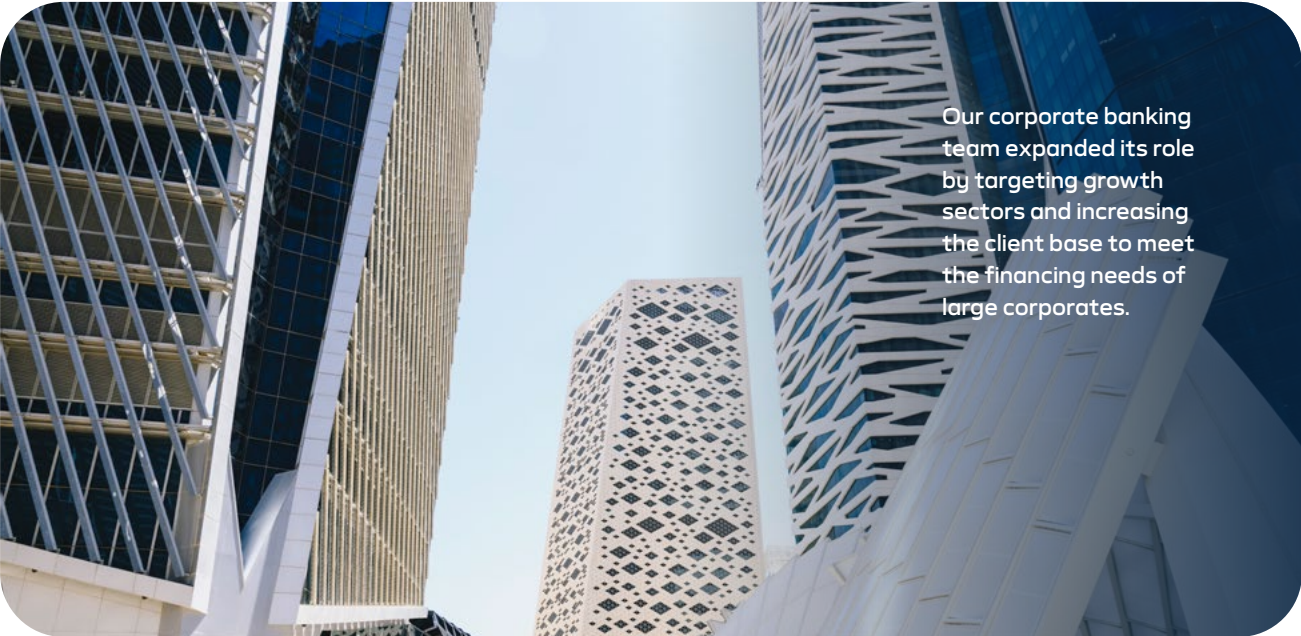


Operating Review
Corporate Banking Group



Our corporate banking team expanded its role by targeting growth sectors and increasing the client base to meet the financing needs of large corporates.

alinma's Corporate Banking Group's(CBG) exceptional performance and innovation throughout the five-year 2025 Strategy has laid a strong foundation for future achievements and made an essential contribution to the Bank's overall success to date. Over the past four years, Corporate Banking implemented a range of strategic initiatives that proved instrumental in the Bank reaching and exceeding targets and objectives and establishing it as one of the leading financial institutions in Saudi Arabia.

Technology empowering efficiency and engagement

A significant milestone during the four-year period was the launch of eCLO, alinma's electronic credit loan origination system, which has streamlined credit and operational processes.

The introduction of eCLO was complemented by the adoption of an automated credit write-up system to facilitate the electronic journey of files from initiation to approval, documentation, and limit implementation.

These advancements were embedded in Corporate Banking's workflows, significantly improving operational efficiency and transparency across the credit lifecycle. The outcome has been a meaningful enhancement of both profitability and customer engagement.

Fourfold increase in corporate customers

One of the primary objectives of the 2025 Strategy was to increase the number of corporate customers the Bank serves, and in this respect, initiatives have been extremely successful.

Guided by the 2025 Strategy, the customer base, including all our SME clients, has quadrupled from 900 in 2020 to 4,067 by the end of 2024. Driving this growth was a concerted effort to cater to the varying needs of different corporate segments. These efforts included increasing the customer base for both borrowing and non-borrowing clients, an enhanced focus on the Mid Corporate Banking Segment to cater to emerging corporates and diversifying the portfolio by tapping into new client segments.

