



Board Audit Committee Mandate
Gulf International Bank – Saudi Arabia

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Audit Committee Mandate

Version control – Audit Committee Mandate				
Version	Date	Chapter	Revision / Description	Author
1.0	22/Apr/2019	All	Established Audit Committee Mandate for GIB KSA	Khalid Mahmood
2.0	15/Dec/2019	3, 8, 9	<ul style="list-style-type: none"> Approval of the Chairman and members of the Audit Committee by SAMA. Maximum term for external auditors and cooling off period for their re-appointment as per Saudi Companies Law; and Reporting of Compliance function to the Audit Committee as per SAMA requirements and market practice. 	Khalid Mahmood
3.0	1/Dec/2020	2, 3, 5, 8, 9, 10	<ul style="list-style-type: none"> Inclusion of the requirement for the Committee's members to be recommended by the GNRC; Clarification that the Committee's meetings could be held via teleconference/video conference; decisions taken by resolution of circulation will be approved by majority vote of the members instead of unanimous vote, this is to bring in line with the changes suggested across all Board-level Committees; Distribution of the minutes to the members within 15 days of the meeting; The Committee can request the Board to summon for Shareholders' General Assembly to convene in the event when the Board has hindered the work of the Committee; Introduced clear reference to Article 104 of the Companies Regulations related to Shareholders' General Assembly reporting Define the objectives of Sharia Internal Audit function after consulting with the Sharia Committee; and Other additions to Internal Audit's responsibilities. 	Ali Hassan Abdulhadi
4.0	01/Dec/2021	All	Changes relating to the gapping analysis performed with the Saudi Central Bank Rules of Corporate Governance (Third Edition)	Ali Hassan Abdulhadi
5.0	13/Feb/2022	All	Minor updates to be in line with Saudi Central Bank Internal Audit Principles issued on 1 December 2021.	Ali Hassan Abdulhadi
6.0	1/Dec/2022	3, 7	<ul style="list-style-type: none"> the Chairman of the Audit Committee being appointed as Vice-Chairman of the Board and to provide comfort to the regulator that there is a clear control in case the Vice-Chairman subsequently becomes the Chairman of the Board. The Committee Secretary's responsibility with regards to the Committee members' annual 	Ali Hassan Abdulhadi

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			declaration, which has been included across Board sub-committees, for consistency purposes.	
6.1	15/12/2022	1.2, 3, 5, 8.3.1	<ul style="list-style-type: none"> Enhancements to the changes endorsed by the Committee on 1/12/2022, to clarify Board authority to appoint a successor to the Chairman of the Committee in the case that the Chairman of the Committee permanently becomes Chairman of the Board, as well as cover circumstances where the Chairman of Committee deputizes the Chairman of the Board on temporary basis whereby the Committee may elect another member to chair the conflicting meeting. Remove the need for the consultation with the Chairman of the Board for the purpose of the Committee's review of its Mandate but rather the Committee endorse the review to the Board. Given the Audit Committee is composed by Board and non-Board members, therefore the resignation or removal from the Board should not affect the member's membership of the Audit Committee. 	Ali Hassan Abdulhadi
6.2	21/02/2023	8.4 (new addition)	<ul style="list-style-type: none"> Pursuant to the Board of Directors request on 16/02/2023, an additional control is added by to control the discussions on matters where a member is conflicted. 	Khalil Baghdadi
7.0	3/Dec/2023	All	<ul style="list-style-type: none"> Key amendments to reflect changes in new Companies Law and its Implementing Regulations and based on best practices prescribed by regional regulators. 	Ali Hassan Abdulhadi
8.0	3/Dec/2024	All	<ul style="list-style-type: none"> Key amendments based on SAMA inspection of Corporate Governance and Internal Audit Division 	Khalil Baghdadi & Ali Abdulhadi
8.1	11/Feb/2025	All	<ul style="list-style-type: none"> Key amendments based on SAMA inspection of Corporate Governance and Internal Audit Division. Also, based on feedback from the AC. 	Khalil Baghdadi & Ali Abdulhadi
9.0	2/Dec/2025	All	<ul style="list-style-type: none"> Key amendments on addressing Audit Committee authority on Related Party Disclosures policy and its activities and AC Review and its role to give opinion on related parties' transactions. Amending the variable financial remuneration for CIA and CCO. Change on the Committee members Composition 	Khalil Baghdadi & Ali Hassan Abdulhadi

