on time investments	(3,371,770)	(1,790,108)	(2,831,909)	585	(7,993,202)
<b>Income from investments and financing, net</b>	<b>4,975,161</b>	<b>2,857,653</b>	<b>1,414,021</b>	<b>129,883</b>	<b>9,376,718</b>
Fees from banking services	548,076	337,767	29,299	817,186	1,732,328
Other operating income	21,749	30,795	562,269	181,471	796,284
<b>Total operating income</b>	<b>5,544,986</b>	<b>3,226,215</b>	<b>2,005,589</b>	<b>1,128,540</b>	<b>11,905,330</b>
Charge for impairment of financing	117,882	912,139	-	344	1,030,365
Charge for impairment of other financial assets	2,311	-	21,123	6,272	29,706
Depreciation and amortization	343,359	57,864	20,891	8,941	431,055
Other operating expenses	1,930,021	704,611	187,928	460,980	3,283,540
<b>Total operating expenses</b>	<b>2,393,573</b>	<b>1,674,614</b>	<b>229,942</b>	<b>476,537</b>	<b>4,774,666</b>
<b>Net operating income</b>	<b>3,151,413</b>	<b>1,551,601</b>	<b>1,775,647</b>	<b>652,003</b>	<b>7,130,664</b>
Share of loss from associates and joint venture	-	-	(3,717)	(996)	(4,713)
<b>Net income for the year before zakat</b>	<b>3,151,413</b>	<b>1,551,601</b>	<b>1,771,930</b>	<b>651,007</b>	<b>7,125,951</b>

S'000	December 31, 2024				
	Retail	Corporate	Treasury	Investment & brokerage	Total
<b>Total assets</b>	48,534,575	152,476,079	72,241,565	3,575,262	276,827,481
<b>Total liabilities</b>	131,353,824	39,909,072	63,796,920	325,890	235,385,706
Income from investments and financing	7,783,317	4,461,080	3,788,869	121,513	16,154,779
Return on time investments	(3,082,891)	(1,670,430)	(2,751,731)	(1,098)	(7,506,150)
<b>Income from investments and financing, net</b>	<b>4,700,426</b>	<b>2,790,650</b>	<b>1,037,138</b>	<b>120,415</b>	<b>8,648,629</b>
Fees from banking services	453,673	381,690	23,788	749,168	1,608,319
Other operating income	20,562	1,674	531,078	129,814	683,128
<b>Total operating income</b>	<b>5,174,661</b>	<b>3,174,014</b>	<b>1,592,004</b>	<b>999,397</b>	<b>10,940,076</b>
Charge / (reversal) for impairment of financing	35,584	1,014,395	-	(170)	1,049,809
Charge / (reversal) for impairment of other financial assets	2,752	-	(1,746)	(1,556)	(550)
Depreciation and amortization	286,221	35,406	25,035	7,177	353,839
Other operating expenses	1,590,108	670,162	366,773	402,757	3,029,800
<b>Total operating expenses</b>	<b>1,914,665</b>	<b>1,719,963</b>	<b>390,062</b>	<b>408,208</b>	<b>4,432,898</b>
<b>Net operating income</b>	<b>3,259,996</b>	<b>1,454,051</b>	<b>1,201,942</b>	<b>591,189</b>	<b>6,507,178</b>
Share of (loss) / income from associate and joint venture	-	-	(11,920)	6,814	(5,106)
<b>Net income for the year before zakat</b>	<b>3,259,996</b>	<b>1,454,051</b>	<b>1,190,022</b>	<b>598,003</b>	<b>6,502,072</b>

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December 31, 2025					
ﷲ '000	Retail	Corporate	Treasury	Investment & brokerage	Total
<b>Other information:</b>					
<b>Income from:</b>					
-External customers	410,195	10,288,785	77,810	1,128,540	11,905,330
-Inter-segment	5,134,791	(7,062,570)	1,927,779	-	-
<b>Total operating income</b>	<b>5,544,986</b>	<b>3,226,215</b>	<b>2,005,589</b>	<b>1,128,540</b>	<b>11,905,330</b>

December 31, 2024					
ﷲ '000	Retail	Corporate	Treasury	Investment & brokerage	Total
<b>Other information:</b>					
<b>Income from:</b>					
-External customers	190,856	9,991,658	(241,835)	999,397	10,940,076
-Inter-segment	4,983,805	(6,817,644)	1,833,839	-	-
<b>Total operating income</b>	<b>5,174,661</b>	<b>3,174,014</b>	<b>1,592,004</b>	<b>999,397</b>	<b>10,940,076</b>

The Bank's credit exposure by operating segments is as follows:

December 31, 2025					
ﷲ '000	Retail	Corporate	Treasury	Investment & brokerage	Total
On balance sheet assets	57,457,638	171,076,269	67,429,036	2,295,354	298,258,297
Commitments and contingencies	-	16,769,513	1,139,554	-	17,909,067
<b>Total</b>	<b>57,457,638</b>	<b>187,845,782</b>	<b>68,568,590</b>	<b>2,295,354</b>	<b>316,167,364</b>

December 31, 2024					
ﷲ '000	Retail	Corporate	Treasury	Investment & brokerage	Total
On balance sheet assets	48,534,575	152,476,079	62,391,574	2,174,231	265,576,459
Commitments and contingencies	-	18,334,974	910,573	-	19,245,547
<b>Total</b>	<b>48,534,575</b>	<b>170,811,053</b>	<b>63,302,147</b>	<b>2,174,231</b>	<b>284,822,006</b>

Credit exposure comprises the carrying value of on balance sheet assets, excluding cash, property and equipment and right of use assets, investments in funds and equities and non-credit other assets. The credit equivalent value of commitments and contingencies are included in credit exposure.

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### 29. Credit risk

Credit risk arises when a counterparty fails to fulfil its contractual obligations to the Bank. To mitigate the risk of a counterparty defaulting, the Bank adheres to a robust, proactive credit process designed to ensure that every originated credit aligns with the institution's risk appetite and meets the criteria under which credits are extended. Each credit proposal undergoes thorough due diligence to identify and assess all potential risks associated with granting the credit.

An internal credit-rating model is employed to determine the Obligor Risk Rating (ORR), which quantifies the obligor's probability of default. In addition, ratings from major credit rating agencies are taken into account, provided they are available and disclosed by clients. A key element of this process is the Target Market, which acts as the first filter to ensure that the Bank avoids initiating or maintaining relationships with obligors that do not align with its strategic goals or desired risk profile. The Risk Acceptance Criteria (RAC) establishes the conditions under which the Bank is willing to engage in or continue a credit relationship with an obligor that meets the target market criteria. The credit assessment for individual obligors of Retail Asset products is performed through automated product specific scorecard framework.

The business team, responsible for originating, evaluating, and recommending credit proposals, plays a critical role in the front-end marketing process. Credit approval is granted in accordance with the Board-approved "Credit Approval Authority Delegation Matrix," which governs the Credit Committee, composed of the CEO, Business Senior Credit Officer, and Chief Credit Officer. Credits are extended based on the Bank's Corporate, Financial Institutions, and Retail Banking Credit Policies and Guidelines.

Risk Management, as a pivotal stakeholder, oversees the policies governing financing and is responsible for the regular review and updating of the Bank's credit policies, guidelines, and processes. This ensures that credit risks are managed within the Bank's defined risk appetite and that potential credit-related losses are minimized. Additionally, Risk Management ensures that credit policies remain aligned with evolving economic conditions, market trends, and regulatory and legal requirements.

The Bank actively manages a diverse range of credit portfolios to mitigate concentration risk. Portfolio diversification is examined and pro-actively managed controlled across several dimensions, including economic activity, geography, and underlying products. The Bank seeks to broaden its credit portfolios by acquiring customers from a variety of industries, economic sectors, and geographic regions, targeting large, medium, and small corporate clients, as well as individual clients. Monitoring of obligor and sector concentrations is essential to assess exposure to specific types of financing risks. To further safeguard its credit risk profile, the Bank regularly conducts stress tests on its credit portfolios to evaluate the potential impact of adverse factors on asset quality, risk ratings, profitability, and capital allocations.

### 29.1 Expected credit Loss (ECL)

#### Credit Risk Grades

The Bank follows a comprehensive and well-structured credit evaluation process, anchored in a clearly defined Target Market and Risk Acceptance Criteria, underpinned by a robust framework of credit policies and an extensive due diligence process. This credit review and approval process is further reinforced by stringent credit administration controls and a vigilant monitoring system for credit limits.

To determine an internal risk rating, the Bank leverages the Moody's CreditLens platform, a rating system that is widely utilized by leading global banks and those within the Kingdom. This platform enables the Bank to assign a precise risk rating to each obligor, reflecting a 12-month probability of default (PD). The rating scale spans from 1 (indicating the lowest risk) to 10 (indicating the highest risk), with intermediate sub-grades (e.g., 3+, 3, and 3-) providing a more granular assessment of the obligor's PD. In line with the Bank's policy, only obligors with risk ratings of 6- or better are eligible for new financing facilities.

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The Bank ensures that the Moody's CreditLens rating system remains aligned with current market dynamics through an independent periodic model validation activity to ensure key aspects of score ranges, rating grades and corresponding PDs are operationally sound and viable. All obligors are subject to ongoing monitoring and annual reviews, during which their credit risk grades may be reassessed and adjusted. These changes may result from various factors, including updates in audited financial statements, changes in compliance with covenants, shifts in management, or broader fluctuations in the economic and business environment.

For the retail portfolio, credit risks are assessed using individual credit-worthiness scores generated through an automated credit scoring platform, which operates independently of the Moody's rating system.

