Sustainable Finance Allocation and Impact Report

2025

alinma.com

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Introduction

alinma Bank ("alinma" or "the Bank") is a leading Shariah-compliant financial institution in the Kingdom of Saudi Arabia, providing a broad range of banking and financial services to corporates, SMEs and individuals. Since its establishment in 2006 and the commencement of operations in 2009, alinma has combined strong Islamic banking foundations with a forward-looking, digital-first approach to deliver innovative, efficient, and customer-centric financial solutions.

Operating within one of the region's most dynamic economies, alinma plays an important role in supporting Saudi Arabia's economic transformation. The Bank aligns its strategy with the objectives of Saudi Vision 2030 and contributes to national priorities including economic diversification, financial sector development and increased private sector participation. Through its financing activities, alinma supports key sectors across the Kingdom and seeks to enable long-term, sustainable growth.

alinma's operating model is underpinned by advanced technologies, data-driven insights and continuous innovation. Through its digital-first banking model, the Bank integrates digital capabilities across its services to enhance operational efficiency, strengthen service delivery and provide seamless and personalized customer experience. This approach supports alinma in responding effectively to evolving customer needs while maintaining strong governance, business ethics, and compliance standards.

Sustainability is embedded within alinma's broader strategy, governance, and financing activities. In 2023, the Bank launched its Sustainability Strategy, placing sustainable finance at the center of its agenda and recognizing its role as a key participant in the Saudi financial market. Through its Sustainable Finance Framework, alinma directs capital toward projects and transactions with positive environmental and social impact, while supporting the Kingdom's sustainability ambitions and broader transition objectives.

The Bank's sustainable finance activities are supported by a structured governance framework and internal processes for project evaluation, allocation management, and reporting. Together, these mechanisms help ensure that sustainable financing activities remain aligned with the Framework, relevant market standards, and alinma's strategic objectives.

Looking ahead, alinma's strategic direction toward 2030 focuses on delivering continued growth, strengthening profitability, and reinforcing its position as one of the most innovative and customer-centric banks in Saudi Arabia. By integrating sustainability into its core business and financing decisions, alinma aims to create long-term value for shareholders while contributing to a more resilient and sustainable economy in the Kingdom.

About this Report

This is alinma's inaugural Sustainable Finance Allocation and Impact Report, providing transparent, consistent, and timely insight into how funds raised under alinma's Sustainable Finance Framework have been deployed to support eligible green and social financing activities. It is intended for investors, stakeholders, and any party with an interest in understanding the environmental and social outcomes generated by alinma's sustainable finance activities.

This report presents the full allocation of proceeds for alinma's two Sustainability Sukuks: the first Sustainability Sukuk (ISIN: XS3079963834), issued on 28 May 2025, and the second Sustainability Sukuk (ISIN: XS3168164286), issued on 3 September 2025. The associated impact figures for both Sustainability Sukuks are presented on an annual basis, reflecting the expected or reported annual impact of the underlying allocated projects. In addition, alinma mobilizes sustainable financing through its Corporate Sustainable Savings Account, supporting eligible green and social assets. Such allocations are independently managed and excluded from the Sukuk use-of-proceeds presented in this report to ensure transparency and avoid double counting.

alinma also issued a third Sustainability Sukuk (ISIN: XS3310388734) on 3 June 2026. As this issuance occurred after the reporting cut-off date of 31 May 2026, its proceeds and related allocations are not included in this report and will be reflected in future allocation reporting, as applicable. Any developments occurring after this report's cut-off date will be reflected in alinma's next Sustainable Finance Allocation and Impact Report, as at 31 December 2026.

The report presents the allocation of proceeds to eligible assets in line with the categories and criteria defined in the Framework, alongside the corresponding environmental and social outcomes. These include contributions to advancing sustainable development, supporting the transition to a low-carbon economy, and promoting inclusive economic growth in the Kingdom of Saudi Arabia.

This report has been prepared in alignment with internationally and locally recognized standards, frameworks, and market best practices, including:

- ICMA Green Bond Principles (GBP) 2025[1], Social Bond Principles (SBP) 2025[2], and Sustainability Bond Guidelines (SBG) 2021[3]
- Harmonised Framework for Impact Reporting (ICMA, June 2024)[4]
- Guidance on Green, Social, and Sustainability Sukuk (ICMA, LSEG, and IsDB, April 2024)[5]
- Saudi Capital Market Authority (CMA) Guidelines for Issuing Green, Social, Sustainability, and Sustainability-Linked Debt Instruments[6]

Allocation data is maintained under alinma's Sustainable Finance Register. Impact metrics are derived from available project data, client disclosures, and, where necessary, reasonable estimates and sectoral assumptions consistent with the Harmonised Framework. For clarity, allocated amounts reflect alinma's exposure allocated to the relevant Sustainability Sukuk, while impact metrics are presented as either overall project impacts or attributed impacts. Attributed impacts reflect alinma's share of financing in the underlying project and, where relevant, are further adjusted to reflect the share of alinma's financed exposure allocated to the relevant Sustainability Sukuk.

As at 31 May 2026, alinma had fully allocated the proceeds of its first two Sustainability Sukuks, totalling USD 1.0 billion. In addition, USD 557 million of balances were linked to eligible green and social assets through the Sustainable Savings Account as at 31 December 2025. Together, these represent USD 1.557 billion of sustainable finance issued and/or linked. This report provides full allocation reporting for the two Sustainability Sukuks, while also presenting the broader contribution of Sustainable Savings Account to the financing of the eligible asset pool.

To enhance accountability and disclosure quality, KPMG has been engaged to provide independent third-party limited assurance over the specific data points marked with the "AS" symbol on page 9 of this report. The corresponding limited assurance report can be found on page 18. Please note that the scope of KPMG's assurance does not extend to impact measurements or estimates.

