

SUSTAINABILITY

Bank Albilad strives for “sustainable growth” by making societal and environmental topics a priority. Contributing to sustainable growth entails an approach to managing both financial and non-financial performance metrics. As sustainability becomes more of a priority, we have a role to play in embedding such practices into the Bank’s strategy and across all activities.



COMMITMENT TO OUR COMMUNITIES

As a key bank in the Kingdom, we recognize the importance of supporting our community beyond our own banking services. We believe that long term value is created from the wider and deeper relationships we build with our communities and stakeholders. We are focused on generating sustainable growth by embedding sustainability into the way we do business and manage our own operations in a more sustainable way.

OUR INITIATIVES IN 2019

- A center for autism research**

Contributed to the establishment of the Riyadh Autism Center of Excellence, in which SAR 286 million was spent in partnership with the Ministry of Labor and Social Development and other Saudi banks. The center aims to build national capabilities in the field of autism, supporting research and specialized studies.

- **ATMs for visually impaired citizens**

Launched ATMs for visually impaired citizens in all branches in partnership with the Commission of Persons with Disabilities. The machines are equipped with braille keypads and voice-assisted interfaces that provide users ease, speed, security and privacy in conducting their transactions.

- **Sport events for differently abled citizens and senior citizens**

Sponsored Rowad Al-Amal (Pioneers of Hope) marathon, an event for people with disabilities, children with special needs and senior citizens, to encourage social inclusion and promote a healthier lifestyle. We also provided wheelchairs to senior citizens and differently disabled citizens.

- **Ramadan food baskets for people in need**

Distributed 8,000 complete food baskets across the country during the holy month of Ramadan.

- **Financial health advice for our community**

Launched a "savings awareness initiative" to educate citizens on the importance of saving money and living a stress-free life with financial freedom.

- **Afforestation conference in Makkah**

Conducted a symposium on afforestation initiatives in Makkah that would contribute to an increase in the city's green space, and discussed challenges maintaining green space in holy sites.

- **Albilad Research chair for environment Sustainability & food security**

Established a chair for Bank Albilad's environment, sustainability and food security, in partnership with King Faisal University in Al-Ahsa.

Our employees are engaged in sustainability initiatives from the beginning of their tenure at the Bank. We are especially proud of our 155-member Albilad voluntary team who has actively participated in all our CSR activities and has recorded more than 1200 volunteer hours.

AWARDS AND ACCOLADES IN 2019

Best Performance Bank in Real Estate Finance and mortgages
Ministry of Housing (Residential Program) / Real Estate Development Fund

Bank Albilad's Chief Executive Officer is ranked among the Top 10 CEOs in Islamic banks in the Arab Gulf region

Most Innovative Credit Card
Tamkeen Credit Card Award
International Finance Awards

Bank Albilad is among the fastest growing brands in the financial institutions in KSA
Brand Finance

Best Community Initiative Award - Deep Waterfront cleaning Initiative (Jeddah)
Global Business Outlook Awards

Mada Saudi honored Bank Albilad on the occasion of reaching one billion transactions in Saudi payments

Excellence in Digital Banking
Finnovex

STAKEHOLDER ENGAGEMENT

Our stakeholders are those individuals or entities that have an interest in our business. We value the opinions of our

stakeholders whose actions have an impact on our ability to execute our strategy and business activities. Outlined below are the classifications of our stakeholders and our focus areas:

Customers	Government and regulators	Shareholders and analysts	Employees	Partners and suppliers	Community and society
<ul style="list-style-type: none"> Continuously enhance client service levels Provide convenient banking options Reduce delays, errors and complexity Continuously enhance defenses against cybercrime and fraud 	<ul style="list-style-type: none"> Comply with legislative changes Maintain strong relationships 	<ul style="list-style-type: none"> Maintain transparency and communication Manage asset quality and impairments Manage costs and improve the cost-to-income ratio 	<ul style="list-style-type: none"> Provide training and skills programmes Develop local talent 	<ul style="list-style-type: none"> Adhere to fair procurement practices Work with local suppliers 	<ul style="list-style-type: none"> Contribute to unemployment initiatives Contribute to education initiatives Contribute to Vision 2030

Engaging with stakeholders is fundamental to the way we operate and vital to our long-term success. In 2020, one of the key priorities of the Bank's senior management is to

ensure stakeholder needs are taken into consideration and that our environmental, social and governance (ESG) factors are managed efficiently.

1,475

INCIDENTS OF BREACH OF CUSTOMER PRIVACY DETECTED (AND PREVENTED)

120

TOTAL TRAINING HOURS AND ON ANTI-CORRUPTION

0%

INCIDENTS OF BREACH OF CYBER SECURITY

99%

OF SPENDING ON LOCAL SUPPLIERS

OPERATING RESPONSIBLY

At Bank Albilad, responsible operation is a part of the fabric of who we are, the prosperity of our stakeholders, and our reputation. The Bank remains committed to ensuring that it operates responsibly and ethically. We focus on four areas that ensure detailed policies, practices and disclosures help to hold our businesses to account.

A. CYBER SECURITY AND THE PROTECTION OF CUSTOMER DATA

The security of customers' personal details is the Bank's highest priority. Recognizing the importance of safeguarding data and money, Bank Albilad uses a robust framework supported by systems that prevent fraud and detect fraudulent behavior in real time. The cyber security programmes are supported by policies & procedures that are championed by our management and board risk governance. Cyber threats are monitored and reviewed on regular intervals to ensure that we maintain our world-class protection. This is done through internal and external audits that evaluate the adequacy of our security controls, and independent third-party testing to identify any security gaps that can be further enhanced. We are continuously improving our cyber defenses by using advanced technology as demonstrated by our strong performance in customer privacy issues and training of our staff to deal with potential risk and threats.

B. FINANCIAL INCLUSION

By serving underbanked individuals and Micro Small Medium Enterprises (MSMEs), we believe that we can benefit society and still improve our bottom line. This is implemented by bringing financial literacy and technological education to remote areas across KSA and providing affordable products and services to individuals and businesses that are excluded from traditional banking.

C. BUSINESS ETHICS

Our strong business ethics is the foundation for our relationships with our stakeholders and is a key cornerstone of our business practices. The Bank is proud of its commitment to developing a culture that complies with the highest ethical and legal standards, and it integrates these values into the way we hire, procure, recognize and conduct financial transactions. Engagement with suppliers is guided by our Supplier Selection Procedures which sets out what we expect of vendors on issues such as ethics, anti-bribery and anti-corruption, human rights and environmental performance.

D. CORPORATE GOVERNANCE

Against a background of increased regulatory focus on governance and risk management, the most significant challenges arise from ensuring that the Bank continues to demonstrate compliance with the requirements of regulators, shareholders' rights and the Board. Bank Albilad ensures strong governance is executed through an effective, well-established governance process supported by independent credit risk oversight and assurance. Our experienced Board of Directors ensures that a robust governance framework and a strong culture of ownership and accountability enables clear accountability for decisions and results.