The Bank's internal credit rating grades:

Rating Grade	Internal rating description	PD		
Investment	1	Almost Credit Risk Free	0.01%	
	2+	Almost Credit Risk Free	0.01%	
	2	Almost Credit Risk Free	0.02%	
	2-	Almost Credit Risk Free	0.05%	
	3+	Exceptionally Strong Credit Risk	0.08%	
	3	Exceptionally Strong Credit Risk	0.12%	
	3-	Exceptionally Strong Credit Risk	0.17%	
	4+	Highest credit quality, subject to minimal credit risk	0.25%	
	4	Excellent credit quality, subject to very negligible credit risk	0.35%	
	4-	Excellent credit quality but susceptible to adverse changes while capacity to meet financial obligations is strong, subject to low credit risk	0.50%	
Performing	5+	Good credit quality, adverse changes could weaken the capacity to repay, subject to low credit risk	0.80%	
	5	Good credit quality, adverse changes could substantially weaken the capacity to repay, subject to moderate credit risk	1.25%	
	Non-investment	5-	Satisfactory credit quality, current financial obligations are being met but adverse business condition could affect the ability to repay, subject to moderate credit risk	2.10%
		6+	Speculative credit quality, capacity to pay is highly dependent upon favorable business conditions, subject to high credit risk	3.50%
		6	Highly Speculative credit quality, capacity to pay is constrained even upon favorable business conditions and external supports, subject to high credit risk.	6.30%
Default	6-	Highly vulnerable to default, subject to extremely high credit risk	13.25%	
	7	Special mention, watch list, Policy driven downgrades, non- target market	30.00%	
	8	Sub-standard / Non-accrual	100.00%	
	9	Doubtful	100.00%	
	10	Loss	100.00%	

### Impairment Framework

The Bank's impairment framework is designed to ensure the accurate recognition of credit losses and the appropriate provision of allowances in accordance with International Financial Reporting Standards (IFRS9). The framework is integral to maintaining the financial health of the Bank, ensuring that all credit exposures are assessed for impairment and that sufficient provisions are made to absorb potential losses.

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The Bank recognizes impairments on financial assets through an Expected Credit Loss (ECL) model, which applies a forward-looking approach to estimate potential credit losses. This model incorporates both historical data and forward-looking information to assess the credit quality of assets and to determine an appropriate impairment allowance. The ECL model is based on three stages of credit classification:

### Stage 1 - Performing Assets:

Financial assets that have not experienced significant credit deterioration since initial recognition. A 12-month ECL is recognized in this stage.

### Stage 2 - Underperforming Assets:

Financial assets that have shown significant credit deterioration since initial recognition but are not yet considered impaired. A lifetime ECL is recognized in this stage.

### Stage 3 - Credit-Impaired Assets (Non-performing Assets):

Financial assets that are considered credit-impaired. A lifetime ECL is recognized, and profit income is calculated on the net carrying amount (i.e., after adjusting for the impairment allowance).

The Bank's Credit Risk Management function is responsible for monitoring credit exposures, identifying deteriorating assets based on pre-set Significant Increase in Credit Risk (SICR) criteria, and ensuring the accuracy of impairment provisions. Regular periodic reviews of the credit portfolio are conducted to assess changes in credit risk and to update impairment provisions as necessary. The Bank also employs a range of models, including internal credit ratings, macroeconomic variables, and industry-specific factors, to estimate the expected credit loss and assess the adequacy of provisions.

Impairment provisions are subject to regular governance and oversight by the Risk Management and Impairment Committee to ensure they are consistent with the Bank's policies and are aligned with the regulatory requirements.

In the retail portfolio, the impairment framework and assessment of credit quality are primarily driven by automated credit scoring models that incorporate both quantitative indicators (such as payment behaviour, debt burden, income stability, and delinquency patterns) and relevant qualitative factors (including demographic and behavioural attributes). This model-based approach enables consistent, scalable, and timely assessment of credit risk across a large number of retail exposures. For corporate / non-retail portfolios, impairment assessments are conducted through detailed, obligor-specific credit reviews. These reviews consider individual internal risk ratings, financial performance, cash flow capacity, and behavioural aspects of the client, ensuring that ECL measurement appropriately reflects the distinct risk profile and circumstances of each obligor.

The Bank remains committed to ensuring that its impairment framework is robust and responsive to changing economic conditions, regulatory developments, and evolving market risks. This approach enables the Bank to maintain financial stability, safeguard shareholder value, and fulfil its obligations to customers and stakeholders.

### Significant Increase in Credit Risk (SICR) Criteria:

The Significant Increase in Credit Risk (SICR) criteria play a crucial role in the Bank's credit risk management framework and are integral to the calculation of Expected Credit Losses (ECL) under IFRS9. The SICR threshold determines when a financial asset transitions from Stage 1 (performing) to Stage 2 (underperforming) of the ECL model, triggering the recognition of lifetime expected credit losses. A significant increase in credit risk signifies a deterioration in the credit quality of an obligor, even if the obligor is not yet in default category.



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As outlined in the regulations, the Significant Increase in Credit Risk (SICR) backstop and rebuttal criteria are applied consistently across all types of exposures without modifications. Any exceptions to these criteria are thoroughly documented, including detailed justifications and the rationale for SICR overrides.

The Bank employs a forward-looking approach to assess whether there has been a significant increase in credit risk since the initial recognition of a financial asset. The determination of SICR is based on both quantitative and qualitative factors are briefly described below:

### Quantitative SICR Criteria:

- **Rating Migration:** A deterioration in the internal credit rating of an obligor, as determined by the Bank's internal credit-rating model or mapped external credit ratings, is a key indicator of SICR. A movement from a better risk grade to a worst risk grade beyond the allowable notches would trigger the SICR assessment.
- **PD Threshold:** The Bank's SICR criteria have PD threshold for classifying the asset into different IFRS9 stages. An obligor beyond a pre-set threshold will be transitioned to lower stage on the reporting date PD indicating current risk carried by the obligor.
- **Days Past Due (DPD):** A significant increase in credit risk may be indicated by an increase in the number of days past due on the obligor's payments. Typically, if an asset becomes more than 30 days past due, it may trigger the assessment of SICR, although additional criteria may apply depending on the asset class.

### Qualitative SICR Criteria:

**Internal Classification:** The Internal Classification Staging criteria are primarily applicable to the Bank's non-retail portfolios. These criteria incorporate several qualitative factors, which are not fully captured by the Bank's risk rating models, and are assessed using qualitative methods for staging. The Bank classifies its customers into various classification buckets based on a range of qualitative factors, including but not limited to:

- Early warning indicators trigger event
- The adverse impact of the current macroeconomic environment
- Management issues within the company
- Tightening liquidity or cash flow constraints
- Corporate restructuring events, such as mergers or splits
- Refinancing or restructuring of facilities
- Declining profitability
- Industry-specific challenges
- Other relevant factors

These classification criteria are fully aligned with regulatory requirements, which mandate the use of qualitative methods to assess and assign assets to different stages.

- **Modified Assets:** Modified Assets or Restructured Assets refer to financing or credit facilities where the terms have been altered due to the obligor's financial difficulties. Such modifications may include changes to the profit rate, repayment terms, or principal forgiveness to prevent default. Modified assets are classified at a minimum of Stage 2 for ECL (Expected Credit Loss) calculation. Restructured assets are closely monitored, and if they result in an economic loss, appropriate provisions are made in accordance with the Bank's impairment policies.
- **Other Indicators:** Qualitative factors, such as changes in management, business disruptions, or negative news about the obligor or its industry, are also considered in the assessment of SICR.

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The identification of SICR is a dynamic process, with assets continuously monitored for any signs of deterioration. The Bank employs a range of tools, including early warning systems, credit reviews, and stress tests, to detect potential increases in credit risk. This proactive approach enables the Bank to manage credit risk effectively and ensure that provisions for credit losses are adequately maintained.

By applying the SICR criteria, the Bank ensures that its financial statements reflect the true underlying credit risk of its portfolio, providing stakeholders with a transparent view of potential credit losses and the resilience of the Bank's assets.

### EAD - Exposure at Default

Exposure at Default (EAD) represents the total value the Bank is exposed to at the time of default by an obligor. It is the amount of the loan or credit facility that remains outstanding, including any potential increases in exposure, such as undrawn credit lines or guarantees, at the point when the obligor defaults. EAD is a key component in calculating the Expected Credit Loss (ECL) and is used to assess potential losses in the event of default.

It is important to note that the bank continues to recognize modified assets as per accounting guidance. Modified assets are loans or credit facilities where the terms have been altered, typically to support borrowers in financial distress. The Bank assesses the credit risk of modified assets within the same ECL framework, ensuring that significant modifications are carefully evaluated to accurately reflect their impact on the obligor's creditworthiness and the calculation of ECL.

### PD - Probability of Default:

The Probability of Default (PD) is a crucial element in the Bank's credit risk assessment framework, serving as a key input for calculating expected credit losses. The Bank employs sophisticated credit risk models to assign a risk rating to each obligor, known as the Obligor Risk Rating (ORR). This rating is then mapped to a PD, representing an estimate of the likelihood of default over a 12-month period.

To refine this assessment, the Bank utilizes macroeconomic forecasts to derive a multi-period PD, also referred to as the PD Term Structure, which reflects the probability of default over multiple time horizons. These multi-period PDs are integral to calculating lifetime expected credit losses. The Bank incorporates three distinct, forward-looking economic scenarios – Base, Up, and Down – that represent different stages of the economic cycle, which influence the expected movement of PDs. For instance, in a down-trending economic environment, the PD of an obligor already experiencing credit stress and classified under Stage 2, with clear signs of weakness, is expected to deteriorate further. Conversely, in an improving economic environment, the PD for such an obligor would likely improve.

Additionally, the Bank accounts for an adjustment factor in its lifetime PD calculations to reflect survivability. This factor acknowledges that if a stressed obligor continues to meet its obligations over a prolonged period, the likelihood of default diminishes, thus lowering the overall PD.

