



## Alinma ESG Position Statement

Dec 16, 2025

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# 1. Introduction

## 1.1.Context

alinma Bank (“alinma”, “the Bank”, “we”, “our”) is committed to driving positive change and fostering sustainable development in the Kingdom of Saudi Arabia (KSA) in alignment with the Saudi Vision 2030. As a responsible and forward-thinking bank, alinma recognizes the critical role it plays in shaping the future of Saudi society.

This approach aims to foster sustainable and responsible business practices, contribute to positive environmental and social outcomes, and effectively manage potential risks associated with material ESG issues. By integrating ESG considerations, alinma demonstrates its commitment to a more sustainable and socially conscious financial landscape. In addition, ESG integration enables alinma to consider the environmental and social impacts of its financing and investment decisions, as well as understand the governance practices of potential investee companies.

alinma’s commitment to sustainability is further reinforced through its Net Zero Strategy by 2025, which aligns with Saudi Arabia’s Net Zero by 2060 pledge. The Bank has developed a structured Net Zero Framework based on international standards, including the TCFD, IFRS S2, and the Science-Based Targets initiative (SBTi), to guide the decarbonization of its operations, investment activities, and financed emissions.

## 1.2.Purpose

Rooted in alinma’s Strategy 2025, and complementing our Sustainability Policy, the document recognizes alinma’s position on key Environmental, Social, and Governance (ESG) issues as an integral part of its business. The statements outlined in this document reinforce alinma’s pledge to undertake actions that further our ESG objectives and adjust the material ESG risks and opportunities encountered by the Bank. This includes our Net Zero Strategy, which supports our ESG objectives by enabling climate finance, improving emissions disclosures, and integrating climate risk into our decision-making.

For alinma, ESG is a broad concept encompassing all aspects of its operations beyond its day-to-day business activities. As part of our strategic commitments, alinma is evolving as a bank cognizant of its responsibilities to conduct business by the strongest ethical standards while maintaining responsible relationships with all its stakeholders.

Set in the context of the Saudi Vision 2030, this document solidifies our commitment to integrating ESG and sustainable finance into our financing and investment decisions in a rapidly evolving financial landscape. Further, we put forth our commitments with respect to maintaining responsible relationships with our customers and suppliers, working towards the advancement of our employees, and maintaining highest standards with respect to key ethical and regulatory issues. As such, these position statements build a basis for governance structures and management actions with respect to material ESG issues.

### 1.3.Scope

The document has organization-wide applicability, encompassing resources within every business unit of alinma.

These ESG position statements were developed as complementary documents to the existing ESG-related policies published by alinma, such as: Sustainability Policy, ESG Risk Framework, CSR Policy, Environmental Management System Policy, and Data Privacy Policy. In addition to these position statements, alinma will, where appropriate, implement more detailed policies and procedures designed to support the Bank's on-going compliance.

### 1.4.Review, update & maintenance

alinma commits to a periodic review of the position statements (every three years or as deemed necessary), with interim updates for significant changes in regulation, market trends, or internal strategy. Reviews involve input from internal teams and as needed, external experts. All amendments must be delivered to the Sustainability Committee (management committee) and are then communicated broadly. All versions are archived for record-keeping.

### 1.5.Training and communication on our ESG Position Statements

Our employees will receive an induction training on our ESG position statements. In addition, other relevant stakeholders associated with the Bank will be briefed on the Statement's principles to ensure alignment with the Bank's commitment. Periodic refresher sessions will be organized to reinforce and update these principles for all stakeholders.

To further institutionalize ESG awareness and extend its impact beyond the Bank, alinma collaborates with external partners, including the Financial Academy and AMAD, to deliver ESG-related training and knowledge-sharing initiatives. These efforts are aimed at building market-wide ESG capacity and contributing

to the national sustainability agenda.

On an annual basis, alinma strive to conduct structured ESG communication activities targeting both internal and external stakeholders, leveraging various channels and partnerships with local academies and industry forums to raise awareness, encourage dialogue, and promote adoption of ESG principles across the financial sector.

## 1.6.ESG Position Statements' governance

The Board of Directors upholds the key material ESG issues stated in this document at the highest level, cascading down through specialized committees and operational. Clear responsibilities are delineated across these entities to ensure that the commitments are central to the Bank's overall governance.