1. ICMA Green Bond Principles Green-Bond-Principles-GBP-June-2025.pdf
2. ICMA Social Bond Principles Social-Bond-Principles-SBP-June-2025.pdf
3. ICMA Sustainability Bond Principles Sustainability-Bond-Guidelines-June-2021-140621.pdf
4. Harmonized Framework for Impact Reporting Handbook-Harmonised-Framework-for-Impact-Reporting-June-2024.pdf
5. Guidance on Green, Social and Sustainability Sukuk ICMA-IsDB-LSEG-Guidance-on-Green-Social-and-Sustainability-Sukuk-April-2024.pdf
6. CMA Guidelines for issuing Green, Social, Sustainability and Sustainability-linked Debt Instruments

alinma's approach to sustainability

Sustainability is embedded within alinma's overall strategy, operations, and financing activities, reflecting its commitment to responsible growth and long-term value creation. As a leading Shariah-compliant financial institution in Saudi Arabia, alinma recognizes its role in supporting sustainable economic development and enabling the transition toward a diversified and low-carbon economy in line with Saudi Vision 2030.

alinma's sustainability approach is informed by both national priorities and international frameworks. Through its Sustainable Finance Framework, the Bank directs capital toward projects and transactions with positive environmental and social impact, while its broader sustainability agenda is supported by formal strategies, policies, and internal processes. In 2025, alinma also published its Net Zero Strategy, establishing a structured pathway toward net zero carbon emissions by 2050 and focusing on portfolio climate impact, client engagement, and operational decarbonization.

Sustainability is embedded across alinma's business model through a structured governance framework that ensures oversight, accountability, and effective implementation. The Board of Directors holds ultimate responsibility for overseeing sustainability-related matters, including the review and approval of the Bank's sustainability strategy and key initiatives. This is supported by the Corporate Governance and Sustainability Committee, which oversees sustainability strategy, policies, risk and opportunity management, and performance at the Board level.

Sustainability is also embedded within performance management. Sustainability metrics are included in senior management objectives and cascaded across relevant functions, with sustainability-related KPIs embedded in executive performance evaluations. In 2025, the Bank further formalized Sustainability Champion roles and added sustainability KPIs to their performance appraisals, helping reinforce accountability and alignment between strategic priorities and operational execution.

alinma also integrates environmental, social, and governance (ESG) considerations into its financing activities through its Sustainable Finance Framework and ESG Due Diligence Toolkit. The Toolkit is used to identify and assess ESG risks and opportunities across project finance transactions.

For project finance transactions, the Toolkit facilitates the assessment of deals against international standards, including the IFC Performance Standards and Equator Principles. In addition, it enables the quantification of ESG performance to support more informed decision-making and consistent evaluation across the portfolio.

Net-Zero Strategy

In February 2026, alinma published its Net Zero Strategy, outlining a long-term roadmap to achieve net zero emissions by 2050. The strategy reflects the Bank's role in supporting the low-carbon transition through its financing activities, client engagement, and operational practices.

To support this ambition, alinma has established emissions baselines across both its operations and financing portfolio and set science-based targets aligned with international methodologies. This includes targets for reducing operational emissions and addressing financed emissions across priority sectors.

For the full strategy, including sector trajectories, methodology detail, and the implementation roadmap, see alinma's Net Zero Strategy.

King Khalid Sustainability Award 2025

Sustainability leadership structure

Board of Directors (BOD)

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.

Chief Executive Officer

communicates internal policies and initiatives to secure Board approvals and feedback.

Corporate Governance and Sustainability Committee

is the highest sustainability authority, chaired by the Board Vice Chairman. It oversees sustainability strategy, policy and frameworks development, risks and opportunities, and performance. The Committee meets quarterly.

Chief Strategy and Sustainability Officer

heads the Sustainability department and oversees internal policy development and sustainability reporting.

Sustainability Management Committee

drives the practical implementation of the Sustainability Strategy and ensures proper sustainability reporting and disclosure. It meets semi-monthly. The Committee is headed by alinma's Deputy CEO, supported by five executives.

Sustainability Department

implements the Sustainability Strategy and provides ESG training and support to Bank employees. It reports to the Chief Strategy and Sustainability Officer.

Sustainability Champions

are appointed from various departments by the Sustainability Management Committee to accelerate implementation of the sustainability strategy through awareness programs and targeted initiatives.

Sustainable Finance Working Group

oversees the monitoring of alinma's sustainable portfolio, including assets classified under the Sustainable Finance and Investment Program, and ensures alignment with defined eligibility criteria and impact objectives

Board level | Executive level | Management level

Sustainable Finance at alinma

Sustainable finance represents a key pillar of alinma's strategy, reflecting the Bank's role in mobilizing capital toward activities that generate positive environmental and social outcomes. Through its Sustainable Finance and Investment Program, alinma delivers financial solutions that support responsible growth, environmental protection and inclusive economic development in the Kingdom of Saudi Arabia. This builds on the Bank's Sustainable Finance Framework, published in March 2024, which established the basis for classifying sustainable finance instruments and activities in line with internationally recognized market standards, including the ICMA Guidance on Green, Social and Sustainability Sukuk, Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines, as well as the Green Loan Principles and Social Loan Principles.

The Program provides a structured platform for integrating sustainability into alinma's financial products and services across retail, corporate and investment segments. It supports the classification, tracking and management of financing activities under green, social, and sustainability categories, while strengthening alignment between product development, sustainable finance governance, and the Bank's broader sustainability priorities. To reinforce this governance, alinma has established a Sustainable Finance Working Group (SFWG), a cross-functional body chaired by the Chief Financial Officer and comprising representatives from key functions including Treasury, Finance, Risk, Sustainability, and Business units. The SFWG oversees the implementation of the Sustainable Finance Framework, including the review and approval of eligible assets, allocation and tracking of proceeds, and ongoing monitoring and reporting of sustainable finance activities, while escalating key recommendations to senior management for final oversight.

alinma is currently developing an updated Sustainable Finance Framework, accompanied by a refreshed Second Party Opinion (SPO), which is intended to govern future sustainable sukuk issuances. The updated Framework is expected to reflect evolving market practice and regulatory developments, while aligning more closely with enhancements introduced through the Bank's broader ESG risk management approach. At the same time, the current Sustainable Finance Framework, published in March 2024, together with its existing Second Party Opinion, remains applicable to existing and current sukuk issuances. The updated Framework, once finalized and reviewed, will apply to future issuances and is expected to be made available on alinma's website.

alinma has established a Sustainable Finance Working Group, a cross-functional body chaired by by the Chief Financial Officer and comprising representatives from key functions across the Bank.