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1 Introduction

1.1 Purpose

- 1.1.1 This is the mandate ("Mandate") for the Audit Committee ("Committee") of the Board of Directors ("Board") of the Gulf International Bank Saudi Arabia ("GIB KSA" or "Bank"). It governs the procedures of the Committee and outlines the procedures and guidelines in relation to the audit and internal controls of the Bank.
- 1.1.2 The role of the Audit Committee is to assist the Board in providing oversight of, but not limited to, the following:
- a) the integrity of the Bank's financial statements;
 - b) the Bank's compliance with legal and regulatory requirements;
 - c) the external auditors' qualifications and independence;
 - d) performance of the Bank's internal audit function;
 - e) independent audits and regulatory inspections;
 - f) the review of Bank's systems of internal controls regarding finance, accounting, legal, compliance, risk management and ethics that management and the Board have established;
 - g) the review of Bank's compliance, auditing, accounting and financial reporting policies & processes; and
 - h) the review of internal audit, external audit and compliance reports and ensure that senior management is taking necessary corrective actions in a timely manner to address any control weaknesses, non-compliance with policies, laws and regulations, and other problems identified by auditors, the compliance officer and other control functions.
- 1.1.3 Review the disclosures that regulators require to be included in the Bank's financial statements in relation to the above functions and duties.

1.2 Review and update of policy

- 1.2.1 The Board will, in consultation with the Committee, conduct an annual review of the Mandate to ensure that the Mandate continues to reflect the current processes and guidance utilised. The Board will need to endorse any amendments to the Mandate that stem from the review and these will need to be approved by the Shareholders at the next Annual General Assembly.
- 1.2.2 The Board members to take into account new regulatory requirements on Board Committees.

1.3 Evaluation Process

The Committee shall conduct, with the Board, an annual performance evaluation of the Committee, which will compare the Committee's performance with the requirements stated in this document. The report must be in the form of a written report provided at the regularly scheduled Board meetings.

2 Delegation of Power

The Committee has been established pursuant to Saudi Central Bank ("SAMA") rules, the bylaws of the Bank ("Bylaws") and by a resolution of the shareholders' General Assembly.

3 Composition

- 3.1 The Committee shall be composed of no less than three and no more than five members, all of whom shall be independent members. Members from outside the Board shall exceed that of the members from within the Board. This Committee may not be chaired by the Chairman of the

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Board or Chairman of any other Board committee.

- 3.2 For the purpose of this Mandate, “independence” shall be defined pursuant to the SAMA Key Principles of Governance in Financial Institutions (Third Edition or any subsequently issued update and/or amendment from time to time).
- 3.3 The Members of the Audit Committee shall be appointed by the Shareholders General Assembly for a period of three years. The Members of the Audit Committee will be appointed after obtaining non objection from SAMA based on the recommendation of the Governance, Nominations and Remuneration Committee.
- 3.4 The Committee members shall not be from the bank’s staff, agents, or advisors.

4 Qualification

- 4.1 The Audit Committee members shall have academic qualifications and professional experience in auditing and risk management, including knowledge of accounting and auditing standards, ability to understand financial reports, and understanding of the laws, regulations and instructions issued by the relevant agencies.
- 4.2 The Chairman of the Committee ensures that each new member receives a formal and tailored induction to the Bank’s business and corporate governance, as applicable to the Committee.
- 4.3 The attendance of the members of the Committee’s meetings is important for their membership to continue.

5 Removal or Resignation

If a member of the Committee retires, is removed or resigns from the Committee, the Board shall appoint a successor -on the recommendation of the Governance, Nominations and Remunerations Committee - who will complete the remaining period of his predecessor in the membership of the Committee. The successor will be appointed after obtaining no objection from SAMA on the appointment. Provided that such appointment is ratified on the following Shareholders’ General Assembly.

6 Invitees

- 6.1 The Committee may invite any person to attend a meeting of the Committee, as it considers appropriate.
- 6.2 The invitees cannot be present at any discussion in relation to themselves unless the Committee has invited them to discuss these issues with them. None of the invitees shall be considered members of the Committee nor shall they participate in any decision or vote of the Committee.