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### LGD - Loss Given Default

Loss Given Default (LGD) is a critical measure used to estimate the potential loss an obligor may cause in the event of default. The following key aspects are considered when estimating LGD for the Expected Credit Loss (ECL) calculation:

- **Internal Loss or Recovery LGDs:** The Bank utilizes internally derived LGDs for different portfolios, reflecting the Bank's own loss experience and recovery rates.
- **Market Benchmarking:** The Bank benchmarks its LGDs against national data pooling estimates, ensuring alignment with broader market trends and industry standards.
- **Retail Portfolio LGDs:** For retail products, the Bank employs decision tree based LGD models, which are developed using historical loss and recovery data specific to retail credit exposures.
- **Investment and Financial Institutions Portfolios:** Due to limited default and loss data in these segments, the Bank uses regulatory-prescribed LGD estimates for its investment and financial institution portfolios to maintain compliance with regulatory guidelines.

### Cure Period

The cure period is established to ensure that the observed improvement in the performance of deteriorated accounts is sustainable and not merely temporary. This period also helps maintain stability by mitigating stage fluctuations caused by short-term signs of improved credit risk.

In alignment with regulatory guidelines, the Bank applies a cure period (or cool-down period) to all assets that exhibit signs of credit deterioration (Stage 2 and Stage 3) before transitioning them to a better stage.

For non-retail assets, a minimum cure period of 12 months is required, unless an exception is specifically approved by the Impairment Committee. For retail assets, a standard cure period of 6 months applies universally, with no exceptions, aligning with industries best practices.

### Definition of 'Default'

As defined in the Basel regulation, a default is considered to have occurred when any of the following conditions are met for an obligor with the Bank:

- The obligor is 90 or more days past due on any of their material obligations with the Bank.
- Any of the obligor's obligations with the Bank have been charged-off in part or in full.
- Profit has stopped accruing profit on any of the obligor's obligations with the Bank within a specified segment.
- It is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.
- The obligor's debt has been restructured in a manner that results in an economic loss to the Bank.
- The obligor has been classified as non-performing by the Bank, in accordance with internal policies and regulatory guidelines.

### Use of expert judgment

Where assessed as appropriate, the Bank makes adjustments to the ECL estimate including those outside of the Bank's regular modelling process to reflect management's expert judgments. These includes management overlays which are adjustments to the ECL model outputs that have been made outside the detailed ECL calculation and reporting process and adjustments through further calibration of the modelled PD and LGD.

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The Bank has an internal governance framework and controls in place to assess the appropriateness and reasonableness of all management overlays. Where the impairment committee assesses that the coverage for large watchlist exposures is not sufficient, an estimate of overlays are recommended by the impairment committee after due assessment of factors such as, prevailing circumstances of the counterparty, source of recovery, quality of collateral, viability of recovery plan, cash flows projections etc.

### Write offs

The Bank writes off a financing exposure, either in whole or in part, only after all reasonable and practical recovery efforts have been exhausted, and it has determined that there is no foreseeable expectation of recovery. Write-offs are carried out following the necessary approvals, in accordance with the Bank's internal policies. Even in the event of a credit write-off, the Bank does not forfeit its right to pursue recovery and continues to apply the same level of intensity in collection efforts, including the use of legal recourse, to maximize recovery potential.

### Sensitivity analysis

Sensitivity analysis is conducted to assess the impact of various macroeconomic indicators on the estimated Expected Credit Loss (ECL). The Bank leverages multiple relevant and indicative macroeconomic factors to forecast potential changes in the country's economic conditions.

The table below shows the sensitivity of change in economic indicators to the ECL computed under three different scenarios used by Bank:

	SAR '000			
	Due from banks and other financial institutions	Investments	Financing	Provision for credit-related commitments
<b>2025</b>				
Base case (most likely)	1,137	41,254	3,218,257	215,300
Up turn	864	30,570	2,845,235	182,437
Down turn	1,477	56,716	3,837,960	273,946

	SAR '000			
	Due from banks and other financial institutions	Investments	Financing	Provision for credit-related commitments
<b>2024</b>				
Base case (most likely)	1,034	17,161	3,759,064	1,111,549
Up turn	804	12,875	3,268,013	1,096,515
Down turn	1,299	22,365	4,315,388	1,131,540

The base case scenario represents a most-likely outcome. The Bank currently uses the weightings of 50% for baseline, 30% for optimistic assumptions and 20% for pessimistic assumptions. During the year, the Bank made additional enhancement to its analysis of the sensitivity analysis change in economic indicators to the ECL to reflect full impact of upturn and downturn scenarios and the comparative numbers have been updated to reflect this enhancement.

The probability of each scenario's occurrence is determined through a rigorous analytical process, further refined with management's input to ensure that scenario weights are logically and directionally aligned with the inherent risks and uncertainties of the economic outlook.

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The base scenario is derived from forecasts provided by renowned economists, such as those published from the International Monetary Fund (IMF). It incorporates a wide range of current socio-economic factors along with a forward-looking perspective on the countries in question, using a well-established and robust forecasting mechanism.

In contrast, the pessimistic (down) and optimistic (up) scenarios are shaped by examining historical economic downturns and upturns within the Saudi economy, ensuring that these scenarios accurately reflect the potential range of economic variability.

The Bank has carefully considered probability weightings to provide the most reliable estimate of possible loss outcomes. In doing so, it has analyzed interrelationships and correlations within its credit portfolios, both in the short and long term, to ensure that these factors are appropriately reflected in the loss estimates.

The predicted relationships between key economic indicators, default rates, and loss rates across various financial asset portfolios have been developed through a detailed analysis of historical data. The Bank has utilized the following base case near-term forecast in its ECL model, based on the most up-to-date information available as of the reporting date:

Economic Indicators	Forecast calendar years used in 2025 ECL model		
	2026	2027	2028
Inflation (%)	2.00	2.00	2.00
GDP per capita (ﷲ)	137,264	138,946	140,764
Fiscal Spending (ﷲ Billions)	1,369	1,424	1,472
Oil Price / Barrel (USD)	66.00	66.00	67.00

Economic Indicators	Forecast calendar years used in 2024 ECL model		
	2025	2026	2027
Inflation (%)	1.89	2.03	2.00
GDP per capita (ﷲ)	108,234	110,984	112,985
Fiscal Spending (ﷲ Billions)	1,389	1,454	1,496
Oil Price / Barrel (USD)	74.71	72.19	70.60

The PD, EAD and LGD models are subject to the Bank's model risk policy that stipulates periodic model monitoring, periodic revalidation and defines approval procedures and authorities according to model materiality.

The Bank's ECL model continues to be sensitive to the above assumptions and are continually reassessed as part of its business as usual model refinement evaluation based over periodic independent model validation and back-testing exercise. As with any forecasts, the projections and likelihood of occurrence are underpinned by various assumptions, management expert judgement and uncertainty and therefore, the actual outcomes may be different than those projected. The Bank has assigned high priority in enhancing the IFRS 9 calculation engine with an objective to minimize the manual intervention and automate system functionality to an optimal level.

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### 29.1.1 Due from banks and other financial institutions by risk rating

	2025			2024		
	12-month ECL	Life time ECL not credit impaired	Total	12-month ECL	Life time ECL not credit impaired	Total
	ﷲ '000			ﷲ '000		
<b>Due from banks and other financial institutions</b>						
Grades 1-4: investment grade	1,148,359	-	1,148,359	4,459,186	-	4,459,186
Grades 5-6: good/satisfactory/speculative	529,984	-	529,984	20,672	-	20,672
Grades 7: Watch-list	-	43,238	43,238	-	31,318	31,318
<b>Gross</b>	<b>1,678,343</b>	<b>43,238</b>	<b>1,721,581</b>	<b>4,479,858</b>	<b>31,318</b>	<b>4,511,176</b>
Allowance for impairment	(266)	(857)	(1,123)	(406)	(628)	(1,034)
<b>Net</b>	<b>1,678,077</b>	<b>42,381</b>	<b>1,720,458</b>	<b>4,479,452</b>	<b>30,690</b>	<b>4,510,142</b>

### 29.1.2 Sukuk and Murabaha investments by risk rating

	2025	2024
	12-month ECL	
	ﷲ '000	
<b>Murabahas with SAMA investments – amortized cost</b>		
Grades 1-4: investment grade	904,597	1,771,552
<b>Sukuk investments – amortized cost</b>		
Grades 1-4: investment grade	38,062,389	29,907,799
Grades 5-6: good/satisfactory/speculative	14,665	19,270
	<b>38,077,054</b>	<b>29,927,069</b>
<b>Sukuk investments – FVOCI</b>		
Grades 1-4: investment grade	11,342,230	12,132,124
Grades 5-6: good/satisfactory/speculative	1,932,718	791,298
	<b>13,274,948</b>	<b>12,923,422</b>
<b>Sukuk investments – FVSI</b>		
Grades 1-4: investment grade	78,423	76,960
	<b>78,423</b>	<b>76,960</b>
<b>Murabahas with SAMA and Sukuk investments - Total</b>		
Grades 1-4: investment grade	50,387,638	43,888,435
Grades 5-6: good/satisfactory/speculative	1,947,383	810,568
<b>Gross</b>	<b>52,335,021</b>	<b>44,699,003</b>
Allowance for impairment	(41,141)	(17,161)
<b>Net</b>	<b>52,293,880</b>	<b>44,681,842</b>

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### 29.1.3 Financing to customers by risk rating

