



Enriching  
lives through  
financial  
wellbeing

SUSTAINABILITY  
REPORT  
2024





**KING SALMAN BIN ABDULAZIZ AL-SAUD**

Custodian of the Two Holy Mosques

**HIS ROYAL HIGHNESS  
PRINCE MOHAMMED BIN SALMAN  
BIN ABDULAZIZ AL-SAUD**

Crown Prince and Prime Minister

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# ABOUT THIS REPORT

Bank AlJazira is proud to present our third Annual Sustainability Report covering the financial year from 1 January 2024 to 31 December 2024 (FY24). Our sustainability reporting journey began with the launch of our inaugural Sustainability Report in 2023, where we outlined the Bank's intentional institutional interventions to serve the needs of people and planet, while creating sustainable value through our core business.

Steered by the encouragement of our shareholders and other stakeholders, we continue on our journey towards full transparency with this publication of Bank AlJazira's Sustainability for FY24, a voluntary

disclosure of the Bank's progress against key performance indicators and initiatives implemented in line with our strategy for sustainability, thereby supporting the success of our customers, the long-term value creation of our stakeholders, and the sustainable growth of Bank AlJazira. Bank AlJazira's electricity consumption for the year 2023 has been restated (page 61) following a recalculation conducted during the reporting period. There are no other major changes from the previous reporting period in the scope and aspect boundaries. The Report has been approved by the Board of Directors of Bank AlJazira, and is prepared with reference to the Global Reporting Initiative (GRI) Standards.



## REPORTING BOUNDARY

The boundary for sustainability reporting in this Report extends to cover Bank AlJazira, and its subsidiaries/associates listed below, as per the GRI requirement to disclose information for the same group of entities as covered in our financial reporting:

Table 1: Sustainability Reporting Boundaries for Bank AlJazira's Subsidiaries and Associates				
Subsidiaries	Location	Ownership	Nature of Business	Invested Capital
AlJazira Capital Company Closed Joint-Stock Company	Saudi Arabia	100%	Brokerage, asset and wealth management, investment banking, and custody service	ﷲ 500 Mn.
Aman Development and Real Estate Investment Company Limited Liability Company	Saudi Arabia	100%	Holding and management of real estate collaterals on behalf of the Bank	ﷲ 1 Mn.
Aman Insurance Agency Company Limited Liability Company (Under Liquidation – Note (a) below)	Saudi Arabia	100%	Acting as an agent for bancassurance activities on behalf of the Bank. The company ceased its business activities under liquidation	ﷲ 0.5 Mn.
AlJazira Securities Limited Limited Liability Company	Cayman Islands	100%	Carry out Shariah compliant derivative and capital market transactions	Authorized Capital: USD 50,000 Paid up Capital: USD 100
BAJ Sukuk Tier 1 Limited Limited Liability Company	Cayman Islands	100%	Trustee for issuance of Tier 1 Sukuk certificates	Authorized Capital: USD 50,000 Paid up Capital: USD 250
Associates	Location	Ownership	Nature of Business	Invested Capital
AlJazira Takaful Ta'awuni Company Listed Joint-Stock Company	Saudi Arabia	33.08%	Fully Shariah compliant protection and saving products	ﷲ 660 Mn.

Note (a): During financial year 2021, Aman Insurance Agency Company (the Company) applied for its license renewal from Saudi Central Bank ("SAMA"), however, it was not renewed, as SAMA had issued rules governing bancassurance activities during May 2020 which require the banks to carry out Bancassurance business directly. This, as a result, restricted the ability of the Company to carry out business activities and therefore, management of the Company decided to initiate the winding up procedures which are in process as at 31 December 2024.

## QUERIES AND FEEDBACK

We invite all stakeholders to provide feedback or direct any queries to us with regard to this Sustainability Report. Please share your comments or questions with our team at Sustainability@BankAlJazira.com

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# MESSAGE FROM THE CHAIRMAN

In, our third Sustainability Report, we are proud to document the steady progress of Bank AlJazira’s ambitious sustainability journey.