Spotlight

alinma's Sustainable Savings Account

alinma's Sustainable Savings Account is a corporate product designed to connect everyday banking with sustainability outcomes. The product is offered to non-individual customers across both Retail and Corporate segments, including SMEs and institutional clients. Customer savings accounts are linked to alinma's pool of eligible green and social assets in line with the Sustainable Finance Framework, enabling clients to participate in sustainable development through a competitive, Sharia-compliant savings product.

To avoid double counting, assets allocated to Sustainability Sukuk 1 and Sustainability Sukuk 2 are not allocated to the Sustainable Savings Account. The impacts presented for the Sustainable Savings Account therefore relate only to eligible assets linked to this product and are reported separately from Sukuk-attributed impacts.

Through this product, alinma contributes to measurable social and environmental outcomes across its eligible portfolio. Financing linked to the Sustainable Savings Account has supported 518 SMEs, contributing to the creation of approximately 4,026 direct jobs annually on an overall portfolio basis. In addition, under the energy efficiency category, financing linked to an eligible corporate client supports product testing and certification against energy efficiency standards promoting the use of more energy-efficient products in the market. The financed activities enable the testing of approximately 6,000 products annually, with approximately 2,350 products associated with alinma's financing.

The product reflects alinma's ambition to make sustainable finance more accessible across the economy and to extend participation beyond capital markets to non-individual banking clients. Read more about our Sustainable Savings Account here.

Spotlight

ESG Risk Framework

In 2025, alinma published its ESG Risk Framework, formalizing the Bank's approach to identifying, assessing and managing environmental, social and governance risks across its financing and investment activities. The Framework strengthens the integration of ESG considerations into alinma's core risk management processes and complements the Bank's broader sustainable finance architecture. Central to this approach is the ESG Due Diligence Toolkit, which supports the classification of transactions according to ESG risk and helps identify financing opportunities aligned with the Sustainable Finance Framework. The Framework also includes Sector and Theme Position Statements to provide clearer guidance on ESG risks and opportunities in selected sectors and themes, further strengthening consistency, governance and transparency in financing decisions. Read more about ESG Risk Framework here.

Sustainable Finance at a Glance

USD 1.557 Bn*

Total Sustainable Finance Mobilised/Linked

*Note: Total Sustainable Finance mobilised includes USD 1.0 billion from Sustainability Sukuk issuances as at 31 May 2026 and USD 557 million of balances linked to the Sustainable Savings Account as at 31 December 2025.

As at May 2026, alinma issued the following sustainable finance instruments:

Theme	Instrument (ISIN)	Issuance Date	Maturity Date[1]	Coupon	Currency	Amount (USD Mn)
Sustainability Sukuk 1	XS3079963834	28/05/2025	Perpetual, callable after 5.5 years	6.50%	USD	500
Sustainability Sukuk 2	XS3168164286	03/09/2025	Perpetual, callable after 5.5 years	6.25%	USD	500

1. First Sukuk Call date: 28/05/2030 and Second Sukuk Call date: 03/09/2030

This report presents the full allocation of proceeds for both Sustainability Sukuks as at 31 May 2026. The associated impact figures for both Sustainability Sukuks are presented on an annual basis, reflecting the expected or reported annual impact of the underlying allocated projects.

Allocation of Proceeds

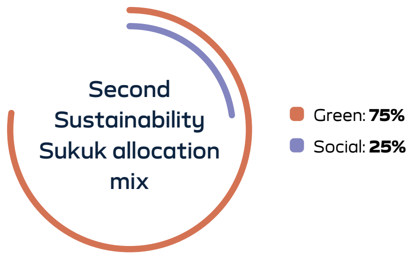
As at 31 May 2026, the proceeds of alinma's first Sustainability Sukuk and second Sustainability Sukuk, each issued in an amount of USD 500 million, have been fully allocated to eligible green and social assets in line with the Sustainable Finance Framework and ICMA guidelines. All allocated assets are located within the Kingdom of Saudi Arabia.

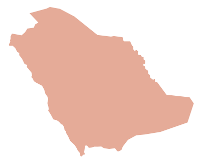
alinma's eligible asset pool comprises a balanced and structured mix of green and social assets across the Kingdom of Saudi Arabia. Under the Sustainable Finance Framework, eligible financing categories span a range of environmental and social priorities, including renewable energy, energy efficiency, sustainable water and wastewater management, education and employment-related social impact. Allocations under the two Sustainability Sukuks were directed to renewable energy, sustainable water and wastewater management, and access to essential services in education.

Summary of Allocation of alinma's Sustainability Sukuk Issuances

Sukuk	Category	ICMA Category	No. of Assets	Amount (USD Mn)	Share (%)
Sukuk 1 (ISIN: XS3079963834)	Green	Renewable Energy	1	292	58
	Social	Access to Essential Services: Education	1	208	42
Total			**2**	**500 AS[1]**	**100**
Sukuk 2 (ISIN: XS3168164286)	Green	Sustainable Water and Wastewater Management	2	135	27
	Green	Renewable Energy	1	242	48
	Social	Access to Essential Services: Education	1	123	25
Total			**4**	**500**	**100**

1. KPMG's limited assurance covers the items marked with the "AS" symbol and relates specifically to the allocation of proceeds of the first Sustainability Sukuk as at 31 May 2026.





100% of proceeds from alinma's issuances are allocated for projects within KSA

All proceeds from the two Sustainability Sukuks have been allocated to eligible assets located within the Kingdom of Saudi Arabia, fully aligned with alinma's mandate to support national sustainable development priorities. Furthermore, 100% of eligible allocated assets were refinanced, with a three-year look-back period applied.

Sustainable Savings Account allocation summary

Sustainability Instrument	Category	ICMA Category	No. of Assets	Amount (USD Mn)	Share (%)
alinma's Sustainable Savings Account	Green	Energy Efficiency	1	63	11
	Social	Employment Generation	518 SMEs	494	89
Total				**557**	**100**

Impact Reporting - Harmonized Framework Impact Table

In alignment with the International Capital Market Association Green Bond Principles (GBP) 2025, Social Bond Principles (SBP) 2025, and Sustainability Bond Guidelines (SBG) 2021, as well as the Green Loan Principles (GLP) 2025 and Social Loan Principles (SLP) 2025 administered by the Loan Market Association, alinma is committed to transparent reporting on the allocation of proceeds.