The detailed roles and responsibilities with respect to governance ESG position statement are elaborated further in the second part of this document

Board of Directors formed a Governance and Sustainability Board committee chaired by Deputy Board chairman to oversee the ESG framework and progress. The committee members are actively engaged in ESG initiatives and oversee progress with the management team on all ESG matters including strategy, framework, risks and opportunities, stakeholder engagement, programs and sustainability initiatives.

To further strengthen our vision and focus on ESG, we have established a Sustainability Committee, a Executive level committee comprising of executive members across major functions at the Bank and chaired by Deputy CEO. The Sustainability Management Committee works on improving the bank's ESG performance and disclosures in order to effectively demonstrate our ESG commitment to our stakeholders.

## 1.7.Roles and responsibilities

### 1.7.1. Board of Directors

Holds the ultimate responsibility for ensuring alinma's sustainability activities and commitments are consistent with its mission and strategy. The Board approves any significant changes or updates to the sustainability strategy and delegates oversight to the Corporate Governance and Sustainability Committee.

### 1.7.2. Corporate Governance and Sustainability Committee (Board Committee)

- Serves as the highest sustainability authority at alinma.
- Oversees the development of the sustainability strategy, ESG frameworks, risks and opportunities, and ESG performance.
- Meets quarterly and is composed of four members, chaired by the Vice Chairman of the Board.
- Provides strategic oversight and guidance to the Sustainability Management Committee and advises the Board on key ESG matters.

### 1.7.3. Chief Executive Officer

- Communicates internal policies and initiatives to the Board to secure approvals and provide feedback.
- Facilitates the upward flow of ESG information from executive and management levels to the Board.

### 1.7.4. Sustainability Management Committee (Executive Committee)

- Drives the practical implementation of the sustainability strategy and ensures timely ESG reporting and disclosure.
- Meets on a semi-monthly basis.
- Chaired by the Deputy CEO and includes five supporting executives.
- Responsible for coordinating sustainability initiatives across departments and addressing escalated ESG issues from the Sustainability Department.

### 1.7.5. Chief Strategy and Sustainability Officer

- Heads the Sustainability Department.
- Oversees development of internal ESG-related policies and sustainability reporting processes.
- Ensures integration of ESG principles across the Bank's functions in line with the approved strategy.

### 1.7.6. Sustainability Department

- Implements the Sustainability Strategy and provides ESG training and support across the Bank.
- Reports directly to the Chief Strategy and Sustainability Officer.
- Collaborates with departments to execute ESG initiatives.
- Updates the ESG Position Statement and escalates key issues with recommendations to the Sustainability Management Committee.

### 1.7.7. Sustainability Champions

- Appointed from various departments by the Sustainability Management Committee.
- Support the implementation of ESG initiatives within their respective functions.
- Act as focal points to accelerate ESG integration across the organization.

### 1.7.8. Department Heads (All Departments)

- Ensure implementation of ESG commitments within their respective departments.
- Actively participate in the execution of the sustainability strategy through their teams.



- Report ESG performance data and progress to the Sustainability Department.

## 2. Position Statement on Integrating ESG Factors into Financing and Investment Activities

### Our commitments

alinma recognizes a strategic opportunity in integrating ESG factors into the Bank's financing and investment activities. The Bank is committed to aligning its financial decisions with sustainable principles, promoting economic growth, environmental preservation, and social progress in the communities we serve. In support of the Kingdom's climate ambitions and global climate disclosure standards, alinma has adopted a Net Zero Strategy to achieve carbon neutrality by 2050 across Scope 1, 2, and relevant Scope 3 emissions, excluding financed emissions (which will be reported starting in 2025). This strategy is built on three pillars: tracking portfolio climate impact, realizing Net Zero through customer and stakeholder engagement, and decarbonizing our operations.

alinma's Sustainability Strategy includes multiple objectives that exemplify the Bank's commitment to integrating ESG factors into financing and investment activities. These objectives are as follows:

1. Improve ESG integration into financing and investment decision-making.
2. Align ESG financing and investment practices with international guidelines and best practice.
3. Integrate ESG into corporate and retail product offerings.
4. Prioritize financing in high growth, high positive impact sectors.
5. Promote sustainable finance issuances for both retail and corporate clients.

### 2.1. Integrating ESG into financing decisions

alinma is committed to systematically integrating Environmental, Social, and Governance (ESG) considerations into its financing activities, guided by internationally recognized standards to manage risk and contribute to sustainable development.

