

# ACCELERATING OUR TRANSFORMATION THROUGH DIGITALIZATION

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Our digital transformation journey entered a new era in 2020. We made considerable progress in our quest to become the digitally and socially market-leading innovative Islamic bank. Investment in technology enables us to continually improve the experience of our customers and employees – and digitizing the Bank remains a key strategic priority.

## MEASURING PERFORMANCE

As a result of these efforts, banking growth across all the Bank's digital channels in 2020 was exponential, with 79% of eligible customers registering on electronic channels. There was a 64% increase in Bank Albilad application transactions compared to 2019.

Of all new accounts opened during the year, 68% were opened digitally. An impressive 124% increase in digital accounts deposits was recorded compared to the previous year.

For our remittance business, Enjaz, downloads for its digital banking mobile application exceeded 1,000,000 and 36% of transactions conducted through Enjaz's digital channels.

Since we started our digital transformation in 2017, embracing digital has been one of the Bank's core values, extending to every area of the business. The adoption of a digital culture and mindset amongst all our employees is of vital importance – and we continue to develop their digital skills and capabilities to help them excel in the delivering our products and services.

As an agile, forward-looking Bank, we listen carefully to our customers and anticipate their needs. The market recognized this in 2020; Bank Albilad was the recipient of four awards, highlighting our status as an innovative market leader. Here by the list of awards:

Best Digital Bank Award  
2018

Global Business Outlook

Best Digital Banking Product for  
the Year 2019

MEFTECH

Excellence in Digital Banking  
Services 2019

Finnovex

Best Digital Banking Award  
2020

International Business  
Magazine

Excellence in Innovative Banking  
Award 2020

MEFTECH

Best Online Banking KSA  
2020

MEA Finance

Best Mobile Banking KSA  
2020

MEA Finance

Highlights of the year included being the first Saudi bank to launch instant issuance of POS terminals from branches. Enjaz benefited from a boost to its digital solutions and hardware as we adopted new technologies to enhance remittance processing. We launched several marketing campaigns to promote e-channels, following the successful release of the Enjaz international remittance app, the business experienced rapid growth in remittance transactions via electronic channels. We also provided companies with POS devices and our digitally active customer base increased considerably as a result.

### **INCREASED CUSTOMER ENGAGEMENT**

Socially, we stand out as a bank that engages with customers differently. Further work was done in 2020 to create an unparalleled after-sales service. A dedicated team analyzes customer feedback to determine any necessary reengineering of processes, product adjustments or new technology requirements. Diversified marketing channels are in place and customer support is available in real-time 24/7 across a multitude of social platforms.

### **DATA SECURITY**

Protecting customer data is of paramount importance to Bank Albilad. We are constantly upgrading our systems and processes to ensure we have robust security protocols in place.

### **CREATING A WINNING DIGITAL STRATEGY**

As we develop a complete digital banking framework, our innovative digital offerings and services will unlock further value for shareholders and increase revenues and profit. Digital customer acquisition and retention is a major priority – and will deliver further value through cost optimization. It will also grow our customer base and increase profits by creating ‘straight through processes’ without the need for human intervention. Customers can now open a new account through one of our e channels in a matter of minutes. The need for this was highlighted during the COVID-19 lockdown, when we experienced a major uptake in new customers opening accounts from the safety of their home and starting to transact immediately.

We are actively working on enhancing our digital analytics capabilities. This will help us reach customers more effectively through cross-selling and up-selling programs.

As the banking sector evolves, we are aware of increasing competition from Fintech and – potentially – new challenger banks. It is however, an era of multiple opportunities for Bank Albilad that includes: possible collaborations with Fintech organizations, a move into Banking as a Service and the arena of agency banking.