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7 Secretary

- 7.1** The Committee will appoint its Secretary, with the following duties and responsibilities:
- i. manage the process of convening the Committee meetings, which includes collating the meeting files, preparation and circulation of agendas and minutes; who will take the minutes of the meeting,
 - ii. Prepare and submit committee reports to the Board and retain records of the same
 - iii. communicate the annual schedule of the committee meetings in advance or when require any change to the meeting; and
 - iv. Actively track and follow up on action items.
- 7.2** The Secretary will only be present in an administrative capacity and will only participate in discussions of the Committee if he/she is invited to participate in such discussions.
- 7.3** The secretary will not participate in any decision or vote of the Committee.
- 7.4** The Secretary shall ensure, on an annual basis, the disclosure of Audit Committee Members of any related party involvement, outside interests and activities (in line with the requirements of SAMa) and communicate such disclosures to the Governance Unit at GIB-KSA.

8 Meetings

8.1 Frequency

The Committee will meet as frequently as required but not less than four times a year, in addition to any other meetings to be held when required. The Committee Chairman or any other member of the Committee may call a Committee meeting.

8.2 Calling Meetings and Notice

A notice of each meeting confirming the date, time, venue and agenda must be forwarded to each member of the Committee five working days before the date of the meeting, where it can be conducted in person or via teleconference/video-conference or any other electronic or virtual means of communication, as agreed in advance of the meeting. The Chairman may consider, for purposes of determining a quorum, that any Director Member participating by telephonic or electronic means is present during the entire meeting. The notice for the Committee members will include relevant supporting papers for the agenda items to be discussed. The Chairman will approve the agenda for the meetings and any member may suggest items for consideration.

8.3 Quorum and Voting

- 8.3.1** Without prejudice to the regulatory requirement on the minimum number of committees' members, a quorum will comprise the majority of the Committee members. In the absence of the Committee chair, the Chairman of the Committee will elect one of the members to chair that meeting, if the Chairman and the delegate cannot attend then the members shall elect a chair for such a meeting.
- 8.3.2** Resolutions shall be passed by a majority vote of attending members, ties shall be decided by the vote of the Committee Chairman (or any member of the Committee replacing him in his absence). The opinion of the dissenting members must be recorded in the minutes of the meeting. Each member will have one vote. No voting by proxy shall be permitted.



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8.3.3 The invitees to the meeting will not have the right to vote on any matters being discussed by the Committee.

8.4 Situations of conflict of interests

In circumstances where a conflict of interest arises, the conflicted member shall be excused and recused from attending (either physically or virtually) the discussions/deliberations in regards. The conflicted member shall not vote on a decision by the Committee relating to such conflicting matter.

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8.5 Resolution by circulation

The Committee may, when necessary, make resolutions by way of consultations through circulation, unless a member has requested in writing that the Committee be convened to deliberate on such resolutions and such decisions taken in this manner require the majority vote of its members. Decisions made by circulations shall be ratified at the following meeting of the Committee and shall be recorded in the minutes of such meetings.

8.6 Minutes

Minutes of proceedings and resolutions of Committee meetings will be kept by the Secretary. Minutes will be distributed to all Committee members, within a period not exceeding 3 working days after the Committee Chairman has given the preliminary approval. All attending Committee members shall be required to sign the minutes. The members shall be entitled to request the Committee for clarification of any issues. Minutes, agenda and supporting papers will be made available to any director upon request to the Secretary, providing no conflict of interest exists.

8.7 Remuneration and Allowances

8.7.1 Annual Remuneration:

- a) Non-Executive members of the Board of Directors receive an annual amount of SAR 400,000 for their representation at the Board and its Committees;
- b) Independent Audit Committee members from outside of the board receive an annual amount of SAR 120,000 for their representation at the Audit Committee; and
- c) Additionally, the Committee Chairman shall receive an additional annual amount of SAR 20,000.

8.7.2 Meetings Allowances:

In addition to the annual remuneration, all Audit Committee members shall be entitled to a payment for attendance of each Committee meeting at SAR 3,000.

8.7.3 Travel Expenses:

Travel expenses will be paid to all Committee members to cover expenses during the travel period, i.e. hotel accommodation and transportation per the then prevailing Bank's Board and Board Committees Remuneration Policy.

8.8 Resources

8.8.1 The Committee shall have the resources and authority necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees of outside independent professionals (including lawyers) and advisors as it deems necessary and appropriate, without seeking approval of the Board or management. The Bank shall provide appropriate funding for the compensation of any such persons.

