
Audit Committee Annual Report for the fiscal year ended 31 December 2025

Introduction:

The Audit Committee consisted of four members: one member from the Bank's Board of Directors, and three independent members. Their names and memberships are as follows:

Meeting Dates and Attendance Records for 2025:

Audit Committee Members – Al Rajhi Bank KSA	
Name	Membership
Raed bin Abdullah Al-Tamimi	Chairman of the Audit Committee, Member of the Board of Directors
Osama bin Saleh Al-Hadithi	"Independent" Audit Committee Member
Khaled bin Saleh Al-Sabil	"Independent" Audit Committee Member
Yousef bin Mohammed Al-Suhaibani	"Independent" Audit Committee Member

During the 2025 fiscal year, the Audit Committee held six meetings to discuss topics included in its annual plan, prepared according to the regulations approved by the Board of Directors, in addition to other related topics.

The following table illustrates dates of Audit Committee meetings and attendees' information during 2025:

Description	Date	Attendees Number
First Meeting	January 28	All Committee members
Second Meeting	April 22	All Committee members
Third Meeting	May 29	All Committee members
Fourth Meeting	July 20	All Committee members
Fifth Meeting	October 20	All Committee members
Sixth Meeting	December 21	All Committee members

The following section is a summary of Audit Committee activities for the year ended 31 December 2025 including its significant activities and duties it performed and followed up in line with its Charter approved by the Bank's General Assembly.

First: ARB's Financial Statements

The audit committee reviewed the quarterly interim financial statements and the annual consolidated financial statements, discussing the results with executive management and external auditors. It also reviewed the key relevant accounting and financial matters, and Key activities included:

- Discussing the results of the Bank's consolidated quarterly financial statements with the external auditors and executive management.
- Discussing the results of the Bank's consolidated annual financial statements as of 31/12/2025 with the external auditors and executive management.
- Recommending the submission of the Bank's consolidated annual financial statements for the fiscal year 2024 to the Board of Directors for approval.
- Following up on the results of "Management Overlays" adjustments during 2025 and the related disclosures with the external auditors and executive management.
- Following up on the implementation of decisions related to the mechanism of automatic fee amortization and ensuring full application across all products.
- Following up on the implementation of the accounting treatment for the mechanism of calculating profits of the Real Estate Development Fund.
- Reviewing the results of improvements implemented by the Bank on the methodology for calculating expected credit losses during 2025 for both retail and non-retail sectors.
- Discussing the re-evaluation of EJADA in accordance with International Financial Reporting Standards.
- Discussing developments related to the Bank's investment valuation in the Saudi Credit Bureau "SIMAH".

- Discussing updates to the accounting policies manual and recommending submission to the Board of Directors for approval.
- Discussing updates to the financial control policy and recommending submission to the Board of Directors for approval.

Second: External Auditors

- Recommending to the Board of Directors and the General Assembly the appointment of external auditors for the Bank and its foreign branches after reviewing submitted proposals, where the General Assembly approved the appointment of “Ernst & Young and Deloitte & Touche” to audit and review the Bank’s quarterly and annual financial statements for the fiscal year 2025 and the first quarter of 2026.
- Approving the plan submitted by the external auditors to audit the Bank’s operations.
- Discussing the observations included in the external auditors’ annual report and directing the follow-up of implementing corrective action plans according to target timelines.
- Reviewing disclosures submitted by the external auditors (Ernst & Young and Deloitte & Touche) regarding confirmation of independence, and discussing certain services provided outside the scope of financial statements to ensure no impact on independence and compliance with relevant regulations.

Third: Internal Audit

The Audit Committee followed up on the results of the Internal Audit Group’s activities and the level of progress in implementing its approved strategic and annual plans. It discussed the key observations, recommendations, and related remediation plans. A number of relevant regulations and policies related to the group’s operations were also approved, The most notable include:

- Discussing key results of internal audit work for 2025 across various Bank sectors and international branches, As well as the reports of the Internal Audit Group, according to the approved annual plan, and providing necessary recommendations.
- Following up on the implementation progress of recommendations issued by Internal Audit, the Saudi Central Bank, and the external auditors across executive management and international branches, And to present a number of recommendations regarding this.
- Reviewing results of the Internal Audit quality self-assessment for 2024.
- Recommending submission of the Internal Audit annual report for 2024 to the Board of Directors.
- Discussing and approving performance standards and objectives for the Chief of Internal Audit for 2025.
- Monitoring adequacy of human resources within Internal Audit across the Bank and its foreign branches, including completion of hiring qualified staff for vacant positions.
- Confirming the effectiveness and independence of Internal Audit and ensuring no restrictions on its scope of work.
- Reviewing results of training programs and plans for Internal Audit staff during 2025.
- Discussing and approving proposed procedures for reviewing transactions with related parties.
- Discussion and Approval of the Appointment of Protiviti to Conduct the Independent External Quality Assessment of the Internal Audit Group’s Operations.
- Reviewing annual reports and meeting minutes of audit committees in subsidiaries.
- Discussing and approving the Internal Audit annual plan for 2026.

Fourth: Compliance Group

The Audit Committee followed up on the results of the Compliance Group’s activities and progress in implementing its approved plan for 2025, and discussed key observations. It also approved a number of related policies and regulations. The most notable include:

- Reviewing results of the annual Compliance Group assessment for 2024 and recommending submission to the Board of Directors for approval.
- Reviewing the annual compliance report for 2024 and recommending submission to the Board of Directors for approval.
- Recommending sharing the results of compliance culture and risk assessment for 2024 with the Saudi Central Bank.
- Reviewing the annual report on customer protection and complaints for Kuwait branch for 2024 and recommending submission to the Board of Directors.

- Discussing and following up on mechanisms for handling non-compliant real estate owned by the Bank.
- Reviewing fines and violations received from the Saudi Central Bank and other regulatory authorities during the meetings, and following up on implementation of the Accenture consultancy project initiatives with the Bank to reduce fines imposed on the Bank, while providing the necessary recommendations.
- Reviewing updates to the whistleblowing policy and recommending submission to the Board of Directors for approval.
- Reviewing updates to the Bank's compliance policy and recommending submission to the Board of Directors for approval.
- Reviewing updates to the Compliance Committee charter for Kuwait branch and recommending submission to the Board of Directors for approval.
- Reviewing updates to the Suspicious Transaction Reporting Committee charter at Al Rajhi Bank Kuwait and recommending submission to the Board of Directors for approval.
- Reviewing updates to the Compliance Committee charter for Jordan branch and recommending submission to the Board of Directors for approval.
- Reviewing updates to the customer complaints handling policy for Jordan branch and recommending submission to the Board of Directors for approval.
- Approving the Compliance Group plan and program for 2026 in accordance with the presented proposal and the approved Audit Committee charter.

Fifth: Sharia Group

- Audit Committee reviewed results of Sharia Auditing Report for 2024 and progress level of Sharia Control Dept. activities based on the approved plan for 2024. In addition, the Committee discussed significant observations related to products and its closure status.
- Review and agree on the targets of Sharia Audit Department for 2025.

Sixth: Other Topics

- Approved Audit Committee annual plan for 2025 in line with the approved Charter of Audit Committee.
- Reviewing 30 transactions with related parties and examining them.
- Reviewing the presentation submitted by the Shared Services Group regarding implementation of IT projects related to the Bank's operations.
- Reviewing the presentation by Risk Management Group regarding risk reports, control measures, and monitoring mechanisms.
- Reviewing the Bank's position regarding internal and external legal cases filed by or against the Bank.

Seventh: Audit Committee Resolutions

During its meetings in 2025, Audit Committee recommended to the Board to approve (50) resolutions; where execution of (46) resolutions is completed and execution of the remaining (4) resolutions is on track.

Eighth: Assessment of Internal Control System

During 2025, Al Rajhi Bank has exerted all possible efforts to ensure adequacy and effectiveness of internal control system in line with SAMA requirements.

In addition, the activities executed in 2025, including review of internal control system adequacy by Internal Audit, Compliance and Risk activities, have resulted in providing reasonable assurances for adequacy of applicable internal control process along with providing an assurance that the systems and procedures required to identify, assess and handle the Bank's high risks are in place and effectively applied. Thus, the Committee found no significant weaknesses that affects Internal Control System adequacy.

Accordingly, Al Rajhi Bank has sufficient and adequate internal control system being monitored continuously noting that no internal control system can provide absolute assurances.

Best Regards,