For project finance transactions exceeding SAR 37 million, alinma conducts environmental and social risk assessments in accordance with the International Finance Corporation (IFC) Performance Standards, and guided by the Equator Principles (EP) framework. Projects are categorized based on ESG risk level (high, medium, or low), which determines the scope and depth of due diligence required.

To evaluate ESG risks across the client portfolio, the Bank uses its ESG Due Diligence Toolkit, which provides a structured, risk-based screening approach to assess exposure to material ESG issues at both the client and project levels.

For transactions identified as high ESG risk, the toolkit enables comprehensive due diligence to identify and mitigate risks related to human rights and labor practices, greenhouse gas emissions and biodiversity, water use, pollution and waste management, and community impact and inclusion.

By leveraging ESG into its financing decisions and client relationships, alinma strengthens its risk management, supports responsible growth, and contributes to a more sustainable financial system.

## 2.2.Managing our carbon footprint

alinma is a critical node in the Saudi financial system and intends to align with the Saudi Nation's net-zero carbon commitment, in alignment with the Kingdom of Saudi Arabia's national net-zero commitment. In this regard, alinma endeavors to measure and track its value chain greenhouse gas emissions from Scope 1, 2 and 3 (relevant categories 1 to 14) and more importantly from financing activities (financed emissions, category 15). The Bank will report on its emissions on an annual basis and share any progress made towards achieving net zero.

Our Net Zero Strategy includes a three-year implementation roadmap and climate action milestones that are reviewed regularly. Through engagement, data improvement, and product development, we aim to support clients in their own decarbonization pathways while enhancing transparency and aligning with leading international frameworks such as the Science-Based Targets initiative (SBTi), the UNEP FI Guidelines for Target Setting in Banks, and IFRS S2. alinma is also a member of CDP (formerly Carbon Disclosure Project), reflecting our commitment to enhanced climate-related disclosure and accountability.

## 2.3.Sanctions and exclusions

alinma operates in compliance with the Shariah law and places the values of integrity, ethics, responsibility, and altruism as part of its corporate culture. As a Shariah compliant bank regulated by SAMA, alinma prohibits financing activities deemed unethical or harmful to society, including gambling, tobacco, or alcohol, as well as any involvement with political organizations. Beyond these sectors, alinma does not extend financing for military purposes including weapons, weapon components, and munitions. Beyond these exclusions, businesses that prioritize sustainable and socially conscious practices, such as reducing their carbon emissions, advocating diversity, and inclusion, and upholding robust governance principles, align themselves with the core principles of Shariah-compliant finance. These principles and Environmental, Social and Governance (ESG) values converge in promoting ethical, sustainable, and socially responsible financial practices. Given this, alinma welcomes the growing emphasis on ESG factors and its integration into its investment and financing decision-making.

## 2.4.Integrating ESG into investment decisions

alinma recognizes that incorporating ESG into its investment decisions through the Treasury is an essential part of future-proofing the Bank's operations. The Bank recognizes the need for all functions

to adapt to the changing environment and incorporate considerations related to driving positive change for the benefit of clients, communities, and the planet while generating positive financial returns.

alinma has leveraged its ESG Due Diligence Toolkit to assess investment opportunities, ensuring that environmental, social, and governance risks and opportunities are systematically evaluated. This approach enables the Bank to make more informed, responsible investment decisions that align with its broader sustainability objectives.

The Bank plans to identify investments in green- and social-labelled deposit programs as well as ESG-related money market funds for their treasury investments to navigate the flow of capital towards sustainable finance securities. Further, alinma is in the process of designing a robust governance structure that will outline the roles of committees at various levels of its management and the treasury team's participation will be critical to achieve their goals.

## 2.5.Accessible finance commitments

As part of our commitment to inclusive development, alinma has introduced microfinance solutions targeting low-income households, disadvantaged communities, and small businesses owned by these groups. These solutions are delivered through both the Bank and our fintech subsidiary, Saudi Financial Technology.

Senior management holds direct responsibility for overseeing the microfinance and inclusive banking portfolio. These efforts are complemented by initiatives focused on financial education for low-income individuals, including basic budgeting, credit awareness, and access to digital financial tools.

## 2.6.Capacity building

alinma aims to conduct comprehensive courses on green and social finance, alongside current market trends, enabling our employees to design innovative financial solutions that meet the evolving expectations of investors and clients.