8.8.2 The Committee may meet with these external advisers without the management being present.

8.8.3 The Committee is entitled to direct any special investigation that the Committee considers appropriate and to consult any independent expert that the Committee considers appropriate to carry out its duties. The Bank will bear the costs of any such investigation or consultations.

8.8.4 As a Committee reporting to the Board, the Committee shall have full access to all employees, committees, records, systems, legal consultants, internal and external auditors, foreign branches, etc.

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9 Authority & Responsibilities

9.1 Authority

- 9.1.1 The Committee has the specific responsibilities and authority relating to:
- (a) recommending, based on Board approved objective criteria, appointment, remuneration, termination and rotation of external auditors employed by the Bank, to the Board for endorsement and, approval by shareholders' General Assembly, after verifying their independence and reviewing the scope of their work and terms of their contracts.
 - (b) overseeing the work of the external and internal auditors;
 - (c) reviewing and approving all external and internal auditing services;
 - (d) acting as a mediator between the management and external auditors;
 - (e) reviewing and if required, investigating complaints relating to accounting, internal accounting controls or auditing matters;
 - (f) Discharge any responsibility delegated by the Board;
 - (g) authority to engage advisors; and
 - (h) funding as determined by the Committee, as described in more detail in this Mandate.
- 9.1.2 The Bank's management is responsible for preparing the Bank's financial statements and providing an appropriate system of internal controls, and that the external auditors are responsible for auditing the financial statements and reviewing the Bank's internal controls. In fulfilling these responsibilities, the external auditors and management are ultimately accountable to the Committee.
- 9.1.3 In order to fulfil its oversight responsibility, the Committee must be capable of conducting free and open discussions with the management, internal and external auditors, head of compliance, legal counsel of the Bank, employees and others regarding the quality of the financial statements and the systems of internal controls.

9.2 Principle Responsibilities

The main responsibilities of Audit Committee that are necessary to comply with the requirements of the Saudi Central Bank include, without limitation, the following:

- 9.2.1 Reviewing the Bank's financial statements, as well as the reports and notes submitted by the Auditor, and provide an opinion in their regard- at the request of the Board- whether it is fair, balanced, understandable, and contains the information that allows the Shareholders and investors to assess the financial position of the Bank, its performance, business, model, and strategy.
- 9.2.2 Monitoring and reviewing the effectiveness of the Internal audit activities.
- 9.2.3 Recommending to the Board on the appointment, remuneration, reappointment, termination and changing of the external auditors and their approval by shareholders' General Assembly.
- 9.2.4 Reviewing the external auditors' plan related to financial statements.
- 9.2.5 Reviewing related parties' transactions by obtaining a listing of all such transactions and reviewing their approvals and reasons thereto and ensuring that such transactions are recorded and disclosed appropriately as part of the financial report.
- 9.2.6 Encouraging the continuous improvement of, and adherence to, the Bank's policies, procedures and practices at all levels.
- 9.2.7 Ensure that the joint audits are coordinated properly and that no major gaps in audit scope and procedures exist.
- 9.2.8 Define the objectives of Sharia Internal Audit function after consulting with the Sharia Supervisory Board, taking in consideration the International Standards for the Professional Practice of Internal Auditing (IIA standards).

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9.3 Financial Statements Responsibilities

- 9.3.1 Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- 9.3.2 Review other sections of the annual report and related regulatory filings before release and consider the accuracy and completeness of the information.
- 9.3.3 Review with management and the external auditors all matters required to be communicated to the Committee under generally accepted auditing standards.
- 9.3.4 Examine any issues raised by the external auditors of the Bank.
- 9.3.5 Understand how management develops interim and annual financial information, and the nature and extent of automation and internal and external auditor involvement.
- 9.3.6 Review interim and annual financial reports with management and the external auditors before filing with regulators, including the Bank's disclosure and consider whether they are complete and consistent with the information known to the Committee members.
- 9.3.7 Review major issues regarding accounting principles and financial statements presentations, including:
 - 9.3.7.1 any significant changes in the Bank's selection and application of the accounting principles;
 - 9.3.7.2 any major issues as to adequacy of the Bank's internal controls and any special audit steps adopted in light of material control deficiencies;
 - 9.3.7.3 analysis prepared by the management and/or external auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements;
 - 9.3.7.4 the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Bank; and
 - 9.3.7.5 the type and presentation of information to be included in earnings press releases (paying particular attention to any use of "pro forma" or adjusted" information), as well as review any financial information provided to analyst and rating agencies.
 - 9.3.7.6 meet, on quarterly basis, with the external auditors to discuss annual or quarterly financial statements of the Bank, before submitting it to the Board, to ensure their integrity, fairness, and transparency.
- 9.3.8 Review all off-balance sheet activities for compliance with applicable accounting standards and legal disclosure rules.
- 9.3.9 Review for the approval of the Board reports to the shareholders' General Assembly in relation to the financial statements of the Bank, if required.
- 9.3.10 Review the status of tax and zakat liability and payments, etc.