Driving impact aligned with Vision 2030

Corporate Banking has taken a proactive approach to addressing the priority projects outlined in Saudi Arabia's Vision 2030 initiatives. In particular, CBG has focused on key national growth sectors such as tourism, healthcare, renewable energy, and infrastructure, which offer substantial opportunities for the Bank.

By financing projects in these sectors, CBG, and alinma overall, contribute to the nation's long-term growth by promoting economic diversification, which in turn reduces the dependency on oil.

The benefits to alinma are substantial. Vision 2030 projects are large-scale and long-term, providing sustained revenue opportunities, financial stability, and growth. Involvement in these visionary initiatives positions the Bank as a key player in shaping the Kingdom's modernization and future economy. It also strengthens the Bank's relationships with Government entities and major corporates, enhancing alinma's reputation and influence in the financial markets. Furthermore, as a highly visible financier of these world-class projects, alinma is recognized for its commitment to global standards and innovation, making it an attractive partner for international investors entering the Saudi market.

Sustainability as a core business practice

alinma continued to enhance its overall sustainability understanding and integration into lending and investment activities throughout the Bank this year, including developing a comprehensive sustainable finance framework that was implemented. Sustainability, a leading ESG research, ratings, and data firm, endorsed the alinma Sustainable Finance Framework as credible, impactful, and aligned with internationally recognized principles such as the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2023, Green financing Principles 2023, and Social financing Principles 2023.



CBG's contributions to alinma's overall financial performance were substantial, accounting for 76% of the Bank's assets and 29% of its operating income by the end of 2024.



Operating Review

Corporate Banking Group *continued*

The Bank remains committed to fostering environmental responsibility and advancing the circular carbon economy. In 2024, it assessed Net Zero-aligned reduction requirements, taking meaningful steps to align its operations with global sustainability objectives. Central to its approach is a steadfast focus on customer empowerment, incorporating customer insights as a standard practice to deliver solutions that meet evolving needs. By fostering stronger connections and demonstrating the value of a customer-centric approach, alinma is building trust and driving progress towards a more sustainable and inclusive financial ecosystem.

Investment in talent and employee retention

As part of alinma's overarching strategy to expand its reach and penetration of the large, mid-corporate, and project finance segments, Corporate Banking strengthened its team in the past four years by recruiting highly qualified professionals.

This has positioned Corporate Banking as the core banking partner for the targeted business segments across multiple sectors, delivering an incomparable customer experience and the fastest turnaround time in the Kingdom.

Additionally, in the highly competitive world of corporate banking, where skilled and experienced talent is at a premium, Corporate Banking established a quantitative and qualitative performance-based

incentive scheme for front-line staff. As well as fostering excellence and aligning individual goals with the Bank's overall organizational objectives, the initiative has instilled a culture of high performance and motivation among employees and enhanced alinma's reputation as an employer of choice.

A year of unprecedented success

In 2024, Corporate Banking had one of its most successful years under the 2025 Strategy. A key highlight was double-digit growth in assets, surpassing ₪ 20 billion. The Group achieved its targets with a focus on enhancing operating income through fund-based and non-fund-based income while minimizing costs.

The non-funded business expanded strongly, growing from ₪ 19.1 billion to ₪ 22.14 billion in outstanding commitments. CBG's contributions to alinma's overall financial performance were substantial, accounting for 76% of the Bank's assets and 29% of its operating income by the end of 2024.

Other highlights included the introduction of a Shariah-compliant overdraft product, which is expected to provide an additional suite of financial products and positively impact profitability in the years to come.

Customer-centric innovations

CBG had a fully operational dedicated Corporate Customer Support team in 2024, marking a significant leap in customer-centric

innovations. This strategic move yielded substantial improvements in operational efficiency and customer satisfaction, while simultaneously allowing relationship managers (RMs) to focus on their core business acquisition activities.

The fully functional Corporate Customer Support team effectively reduced the RMs' workloads, giving them more time and resources for nurturing client relationships and pursuing new business opportunities.

