**Board Characteristics and Credit Risk: Evidence from Saudi Arabian Listed Firms**

**Sultan Altass**

**King Abdulaziz Univeristy**

**Saltass@kau.edu.sa**

**Abstract**: This study aims to investigate the impact of board characteristics on credit risk for firms listed on the Saudi Arabian stock market. The study uses Pooled OLS regression analysis and a sample of firms listed on the Tadawul stock exchange. The dependent variable of the study is credit risk, as measured by the Altman Z-score. The independent variables include board size, board independence, CEO duality, and board diversity. The results indicate that board size has a negative impact on credit risk, indicating that larger boards are associated with lower levels of credit risk. Additionally, board independence is found to have a negative impact on credit risk, while CEO duality is positively associated with credit risk. Finally, board diversity is not found to have a significant impact on credit risk. These findings provide insights into the role of board characteristics in managing credit risk for firms listed on the Saudi Arabian stock market.

**Keywords**: Corporate Governance, Board of Directors, Credit Risk.