Dear valued stakeholders,

It gives me great pleasure to present to you Bank AlJazira’s Sustainability Report for the year 2024. In, our third Sustainability Report, we are proud to showcase our strengthened commitment towards achieving our sustainability goals, which remain fully aligned with Saudi Vision 2030 targets.

As the focus on environmental, social, and governance (ESG) factors continues to increase alongside the global transition towards a more sustainable economy, Bank AlJazira too, continued to make progress towards understanding ESG considerations and risks along the financial capital value chain.

As a leading Shariah-compliant financial institution, ethical and sustainable business practices are ingrained into our core business. We adopted sustainability reporting to promote transparent communication with our stakeholders, while also documenting the Bank’s long-standing commitment towards social and environmental responsibility. This publication continues to support calls by investors, shareholders, regulators, financial industry peers, and other stakeholders, on the need for alignment with global standards in sustainability reporting.



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During the reporting period, we have progressed steadily towards achieving our sustainability objectives, creating value a through our core business and beyond banking. We continue to enable financial inclusion, and direct capital towards high-impact mega-scale green projects, strengthening our reputation as a socially and environmentally responsible bank. Bank AlJazira will continue to grow in its role as a key enabler of the Saudi Arabia's economic, social, and environmental advancement, creating greater, sustainable impact across the Kingdom, while remaining committed to ethical and sustainable banking practices.

### Eng. Tarek Othman Al-Kasabi

Chairman of the Board of Directors  
Bank AlJazira  
December 2024

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# MESSAGE FROM THE CHAIRMAN OF THE SUSTAINABILITY AND SOCIAL RESPONSIBILITY COMMITTEE

We at Bank AlJazira continued our Sustainability journey during the year 2024 with a clear sense of duty towards our stakeholders, and a strong sense of purpose towards our responsibilities as a key enabler of the Kingdom's Vision 2030 objectives.

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## Dear valued stakeholders,

This year, with the launch of our third Sustainability Report, we highlight the progress of this journey, and our focus on evolving environmental, social, and governance (ESG) considerations.

Driven by our purpose of enriching lives through financial wellbeing, Bank AlJazira progressed along its sustainability journey in 2024, focusing on creating sustainable value through our core business, aligning our corporate strategy with our sustainability agenda.

Notable progress has been made in meeting the objectives across the four sustainability pillars; we continued to adopt and invest in new technologies to further enable financial inclusion, improving the accessibility of our products and services among varying demographics. We better managed and optimized the use of resources as we continued to reduce our own environmental impact. In 2024, BAJ partnered with a leading sustainable solutions provider to recycle plastics, cardboard and mixed recyclables from our Riyadh and Jeddah offices.

One of our key achievements during 2024 is the success achieved by our Corporate and Institutional Banking Group in growing our green financing portfolio, utilizing  $\text{ﷲ}$  1.8 Bn. from the total approved facilities to finance a wide range of sustainable projects ranging from green energy and climate change mitigation technology, to waste recycling and medical technology, projects that are designed to create long-term positive impact across the Kingdom.

2024 also marked the year we successfully completed a remarkable culture transformation journey, with the Bank winning the award for Best Workplace Environment at the International Finance Awards, successfully reaching a major milestone and further strengthening our reputation as a sought-after employer by the Kingdom's top talent. We also continued investing in the capacity development of our growing team of professionals, clocking an average of 31.9 hours of training per employee. Furthermore, over 93% of our total procurement spend in 2024 was directed towards a thriving network of local suppliers.