9.4 Internal Controls Responsibilities

- 9.4.1 Consider the effectiveness of the Bank's internal controls system, including internal controls over financial reporting, for the prevention and detection of fraud and error, and for information technology security and control. The Committee must be familiar with the requirements of SAMA's Principles of Internal Audit in Local Banks issued in 2021 'Internal Control Guidelines for Commercial Banks operating in Saudi Arabia' issued on 9 December 1989, Revision Committee Organizational Consultation Guide issued on 21 February 2009, and ensure that the Bank has taken these into consideration in developing and implementing its internal control systems.
- 9.4.2 Review, evaluate and approve systems of internal controls and meet with the Chief Auditor and with management to assess the adequacy and effectiveness of these systems of internal controls and to obtain on a regular basis reasonable assurance that the Bank is in control.

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- 9.4.3 Receive reports from the Chief Executive Officer and the Chief Financial Officer as to the existence of any significant deficiency or material weakness in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Bank's ability to record, process, summarise and report financial information and as to the existence of any fraud, whether or not material, that involves management or other employees who have a significant role in the Bank's internal control over financial reporting.
- 9.4.4 Endorse to the Board for approving Bank's disclosure policies and review reports on the effectiveness of the Bank's disclosure controls and procedures.
- 9.4.5 Review the process relating to the certifications of the Chief Executive Officer and the Chief Financial Officer, including certifications on the design and effectiveness of the Bank's disclosure controls and procedures and internal control over financial reporting, and the integrity of the Bank's quarterly and annual financial statements.
- 9.4.6 Ensure that the Bank has effective and adequate policies covering all its business activities, internal audit, financial reporting, compliance, prevention of frauds, etc.
- 9.4.7 Review the Bank's policies for related party transactions.
- 9.4.8 Audit Committee shall review all transactions and contracts proposed to be conducted by the Bank with a Related Party as set out in the relevant policies governing related party transactions, to ensure the fairness of transactions and contracts, the absence of preferential conditions, and that they are carried out pursuant to the same terms and conditions applicable by the Bank in light of its procedures on commercial and an arms' length basis, in addition to all regulatory disclosure requirements, and submit its views to the Board of Directors. Credit facilities and any financial services and products granted to Related Parties in the ordinary course of business will be excluded from the review of the Audit Committee and approval thereof will be governed by SAMA lending principles guidelines or regulatory bodies and the relevant policy(ies) approved by the Board in relation thereof." The Committee shall provide its Independent opinion to the Board in connection therewith, per the template attached to this mandate (Annex 1).

9.5 Internal Audit Responsibilities

- 9.5.1 Review, discuss and endorse the selection, appointment, remuneration and termination where appropriate of the Chief Auditor as well as to identify and propose the successor of the Chief Auditor.
- 9.5.2 Notify the Board of Directors with the details of any appointment, retirement, or resignation of the Chief Auditor.
- 9.5.3 Ensure that Saudi Central Bank's 'no objection' is obtained for the Chief Auditor's appointment, resignation, termination, or transfer to another job within the Bank.
- 9.5.4 Approve the reporting lines of the Chief Auditor. The Chief Auditor will report functionally to the Committee and administratively to the Chief Executive Officer.
- 9.5.5 Setting and approving Key Performance indicators (KPIs) for the Chief Auditor and the divisional score card for the Internal Audit Unit, make appropriate recommendations to the Board to oversee the performance of the Chief Auditor and the Internal Audit Unit.
- 9.5.6 The Committee shall review on an annual basis a report on the key performance indicators achieved by the Chief Auditor and the divisional scorecard against the set KPIs and scorecard. The Committee shall recommend the variable financial remuneration of the Chief Auditor, to the Governance, Nomination and Remuneration Committee (GNRC) for endorsement and subsequently to the Board for approval.
- 9.5.7 Approve the performance and variable financial remuneration for the Internal Audit Unit staff, based on the outcome of the evaluation of the Internal Audit Unit Staff as prepared by the Chief Auditor.