	December 31, 2025			Total
	12-month ECL	Life time ECL not credit impaired	Life time ECL credit impaired (non-performing)	
S '000				
<b>Financing to customers (at amortized cost) – Retail</b>				
Unrated	57,463,641	1,417,379	-	58,881,020
Impaired financing	-	-	367,227	367,227
<b>Gross financing</b>	<b>57,463,641</b>	<b>1,417,379</b>	<b>367,227</b>	<b>59,248,247</b>
Allowance for impairment	(237,618)	(119,206)	(220,853)	(577,677)
	57,226,023	1,298,173	146,374	58,670,570
<b>Financing to customers (at amortized cost) – Corporate</b>				
Grades 1-4: investment grade	86,737,556	-	-	86,737,556
Grades 5-6: good/satisfactory/speculative	75,606,722	8,719,272	-	84,325,994
Grades 7: Watch-list	-	876,008	-	876,008
Impaired financing	-	-	1,767,437	1,767,437
<b>Gross financing</b>	<b>162,344,278</b>	<b>9,595,280</b>	<b>1,767,437</b>	<b>173,706,995</b>
Allowance for impairment	(627,244)	(1,250,240)	(753,243)	(2,630,727)
	161,717,034	8,345,040	1,014,194	171,076,268
<b>Financing to customers (at amortized cost) – Total</b>				
Grades 1-4: investment grade	86,737,556	-	-	86,737,556
Grades 5-6: good/satisfactory/speculative	75,606,722	8,719,272	-	84,325,994
Grades 7: Watch-list	-	876,008	-	876,008
Unrated	57,463,641	1,417,379	-	58,881,020
Impaired financing	-	-	2,134,664	2,134,664
<b>Gross financing</b>	<b>219,807,919</b>	<b>11,012,659</b>	<b>2,134,664</b>	<b>232,955,242</b>
Allowance for impairment	(864,862)	(1,369,446)	(974,096)	(3,208,404)
<b>Financing, net</b>	<b>218,943,057</b>	<b>9,643,213</b>	<b>1,160,568</b>	<b>229,746,838</b>

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	December 31, 2024			Total
	12-month ECL	Life time ECL not credit impaired	Life time ECL credit impaired (non-performing)	
S '000				
<b>Financing to customers (at amortized cost) – Retail</b>				
Unrated	48,522,099	1,455,732	-	49,977,831
Impaired financing	-	-	502,404	502,404
<b>Gross financing</b>	<b>48,522,099</b>	<b>1,455,732</b>	<b>502,404</b>	<b>50,480,235</b>
Allowance for impairment	(216,715)	(81,692)	(349,813)	(648,220)
	48,305,384	1,374,040	152,591	49,832,015
<b>Financing to customers (at amortized cost) – Corporate</b>				
Grades 1-4: investment grade	86,143,895	-	-	86,143,895
Grades 5-6: good/satisfactory/speculative	57,920,301	9,322,112	-	67,242,413
Grades 7: Watch-list	-	520,783	-	520,783
Impaired financing	-	-	1,679,832	1,679,832
<b>Gross financing</b>	<b>144,064,196</b>	<b>9,842,895</b>	<b>1,679,832</b>	<b>155,586,923</b>
Allowance for impairment	(583,623)	(1,675,928)	(851,293)	(3,110,844)
	143,480,573	8,166,967	828,539	152,476,079
<b>Financing to customers (at amortized cost) – Total</b>				
Grades 1-4: investment grade	86,143,895	-	-	86,143,895
Grades 5-6: good/satisfactory/speculative	57,920,301	9,322,112	-	67,242,413
Grades 7: Watch-list	-	520,783	-	520,783
Unrated	48,522,099	1,455,732	-	49,977,831
Impaired financing	-	-	2,182,236	2,182,236
<b>Gross financing</b>	<b>192,586,295</b>	<b>11,298,627</b>	<b>2,182,236</b>	<b>206,067,158</b>
Allowance for impairment	(800,338)	(1,757,620)	(1,201,106)	(3,759,064)
<b>Financing, net</b>	<b>191,785,957</b>	<b>9,541,007</b>	<b>981,130</b>	<b>202,308,094</b>

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### 29.1.4 Commitments and contingencies by risk rating

	December 31, 2025			Total
	12-month ECL	Life time ECL not credit impaired	Life time ECL credit impaired (non-performing)	
	S'000			
<b>Commitments and contingencies</b>				
Grades 1-4: investment grade	28,373,877	-	-	28,373,877
Grades 5-6: good/satisfactory/speculative	5,423,984	2,740,027	-	8,164,011
Grades 7: Watch-list	-	136,356	-	136,356
Unrated	2,592,257	325	-	2,592,582
Impaired	-	-	528,833	528,833
<b>Gross carrying amount</b>	<b>36,390,118</b>	<b>2,876,708</b>	<b>528,833</b>	<b>39,795,659</b>
<b>Total amount at credit equivalents</b>	<b>16,138,764</b>	<b>1,474,664</b>	<b>295,639</b>	<b>17,909,067</b>
<b>Provision for credit-related commitments</b>	<b>48,764</b>	<b>49,510</b>	<b>138,037</b>	<b>236,311</b>

	December 31, 2024			Total
	12-month ECL	Life time ECL not credit impaired	Life time ECL credit impaired (non-performing)	
	S'000			
<b>Commitments and contingencies</b>				
Grades 1-4: investment grade	26,208,359	-	-	26,208,359
Grades 5-6: good/satisfactory/speculative	5,943,567	3,060,745	-	9,004,312
Grades 7: Watch-list	-	716,835	-	716,835
Unrated	4,157,143	-	-	4,157,143
Impaired	-	-	1,239,774	1,239,774
<b>Gross carrying amount</b>	<b>36,309,069</b>	<b>3,777,580</b>	<b>1,239,774</b>	<b>41,326,423</b>
<b>Total amount at credit equivalents</b>	<b>16,404,721</b>	<b>1,852,938</b>	<b>987,888</b>	<b>19,245,547</b>
<b>Provision for credit-related commitments</b>	<b>45,955</b>	<b>537,245</b>	<b>528,349</b>	<b>1,111,549</b>

Rating Scale (1 – 4) represents:	Substantially credit risk free, Exceptionally strong credit quality, Excellent credit risk quality, Very good credit risk quality.
Rating Scale (5 – 6) represents:	Good, satisfactory and speculative credit quality.
Rating Scale (7) represents:	Watch list category.

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### 29.2 Economic sectors risk concentration for financing and allowance for impairment are as follows:

	S'000			Financing, net
	Performing	Non-performing	Life time ECL for credit impaired financing	
<b>2025</b>				
Government and quasi government	19,657,391	-	-	19,657,391
Manufacturing	10,707,057	115,231	(48,120)	10,774,168
Electricity, water, gas & health services	9,643,882	-	-	9,643,882
Building and construction	8,954,795	1,309,992	(566,825)	9,697,962
Services	30,243,215	103,672	(39,561)	30,307,326
Mining	3,510,284	-	-	3,510,284
Agriculture	1,968,841	-	-	1,968,841
Consumer financing	58,881,021	367,226	(220,853)	59,027,394
Transportation and communication	9,594,995	542	(163)	9,595,374
Commerce	12,309,223	237,942	(98,550)	12,448,615
Real estate business	44,716,230	-	-	44,716,230
Others	20,633,645	58	(24)	20,633,679
	<b>230,820,579</b>	<b>2,134,663</b>	<b>(974,096)</b>	<b>231,981,146</b>
<b>ECL against performing financing</b>				<b>(2,234,308)</b>
<b>Financing, net</b>				<b>229,746,838</b>

	S'000			Financing, net
	Performing	Non-performing	Life time ECL for credit impaired financing	
<b>2024</b>				
Government and quasi government	21,698,698	-	-	21,698,698
Manufacturing	9,203,368	854,855	(425,123)	9,633,100
Electricity, water, gas & health services	7,749,409	-	-	7,749,409
Building and construction	9,388,502	44,658	(36,871)	9,396,289
Services	29,255,399	118,615	(98,029)	29,275,985
Mining	3,579,596	-	-	3,579,596
Agriculture	2,495,496	-	-	2,495,496
Consumer financing	49,977,831	502,404	(349,813)	50,130,422
Transportation and communication	8,975,492	2,750	(825)	8,977,417
Commerce	13,323,334	298,485	(128,234)	13,493,585
Real estate business	31,528,282	360,469	(162,211)	31,726,540
Others	16,709,515	-	-	16,709,515
	<b>203,884,922</b>	<b>2,182,236</b>	<b>(1,201,106)</b>	<b>204,866,052</b>
<b>ECL against performing financing</b>				<b>(2,557,958)</b>
<b>Financing, net</b>				<b>202,308,094</b>

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### 29.3 Collateral

The Bank, in the ordinary course of business holds collaterals as security to mitigate credit risk. These collaterals mostly include customers' deposits, financial guarantees, equities, real estate and other fixed assets. As at December 31, 2025, the Bank held collaterals of ₪ 249,555 million (2024: ₪ 229,848 million) against its secured financing.

The amount of collaterals held as security for financing that are credit-impaired are as follows:

	2025 ₪'000	2024 ₪'000
Less than 50%	1,874,040	2,005,787
51% to 70%	122,122	39,753
More than 70%	138,501	136,696
<b>Total</b>	<b>2,134,663</b>	<b>2,182,236</b>

The Bank's policies regarding obtaining collateral have not significantly changed during the year and there has been no significant change in the overall quality of the collaterals held by the Bank.