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Beyond our core banking business, we also continued its community service initiatives through the “Khair AlJazira Le Ahl AlJazira” program, and carried out over 100 community development projects across the Kingdom, reaching more than 23,000 beneficiaries throughout the year. BAJ was recognized by the Regional Network for Social Responsibility (RNSR) in partnership with the United Nations Development Programme (UNDP) for our continued commitment towards the sustainable and wholesome development of our communities, and was presented with the prestigious CSR Award in Arab countries for the year 2024 in the banking sector.

Guided by the Kingdom’s Vision 2030 objectives, Bank AlJazira will continue on our sustainability journey, exploring new opportunities through our sustainable financing portfolio, and creating sustainable value for our stakeholders. We look forward to serving the needs of our clients and country, by creating a strong, sustainable, and profitable bank for our shareholders.

**Eng. Abdulmajeed Alsultan**

Chairman of the Sustainability and  
Social Responsibility Committee  
Bank AlJazira

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# MESSAGE FROM THE CEO

We at Bank AlJazira continued to work towards achieving our sustainability goals, recording a strong financial and non-financial performance in 2024.

With Saudi Vision 2030 now in its homestretch, the Kingdom of Saudi Arabia continued to focus its collective efforts towards the successful realization of Vision 2030 objectives. The Financial Sector Development Program (FSDP), a key part of Saudi Vision 2030 continued to see significant progress in 2024, especially with regard to the Open Banking Framework and increased digital payment adoption across the Kingdom. Bank AlJazira continued to contribute to the progress of the FSDP during the reporting period, promoting digital innovation and boosting financial inclusion, while also contributing towards the diversification of the financial sector.

Beyond our direct contribution as a financial institution to the FSDP and the overarching national development objectives, Bank AlJazira also continued to work towards achieving our own sustainability goals, recording a strong financial and non-financial performance during the year in review, thereby fulfilling the aspirations of our shareholders. In this, our third Sustainability Report, we continue to deliver on our promise for transparency and accountability of our actions and commitment to our objectives across the four Sustainability Pillars. We have worked towards this shared vision, identifying and strategically aligning our competencies to create a positive and long-lasting impact through greater focus across environmental, social and governance (ESG) criteria, backed by a strong risk management framework.





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Our first sustainability pillar focuses on sustaining value creation through our core banking business, while pillars two and three focus on socially and environmentally responsible banking. The fourth sustainability pillar focuses on Bank AlJazira's impact beyond banking, highlighting the work that we do through the "Khair AlJazira Le Ahl AlJazira" program and other social responsibility initiatives implemented beyond our core business.

As one of the leading Shariah compliant financial institutions in the Kingdom, Bank AlJazira continued to enhance the role of governance through annual reviews of all internal policies, remaining focused on addressing materiality matters that are most important to our key stakeholders as well as to our business.

Bank AlJazira continues to look to the future as we set out on what promises to be an ambitious and equally rewarding sustainability journey. We will utilize the unique opportunity we have to drive impactful change through our core banking business and beyond, for the greater benefit of our employees, customers, shareholders, and the communities we are proud to serve.

We look forward to continuing this journey with you.

**Mr. Naif A. Al Abdulkareem**  
CEO and Managing Director  
Bank AlJazira

# BANK ALJAZIRA AT A GLANCE

## OUR PURPOSE

### Enriching lives through financial wellbeing

Established with the objective of providing individuals, businesses, and institutions a full range of Islamic banking products and services, Bank AlJazira is one of Saudi Arabia's fast-growing Shariah-compliant financial institutions. From current and savings accounts, Bank AlJazira has extended its shariah compliant portfolio to cover Murabaha, wakala, Istisna'a, Ijarah, Tawarraq, Musharaka, Wa'ad foreign exchange, credit cards and Sukuk as well as Treasury Products, Investment Banking, Brokerage, and Asset Management Solutions. All products are approved and supervised by an independent Shariah Committee, and delivered by a highly qualified and trained team of professionals.