The table below, developed in line with the harmonized reporting framework, presents the allocation of proceeds and the associated environmental and social impacts of alinma's Sustainability Sukuk, based on allocated projects as at 31 May 2026.

						Overall Project Impact							Attributed Project Impact				
	Eligible ICMA Project Category	Number of Eligible Projects/ Entities Allocated	Allocated Amount (USD Mn) as at May 31 2026 a/	Share of Total Sukuk Financing b/	Eligibility under the Sustainability Sukuk Framework**	Installed Capacity of Renewable Energy (MW) c/	Annual Energy Generation (MWh/year) c/	Annual GHG Emissions Reduced/Avoided (tCO_2e / year) c/	Served Population (Home) c/	Annual Jobs Created (Jobs/year) c/	m^3/day of Wastewater Treated c/	Educational Opportunities in Public Schools (Students Benefited) c/	Annual Energy Generation (MWh/year) d/	Annual GHG Emissions Reduced/Avoided (tCO_2e/year) d/	Served Population (Homes) d/	m^3/day of Wastewater Treated d/	Educational Opportunities in Public Schools (Students Benefited) d/
A	Renewable Energy	1	292	58%	100%	3,800	6,805,717	5,131,511	109,881	-	-	-	235,275	177,397	3,799	-	-
A	Access to Essential Services: Education****	1	208	42%	100%	-	-	-	-	-	-	50,000	-	-	-	-	25,119
B	Renewable Energy	1	242	48%	100%	250	470,759	354,952	7,601	-	-	-	71,081	53,595	1,148	-	-
B	Sustainable Water and wastewater management	2	135	27%	100%	-	-	-	-	-	290,000	-	-	-	-	93,727	-
B	Access to Essential Services: Education	1	123	25%	100%	-	-	-	-	-	-	50,000	-	-	-	-	14,881

* A = Sukuk 1 (ISIN: XS3079963834); B = Sukuk 2 (ISIN: XS3168164286).

** alinma applies a three-year look-back period for refinancing eligibility under the Sustainability Sukuk Framework.

*** This report presents the full allocation of proceeds for both Sustainability Sukuks as at 31 May 2026. The associated impact figures for both Sustainability Sukuks are presented on an annual basis, reflecting the expected or reported annual impact of the underlying allocated projects.

**** The Access to Education project was partially allocated between the two Sustainability Sukuks, with 63% allocated to Sustainability Sukuk 1 and 37% allocated to Sustainability Sukuk 2.

a/ Represents the amount of Sustainability Sukuk proceeds allocated to the relevant eligible project or portfolio as at 31 May 2026.

b/ Represents the share of the relevant Sustainability Sukuk issuance allocated to the category shown.

c/ Represents the total impact benefit of the underlying projects. Please refer to the Methodology section for details of the assumptions and calculation approach used.

d/ Represents alinma's attributed share of the impact benefit, based on alinma's financing share in the underlying project and, where relevant, the share of alinma's financed exposure allocated to the relevant Sustainability Sukuk, as of 31 May 2026.

Impact Reporting - Sustainable Savings Account

Eligible ICMA Project Category	Number of Eligible Projects/ Entities Allocated	Allocated Amount (USD Mn) a/	Share of Total Allocated to Sustainable Savings Account b/	Eligibility against the Sustainable Finance Framework Categories	Overall Project Impact		Attributed Project Impact	
					Products tested annually for energy efficiency (#) c/	Annual Jobs Created (Jobs/year) c/	Products tested annually for energy efficiency (#) d/	Annual Jobs Created (Jobs/year) d/
Energy Efficiency	1	63	11	100%	6,000	-	2,350	-
Employment Generation	518 SMEs	494	89	100%	-	4,026	-	-

a/ Represents the amount of Sustainable Savings Account balances linked to the relevant eligible project or portfolio as at December 2025.

b/ Represents the share of Sustainable Savings Account balances linked to the category shown.

c/ Represents the total impact benefit of the underlying projects. Please refer to the Methodology section for details of the assumptions and calculation approach used.

d/ Represents alinma's attributed share of the impact benefit, based on alinma's financing share in the underlying project.

518 SMEs

supported through the Sustainable Savings Account, contributing to approximately **4,026 direct jobs.**

6,000 Products

tested annually for energy efficiency, with **2,350 products** attributed to alinma's financing.

Methodology

Unless otherwise stated, this report presents both overall project impacts and attributed impacts. Impact figures for both Sustainability Sukuk allocations are reported as at 31 May 2026, while impact figures for the Sustainable Accounts allocation are reported as at 31 December 2025. Impact figures are expressed on an annual basis and are not prorated based on the sukuk issuance date. Overall project impacts reflect the full estimated impact of the underlying financed projects on a 100% project basis. Attributed impacts reflect alinma's share of financing in the underlying projects. In cases where only part of alinma's financed exposure is allocated to the relevant sukuk, tranche, or reporting segment, attributed impacts are further adjusted to reflect the applicable allocation share. Overall project impacts are disclosed, where relevant, for transparency.

Calculation Methodology - Renewable Energy

Calculation of renewable energy generation

Annual electricity generation (in MWh) is estimated based on the expected output capacity of the financed renewable energy projects. For solar and wind projects, generation estimates are derived using country-specific power potential and capacity factor data. Solar generation is calculated using Solar PV power potential (kWh/kWp/day), while wind generation is based on wind capacity factors. These inputs are sourced from recognized international databases, including the World Bank's Global Solar Atlas and Global Wind Atlas, and reflect country-level assumptions applicable to Saudi Arabia. Solar PV power potential (kWh/kWp/day) represents the average daily energy output per unit of installed solar capacity.