The following table sets out the principal types of collateral held against financing. The Bank does not hold any type of collateral for its financial assets other than financing:

Types of Collateral	2025 ₪'000	2024 ₪'000
Real estate and fixed assets	170,825,368	161,993,431
Shares	33,480,809	31,314,293
Others	45,249,308	36,539,992
<b>Total</b>	<b>249,555,485</b>	<b>229,847,716</b>

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### 29.4 Geographical concentration of financial assets, financial liabilities, commitments and contingencies are as follows:

2025	₪'000				Total
	Kingdom of Saudi Arabia	Other GCC and Middle East countries	Europe	Other countries	
<b>Financial assets:</b>					
Cash and balances with SAMA	14,942,407	-	-	-	14,942,407
<b>Due from banks and other financial institutions, net</b>					
Current accounts	-	44,152	277,160	141,916	463,228
Murabaha, Wakala and Reverse repo with banks	694,553	562,677	-	-	1,257,230
<b>Investments, net</b>					
Investments held at amortized cost	38,807,178	118,667	-	14,665	38,940,510
Investments held at FVOCI	12,211,189	1,340,466	102,384	-	13,654,039
Investments held at FVSI	1,625,276	995,661	99,669	1,175,176	3,895,782
Investments in associates and joint venture	132,221	-	-	-	132,221
<b>Positive fair value of derivatives</b>	<b>179,121</b>	<b>58,717</b>	<b>205,239</b>	<b>-</b>	<b>443,077</b>
<b>Financing, net</b>					
Retail	58,670,570	-	-	-	58,670,570
Corporate	169,053,144	-	-	2,023,124	171,076,268
Other financial assets	1,574,479	-	-	-	1,574,479
<b>Total financial assets</b>	<b>297,890,138</b>	<b>3,120,340</b>	<b>684,452</b>	<b>3,354,881</b>	<b>305,049,811</b>
<b>Financial liabilities:</b>					
<b>Due to SAMA, banks and other financial institutions</b>					
Current accounts	466,533	29,271	-	957	496,761
Time investments and placements from SAMA	11,613,755	2,391,288	836,161	875,000	15,716,204
<b>Customers' deposits</b>					
Demand, savings and others	109,642,327	-	-	140,474	109,782,801
Customer's time investments	117,459,533	-	-	131,596	117,591,129
Sukuks and certificates of deposit issued	456,436	1,768,759	725,302	4,674,424	7,624,921
<b>Negative fair value of derivatives</b>	<b>196,273</b>	<b>11,661</b>	<b>58,050</b>	<b>-</b>	<b>265,984</b>
Other financial liabilities	10,155,552	-	-	-	10,155,552
<b>Total financial liabilities</b>	<b>249,990,409</b>	<b>4,200,979</b>	<b>1,619,513</b>	<b>5,822,451</b>	<b>261,633,352</b>
<b>Commitments and contingencies:</b>					
Letters of credit	5,218,265	-	-	-	5,218,265
Letters of guarantee	20,578,534	-	-	-	20,578,534
Acceptances	1,167,413	-	-	-	1,167,413
Irrevocable commitments to extend credit	12,831,447	-	-	-	12,831,447
<b>Total commitments and contingencies</b>	<b>39,795,659</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,795,659</b>
<b>Maximum credit exposure (stated at credit equivalent amounts) of commitments and contingencies:</b>					
Letters of credit	1,167,413	-	-	-	1,167,413
Letters of guarantee	1,043,732	-	-	-	1,043,732
Acceptances	10,565,343	-	-	-	10,565,343
Irrevocable commitments to extend credit	5,132,579	-	-	-	5,132,579
<b>Total maximum credit exposure</b>	<b>17,909,067</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,909,067</b>

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2024	S'000				
	Kingdom of Saudi Arabia	Other GCC and Middle East countries	Europe	Other countries	Total
<b>Financial assets:</b>					
Cash and balances with SAMA	13,849,670	-	-	-	13,849,670
<b>Due from banks and other financial institutions, net</b>					
Current accounts	-	49,843	302,829	374,497	727,169
Murabaha, Wakala and Reverse repo with banks	2,565,928	1,217,045	-	-	3,782,973
<b>Investments, net</b>					
Investments held at amortized cost	31,543,727	123,185	-	14,548	31,681,460
Investments held at FVOCI	12,319,039	1,333,092	98,687	-	13,750,818
Investments held at FVSI	1,459,885	1,110,651	80,926	491,203	3,142,665
Investments in associate and joint venture	50,267	-	-	-	50,267
<b>Positive fair value of derivatives</b>	<b>259,825</b>	<b>16,926</b>	<b>228,666</b>	<b>-</b>	<b>505,417</b>
<b>Financing, net</b>					
Retail	49,832,015	-	-	-	49,832,015
Corporate	150,209,443	-	-	2,266,636	152,476,079
Other financial assets	1,669,279	-	-	-	1,669,279
<b>Total financial assets</b>	<b>263,759,078</b>	<b>3,850,742</b>	<b>711,108</b>	<b>3,146,884</b>	<b>271,467,812</b>
<b>Financial liabilities:</b>					
<b>Due to SAMA, banks and other financial institutions</b>					
Current accounts	700,033	28,348	-	1,699	730,080
Time investments and placements from SAMA	9,760,139	758,248	2,535,657	152,132	13,206,176
<b>Customers' deposits</b>					
Demand, savings and others	108,658,348	-	-	81,207	108,739,555
Customer's time investments	101,716,338	-	-	88,757	101,805,095
<b>Negative fair value of derivatives</b>	<b>321,922</b>	<b>26,878</b>	<b>87,826</b>	<b>-</b>	<b>436,626</b>
Other financial liabilities	9,364,022	-	-	-	9,364,022
<b>Total financial liabilities</b>	<b>230,520,802</b>	<b>813,474</b>	<b>2,623,483</b>	<b>323,795</b>	<b>234,281,554</b>
<b>Commitments and contingencies:</b>					
Letters of credit	3,392,930	-	-	-	3,392,930
Letters of guarantee	21,548,974	-	-	-	21,548,974
Acceptances	1,203,262	-	-	-	1,203,262
Irrevocable commitments to extend credit	15,181,257	-	-	-	15,181,257
<b>Total commitments and contingencies</b>	<b>41,326,423</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,326,423</b>
<b>Maximum credit exposure (stated at credit equivalent amounts) of commitments and contingencies:</b>					
Letters of credit	1,203,262	-	-	-	1,203,262
Letters of guarantee	678,586	-	-	-	678,586
Acceptances	11,291,196	-	-	-	11,291,196
Irrevocable commitments to extend credit	6,072,503	-	-	-	6,072,503
<b>Total maximum credit exposure</b>	<b>19,245,547</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,245,547</b>

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29.5 The distribution by geographical concentration of non-performing financing and allowances for impairment on financing is as follows:

2025	S'000				
	Kingdom of Saudi Arabia	Other GCC and Middle East countries	Europe	Other countries	Total
<b>Non-performing financing, net</b>					
Retail	367,226	-	-	-	367,226
Corporate	1,767,437	-	-	-	1,767,437
<b>Total</b>	<b>2,134,663</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,134,663</b>
<b>Allowances for impairment on financing</b>					
Retail	577,677	-	-	-	577,677
Corporate	2,626,535	-	-	4,192	2,630,727
<b>Total</b>	<b>3,204,212</b>	<b>-</b>	<b>-</b>	<b>4,192</b>	<b>3,208,404</b>

2024	S'000				
	Kingdom of Saudi Arabia	Other GCC and Middle East countries	Europe	Other countries	Total
<b>Non-performing financing, net</b>					
Retail	502,404	-	-	-	502,404
Corporate	1,679,832	-	-	-	1,679,832
<b>Total</b>	<b>2,182,236</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,182,236</b>
<b>Allowances for impairment on financing</b>					
Retail	648,220	-	-	-	648,220
Corporate	3,106,092	-	-	4,752	3,110,844
<b>Total</b>	<b>3,754,312</b>	<b>-</b>	<b>-</b>	<b>4,752</b>	<b>3,759,064</b>

### 30. Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate due to changes in market variables such as equity prices, profit rates, foreign exchange rates and commodity prices. The Bank classifies exposures to market risks into either trading or non-trading (or banking book).

#### Market risk – trading book

The Bank is exposed to an insignificant market risk on its trading book position of equities in local currency which is regularly marked to market and losses or gains on equity prices are taken directly into consolidated statement of income.

#### Market risk – non trading book

Market risks on non-trading book mainly arise from profit rate movements and, to a minor extent, from currency fluctuations. The Bank also faces price risks on investments held at "FVOCI".

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### 30.1 Profit rate risk

It arises from changes in profit rates which will affect either the fair values or the future cash flows of the financial instruments. The Board has established profit rate risk limits which are regularly monitored by ALCO. Treasury imputes the funding costs based on the yield curve and the margins are also adjusted to account for liquidity premium based on the duration of the financing.

Following table depicts the sensitivity on the Bank's consolidated statement of income or equity due to reasonably possible changes in profit rates, with other variables held constant. The sensitivity is the effect of the assumed changes in profit rates on the net income or equity, based on profit bearing non-trading financial assets and financial liabilities as of the reporting date after taking in to account their respective maturities and re-pricing structure. Due to insignificant foreign currency exposure of profit bearing financial assets and liabilities in banking book except for USD, the banking book exposures are monitored in both the reporting currency and USD.

2025	Average sensitivity of net income from financing and investments	Sensitivity of equity				Total
		Within 3 months	3-12 months	1-5 years	Over 5 years	
						ﷲ '000
10	14,730	(14,085)	29,789	(13,992)	(15,623)	(13,911)
-10	(14,730)	14,085	(29,789)	13,992	15,623	13,911

2024	Average sensitivity of net income from financing and investments	Sensitivity of equity				Total
		Within 3 months	3-12 months	1-5 years	Over 5 years	
						ﷲ '000
10	15,680	(11,335)	27,360	(14,905)	(17,882)	(16,762)
-10	(15,680)	11,335	(27,360)	14,905	17,882	16,762

### Yield sensitivity of assets, liabilities and off-balance sheet items

The Bank manages exposure to the effects of various risks associated with fluctuations in the prevailing levels of market profit rates on its financial position and cash flows. The Bank uses the SAIBOR for ﷲ and appropriate reference rates for USD lending as a benchmark rate for different maturities. At times when these benchmark rates are not representative of the actual transactions in the market, marginal cost of fund is provided by Treasury. The Bank charges profit rates based on the maturity of loans (longer term loans usually require a higher profit rate) based on marginal costs of funds.

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The table below summarizes the Bank's exposure to profit rate risks. Included in the table are the Bank's financial instruments at carrying amounts, categorized by the earlier of contractual re-pricing or maturity dates.