Bank AlJazira is a Joint Stock Company incorporated in the Kingdom of Saudi Arabia, Bank AlJazira was established pursuant to Royal Decree No. 46/M dated Jumada Al-Thani 12, 1395H (i.e. 21 June 1975), and commenced its business on Shawwal 16, 1396H (9 October 1976) with the takeover of the National Bank of Pakistan's (NBP) branches in the Kingdom of Saudi Arabia. The Bank operates under commercial registration No. 4030010523 dated Rajab 29, 1396H (27 July 1976) issued in Jeddah.

The issued and fully paid up share capital of the Bank amounts to 10.25 Bn. divided into 1,025 million shares of 10 each.

## OUR VALUES

### We innovate for the Future... We succeed through Partnership

The Bank's activities consist  
mainly of the following  
business lines:

#### Personal Banking

Deposit, credit, and investment  
products for individuals.



#### Corporate Banking

Financing, deposits and other credit  
products for corporate, Public Sector,  
Project Financing, Small to Medium  
sized business and Institutional  
customers.



#### Treasury

Money market, foreign exchange,  
trading, and treasury services.



#### Brokerage and Asset Management

The Group provides shares brokerage  
and asset management services to  
customers (includes the activities of  
the Bank's subsidiary AlJazira Capital  
Company).



#### Others

Investments in associate, inter segment  
income and expense eliminations, and  
gains on sale of other real estate.



# PERFORMANCE HIGHLIGHTS FOR THE YEAR

<b>Customer Deposits</b>  ﷲ 108.2 Bn. 15% increase  2023: ﷲ 94.1 Bn.	<b>Total Liabilities</b>  ﷲ 131.7 Bn. 16.4% increase  2023: ﷲ 113.1 Bn.	<b>Total Asset</b>  ﷲ 148.9 Bn. 14.9% increase  2023: ﷲ 129.6 Bn.
<b>Net Financing</b>  ﷲ 96.9 Bn. 20% increase  2023: ﷲ 80.8 Bn.	<b>Saudization</b>  96.49% Successfully sustained  2023: 95.96%	<b>Staff Strength</b>  2,638 4% increase  2023: 2,537
<b>Net Income After Zakat and Income Tax</b>  ﷲ 1,231 Mn. 20.7% increase  2023: ﷲ 1,020 Mn.	<b>Net Income Before Zakat and Income Tax</b>  ﷲ 1,405 Mn. 18.9% increase  2023: ﷲ 1,181 Mn.	<b>Female Employees</b>  344 13% increase  2023: 304

## Awards and Recognitions

- Corporate Social Responsibility Award in Arab States for 2024**  
awarded by the Regional Network for Social Responsibility (RNSR) in partnership with the United Nations Development Programme (UNDP).
- Best Workplace Environment** following the Bank's remarkable culture transformation journey awarded by the International Finance Awards.
- Excellence Award in the Corporate Governance Index (CGI)** for the Financial Sector for third consecutive year awarded by the Corporate Governance Center at Alfaisal University.
- Outstanding Customer Service Innovation** by a Retail Bank awarded by the Digital Banker.

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# ALIGNMENT WITH SAUDI VISION 2030

Bank AlJazira’s sustainability journey remains very closely aligned with the Kingdom’s ambitious Vision 2030 targets and objectives. The Kingdom’s banking sector plays a crucial role in Saudi Arabia’s economic transformation, and is a key driver of economic growth, diversification, and financial inclusion as per the goals of Vision 2030.





During the reporting period, Bank AlJazira continued to explore the opportunities that have resulted from Vision 2030 targets, playing our part as a key enabler in fostering a vibrant society, a thriving economy, and an ambitious nation.

Bank AlJazira, as a Shariah compliant financial institution is first and foremost aligned with the objectives of the **Financial Sector Development Program (FSDP)** – 1 of 13 “Vision Realization Programs” of Vision 2030. Through the FSDP, the Kingdom envisions the steady growth of its Banking and Financial Services Sector, which is currently undergoing rapid transformational change.