Within the new Customer Support team specialized units were established to support business planning and performance, liaise with IT for enhancing business requirements, cross sell and lead management, financing booking process and streamlining operational efficiencies from end-to-end to improve customer experience.

agency function strengthens market position under Project and Structured Financing Division

During 2024, CBG's Project and Structured Financing (PSF) division introduced an agency function for syndicated transactions to manage syndicated financing or agency roles in structured finance.

This addition to the PSF role positions alinma as a trusted intermediary, promoting stronger relationships with clients, enhancing its capabilities in managing complex financial structures, and ensuring proper monitoring and compliance with covenants and financial agreements to protect the Bank's reputation and mitigating risks.

Acting as an agent will also increase the Bank's visibility in transactions, potentially leading to opportunities for additional lending, advisory roles, or cross-selling products.

Large Corporate Banking segment growth

Our Large Corporate Banking team further expanded their role in meeting the financing requirements of large corporates by strategizing inroads into growth sectors and growing the client base. This, coupled with positioning themselves as one of the premier large corporate banks offering tailor-made financial solutions, enhanced our corporate relationships and increased our share of wallet.

Our large corporate banking business accounts for more than 40% of CBG's assets and was the largest contributor to our trade finance operation in 2024, accounting for 70% of new business.



Operating Review

Corporate Banking Group *continued*

Mid Corporate Banking expansion

The strategic focus on expanding Mid Corporate Banking to target emerging corporates resulted in a significant increase in the asset portfolio in 2024, which increased 60.5%.

This segment's growth in terms of fee-based income also increased dramatically, contributing to a rise in trade and management fees.

Additionally, enhanced relationships with mid-corporates allowed the Bank to cross-sell products, improving overall client profitability, while also providing a sustainable growth trajectory as our clients transition into larger corporates over time.

Accelerating progress in Global Transaction Banking

alinma made several advancements in Global Transaction Banking (GTB) in 2024, including enhancements to the corporate internet banking platform and the development of a digital e-trade portal.

A liquidity management system was developed in partnership with digital banking, offering real-time financial insights and liquidity forecasting. Enhancements to eCommerce services and B2B channels, including ERP integration and API-based services, improved customer engagement.

The Bank leveraged its digital transformation and fintech partnerships strategy to introduce Banking as a Service (BaaS) to enhance the current payroll cards offering.

In addition, the introduction of Islamic trade-funded products, including export discounting and availization, along with the launch of supply chain finance solutions, further diversified the Bank's offerings and income stream.

During the year, tailor-made liability products were introduced to cater to the needs of corporate clients to enhance the Bank's liabilities.

Awards and recognition

CBG's achievements were recognized with multiple awards in 2024, including the titles of "Fastest Growing Corporate Bank – Saudi Arabia" and "Most Innovative Shariah-Compliant Corporate Financing Product – Bai Ajel." These accolades reflect the Group's commitment to excellence and innovation.

Looking ahead: 2025 and beyond

As CBG moves into 2025, it remains committed to advancing digital banking services and exploring AI-driven innovations. These initiatives, coupled with the Group's continued focus on Vision 2030 projects, position it for sustained growth and leadership in Saudi Arabia's financial sector.

Several key initiatives have been identified for the coming year. CBG will embark on a targeted approach to expand and strengthen its client relationships. By strategically identifying top clients in each segment, CBG aims to establish and expand these important partnerships. This initiative will be complemented by efforts to broaden

the customer base, adding quality names to the portfolio and simultaneously reducing concentration risk.

A special emphasis will be placed on forging strategic partnerships with government and semi-government owned entities, recognizing their pivotal role in the Kingdom's economic landscape.

Additionally, the CBG plans to increase its penetration in the SME and mid-corporate segments, tapping into these dynamic and growing sectors of the Saudi economy.

Steps will be taken to improve non-yield income via increasing cross-sell penetration and expanding share of wallet among existing and new clients.

A key focus will be on generating liabilities, with particular attention given to increasing operating accounts. To support these financial objectives, CBG is enhancing 360-degree customer profitability view, enabling more targeted and effective cross-selling.

In line with alinma's commitment to innovation, CBG will continue to improve its digital solutions to enhance the ease of banking for corporate clients. This will be augmented by integrating AI tools to identify new opportunities and enhance corporate relationships. The outcome is expected to be streamlined processes, improved decision-making, and a more personalized banking experience for corporate clients.