## 3. Position Statement on Customer Relations and Responsible Marketing

### Our commitments

Aligned with our mission, strategic focus on customer empowerment, and in furtherance of Saudi Vision 2030, alinma is committed to the following:

#### 3.1 Customer-centric solutions

We are committed to developing and offering innovative, Shariah-compliant financial products and services that empower our customers.

We realize that every aspect of the organization from responsible marketing and sales to product development and customer interfaces builds customer value, and we are committed to align behind building customer value as a key measure of brand value. Understanding and growing this customer value is key to business growth.

We also commit to continuously monitoring the social impact and potential risks of our products and services, incorporating this insight into product enhancement cycles.

#### 3.2 Financial inclusion and access

We are steadfast in our commitment to Saudi Vision 2030's goals of financial inclusion, focusing on reaching underserved communities throughout the Kingdom. Our subsidiary, Saudi Financial Technology, is instrumental to this initiative, as its major role is to offer banking services to this part of the population, thereby fostering a more accessible and inclusive financial landscape.

#### 3.3 Digital transformation

We are dedicated to continuously enhancing our digital platforms to offer an intuitive, seamless, and secure customer experience, thereby maximizing customer happiness.

Our digital transformation strategy led to the launch and enhancement of AI-powered chatbots, online banking functionalities, and mobile services to improve round-the-clock access and responsiveness.

#### 3.4 Small and Medium-sized Enterprises (SME) support

We are committed to the growth and development of Small and Medium-sized Enterprises (SMEs) by

providing specialized financial products and advisory services. This commitment aligns with Saudi Vision 2030's objectives to invigorate the private sector and foster economic diversification. Furthering our support, our Fintech subsidiary, Saudi Financial Technology, extends its services to small merchants and SMEs, empowering them with innovative financial tools and solutions that cater to their needs.

### 3.5 Customer education and capacity building

We aim to empower our customers through educational initiatives, guiding them towards making informed financial decisions that contribute to their overall well-being. We aim to deliver targeted consumer financial protection training on an ad hoc basis to reinforce our commitment to customer care and regulatory compliance.

In support of responsible product use, we commit to ensuring that products are marketed only to appropriate customer segments based on suitability, financial capability, and risk profile, and clearly disclosing any risks or potential negative consequences in customer-facing marketing materials.

We promote regular training for marketing and customer-facing teams to ensure communications are accurate, complete, and easy to understand. This includes leveraging platforms such as Wathiq to enhance the consistency, reliability, and transparency of information shared with customers.

### 3.6 Transparent and ethical practices

We are committed to upholding the highest standards of transparency and ethics in all customer interactions, ensuring Shariah compliance and alignment with best practices in customer relations. In support of this commitment, we adhere to the policies and procedures outlined in ISO 10002:2014 for complaints handling and ISO 10004:2018 for monitoring and measuring customer satisfaction. Our Customer Care and Contact Centre Units are central to this framework, effectively managing and addressing customer complaints, inquiries and feedback.

To ensure oversight, the Customer Experience has been assigned responsibility for reviewing and monitoring current and new product and service offerings, assessing their alignment with customer expectations, ESG principles, and regulatory requirements.

We maintain a well-defined process to receive, escalate, and investigate customer complaints, ensuring that corrective actions are implemented promptly when required. The Customer Care Department is responsible for managing complaint handling in line with our quality standards, including monitoring and enhancing customer satisfaction.

Key performance indicators—such as complaint SLA and customer satisfaction levels, are tracked and reported in accordance with the Saudi Central Bank (SAMA) requirements. Insights from these indicators are used to drive service improvements and refine our processes.

In line with our transparency commitment, we disclose these quality and complaint-handling metrics in our sustainability report to demonstrate accountability and our dedication to continuous service

excellence.

## 4 Position Statement on Diversity and Equal Opportunity

### Our commitments

Aligned with our mission, strategic focus on promoting diversity and ensuring equal opportunity, and in furtherance of Saudi Vision 2030, alinma is committed to the following:

#### 4.1 Employee empowerment

We are committed to creating a culture that empowers all employees, recognizing the unique skills and perspectives each individual brings. This is embodied through our comprehensive career development framework, which includes structured training programs, mentorship, and a robust performance management system that fosters regular feedback and performance discussions.