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- 9.5.8 Review the independence of internal auditors from management.
 - 9.5.9 Endorse the organizational structure of the Internal Audit Division to the Board for approval, and review the structure periodically.
 - 9.5.10 Approve the Internal Audit Charter and Framework on an annual basis.
 - 9.5.11 Review with management and the Chief Auditor the activities, staffing, and organizational structure of the internal audit function.
 - 9.5.12 Approve the Internal Audit Strategy, Annual Audit Plan and major changes thereto.
 - 9.5.13 Review Internal Audit Reports and assess management's responsiveness to observations and recommendations.
 - 9.5.14 Ask the Chief Auditor to perform Spot Check/Ad hoc as the Committee deems necessary.
 - 9.5.15 Approve the budget allocated to internal audit and agree to its inclusion in the overall annual budget of the Bank. This is to ensure that the internal audit function is adequately funded and staffed with qualified personnel to fulfill its mandate effectively and independently.
 - 9.5.16 Ensure there are no unjustified restrictions or limitations on the Internal Audit function and obtain a written representation from the Chief Auditor in this regard.
 - 9.5.17 Review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' Global Internal Audit Standards (GIAS) and the International Professional Practice Framework for Internal Auditing. Further, to ensure that the internal audit function maintains a Quality Assurance and Improvement Program (QAIP) to ensure continuous improvement and compliance with the GIAS and review the results annually. Review and monitor the results of external quality assessments conducted at least once every five years to evaluate the internal audit function's quality, effectiveness, and conformance to the GIAS, and take any necessary actions based on the findings.
 - 9.5.18 Review representations from the Chief Auditor on the adequacy of the Bank's systems of internal controls and the degree of compliance therewith.
 - 9.5.19 On a regular basis, but at least once a year, the Committee shall have a private meeting with the Chief Auditor to discuss any matters that the Committee or internal audit believes should be discussed privately.
- 9.6 External Audit Responsibilities**
- 9.6.1 Review the external auditors' proposed audit scope and approach and coordination of the audit effort with internal audit and provide its opinion on the auditor's plan and activities for the Bank and ensure that they do not provide any technical or administrative work beyond the scope of audit work.
 - 9.6.2 Review all material written communications between the external auditors and management, such as an engagement letter, any management letter, schedule of unadjusted differences or external auditors' representation letter.
 - 9.6.3 Review the performance of the external auditors and recommend for the approval of the Board any proposed change in the firm of the external auditors when circumstances dictate.
 - 9.6.4 Review the external auditor's independence, objectivity, and fairness at least once each year by obtaining from the external auditors a written statement including a listing of any relationship between the external auditors and the Bank or with any other person or entity that may compromise the auditors' independence. The Committee shall review and discuss with the external auditors all relationships they have with the Bank to determine their independence.
 - 9.6.5 Meet separately, on a regular basis but at least once a year, with the external auditors without the presence of any members of management to discuss internal controls, significant audit issues or any other matters that the Committee or external auditors believe should be discussed privately. Such discussion to include the scope and results of its audit, comprising the information systems, business continuity management any difficulties the external auditors

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- encountered including any restriction on its access to requested information and any disagreement or difficulties encountered with management.
- 9.6.6 Ensure that the engagement partners of the external audit firms are rotated every three years.
 - 9.6.7 Ensure that the aggregate external audit firms term and their re-appointment is subject to the relevant applicable regulations (i.e. SAMA, Companies Law, SOCPA, etc.).
 - 9.6.8 Approve all non-audit services by the external auditors.
 - 9.6.9 Examine the external auditors' report and comments on the financial statements and follow up on the procedures taken in connection therewith.