2025	ﷲ'000					Total
	Within 3 months	3-12 months	1-5 years	Over 5 years	Non-profit bearing	
<b>Assets</b>						
Cash and balances with SAMA	-	-	-	-	14,942,407	14,942,407
<b>Due from banks and other financial institutions, net</b>						
Current accounts	-	-	-	-	463,228	463,228
Murabaha, Wakala and Reverse repo with banks	747,229	-	510,001	-	-	1,257,230
<b>Investments, net</b>						
Investments held at amortized cost	650,000	250,000	6,534,772	31,505,738	-	38,940,510
Investments held at FVOCI	1,442,334	4,088,356	5,966,906	1,777,352	379,091	13,654,039
Investments held at FVSI	-	-	-	-	3,895,782	3,895,782
Investments in associates and joint venture	-	-	-	-	132,221	132,221
Positive fair value of derivatives	427	2,463	137,849	296,347	5,991	443,077
<b>Financing, net</b>						
Retail	4,952,388	10,632,667	20,982,158	22,103,357	-	58,670,570
Corporate	61,075,622	105,898,651	3,112,718	989,277	-	171,076,268
Other financial assets	-	-	-	-	1,574,479	1,574,479
<b>Total assets</b>	<b>68,868,000</b>	<b>120,872,137</b>	<b>37,244,404</b>	<b>56,672,071</b>	<b>21,393,199</b>	<b>305,049,811</b>
<b>Liabilities &amp; equity</b>						
<b>Due to SAMA, banks and other financial institutions</b>						
Current accounts	-	-	-	-	524,609	524,609
Time investments and placements from SAMA	10,264,705	2,953,099	2,470,552	-	-	15,688,356
<b>Customer deposits</b>						
Demand, savings and others	17,566,622	1,760,032	1,663,156	961,567	87,831,424	109,782,801
Customer's time investments	69,448,533	43,856,357	4,191,357	94,882	-	117,591,129
Sukuks and certificates of deposit issued	-	58,082	5,676,644	1,890,195	-	7,624,921
Negative fair value of derivatives	-	2,220	75,261	184,002	4,501	265,984
Amounts due to Mutual Funds' unitholders	-	-	-	-	100,782	100,782
Other financial liabilities	-	-	-	-	9,873,316	9,873,316
<b>Total equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48,241,122</b>	<b>48,241,122</b>
<b>Total liabilities &amp; equity</b>	<b>97,279,860</b>	<b>48,629,790</b>	<b>14,076,969</b>	<b>3,130,647</b>	<b>146,575,755</b>	<b>309,693,021</b>
Yield sensitivity - On statement of financial position	(28,411,693)	72,242,347	23,167,434	53,541,426		
Yield sensitivity - Off statement of financial position	7,550,086	12,309,518	19,757,506	178,549		
Total yield sensitivity gap	(20,861,775)	84,551,865	42,924,941	53,719,974		
<b>Cumulative yield sensitivity gap</b>	<b>(20,861,775)</b>	<b>63,690,090</b>	<b>106,615,031</b>	<b>160,335,005</b>		



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2024	S'000					Total
	Within 3 months	3-12 months	1-5 years	Over 5 years	Non-profit bearing	
<b>Assets</b>						
Cash and balances with SAMA	330,000	-	-	-	13,519,670	13,849,670
<b>Due from banks and other financial institutions, net</b>						
Current accounts	-	-	-	-	727,169	727,169
Murabaha, Wakala and Reverse repo with banks	3,272,973	-	510,000	-	-	3,782,973
<b>Investments, net</b>						
Investments held at amortized cost	374,556	1,019,406	5,243,947	25,043,551	-	31,681,460
Investments held at FVOCI	2,046,853	2,901,547	5,459,597	2,515,425	827,396	13,750,818
Investments held at FVSI	-	-	-	-	3,142,665	3,142,665
Investments in associate and joint venture	-	-	-	-	50,267	50,267
Positive fair value of derivatives	312,185	183,889	-	-	9,343	505,417
<b>Financing, net</b>						
Retail	6,847,830	7,019,074	17,441,335	18,523,776	-	49,832,015
Corporate	51,528,801	97,018,368	3,478,871	450,039	-	152,476,079
Other financial assets	-	-	-	-	1,669,279	1,669,279
<b>Total assets</b>	<b>64,713,198</b>	<b>108,142,284</b>	<b>32,133,750</b>	<b>46,532,791</b>	<b>19,945,789</b>	<b>271,467,812</b>
<b>Liabilities &amp; equity</b>						
<b>Due to SAMA, banks and other financial institutions</b>						
Current accounts	-	-	-	-	730,080	730,080
Time investments and placements from SAMA	4,787,080	7,198,605	1,220,491	-	-	13,206,176
<b>Customer deposits</b>						
Demand, savings and others	18,695,581	2,577,924	2,010,897	806,767	84,648,386	108,739,555
Customer's time investments	63,234,065	34,177,164	3,060,553	1,333,313	-	101,805,095
Negative fair value of derivatives	272,385	153,713	-	-	10,528	436,626
Amounts due to Mutual Funds' unitholders	-	-	-	-	114,557	114,557
Other financial liabilities	-	-	-	-	9,364,022	9,364,022
<b>Total equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,441,775</b>	<b>41,441,775</b>
<b>Total liabilities &amp; equity</b>	<b>86,989,111</b>	<b>44,107,406</b>	<b>6,291,941</b>	<b>2,140,080</b>	<b>136,309,348</b>	<b>275,837,886</b>
Yield sensitivity - On statement of financial position	(22,275,913)	64,034,878	25,841,809	44,392,711		
Yield sensitivity - Off statement of financial position	5,042,125	11,888,623	24,297,577	98,098		
<b>Total yield sensitivity gap</b>	<b>(17,233,788)</b>	<b>75,923,501</b>	<b>50,139,386</b>	<b>44,490,809</b>		
<b>Cumulative yield sensitivity gap</b>	<b>(17,233,788)</b>	<b>58,689,713</b>	<b>108,829,099</b>	<b>153,319,908</b>		

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### 30.2 Currency risk

Currency risk represents the risks of change of value of financial instruments due to changes in foreign exchange rates. The Bank's Risk Appetite Framework and policies contain limits for positions by currencies. However, the bank has negligible exposure in foreign currencies because its assets and liabilities are primarily denominated in Saudi Riyal except for the significant currency of USD.

The Bank has the following summarized exposure to foreign currency exchange rate risk as at December 31:

Assets	2025 S'000	2024 S'000
Cash and balances with SAMA	236,778	165,651
Due from banks and other financial institutions	1,026,798	2,192,940
Investments, net	7,089,746	5,679,078
Financing, net	18,077,022	13,429,238
Other assets	1,279,607	488,119
<b>Total currency risk on assets</b>	<b>27,709,951</b>	<b>21,955,026</b>
<b>Liabilities</b>		
Due to SAMA, banks and other financial institutions	6,436,350	4,014,762
Customers' deposits	6,385,345	13,945,998
Sukuks and certificates of deposit issued	7,624,921	-
Other liabilities	176,098	946,394
<b>Total currency risk on liabilities</b>	<b>20,622,714</b>	<b>18,907,154</b>
Tier 1 sukuk	7,502,050	3,750,500
Foreign currency forwards, net	1,520,444	(743,946)
<b>Net position – asset / (liability)</b>	<b>1,105,631</b>	<b>(1,446,574)</b>

The table below shows the currencies to which the Bank has a significant exposure as at December 31:

	2025 S'000	2024 S'000
USD	954,152	(1,463,602)
Euro	18,853	(36,119)
UAE Dirham	19,757	11,182
BHD	4,275	(21,323)
QAR	2,375	1,927
Others	106,219	61,361
<b>Total</b>	<b>1,105,631</b>	<b>(1,446,574)</b>

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### 30.3 Equity price risk

Equity price risk refers to the risk of decrease in fair values of equities as a result of changes in the levels of equity index and the value of individual stocks.

The effect on the Bank's equity investments held at FVOCI due to reasonable possible change in equity index, with all other variables held constant is as follows:

Market index- (Saudi Exchange)	2025 S'000		2024 S'000	
	Increase / decrease in market prices%	Effect on equity	Increase / decrease in market prices%	Effect on equity
Impact of change in market prices	±10%	± 37,909	±10%	± 80,019

### 31. Liquidity risk

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. Liquidity risk can be caused by market disruptions or credit downgrades, which may cause certain sources of funding to dry up immediately. To mitigate this risk, the Bank has diversified funding sources and assets are managed taking liquidity into consideration, maintaining an adequate balance of cash and cash equivalents. The Bank has a Market Risk Management team under the Risk Management Group that regularly monitors the liquidity risk of the Bank.

In accordance with Banking Control Law and the regulations issued by SAMA, the Bank maintains a statutory deposit with SAMA equal to 7% of total demand deposits and 4% of customers' time investments.

In addition to the statutory deposit, the Bank also maintains liquid reserves of no less than 20% of its deposit liabilities, in the form of cash and assets, which can be converted into cash within a period not exceeding 30 days.

#### 31.1 Analysis of financial liabilities by remaining contractual maturities

The table below summarizes the maturity profile of the Bank's financial liabilities at December 31, 2025 and 2024 based on contractual undiscounted repayment obligations whereas the Bank manages the inherent liquidity risk based on expected undiscounted cash inflows.

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As profit payments up to contractual maturity are included in the table, totals do not match with the figures as appearing in the consolidated statement of financial position.