We are committed to ensuring equal opportunity in recruitment, promotion, training, and compensation practices across all levels of the organization.

The Bank explicitly prohibits discrimination based on gender, age, nationality, religion, disability, marital status, or any other characteristic protected by law.

This commitment is aligned with the principles of the International Labour Organization (ILO) Conventions 100 and 111, both of which have been ratified by the Kingdom of Saudi Arabia. These conventions promote equal remuneration for work of equal value and prohibit discrimination in employment and occupation.

alinma maintains a zero-tolerance policy for all forms of harassment and discrimination. This includes explicit prohibitions against sexual harassment, non-sexual harassment (such as bullying or intimidation), and any discriminatory behavior.

All employees undergo periodic training on preventing discrimination and harassment in the workplace, including understanding their rights and responsibilities, recognizing inappropriate conduct, and how to seek help.

We have defined confidential escalation procedures in place to report harassment or discrimination, which are accessible to all employees and protect against retaliation. Incidents are investigated promptly and objectively, and corrective or disciplinary actions are taken where necessary.

#### 4.2 Empowerment of women

alinma is proud to be the first Saudi bank to sign the United Nations Women's Empowerment Principles



(WEPs), affirming our leadership role in advancing gender equality in the financial sector. alinma aims to increase the representation and career progression of women across all levels of the organization, in line with Saudi Vision 2030. We support this through our initiatives for developing employees' careers, with a focus on ensuring that women have equal access to all professional development and leadership opportunities. We strive to achieving gender pay equality. We apply a standard salary scale and a remuneration policy that are consistently implemented for all employees. We maintain mechanisms to monitor, assess, and address any potential disparities should they arise.

### 4.3 Investing in the national workforce

We are committed to hiring and developing Saudi nationals, thereby empowering local talent and contributing positively to the nation's economy. Our investment in the national workforce is highlighted by our dedication to continuous learning, providing opportunities for professional certifications, and offering competitive compensation packages.

As part of this commitment, alinma actively promotes youth employment by prioritizing the recruitment, upskilling, and mentorship of recent graduates and young professionals through structured programs such as internships, graduate schemes, and entry-level roles designed to foster career readiness and accelerate professional development.

### 4.4 Inclusive work environment

We are dedicated to cultivating a work environment where diversity is celebrated, and all employees feel valued, included, and able to contribute their best work. This includes fostering open communication, work-life balance with flexible work arrangements such as remote working and flexible working hours, and ensuring a supportive atmosphere through various health and well-being initiatives. To promote awareness and inclusive behaviors, we deliver periodic training on unconscious bias, inclusive leadership, and workplace diversity to managers and employees across all functions.

### 4.5 Equitable compensation

We annually review and maintain equitable compensation structures that do not discriminate on the basis of gender, nationality, or any other characteristic protected by law. We offer one of the highest salary and benefits benchmarks in the industry, including end of service benefits, saving programs, and comprehensive benefits such as health insurance and retirement plans. Responsibility for diversity and inclusion, including gender pay equality and inclusive hiring practices, is assigned to the Group Chief Human Capital Officer, with oversight provided by the Board's Governance and Sustainability Committee.

## 5 Position Statement on Training and Development

### Our commitments

Aligned with our mission, strategic focus on continuous learning, empowering our employees and building a thriving workplace, and in furtherance of Saudi Vision 2030, alinma is committed to the following:

#### 5.1 ESG and sustainable development training

We commit to an integrated approach to ESG capacity building, streamlining specialized training initiatives under one coherent strategy. Tailoring training opportunities to align individual expertise with Alinma's strategic goals, recognizes the unique demands of every role.

Using our alinma Academy for Education and Development, we offer structured learning programs focused on ESG, sustainable finance, responsible investment, and sustainable business practices tailored to different roles, including C-level, executive, and frontline employees. These programs are guided by our sustainability training matrix to ensure targeted training across the organization.

Our internal dedication to core training areas, supplemented by partnerships with educational institutions to develop and deliver joint training programs, underscores our commitment to employee growth and adherence to global best practices.

#### 5.2 Training needs and gaps analysis

We commit to uphold the development of our employees by leveraging the Alinma Academy for Education and Development to consistently identify and bridge critical ESG skill gaps, ensuring peak professional performance. We commit to identifying and addressing skill gaps by leveraging internal assessments and our training partners. A structured process is in place to assess needs, conduct gap analyses, and provide training in governance, artificial intelligence, ethics, soft skills, and leadership development.