9.7 Regulatory Compliance Responsibilities

- 9.7.1 Approve the reporting lines of the Head of Compliance. The Head of Compliance & AML will report functionally to the Committee and administratively to the Chief Executive Officer.
- 9.7.2 Approve the appointment, replacement, reassignment or dismissal of the Head of Compliance & AML.
- 9.7.3 Notify the Board of Directors with the details of any appointment, retirement or resignation of the Head of Compliance.
- 9.7.4 Ensure that Saudi Central Bank no objection is obtained for the Head of Compliance & AML appointment, resignation, termination, or transfer to another job within the Bank.
- 9.7.5 Setting and approving Key Performance indicators (KPIs) for the Chief Compliance Officer and review at least once per year, the performance of the Head of Compliance & AML and make appropriate recommendations to the Board or to the Board sub-committee, delegated with the responsibility to oversee the performance of the Head of Compliance & AML, in this regard.
- 9.7.6 The Committee shall receive on an annual basis a report on the Chief Compliance Officer's performance against the set KPIs
- 9.7.7 Review the independence of Head of Compliance & AML from management.
- 9.7.8 Review with management and the Head of Compliance & AML the activities, staffing, and organizational structure of the Compliance function.
- 9.7.9 Review and discuss the budget allocated to compliance functions and agree to its inclusion in the overall Annual Budget of the Bank.
- 9.7.10 Approve the Annual Compliance Programme and major changes thereto.
- 9.7.11 At least once a year, review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- 9.7.12 Review the findings of any examinations by regulatory agencies, and any external audit observations to ensure that the Bank has taken the necessary measures with regard thereto.
- 9.7.13 Review whether the Bank complies with all relevant laws, regulations, codes and business practices. Also, monitor any regulatory changes that may impact the organization and ensure that proper measures are taken by management to implement these changes effectively within the organization's operations and policies.
- 9.7.14 Review and supervise the implementation, enforcement, and adherence to the Bank's Code of Conduct (which covers the Insider Trading). Further, the Committee should be aware of any significant violations.
- 9.7.15 Review the Money Laundering Reporting Officer reports in respect of compliance by the Bank with all applicable anti money laundering regulations.
- 9.7.16 Review quarterly reports submitted by the Head of Compliance & AML in respect of compliance by the Bank with all applicable compliance issues including results of compliance testing

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and developments on all relevant laws, rules and standards in all jurisdictions in which the Bank conducts its business.

- 9.7.17 Review and assess results of Compliance Committee meetings, members' commitment to attend meetings and their effectiveness.
- 9.7.18 On a regular basis, but at least once a year, the Committee shall have a private meeting with the Head of Compliance & AML to discuss any matters that the Committee or Head of Compliance & AML believes should be discussed privately.
- 9.7.19 Report to the Board any issues that it deems necessary to take action on and provide recommendations as to the procedures to be taken in connection therein.

- 9.7.20 Obtain regular updates from management and the Bank's Legal Counsel regarding compliance with legal and regulatory issues.
- 9.7.21 Review the status of all significant legal matters provided by the Legal Counsel of the Bank.
- 9.7.22 Approve the individual key performance indicators for the Chief Compliance Officer and divisional scorecard for the Compliance Unit.
- 9.7.23 Approve the variable financial remuneration for the Compliance Unit staff based on outcome of the performance evaluation of the Compliance Unit Staff, as prepared by the Chief Compliance Officer.
- 9.7.24 The Committee shall recommend the variable financial remuneration of the Chief Compliance Officer, to the GNRC for endorsement and subsequently to the Board for approval.

9.8 Reporting Responsibilities

- 9.8.1 Establish regular and separate systems of reporting to the Committee by each of management, the external and the internal auditors, regarding any significant judgments made in management's preparation of the financial statements and the view of each as to the appropriateness of such judgments.
- 9.8.2 Review any other reports the Bank issues that relate to the Committee's responsibilities.
- 9.8.3 Prepare an annual report containing the Audit Committee's opinion on the adequacy of internal control system and any other matter that falls within its responsibilities to present to the Shareholders' General Assembly, and the report shall be read during the Shareholders' meeting.

9.9 Complaints / Whistle-Blowing Responsibilities

Ensure that the Bank has an adequate whistle-blowing programme and review the procedures for the receipt, retention, and treatment of complaints and/or cases received by the Bank regarding accounting, internal accounting controls, or auditing matters that may be submitted by any party internal or external to the Bank.