Calculation of avoided CO_2 emissions

Avoided greenhouse gas (GHG) emissions are estimated based on the annual electricity generation of the renewable energy projects. Emissions avoided are calculated by applying country-specific grid emission factors, representing the emissions intensity of fossil fuel-based electricity generation in the relevant country. These factors are sourced from internationally recognized datasets, such as The Climate Registry (TCR), and reflect standard emissions factors applicable to Saudi Arabia.

Calculation of households supplied with renewable energy

The number of households supplied with renewable energy is estimated based on the total annual electricity generation of the financed projects. This is calculated by dividing total generation by the average annual electricity consumption per household in the relevant country. Household consumption and size assumptions are based on publicly available data from sources such as the World Bank and the Environmental Systems Research Institute (ESRI), using country-specific averages for Saudi Arabia.

Calculation Methodology – Sustainable Water and Wastewater Management

Calculation of wastewater treatment capacity

Wastewater treatment capacity (in m³/day) is based on the designed or operational treatment capacity of the financed water and wastewater projects. Where actual operational data is available, reported figures are based on project-level data.

Calculation Methodology – Access to Education

Calculation of students benefited

The number of students benefited is based on the designed or reported capacity of the financed educational facilities and the number of students with access to improved educational infrastructure and services supported by the project. Where actual project-level beneficiary data is available, reported figures are based on such data.

Calculation Methodology – Employment Generation

Calculation of number of jobs created

The number of jobs created is estimated based on the volume of financing provided to SMEs, using IFC benchmarks for developing countries. According to these benchmarks, every USD 1 million in SME financing is associated with up to 8.15 additional direct jobs created.

Calculation of number of SMEs financed

The number of SMEs financed is determined based on eligible SME financing exposures within the portfolio. SMEs are selected based on outstanding balances, such that the aggregated outstanding balance of the selected SMEs corresponds to the total amount allocated to the Sustainable Savings Account.

Calculation Methodology – Energy Efficiency

Calculation of energy efficiency testing impact (number of products tested)

The energy efficiency impact is calculated based on the annual number of products tested and certified through financed laboratory facilities that support compliance with applicable energy efficiency standards in Saudi Arabia. These activities help verify that products and systems meet required energy performance specifications before entering or expanding in the market. By enabling testing and certification, the financed activities support the availability and adoption of more energy-efficient products and systems, contributing to reduced energy consumption, improved operational efficiency, and lower energy losses.

Case Studies – Environmental and Social Benefits

Unless otherwise stated, amounts presented reflect alinma's allocated exposure, impact metrics reflect alinma's attributed share of project benefits, and overall project characteristics are included only for contextual reference.

Case study 1 – Powering the Kingdom's Clean Energy Future

Renewable Energy

As Saudi Arabia charts its course toward a lower-carbon economy, alinma has taken an active role in financing infrastructure that supports the Kingdom's energy transition. Through Sustainability Sukuk 1, alinma allocated USD 292 million to support a renewable energy project with a combined installed capacity of 3,800 MW, contributing meaningfully to the Kingdom's clean energy ambitions.

Based on alinma's financing share, the project is estimated to generate approximately 235,275 MWh of clean electricity annually, avoid an estimated 177,397 tCO_2e of emissions each year, and supply approximately 3,799 households with clean, sustainable electricity.

Building on its Sustainability Sukuk 1 commitments, alinma further expanded its renewable energy portfolio under Sustainability Sukuk 2 through a USD 242 million allocation supporting an additional renewable energy project with 250 MW of installed capacity. This expansion reflects the Bank's continued support for clean energy infrastructure in the Kingdom.

Based on alinma's financing share, the project is estimated to generate approximately 71,081 MWh of clean electricity annually, avoid an estimated 53,595 tCO_2e of emissions each year, and supply approximately 1,148 households with clean electricity, further extending the reach of Saudi Arabia's renewable energy infrastructure.

Case Study 2 – Supporting Water Security and Wastewater Infrastructure

Sustainable Water and Wastewater Management

Water scarcity is one of the defining sustainability challenges in the region, and alinma's financing in sustainable water and wastewater management directly addresses this critical need. Through a USD 135 million allocation under Sustainability Sukuk 2, alinma supported two eligible projects that contribute to strengthening water and wastewater infrastructure across the Kingdom.

The financed projects have a combined overall wastewater treatment capacity of 290,000 m^3/day. Based on alinma's financing share, the attributed wastewater treatment capacity attributable to alinma amounts to 93,727 m^3/day as at 31 May 2026. This financing supports infrastructure that contributes to improved water management, enhanced sanitation services, and broader environmental resilience in Saudi Arabia.