We also provide access to online learning platforms such as Udemy and Udacity, helping employees pursue flexible, role-relevant upskilling.

#### 5.3 Training metrics

We are dedicated to setting clear targets for training hours per employee, placing a special focus on annual ESG and sustainable business educational sessions.

#### 5.4 Certification support

We aim to fully support our employees in their pursuit of Sustainable Business and ESG certifications, thereby enhancing our Bank's prominence and their individual growth.



## 5.5 Succession planning and career development

All employees receive regular performance evaluations that inform development planning and career growth opportunities. Our training and promotion framework supports leadership continuity, succession planning, and internal mobility through structured coaching and upskilling pathways.

# 6 Position Statement on Sustainable Procurement

## Our commitments

In line with alinma's overarching ESG objectives and our commitment to fostering a sustainable, responsible business ecosystem, our approach to sustainable procurement is shaped by the following guiding principles:

### 6.1 Risk management

We are committed to understanding and assessing our supply chain, evaluating suppliers' roles and the potential ESG impacts associated with them, as part of our commitment to sustainable operations and risk management.

Our aim is to ensure all our suppliers comply with our Supplier Code of Conduct, and we will monitor this through periodic audits and assessments. We also aim to increase the number of ESG audits conducted on our local suppliers to ensure adherence to our sustainability objectives.

Our Supplier Code of Conduct sets clear expectations for social and labor practices, including prohibitions on child labor, forced labor, and requirements to provide safe and healthy working conditions.

It also refers to standards on maximum working hours, non-discrimination, and minimum living wages or legal minimum wages, whichever is higher, and requires that suppliers ensure acceptable living conditions for any worker accommodations.

To enhance ESG performance across our supply chain, we aim to strengthen ESG audit coverage and implement structured programs to monitor supplier compliance.

### 6.2 Engagement and development

We commit to identifying and engaging with suppliers, especially those critical to our operations and beneficial from an ESG risk management standpoint. We aim to offer these suppliers both training opportunities and incentives to adopt and refine sustainable practices within their organizations in alignment with our strategic business goals. We are institutionalizing supplier development programs and tracking supplier participation to ensure progress is monitored and continuously improved.

### 6.3 Support for SMEs, women-owned businesses and local suppliers

We aspire to advance financial inclusion by exploring opportunities to involve SMEs, women-owned businesses and local suppliers within alinma's supply chain, with the aim of contributing to the sustainable growth of these pivotal stakeholders.

## 7 Position Statement on Data Privacy

### Our commitments

Aligned with alinma's strategic vision, which emphasizes trustworthiness, user privacy, data security, and usability for our stakeholders, and guided by our comprehensive Personal Data Protection Policy, we are committed to the following in pursuit of robust governance and responsible operations:

#### 7.1 Data privacy impact assessment

Data Privacy Impact Assessment (DPIA) is a process that aims to identify, assess, and mitigate the personal data risks associated with particular personal data activities. The Data Privacy Impact Assessment is one of the National Data Management Office (NDMO) and Personal Data Protection Law (PDPL) requirements that alinma must comply with for the existing and new systems/services.

#### 7.2 Cybersecurity risk assessment

Cybersecurity Risk Assessment (CSRA) is a process that aims to identify, assess, mitigate, and prevent the cybersecurity risk. It helps identify threats, determine the threat level, conduct a vulnerability assessment, calculate the potential consequences of threats, and prioritize risks. It represents an integral part of an alinma enterprise risk management process.

Our cybersecurity strategy includes periodic risk assessment ~~stress testing~~, penetration testing, and vulnerability assessments to ensure the confidentiality, integrity, and availability of critical systems. alinma also maintains a Cyber Security Defense Center to monitor systems in real time and to ensure 24/7 coverage.

#### 7.3 Training employees and contractors

Recognizing that our employees play a pivotal role in data protection, we are committed to regular training sessions on Data Privacy. This includes covering the requirements of National Data Management Office (NDMO) and Personal Data Protection Law (PDPL), and how compliance with them should be covered. Particular emphasis is placed on making the difference between data security and data privacy. Consistent with this, data privacy training and awareness campaigns are embedded as an

ongoing initiative at the Bank.

We deliver both face-to-face and online training sessions and require all employees to complete mandatory training modules, including quizzes and refreshers, to maintain an active awareness of data protection responsibilities.