2025	S'000					Total
	Within 3 months	3 months to 12 months	1 to 5 years	Over 5 years	No fixed maturity	
<b>Liabilities</b>						
<b>Due to SAMA, banks and other financial institutions</b>						
Current accounts	-	-	-	-	524,609*	524,609
Time investments and placements from SAMA	10,660,898	1,186,475	4,276,011	-	-	16,123,384
<b>Customers' deposits</b>						
Demand, savings and others	-	-	-	-	109,782,801*	109,782,801
Customer's time investments	86,050,677	27,741,594	4,303,742	2,329,012	-	120,425,025
Sukuks and certificates of deposit issued	-	3,938,334	2,345,030	2,978,194	-	9,261,558
Negative fair value of derivatives	5,555	9,840	78,047	382,337	-	475,779
Other liabilities	-	-	-	-	9,873,316	9,873,316
<b>Total liabilities</b>	<b>96,717,130</b>	<b>32,876,243</b>	<b>11,002,830</b>	<b>5,689,543</b>	<b>120,180,726</b>	<b>266,466,472</b>

2024	S'000					Total
	Within 3 months	3 months to 12 months	1 to 5 years	Over 5 years	No fixed maturity	
<b>Liabilities</b>						
<b>Due to SAMA, banks and other financial institutions</b>						
Current accounts	-	-	-	-	730,080*	730,080
Time investments and placements from SAMA	5,699,186	6,789,562	1,311,506	-	-	13,800,254
<b>Customers' deposits</b>						
Demand, savings and others	-	-	-	-	108,739,555*	108,739,555
Customer's time investments	81,424,994	18,240,515	2,245,534	2,258,201	-	104,169,244
Negative fair value of derivatives	8,835	2,327	118,246	307,218	-	436,626
Other liabilities	-	-	-	-	10,468,174	10,468,174
<b>Total liabilities</b>	<b>87,133,015</b>	<b>25,032,404</b>	<b>3,675,286</b>	<b>2,565,419</b>	<b>119,937,809</b>	<b>238,343,933</b>

\* These are all payable on demand

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### 31.2 The tables below show the maturity profile of the assets and liabilities:

The maturities of assets and liabilities have been determined on the basis of the remaining period at reporting date and does not reflect the effective maturities as indicated by the historical experience.

2025	S'000					Total
	Within 3 months	3 months to 12 months	1 to 5 years	Over 5 years	No fixed maturity	
<b>Assets</b>						
Cash and balances with SAMA	-	-	-	-	14,942,407	14,942,407
<b>Due from banks and other financial institutions, net</b>						
Current accounts	-	-	-	-	463,228*	463,228
Murabaha, Wakala and Reverse repo with banks	744,189	10,060	502,981	-	-	1,257,230
<b>Investments, net</b>						
Investments held at amortized cost	140,018	963,804	6,113,582	31,723,106	-	38,940,510
Investments held at FVOCI	7,989	1,926,789	6,318,666	5,021,504	379,091	13,654,039
Investments held at FVSI	36,055	21,624	20,744	-	3,817,359	3,895,782
Investments in associates and joint venture	-	-	-	-	132,221	132,221
Positive fair value of derivatives	2,451	450	440,176	-	-	443,077
<b>Financing, net</b>						
Retail	3,450,351	5,809,265	25,758,686	23,652,268	-	58,670,570
Corporate	17,415,197	48,791,605	65,499,990	39,369,476	-	171,076,268
Property and equipment, net	-	-	-	-	4,522,728	4,522,728
Other assets	-	-	-	-	3,069,088	3,069,088
<b>Total assets</b>	<b>21,796,250</b>	<b>57,523,597</b>	<b>104,654,825</b>	<b>99,766,354</b>	<b>27,326,122</b>	<b>311,067,148</b>
<b>Liabilities and equity</b>						
<b>Due to SAMA, banks and other financial institutions</b>						
Current accounts	-	-	-	-	524,609*	524,609
Time investments and placements from SAMA	10,626,982	1,143,014	3,918,360	-	-	15,688,356
<b>Customers' deposits</b>						
Demand, savings and others	-	-	-	-	109,782,801	109,782,801
Customer's time investments	85,485,129	26,978,585	3,715,352	1,412,063	-	117,591,129
Sukuks and certificates of deposit issued	-	3,816,638	1,918,087	1,890,196	-	7,624,921
Negative fair value of derivatives	2,454	98	263,432	-	-	265,984
Amount due to Mutual Funds' unitholders	-	-	-	-	100,782	100,782
Other liabilities	-	-	-	-	11,247,444	11,247,444
<b>Total equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48,241,122</b>	<b>48,241,122</b>
<b>Total liabilities and equity</b>	<b>96,114,565</b>	<b>31,938,335</b>	<b>9,815,231</b>	<b>3,302,259</b>	<b>169,896,758</b>	<b>311,067,148</b>
<b>Commitments &amp; contingencies</b>						
Letters of credit	3,028,853	1,945,903	181,230	62,279	-	5,218,265
Letters of guarantee*	3,353,820	10,363,615	6,744,829	116,270	-	20,578,534
Acceptances	1,167,413	-	-	-	-	1,167,413
Irrevocable commitments to extend credit*	-	-	12,831,447	-	-	12,831,447

\* These are all receivables / payable on demand. Letters of guarantee and irrevocable commitments may be payable on demand in the event of default.

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2024	S'000					Total
	Within 3 months	3 months to 12 months	1 to 5 years	Over 5 years	No fixed maturity	
<b>Assets</b>						
Cash and balances with SAMA	330,000	-	-	-	13,519,670	13,849,670
<b>Due from banks and other financial institutions, net</b>						
Current accounts	-	-	-	-	727,169*	727,169
Murabaha, Wakala and Reverse repo with banks	3,269,242	-	513,731	-	-	3,782,973
<b>Investments, net</b>						
Investments held at amortized cost	68,100	1,041,115	5,026,126	25,546,119	-	31,681,460
Investments held at FVOCI	101,696	1,493,715	6,683,721	4,644,290	827,396	13,750,818
Investments held at FVSI	-	-	-	-	3,142,665	3,142,665
Investments in associate and joint venture	-	-	-	-	50,267	50,267
Positive fair value of derivatives	6,931	3,112	121,082	374,292	-	505,417
<b>Financing, net</b>						
Retail	4,987,303	6,066,883	19,733,972	19,043,857	-	49,832,015
Corporate	16,054,828	40,229,010	58,342,564	37,849,677	-	152,476,079
Property and equipment, net	-	-	-	-	3,400,866	3,400,866
Other assets	-	-	-	-	3,628,082	3,628,082
<b>Total assets</b>	<b>24,818,100</b>	<b>48,833,835</b>	<b>90,421,196</b>	<b>87,458,235</b>	<b>25,296,115</b>	<b>276,827,481</b>
<b>Liabilities and equity</b>						
<b>Due to SAMA, banks and other financial institutions</b>						
Current accounts	-	-	-	-	730,080*	730,080
Time investments and placements from SAMA	5,666,216	6,404,721	1,135,239	-	-	13,206,176
<b>Customers' deposits</b>						
Demand, savings and others	-	-	-	-	108,739,555	108,739,555
Customer's time investments	80,930,596	17,661,651	1,829,551	1,383,297	-	101,805,095
Negative fair value of derivatives	8,836	2,327	118,246	307,217	-	436,626
Amount due to Mutual Funds' unitholders	-	-	-	-	114,557	114,557
Other liabilities	-	-	-	-	10,353,617	10,353,617
<b>Total equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,441,775</b>	<b>41,441,775</b>
<b>Total liabilities and equity</b>	<b>86,605,648</b>	<b>24,068,699</b>	<b>3,083,036</b>	<b>1,690,514</b>	<b>161,379,584</b>	<b>276,827,481</b>
<b>Commitments &amp; contingencies</b>						
Letters of credit	1,531,781	1,715,739	145,410	-	-	3,392,930
Letters of guarantee*	2,307,082	10,172,884	8,970,910	98,098	-	21,548,974
Acceptances	1,203,262	-	-	-	-	1,203,262
Irrevocable commitments to extend credit*	-	-	15,181,257	-	-	15,181,257

\* These are all receivables / payable on demand. Letters of guarantee and irrevocable commitments may be payable on demand in the event of default.

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### 32. Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks e.g. those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all the Bank's operations.

The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Bank's reputation with overall cost effectiveness and innovation. In all cases, Bank policy requires compliance with all applicable legal and regulatory requirements.

The Bank has an Operational Risk Team as a part of Risk Management Group which is tasked with monitoring and controlling the operational risks of the Bank. Functions of this unit are guided by the Operational Risk Policy and Framework. To systematize the assessment and mitigation of operational risks, the Business Environment and Internal Control Framework is established through Risk Control and Self-Assessment (RCSA) along with establishing Key Risk Indicators (KRIs) for all business and support units. These risk metrics are proactively monitored by Operational Risk department on a regular basis. In addition, the Bank has a successfully tested and documented business continuity plan and operational disaster recovery site.

### 33. Sharia'a non-compliance risk

Being an Islamic bank, the Bank is exposed to the risk of Sharia'a non-compliance. To mitigate such risk, extensive Sharia'a policies and procedures are in place. Further, the Bank has established a Sharia'a Committee and a Sharia'a Compliance Audit Unit to monitor such risk.

### 34. Reputational risk

Reputational risk covers the potential adverse effects resulting from negative publicity about the Bank's products, services, competence, integrity and reliability.

As an Islamic bank, one of the major sources of reputational risk is Sharia'a non-compliance. The other sources of negative publicity could be major frauds, customer complaints, regulatory actions and negative perceptions about the Bank's financial condition. The Bank has put in place controls around reputational risk in order to mitigate and avoid such risks. Currently, the Bank measures the reputational risk through a Scorecard based approach, where Risk Management Group compiles the results of assessments made by business heads to derive the Bank's overall reputational risk indicators.

### 35. Fair values of financial assets and liabilities

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Bank

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The Bank uses following hierarchy for determining and disclosing the fair value of financial instruments:

**Level 1:** Quoted prices in active market for the same instrument (i.e. without modification or repacking).

**Level 2:** Inputs other than quoted prices included in level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

**Level 3:** Inputs that are unobservable. This category include all instruments for which the valuation technique include inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

#### Valuation technique and significant unobservable inputs for financial instruments at fair value

The Bank uses various valuation techniques used in measuring level 2 and level 3 fair values at December 31, 2025 and December 31, 2024, as well as the significant unobservable inputs used.

For the valuation of investments in unlisted equities and mutual funds, the Bank utilizes fund manager valuation reports. The fund manager deploys various techniques (such as discounted cash flow models and multiples method) for the valuation of underlying assets classified under level 2 and 3 of the respective fund's fair value hierarchy. Significant unobservable inputs embedded in the models used by the fund manager include risk-adjusted discount rates, marketability and liquidity discounts and control premiums.