Case Study 3 – Investing in Human Capital Through Education

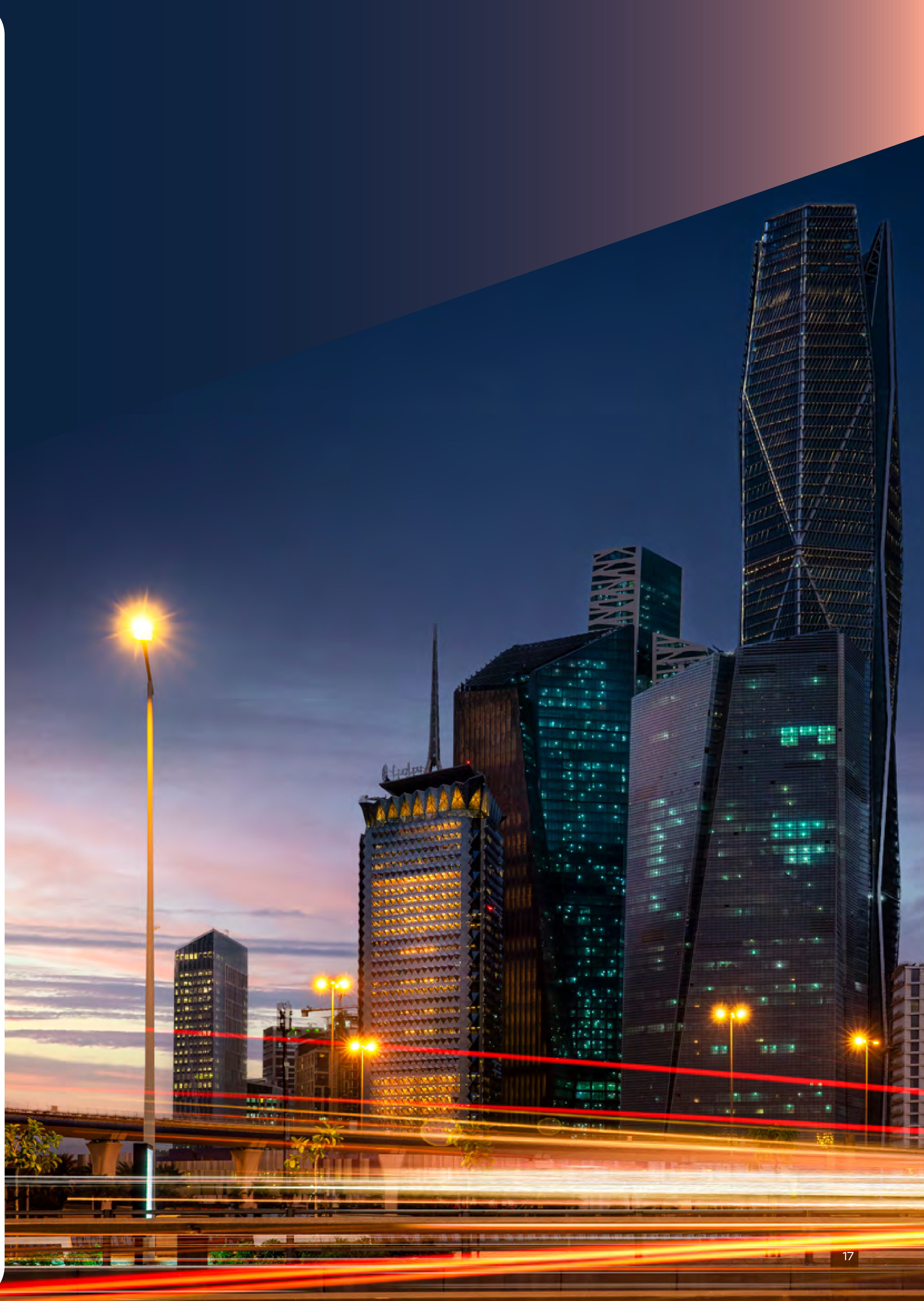
Access to Education

Education is a cornerstone of Saudi Arabia's Vision 2030, and alinma's social financing reflects its commitment to supporting long-term human capital development across the Kingdom.

Under Sustainability Sukuk 1, alinma allocated USD 208 million to an eligible education project supporting access to essential educational services. The same project was also partially allocated under Sustainability Sukuk 2 through a further USD 123 million allocation.

The financed project is associated with an overall project impact of 50,000 students benefiting from improved educational access and infrastructure, helping strengthen the skills and foundations needed to participate in a diversified, knowledge-based economy. Based on the bank's share of financing, the number of students benefiting is 40,000 proportionally allocated across the issued Sustainability Sukuks, with 25,119 attributed to Sustainability Sukuk 1 and 14,881 attributed to Sustainability Sukuk 2.

As the project has separate outstanding financing exposures allocated across Sustainability Sukuk 1 and Sustainability Sukuk 2, the overall project impact is presented for contextual reference only. Sukuk-attributed impact is reflected separately in the impact reporting table to avoid double counting or overstating the impact associated with each Sukuk.



Assurance Statement

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Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent practitioner's limited assurance report to Alinma Bank on the allocation of proceeds from Sustainability Sukuk as at 31 May 2026

To the management of Alinma Bank ("Alinma")

Conclusion

We have performed a limited assurance engagement on whether Alinma Bank's ("the Bank or "Alinma") Subject Matter Information ("SMI") detailed below as at 31 May 2026, has been prepared in accordance with the Applicable Criteria ("the Applicable Criteria") as set out below.

Based on the procedures performed and the evidence obtained, nothing has come to our attention to cause us to believe that the Bank's SMI, as at 31 May 2026 is not prepared, in all material respects, in accordance with the Applicable Criteria.

Our conclusion on the SMI does not extend to any other information that accompanies or contains the SMI and our report (hereafter referred to as "other information").

Basis for conclusion

We conducted our engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ("ISAE 3000") as endorsed in the Kingdom of Saudi Arabia. Our responsibilities under that standard are further described in the *Our responsibilities* section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia.

Our firm applies the International Standard on Quality Management 1: *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* ("ISQM 1"). This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Subject Matter Information ("SMI")

The Subject Matter Information ("SMI") for our limited assurance engagement is presented on page 9 of the *Sustainable Finance Allocation and Impact Report 2025* ("the Allocation Report") and identified by the symbol "AS". The SMI indicates that USD 500 million of proceeds from the Sustainability Sukuk (ISIN XS3079963834) issued on 28 May 2025 ("Sukuk"), are allocated to eligible green and social assets in accordance with the Applicable Criteria as at 31 May 2026.

Applicable Criteria

The Applicable Criteria for the Subject Matter Information relating to the Sustainability Sukuk comprise Alinma Bank Sustainable Finance Framework March 2024 ("Sustainable Finance Framework"), which is publicly available at https://ir.alinma.com/media/ougifku2/sustainable-finance-framework.pdf.

Independent practitioner's limited assurance report

To the management of Alinma Bank ("Alinma") (continued)

Restriction on use or distribution

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Bank, for any purpose or in any context. Any party other than the Bank who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Bank for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report has been prepared for the Bank solely in accordance with the terms of our engagement. We have consented to the publication of our report on: https://www.alinma.com/en/ for the purpose of the Bank showing that it has obtained an independent limited assurance report in connection with the SMI. Our conclusion is not modified in respect of this matter.

Management's responsibilities over the SMI

The management of the Bank are responsible for:

- selection or development of suitable Applicable Criteria with respect to its relevance, completeness, reliability, neutrality and understandability, and appropriately referring to or describing the Applicable Criteria used;
- design, implementation and maintenance of internal control relevant to the preparation of the SMI that are free from material misstatement, whether due to fraud or error;
- preparation and presentation of the SMI in accordance with the Applicable Criteria;
- prevention and detection of fraud and for identifying and ensuring that the Bank complies with laws and regulations applicable to its activities; and
- ensuring that the staff involved with the preparation of the Applicable Criteria and the SMI are properly trained and information systems are properly updated.