## 7.4 Data control rights for customers

We are dedicated to upholding our reputation for customer data privacy. To this end, we pledge to continually ensure effectiveness of our Data controls by regulating the processing of personal data. One crucial aspect of the NDMO and PDPL is the provision for customers to withdraw their consent regarding the processing of their personal data. One of the ways it does this is by restating and increasing the right to access their personal data, the right to have their data corrected and the right to have their data deleted under certain circumstances.

alinma does not rent, sell, or provide personal data to third parties for purposes other than completing transactions or delivering the services requested by the customer. This principle reflects our commitment to lawful, fair, and purpose-limited data processing in accordance with the Personal Data Protection Law (PDPL).

Our privacy policy ensures transparency by clearly stating the type of data collected, how it is processed and used, how long it is retained, and how customers can file complaints.

## 7.5 Cyber Security incident response plan

Cyber Security Incident response plan is a set of tools and procedures that alinma cyber security team use to identify, eliminate, and recover from cybersecurity threats. These procedures appropriately handle and communicate all incidents to the relevant stakeholders, including IT teams, business units, executive management, and regulatory authorities, ensuring timely containment, eradication, and recovery while minimizing business impact. as early as possible and minimize the adverse impact on business operations. It helps before, during, and after a confirmed or suspected security incident. IRP clarify roles and responsibilities and provide guidance on key activities.

This plan is integrated into the Bank's broader business continuity and IT risk frameworks and is aligned with regulatory expectations such as those from SAMA and the PDPL.

# 8 Position Statement on Anti-Money Laundering

## Our commitments

Aligned with our mission, strategic focus on upholding financial integrity, and in furtherance of Saudi Vision 2030,

alinma is committed to the following in our stand against money laundering:

## 8.1 Commitment to ethical governance and integrity

We are dedicated to upholding our commitment to Shariah compliance, ensuring that our operations adhere to the highest ethical standards enshrined within the Shariah.

Our AML approach is embedded in our broader corporate governance framework and reinforced through the use of advanced monitoring tools, screening protocols, and third-party verifications to safeguard against financial crime.

## 8.2 Robust policies and reporting mechanisms

We are dedicated to maintaining a robust framework through alinma's Anti-Money Laundering, Terrorists Financing, and Know Your Client Policy. Our risk-based strategy commits us to proactive reporting mechanisms, enhanced by frequent audits, to monitor and enhance our compliance.

Our KYC policy mandates comprehensive customer due diligence (CDD) prior to initiating any client relationship, and on an ongoing basis, including identity verification, source of funds validation, and screening for potential links to illegal activities.

Enhanced due diligence (EDD) is applied to clients operating in all jurisdictions, politically exposed persons (PEPs), and other flagged categories, with additional monitoring and senior-level approval.

Ongoing monitoring is conducted for all existing business relationships. This includes regular reviews of transaction patterns, customer behavior, and periodic re-verification of customer information to detect and address any potential risks related to money laundering, fraud, or other financial crimes.

Our AML framework is reviewed by internal and external auditors and aligned with SAMA and Saudi Financial Intelligence Unit (SAFIU) requirements.

Internal policies and procedures are in place to detect and report suspicious transactions to the Saudi Financial Intelligence Unit (SAFIU), and irregularities are escalated in accordance with regulatory timelines.

alinma's Customer Transaction Monitoring Program systematically tracks customer account activity using advanced electronic monitoring to detect anomalies and high-risk behaviors.

alinma maintains a formal process to investigate any breaches or deficiencies related to Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) compliance. Upon identification of an incident, the Compliance Department initiates a structured investigation process that includes: immediate containment measures to limit exposure and mitigate risk; root cause analysis to determine underlying control or process failures; documentation of findings, remedial steps, and timelines in accordance with regulatory requirements; design and implementation of Corrective and Preventive Action Plans (CAPA); regular follow-up and validation of implemented actions to ensure effectiveness; reporting to the Audit

and Risk Committee, the Saudi Central Bank (SAMA), and the Saudi Financial Intelligence Unit (SAFIU) where applicable. Findings and lessons learned from investigations are used to continuously improve internal controls, enhance policy frameworks, and update training content for relevant employees and departments.

