Sustainability

Bank Albilad maintains a comprehensive ESG Framework that guides its sustainability initiatives and strategies. The Framework focuses on the ESG issues relevant to the Bank and its stakeholders. It is based on six key pillars and aligns sustainability priorities and commitments with the Bank's mission, values and operations. The Framework is regularly reviewed and enhanced to ensure its continued relevance.

Sustainability Framework

In order to define what sustainability means for Bank Albilad, as well as guide and focus our ESG efforts, we developed an ESG framework ('Framework'), which thematically groups the material ESG issues we previously identified under one of six key sustainability pillars.

In 2025, the Bank validated three priority pillars within its six-pillar ESG Framework to concentrate efforts and measurement:

Transparent, Effective and Responsible Governance	strengthening governance discipline and disclosure.
Customer Privacy and Cybersecurity	protecting data, resilience, and trust across all channels.
Customer Experience	elevating access, quality, and fairness in service delivery.

Transparent, Effective and Responsible Governance

Transparent, Effective and Responsible Governance

- Business ethics and compliance
- corporate governance
- risk management and business continuity
- anti-money laundering and corruption

Sustainable Banking Practices:

- Sustainable Financial Products
- Financial inclusion and education
- financial performance

Contributing to Communities

- Community Invesment and Impact
- Human rights
- Supply chain management

Innovating for a dynamic business structure

- Customer Experience
- Digitization
- Customer privace and cybersecurity

Acting on the Environmental Footprint

- Climate change management, risks and oppurtunities
- managing environmental impacts

Empowering Employees:

- Talent Development, attraction and retention
- Employee engagement and wellbeing
- Diversity and equality
- Localization

Material ESG Issues

Bank Albilad has conducted a materiality assessment to identify and understand the ESG considerations that are most important to the Bank and its stakeholders. This assessment involved a comprehensive review of reputable sustainability standards, including those published by the GRI, SASB, and the Principles for Responsible Investment (PRI). It also included consideration of:

ESG issues specific to the banking industry, as identified by various ESG rating agencies.

Stakeholder interests and perspectives.

Objectives of relevant national and international sustainability-related ambitions, including Saudi's Vision 2030 and the United Nations Sustainable Development Goals (SDGs); and

After identifying and listing all possible ESG issues for consideration, the list was refined and prioritized based on where Bank Albilad currently has the most significant impact, where it has the greatest potential to be impacted, and those ESG issues that may significantly influence the assessments and decision-making of its key stakeholders. A total of 19 material ESG issues were identified.

This materiality assessment has been valuable in identifying the Bank's strengths and areas that require attention or development. The identified material issues guide the Bank's ESG policies, strategies, goals, targets, and actions related to ESG and sustainability management. Bank Albilad will continue to review its materiality analysis to ensure it remains relevant in the rapidly changing sustainability landscape

Materiality Assessments

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1 **Business ethics and compliance**

2 **Customer experience**

3 **Risk managementand business continuity**

4 **Digization**

5 **Customer privacy and cybersecurity**

6 **Talent development attraction and retention**

7 **Corporate governance**

8 **Financial performance**

9 **Anti-money laundering and coruption**

10 **Employee engagement and wellbeing**

11 **Community investment and impact**

12 **Sustainable financial products**

13 **Climate change management, risks and oppurtunities**

14 **Financial inclusion and education**

15 **Diversity and equality**

16 **Human rights**

17 **Managing environmental impacts**

18 **Supply chain management**

19 **Localization**

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