Inherent limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the SMI may occur and not be detected. The assurance relies on documentation furnished by the Bank and interactions with relevant personnel within the Bank to validate the SMI. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation of the SMI as the procedures performed were undertaken on a test basis. Our engagement does not involve testing the operating effectiveness of controls over the underlying data, nor have we sought to review systems and controls beyond those relevant to the proceeds.

The nature of non-financial information; the absence of a significant body of established practice on which to draw; and the methods and precision used to determine non-financial information, allow for different, but acceptable evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time.

The Applicable Criteria and the details of eligible green assets and eligible social assets have been developed and mentioned in the Bank's Sustainable Finance Framework to assist the Bank in determining the allocation and use of the proceeds from the Sukuk. As a result, the SMI may not be suitable for another purpose. Our engagement is limited to assessing whether the net proceeds have been allocated to assets that meet the definition of eligible green assets and eligible social assets as per the Applicable Criteria. Furthermore, for the purpose of this limited assurance engagement, we have not performed any procedures around:

- impact or benefit metrics that may feature in the Allocation Report;
- checking compliance of the Applicable Criteria with the ICMA Green Bond Principles 2021, ICMA Social Bond Principles 2023, ICMA Sustainability Bond Guidelines 2021, Green Loan Principles 2023, Social Loan Principles 2023 or any other relevant framework or principles;
- providing any assurance that the eligible green assets and eligible social assets to which the Sukuk proceeds were allocated were only undertaken as a consequence of issuing the Sukuk, nor that the Bank did not, in the same period, also use other cash flows to invest in activities that they would not be permitted to use the Sukuk proceeds for; and
- providing any assurance over the correlation between the use of the net proceeds of the Sukuk and the environmental and social impacts or benefits of the eligible green and social assets.

Assurance Statement continued

KPMG

Independent practitioner's limited assurance report

To the management of Alinma Bank ("Alinma") (continued)

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the management of the Bank.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our conclusion. The procedures selected depended on our understanding of the SMI and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we performed the following key procedures:

- Conducted interviews with management and key staff responsible for the allocation and use of proceeds ("UoP") of the Sukuk and responsible for the preparation of the Subject Matter, to obtain an understanding of the key processes, systems and controls in place for the allocation and UoP of Sukuk and over the preparation of the Subject Matter;
- Inspected the minutes, where applicable, of the governance and sustainability management committee to confirm that the eligible (i.e. Green & Social) assets, allocation and UoP from Sukuk and processes adopted by the Bank around the Allocation Report preparation had been considered and approved;
- Performed the following procedures over the SMI, which included:
  - comparing the net proceeds received by the Bank from Sukuk issued as at 28 May 2025 with those allocated to eligible green and social assets;
  - on a sample basis, testing the allocated population to support the financing provided by the Bank to eligible assets and inspected that the selected assets meet the eligibility criteria as per the Applicable Criteria;
  - assessing that net proceeds were allocated within two years of issuance;
  - assessing that the funds were allocated within the three years look back period;
  - assessing that the amount financed by other financing arrangements have been appropriately excluded from the funds allocated to eligible green and social assets;
  - assessing the mathematical accuracy of the formulae used, and manual calculations performed over the Subject Matter, if any; and
  - assessing the consistency of the narrative information in the Allocation Report, with the information disclosed in the Subject Matter, if any and where applicable.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

KPMG Professional Services Company

Fahad Mubark Al Dossari
License no: 469

Riyadh: 22 July 2026
Corresponding to: 8 Safar 1448H

Appendices

Appendix 1: Sustainable Finance Framework

alinma's Sustainable Finance Framework defines the principles and processes governing the use of proceeds, project evaluation and selection, management of proceeds, reporting, and external review. It provides a structured foundation for the Bank's sustainable financing activities and is intended to serve as the basis for issuing Green, Social and Sustainability Sukuk and financings through Shariah-compliant financial solutions. The Framework is aligned with internationally recognized market standards, including the Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines issued by the International Capital Market Association (ICMA), as well as the Guidance on Green, Social and Sustainability Sukuk by the ICMA, IsDB and LSEG. The Framework is also aligned with the Green Loan Principles and Social Loan Principles issued by the LSTA, Loan Market Association and Asia-Pacific Loan Market Association.

The Framework has been independently reviewed by Sustainalytics, which provided a Second Party Opinion confirming its alignment with the ICMA principles. This external validation strengthens the Framework's credibility and supports alinma's commitment to maintaining high standards of transparency, accountability and integrity in its sustainable finance activities. In addition, annual allocation reporting under the Framework is subject to external verification by an independent third-party assurance provider.

Use of Proceeds

Net proceeds are allocated exclusively to Eligible Green and/or Social Projects that deliver positive environmental and social impacts. Under the Framework, eligible categories include renewable energy, energy efficiency, sustainable water and wastewater management, pollution prevention and control, clean transportation, green buildings, climate change adaptation, affordable basic infrastructure, access to essential services including education and healthcare, employment generation, and socioeconomic advancement and empowerment. A maximum three-year look-back period applies to refinanced projects, and each issuance is expected to be fully allocated within two years from the date of issuance. The Framework also includes an exclusion list. As a Shariah-compliant institution, alinma prohibits financing activities deemed unethical or harmful to society, including gambling, tobacco, alcohol and political organizations. In addition, proceeds issued under the Framework will not be used to finance projects where the main purpose relates to fossil fuels, nuclear power generation, conflict minerals, weapons, vaping, mining, or oil and gas.

Project Evaluation and Selection

Eligible projects are identified by Relationship Managers and assessed through alinma's ESG Due Diligence Toolkit, which supports identification of transactions with environmental and social benefits while also assessing ESG risks associated with the project or client. The Toolkit is aligned with the EBRD Risk Classification Criteria and the Equator Principles, and is also used to monitor financed projects quarterly and screen ESG-related controversies monthly. The Sustainability Department reviews proposed eligible assets to ensure alignment with the Framework and recommends approvals to the relevant Sustainability Management Committee. Periodic review is also undertaken at management and board committee level to ensure ongoing alignment with alinma's broader sustainability objectives.