### 8.3 Empowering our workforce

Recognizing the critical role of our employees in establishing a secure banking environment, we are committed to offering continuous training on anti-money laundering and terrorist financing prevention, preparing them to identify, report, and act decisively against suspicious transactions.

All employees undergo mandatory AML training annually, including tailored sessions on the identification of suspicious activities, international sanctions compliance, and avoiding the facilitation of tax evasion. Training content is regularly updated to reflect evolving regulatory risks and typologies.

Training content is updated based on emerging risks and regulatory expectations. Specialized workshops are also conducted for high-risk business units.

### 8.4 Adherence to international standards

We remain steadfast in our commitment to meeting both local and international benchmarks, including those recognized by leading global financial oversight bodies, to ensure our practices are contemporary and effective. Our AML framework is designed in alignment with international standards set by the Financial Action Task Force (FATF), the Basel Committee, and relevant UN Conventions.

## 9 Position Statement on Anti-Corruption

### Our commitments

Consistent with alinma's strategic direction and our dedication to strong governance and responsible operations, our resolve against corrupt practices is articulated in the following commitments:

#### 9.1 Commitment to Shariah-compliant governance and integrity

We stand steadfast in upholding Shariah-compliant governance and integrity, ensuring that our decision-making processes are always rooted in ethical considerations and free from associations with corrupt practices.

We explicitly prohibit all forms of bribery and corruption, including facilitation payments, which are small, unofficial payments made to expedite routine government actions.

We also maintain strict controls over practices that may pose corruption risks, including bribes in any form (such as kickbacks), political contributions, charitable donations, and sponsorships. All such

activities are subject to internal review and must comply with alinma's governance policies and procedures.

Bribery is defined as offering, promising, giving, or accepting anything of value as an inducement for an action which is illegal or a breach of trust. Corruption includes any abuse of entrusted power for personal gain.

Conflicts of interest - defined as any situation where personal interests interfere, or appear to interfere, with professional duties - must be disclosed and appropriately managed.

Clear guidelines and Policies have been established to define what is considered acceptable behavior in business conduct, including rules around gifts, entertainment, and third-party interactions.

We also apply these principles to our supplier relationships and require suppliers to avoid bribery, including offering goods and services outside agreed contracts. Any supplier approached by an alinma employee in an unethical manner is expected to report this immediately.

## 9.2 Rigorous policies and transparent reporting channels

We remain committed to fostering an environment of trust and transparency through enforcing rigorous policies, including our Whistleblowing Policy, and championing transparent reporting channels that foster trust and allow stakeholders to confidently voice concerns or seek insights.

Our Whistleblowing policies are clearly communicated to the Board and senior leadership, and we ensure 100% coverage of board members with respect to policy briefings.

## 9.3 Employee capacity building and empowerment

Recognizing the instrumental role of our employees in safeguarding against corruption, we commit to ensuring continuous training to equip them with the tools and knowledge required to identify and counteract corrupt practices.

Regular training on anti-bribery and corruption is mandatory for all employees, with refresher sessions conducted annually. Training includes red flags, reporting procedures, and role-based risks.

with the Compliance or Ethics function for advice on ethical dilemmas and appropriate conduct. All channels are available for employees to seek advice, including but not limited to email. Mechanisms are in place for employees to consult with the Compliance or Ethics function for guidance on ethical dilemmas and appropriate conduct. All employees must also complete an annual sign-off confirming their understanding of, and compliance with, the Anti-Bribery and Corruption Policy.

## 9.4 Adherence to international standards

We are dedicated to maintain alignment of our practices with both local and international anti-corruption benchmarks, drawing from the guidance of esteemed international bodies.



We have assigned clear managerial responsibility for the Bank's anti-bribery and corruption programme, ensuring oversight and escalation to the Board's Governance and Sustainability Committee.

Bribery and corruption risk assessments are conducted on a regular basis across business lines and geographies, with findings integrated into the enterprise risk management process.

We have also assigned managerial responsibility for business ethics, ensuring consistent implementation of ethical standards across operations.

To deter non-compliance and reduce exposure to unethical practices, we enforce disciplinary actions for violations and promote a culture of integrity through monitoring and corrective action mechanisms.

Alinma uses the SAMA Third Party Risk Framework and Counter-Fraud Risk Framework to assess and manage corruption risks. Our controls include anti-fraud measures, audits, and continuous transaction monitoring to detect and prevent misconduct. We also evaluate external relationships to ensure alignment with ethical standards.