9.10 Other Responsibilities

- 9.10.1 Regularly monitor the information needs of the Board to perform its responsibilities.
- 9.10.2 Perform other activities related to this Mandate as requested by the Board.
- 9.10.3 Acting as mediator between the management and external auditors.
- 9.10.4 Meet at least once a year the Chairman of the Audit Committee of the subsidiary to discuss the subsidiary's Audit Committee activities, areas of concern and other topics to meet the Committee's mandate.
- 9.10.5 The Committee must meet at least once a year in the absence of the CEO and any executive management, but in the presence of Chief Compliance Officer and Chief Auditor.

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9.10.6 The Committee must determine the deliverables, as per the Global Internal Audit Standards, for the Internal Shariah Audit function after consultation with the Shariah Committee.

10 Report to the Board

10.1 The Committee Chairman, or delegate, will report to the Board following each meeting. The Committee will report to the Board regularly on the matters set out in Section 9 of this Mandate.

10.2 Report annually to the Board, describing the committee's composition, responsibilities and how they were discharged, and any other information required by law, including approval of non- audit services by the external auditors.

10.3 The Committee will review for approval by the Board any report on the matters set out in Section 9 that may be:

- (a) Review/approve policies as delegated by the Board;
- (b) Required by any legislation, regulatory body or other regulatory requirement, or
- (c) Proposed for inclusion in the annual report.

10.4 The Committee may delegate the role of preparing any such report to the management provided that any such report would be considered, reviewed and approved by the Committee before being sent to the Board.

10.5 Each member of the Committee should confirm his independence on annual basis by signing off a declaration.

Document Approval Record

The signatories below have given their agreement to this document:

Name	Role	Date
Khalil Baghdadi - Head of Legal & Corporate Governance, and Board Secretary - KSA	Prepare	24 November 2025
Ali Abdulhadi– Group Chief Auditor, Audit Committee Secretary –	Review	24 November 2025
Board Audit Committee	Endorsement	02 December 2025
Governance, Nomination and Remuneration	Endorsement	11 December 2025
Board of Directors	Endorsement	11 December 2025

Audit Committee Mandate

Name	Role	Date
The General Assembly	Approval	16 February 2026
EFFECTIVE DATE		16 February 2026
NEXT REVIEW DATE		15 February 2027

Annex 1

<p>نموذج مراجعة العقود والتعاملات مع الأطراف ذوي العلاقة</p> <p>Review Form for Contracts and Transactions with Related Parties</p>		
القسم Department	الإدارة Management	التاريخ Date
		مدة العقد Contract Duration
		نوع العقد Contract Type (مثل عقد تسهيلات إئتمانية أو تقديم خدمات أو منتج)
		قيمة العقد Contract value
		سبب العقد Contract Purpose
		الإدارة المعنية بالعقد Concerned Department
		توقيع رئيس الإدارة المعنية بالعقد Concerned Department Chief signature

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	توقيع رئيس الإدارة المالية CFO Signature
	شروط أو مزايا تفضيلية – إن وجدت Preferential Terms or Benefits – if any
نسخة من العقد	المرفقات Attachments
	تقييم الإدارة القانونية (يتم تقديم بيان من الإدارة القانونية بالبنك لتأكيد عما إذا كان العقد يحتوي على أي شروط أو مزايا غير متعارف عليها في مثل هذه العقود من الناحية القانونية بالإضافة إلى تقديم تحليل قانوني يوضح تقييمهم لطبيعة العلاقة بين العضو والجهة المتعاقد معها)
وفقاً للمتطلبات الواردة في لائحة عمل لجنة المراجعة وسياسة البنك المتعلقة بالتعاملات مع الأطراف ذوي العلاقة وتعارض المصالح، تم الاطلاع على العقد والذي لعضو مجلس الإدارة مصلحة مباشرة أو غير مباشرة فيه؛ وتبين للجنة أن العقد لا يتضمن أي شروط أو مزايا تفضيلية؛ وعليه لجنة المراجعة تقدم مرنياتها بشأن العقد لمجلس الإدارة للموافقة عليه	مرنيات لجنة المراجعة Audit Committee Remarks
التوقيع:	1- الاستاذ/
التوقيع:	2- الاستاذ/
التوقيع:	3- الاستاذ/
التوقيع:	4- الاستاذة/
	توقيع أعضاء لجنة المراجعة Audit committee members Signatures