#### 35.1 Fair values of financial assets and liabilities carried at fair value

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

2025	S'000			Total carrying value
	Level 1	Level 2	Level 3	
<b>Financial assets measured at fair value</b>				
<b>Financial assets held as FVSI</b>				
-Equities	204,515	-	63,909	268,424
-Sukuk	63,278	15,145	-	78,423
-Mutual fund	242,602	428,272	2,878,061	3,548,935
<b>Financial assets held as FVOCI</b>				
-Equities	347,193	-	31,898	379,091
-Sukuk	491,635	12,783,313	-	13,274,948
<b>Positive fair value of derivatives</b>				
-Held for trading	-	394,249	-	394,249
-Held for cash flow hedges	-	48,828	-	48,828
<b>Total</b>	<b>1,349,223</b>	<b>13,669,807</b>	<b>2,973,868</b>	<b>17,992,898</b>
<b>Financial liabilities measured at fair value</b>				
<b>Negative fair value of derivatives</b>				
-Held for trading	-	262,952	-	262,952
-Held for cash flow hedges	-	3,032	-	3,032
<b>Total</b>	<b>-</b>	<b>265,984</b>	<b>-</b>	<b>265,984</b>

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2024	S'000			Total carrying value
	Level 1	Level 2	Level 3	
<b>Financial assets measured at fair value</b>				
<b>Financial assets held as FVSI</b>				
-Equities	168,270	-	57,817	226,087
-Sukuk	61,318	15,642	-	76,960
-Mutual fund	285,132	262,627	2,291,859	2,839,618
<b>Financial assets held as FVOCI</b>				
-Equities	800,194	-	27,202	827,396
-Sukuk	108,429	12,814,993	-	12,923,422
<b>Positive fair value of derivatives</b>				
-Held for trading	-	492,942	-	492,942
-Held for cash flow hedges	-	12,475	-	12,475
<b>Total</b>	<b>1,423,343</b>	<b>13,598,679</b>	<b>2,376,878</b>	<b>17,398,900</b>
<b>Financial liabilities measured at fair value</b>				
<b>Negative fair value of derivatives</b>				
-Held for trading	-	401,191	-	401,191
-Held for cash flow hedges	-	35,435	-	35,435
<b>Total</b>	<b>-</b>	<b>436,626</b>	<b>-</b>	<b>436,626</b>

During the year ended December 31, 2025, the Bank reassessed the fair value hierarchy levelling of its investment portfolio. To enhance comparability, certain updates were also made to the prior year disclosures. The reassessment has been made considering whether securities are traded in an active market, and the underlying nature of assets deriving fair value of mutual fund investments.

### Reconciliation of Level 3 fair values

The following table shows reconciliation from the opening balances to the closing balances for Level 3 fair values.

2025	Financial assets held as FVSI S'000	Financial assets held as FVOCI S'000
Balance at January 1, 2025	2,349,676	27,202
Additional / new investments	492,891	138
Capital return and disposals during the year	(796,811)	2,175
Net change in fair value (unrealized)	896,214	2,383
<b>Balance at December 31, 2025</b>	<b>2,941,970</b>	<b>31,898</b>

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2024	Financial assets held as FVSI S'000	Financial assets held as FVOCI S'000
Balance at January 1, 2024	2,088,364	24,839
Additional / new investments	371,876	2,455
Capital return and disposals during the year	(108,299)	(92)
Net change in fair value (unrealized)	(2,265)	-
<b>Balance at December 31, 2024</b>	<b>2,349,676</b>	<b>27,202</b>

### 35.2 Fair values of financial assets and liabilities not carried at fair value

Management adopts discounted cash flow method using the current yield curve to arrive at the fair value of financial instruments which is categorized within Level 3 of the fair value hierarchy except for investments in Sukuks and Murabaha with SAMA which are categorized within Level 2. The fair values of cash and balances with SAMA are not materially different from its carrying values included in the consolidated financial statements. Following table shows the fair value of financial instruments carried at amortized cost.

	2025		2024	
	Carrying value	Fair value	Carrying value	Fair value
	S'000			
<b>Assets</b>				
Due from banks and other financial institutions, net	1,720,458	1,718,921	4,510,142	4,518,324
Murabaha with SAMA, gross	904,597	904,734	1,771,552	1,775,870
Sukuks – amortized cost, gross	38,077,055	38,234,670	29,927,069	29,090,466
Financing, net	229,746,838	229,679,100	202,308,094	202,392,193
<b>Liabilities</b>				
Due to SAMA, banks and other financial institutions	16,212,965	16,196,068	13,936,256	13,960,074
Customers' deposits	227,373,930	227,636,258	210,544,650	210,665,693
Certificates of deposit	3,816,639	3,773,665	-	-
Senior unsecured sukuk	1,918,087	1,892,091	-	-
Tier 2 Sukuk	1,890,196	1,942,094	-	-

### 36. Related party balances and transactions

In the ordinary course of its activities, the Bank transacts business with related parties. Related party transactions are governed by limits set by the Banking Control Law and regulations issued by SAMA. Major shareholder represents shareholding of more than 5% of the Bank's issued share capital. Related parties are the persons or close members of those persons' families and their affiliated entities where they have control, joint control or significant influence over these entities.

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The balances as at December 31, resulting from such transactions included in the consolidated financial statements are as follows:

	2025 S'000	2024 S'000
<b>Balances with related parties except Bank's mutual funds</b>		
Financing to directors and key management personnel	176,432	195,280
Allowance for impairment on financing to directors, key management personnel	350	443
Customers' deposits from major shareholder	3,533,339	4,202,955
Customers' deposits from directors and key management personnel	111,669	86,437
Customer's deposits from associate and joint venture	34,428	30,573
Investments in associate and joint venture	132,221	50,267
Investments in major shareholder held at FVOCI	170,322	166,679
<b>Bank's mutual funds</b>		
Investments in mutual funds	1,032,052	922,514
Deposits from mutual funds	298,854	705,846

Financing and customer deposits with related parties are transacted at market rate and in the normal course of business.

(i) Income and expenses pertaining to transactions with related parties included in the consolidated statement of income are as follows:

	2025 S'000	2024 S'000
Income from investment and financing	15,538	16,850
Return on time investments	230,230	120,847
Fee from banking services, net	555,367	470,512
Directors' remuneration	17,925	14,565

The advances and expenses related to executives are in line with the normal employment terms.

(ii) The total amount of compensation paid to key management personnel during the year is as follow:

	2025 S'000	2024 S'000
Short-term employees' benefits	125,151	113,408
End of service benefit	3,808	8,562

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### 37. Capital adequacy

The Bank's objectives when managing capital are: to comply with the capital requirements set by SAMA; to safeguard the Bank's ability to continue as a going concern; and to maintain a strong capital base.

Capital adequacy and the use of regulatory capital are monitored by the Bank's management. SAMA requires to hold and maintain a ratio of total regulatory capital to the risk-weighted assets at or above the Basel prescribed minimum percentage.

The Bank actively manages its capital base to cover the risks inherent in its business. The adequacy of the Basel Committee on Banking Supervision including the framework and guidance regarding the implementation of balance sheet assets, commitments and notional amount of derivatives at a weighted amount to reflect their relative risk. SAMA requires holding a minimum level of regulatory capital and maintaining a ratio of total regulatory capital to risk ("RWA") at or above 10.5% including a capital conservation buffer of 2.5%.

The Bank monitors the adequacy of its capital using ratios established by SAMA. These ratios measure capital adequacy by comparing the Bank's eligible capital with its consolidated statement of financial position assets and commitments at a weighted amount to reflect their relative risk.

SAMA has issued the framework and guidance for implementation of capital reforms under Basel III Final Post Crisis Reforms effective from January 1, 2023.

Particulars	2025 S'000	2024 S'000
Credit Risk Weighted Assets	251,334,745	235,523,265
Operational Risk Weighted Assets	8,724,584	7,321,465
Market Risk Weighted Assets	3,617,574	5,383,760
<b>Total Pillar-I Risk Weighted Assets</b>	<b>263,676,903</b>	<b>248,228,490</b>
Tier I Capital	48,193,174	41,464,734
Tier II Capital	4,252,593	2,576,153
<b>Total Tier I &amp; II Capital</b>	<b>52,445,767</b>	<b>44,040,887</b>
<b>Capital Adequacy Ratio %</b>		
Common Equity Tier I Ratio	14%	13%
Tier I ratio	18%	17%
Tier I + Tier II ratio	20%	18%

Tier 1 capital is comprised of share capital, statutory reserve, other reserves, retained earnings and Tier 1 Sukuk less treasury shares and other prescribed deductions. Tier 2 capital comprises of Tier 2 sukuk and the prescribed amounts of eligible portfolio collective provisions.

### 38. Investment management and brokerage services

The Bank offers investment management services to its customers through its subsidiary which include management of funds with total assets under management of S'104,607 million (2024: S'93,650 million).

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## Notes to the Consolidated Financial Statements

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### 39. Prospective changes in the International Financial Reporting Standards

The International Accounting Standard Board (IASB) has issued following accounting standards, amendments, which were effective from periods on or after January 1, 2026.

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.  The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	January 1, 2026
Amendments to IFRS 9 and IFRS 7, Contracts referencing Nature-dependent Electricity	Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.	January 1, 2026
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards.  The 2024 amendments are to the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows.	January 1, 2026
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs').  The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.	January 1, 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability, and its parent produces consolidated financial statements under IFRS Accounting Standards.	January 1, 2027

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Except for IFRS 18, the management has assessed that the above amendments have no significant impact on the Bank's consolidated financial statements.

The Bank has chosen not to early adopt the amendments and revisions to the International Financial Reporting Standards which have been published and are mandatory for compliance with effect from future dates

### 40. Comparative figures

Figures have been rearranged or reclassified wherever necessary for the purpose of better presentation; however, no significant rearrangements or reclassifications have been made in these consolidated financial statements.

### 41. Approval of the consolidated financial statements

These consolidated financial statements were approved by the Board of Directors of the Bank on 8 Shaban 1447H (corresponding to January 27, 2026).



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