Management of Proceeds

Proceeds are placed in alinma's general funding accounts and tracked through the Sustainable Finance Asset Register. This register records instrument details, allocated eligible assets, category classifications, project descriptions, locations and unallocated proceeds. alinma applies a portfolio-based approach to match issuances with eligible green and social assets, with periodic reviews undertaken to ensure sufficient eligible assets are maintained against outstanding issuances. Unallocated proceeds are temporarily held in approved short-term Shariah-compliant instruments in line with the Bank's liquidity management guidelines.

Reporting

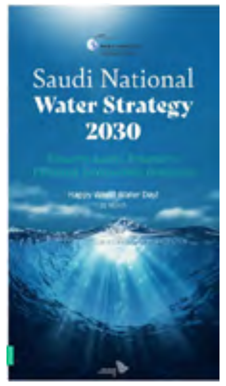
alinma publishes annual reporting on the allocation of proceeds and the associated environmental and social impact of eligible projects. The initial report is issued within one year of issuance, with subsequent annual updates provided until full allocation or until the instrument is no longer outstanding. Allocation reporting includes the amount allocated to eligible categories, project location, refinancing versus new financing, and any unallocated balance at period-end. Impact reporting includes relevant qualitative and quantitative indicators, and where feasible takes reference from the ICMA Harmonized Framework for Impact Reporting. For operational projects, alinma uses actual performance data where available; for upcoming projects, impact may be estimated based on anticipated project performance, with methodologies and assumptions disclosed.

External Review and Governance

Sustainalytics has been appointed to provide the Second Party Opinion on the Framework, confirming its alignment with the ICMA principles. In addition, alinma's annual allocation reporting is subject to independent third-party assurance covering the eligibility of financed assets, the amount allocated to eligible assets, and the management of proceeds, including unallocated proceeds. The Framework is also subject to periodic review and may be updated over time to reflect evolving market practice, with any significant revisions requiring prior approval from both alinma and the SPO provider.

Appendix 2: Strategic Alignment with the UN SDGs and Saudi Vision 2030

alinma's sustainable finance proceeds support progress toward the following UN Sustainable Development Goals (SDGs) and associated targets.

Allocated Category	Alignment with the UN SDG	Key SDG targets	Vision 2030 alignment
Renewable Energy	7 AFFORDABLE AND CLEAN ENERGY	TARGET 7.2 INCREASE GLOBAL PERCENTAGE OF RENEWABLE ENERGY	البرنامج الوطني للطاقة المتجددة National Renewable Energy Program; SAUDI GREEN INITIATIVE
Sustainable Water and Wastewater Management	6 CLEAN WATER AND SANITATION	TARGET 6.3 IMPROVE WATER QUALITY, WASTEWATER TREATMENT AND SAFE REUSE; TARGET 6.4 INCREASE WATER-USE EFFICIENCY AND ENSURE FRESHWATER SUPPLIES	
Access to Education	4 QUALITY EDUCATION	TARGET 4.1 FREE PRIMARY AND SECONDARY EDUCATION	HUMAN CAPITAL DEVELOPMENT PROGRAM

alinma's sustainable finance activities directly support the national transformation agenda articulated in Saudi Vision 2030 and the Saudi Green Initiative (SGI). Key areas of alignment include:

National Renewable Energy Program (NREP): Saudi Arabia has committed to generating 50% of its electricity from renewable sources by 2030. alinma's renewable energy financing, spanning solar PV, wind, and grid infrastructure, contributes directly to this target by accelerating the deployment of clean energy assets across the Kingdom. Sustainability Sukuk 1 and Sustainability Sukuk 2 alone have supported projects generating over 306,356 MWh of clean electricity annually - attributed to alinma's financing - avoiding over 230,992 tCO_2e of emissions each year while powering thousands of homes with sustainable energy.

Saudi Green Initiative: The SGI targets a reduction of 278 million tonnes of carbon emissions per annum by 2030, an ambition that requires the active mobilization of private capital. Through its Sustainable Finance Framework, alinma channels financing toward projects that deliver verified GHG reductions, supported by rigorous impact reporting that measures avoided emissions against a fossil fuel baseline for each sukuk issuance. Across alinma's two sukuk issuances, the financed projects are estimated to avoid 230,992 tCO_2e annually.

Human Capability Development Program: Vision 2030 recognizes that economic transformation is ultimately a story about people. alinma's financing of public, not-for-profit educational infrastructure translates this ambition into investment, expanding access to schooling across the Kingdom. Across Sustainability Sukuk 1 and Sustainability Sukuk 2, alinma has directed a combined USD 331 million toward educational facilities. On a total project basis, the educational facilities are expected to benefit around 50,000 students - directly supporting Vision 2030's goal of building the knowledge-based economy and reducing structural unemployment. Based on alinma's share of financing and allocation split, 40,000 students are attributed to alinma's financing, of which 25,119 are attributed to Sustainability Sukuk 1 and 14,881 to Sustainability Sukuk 2.

Financial Sector Development Program: The FSDP mandates the deepening of domestic capital markets and the integration of sustainability into Saudi Arabia's financial system. alinma's Sustainability Sukuk issuances establish a track record of Shariah-compliant green and social capital market instruments in the Kingdom, while the Sustainable Savings Account extends participation in the green economy to corporate customers, together building the infrastructure and investor confidence needed to scale sustainable finance across the Saudi financial sector.

Saudi National Water Strategy: Saudi Arabia's national water strategy prioritizes sustainable water management, wastewater treatment, and reuse to address water scarcity and improve resource efficiency across the Kingdom. Through its Sustainable Finance Framework, alinma supports this objective by financing wastewater treatment infrastructure that enhances water reuse and reduces environmental impact. Across its two Sustainability Sukuk issuances, alinma has allocated financing to two wastewater projects, contributing to the treatment of approximately 290,000 m³ of wastewater per day, with 93,727 m³ per day attributed to alinma's share of financing, supporting improved water resource management and long-term water security in line with national priorities.

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