

Environmental Management System (EMS) Policy

FMD PL-002
Version 1.0
21/01/2024

1. Overview

The Environment Management System (EMS) policy outlines Alinma bank's commitment to environmental sustainability and sets the overall goals for environmental management within Alinma.

2. Purpose

Alinma is committed to embedding a culture of environmental stewardship across business. The Bank aims to monitor, evaluate, and mitigate any negative environmental impacts that may arise from its operations. To support these efforts, the Bank has established an EMS in line with ISO 14001. The Bank's EMS is designed to provide a structured and transparent approach to managing the Bank's collective environmental impact.

The EMS policy provides a framework in line with the Bank's business, setting the strategic objectives and assessing environmental and business risks. This policy is intended to complement the commitments outlined in the Bank's Sustainability Policy, in accordance with the Bank's policies.

3. Scope

The scope of the EMS includes business operation at the head office located in Riyadh, administrative buildings, and the branches within the Kingdom of Saudi Arabia.

4. Description

Alinma Bank endeavors to surpass customers' expectations and satisfaction by delivering excellence through its services and by adhering to international standards and best practices in environmental management.

4.1 Commitments

- 4.1.1 **Develop a culture of environmental stewardship:** the Bank aims to provide training, awareness, communication, and engagement programs for its staff and key stakeholders regarding appropriate environmental management and best practices,

as well as an understanding of the key environmental aspects and impacts of the Bank's operations.

- 4.1.2 **Ensure compliance:** the Bank is strongly committed to ensuring compliance with all applicable requirements, including those related to the Bank's EMS, as well as environmental and social laws and regulations relevant to the Bank's business.
- 4.1.3 **Support Continual Improvement:** through processes such as management reviews, audits and inspections, the Bank aims to monitor, evaluate, and identify methods or actions for continuously improving environmental performance. Additionally, the Bank is committed to the continuous improvement and effective implementation of the EMS by identifying opportunities that support the Bank's environmental management and environmental performance targets.

4.2 Objectives

- 4.2.1 Digitalize the Bank's business processes for increased efficiency and effectiveness.
- 4.2.2 Establish a green/sustainable procurement guideline to promote and prioritize environmental stewardship throughout the Bank's supply chain.
- 4.2.3 Develop targets for energy efficiency, GHG emissions reduction, and other relevant environmental aspects pertaining to the Bank's operations.
- 4.2.4 Develop initiatives/programs to achieve the Bank's environmental targets, this includes:
 - 4.2.4.1 Integrate solar energy systems across all Bank-owned branches.
 - 4.2.4.2 Implement energy smart control systems across all the Bank's branches.
 - 4.2.4.3 Implement HVAC retrofit measures across all the Bank's branches.
 - 4.2.4.4 Increase the number of trees planted across all facilities assets to provide shade and enhance air quality.
 - 4.2.4.5 Use LED lighting across all facilities assets for energy efficiency and sustainability.
- 4.2.5 Monitor and evaluate the progress of the Bank's environmental initiatives and programs to work toward achieving the Bank's sustainability goals.

5. Audience

This policy was developed for distribution among staff. This policy will be made available on the Bank's internal website, and a summary of its content will be provided on the Bank's external website. ✓

6. Implementation

This policy shall be effective from the date of its approval by the Chief Executive Officer.

7. Review and Updates

This Policy shall be amended and updated by the (Facilities Management). The Policy shall be approved by the Chief Executive Officer every (3) years, or as needed.

8. Abbreviations

Abbreviation	Description
Bank	Alinma bank
EMS	Environmental Management System
HVAC	Heating, Ventilation and Air Conditioning
ISO	International Standards Organization
GHG	Greenhouse Gases

9. Approval Matrix

Function	Group/Division	Date
Owner	Facilities Management	18/01/2024
Stakeholder	Procurement Department	18/01/2024
Approvers 1	Chief Operating Officer	24/12/2023
	Chief Financial Officer	17/01/2024
	Chief Risk Officer	14/01/2024
	Chief Compliance Officer	21/12/2023
	Chief Sharia Officer	02/01/2024
Approver 2	Chief Executive Officer (CEO)	21/01/2024

10. Document Amendments Record

Change No.	Date	Brief Explanation
Version 1.0	Approval Date	The EMS policy outlines Alinma bank's commitment to environmental sustainability and sets the overall goals for environmental management within Alinma in alignment with ISO 14001 international standard.