Bank AlJazira contributes towards the overarching objectives of the program, which is to grow and diversify the economy, enable social responsibility, and transition into a cashless society powered by digital technologies and infrastructure that is accessible to all. As an active participant of the FSDP, the Bank assists in laying a strong foundation to ensure the sustainability of the Banking and Financial Services sector of the Kingdom in the long term.

Of the three Vision 2030 Pillars, Bank AlJazira supports the objectives of two Pillars:

## PILLAR 02: A THRIVING ECONOMY

The nature of our business aligns us predominantly with Pillar 02, contributing to the Kingdom’s vision of creating an environment that supports economic growth and diversification, and creating jobs that enable Saudi nationals to become active participants of our economy. Bank AlJazira aligns with this vision for “A Thriving Economy” through our **Sustainability Pillar 01: Sustaining Value creation of/ by our core business – banking**. The Bank – through **Sustainability Pillar 01** – contributes directly to the realization of a number of strategic Vision 2030 targets:

- To increase SME contribution to GDP from 21.2% to 35%
- To increase the private sector’s contribution from 40% to 65% of GDP
- To raise the share of non-oil exports in non-oil GDP from 18% to 50%
- 70% homeownership by 2030.

Bank Al Jazira’s **Sustainability Pillar 02: Socially Responsible Banking** is also largely aligned with the vision to create “A Thriving Economy”, thereby directly contributing to the realization of a few more Vision 2030 targets:

- To increase women’s participation in the workforce from 22.8% to 40%
- To lower the rate of unemployment from 12.3% to 7%.



**PILLAR 03:  
AN AMBITIOUS NATION**

Bank AlJazira also aligns with Pillar 03 of Vision 2030: “An Ambitious Nation”, by encouraging Saudi citizens and businesses in pursuing opportunities to advance our Kingdom, and empowering everyone to play a more active role in shaping the future of our nation. The Bank – through **Sustainability Pillar 01** – contributes directly to the realization of yet another strategic Vision 2030 target:

- To increase household savings from 6% to 10% of total household income through innovative, easily accessible banking products

While creating greater impact through the core banking business, Bank AlJazira also supports Vision 2030 objectives through **Sustainability Pillar 04: Impact Beyond Banking**. The Bank’s very own “Khair AlJazira le Ahl AlJazira” program – ensures that the projects implemented contribute towards the overarching goals and needs of our communities in line with Vision 2030 objectives, with high levels of social impact. Areas of focus include youth empowerment, healthcare initiatives, environmental initiatives, and empowering the non-profit sector through financial assistance and funding, thereby contributing to the following Vision 2030 target:

- Increase the non-profit sector’s contribution to GDP from <1% to 5%

We nurture values of giving, compassion, cooperation, and empathy among our employees, encouraging them to volunteer their time and effort through our social initiatives, and to collaborate with charity associations to nurture strong relationships with our communities.

- To rally one million volunteers per year

Furthermore, central to Vision 2030 is the Saudi Green Initiative (SGI), an ambitious national initiative that is focused on combating climate change, improving quality of life, and protecting the environment for future generations. Bank Al Jazira’s **Sustainability Pillar 03: Environmentally Responsible Banking**, is fully aligned with the Kingdom’s ambition to reach net zero emissions by 2060, by directly contributing to the realization of SGI objectives:

- Plant 10 billion trees over the coming decades, equal to rehabilitating 40 million hectares of land
- Reduce carbon emissions by 278 mtpa by 2030

Supporting Saudi Vision 2030 remains a key focus for Bank AlJazira, as we continue to focus on sustainable growth across our core banking business, and contribute to the Kingdom’s continued economic diversification and development, and the wellbeing and wholesome progress of our people and our communities.

Sources:  
[https://www.vision2030.gov.sa/media/rc0b5oy1/saudi\\_vision203.pdf](https://www.vision2030.gov.sa/media/rc0b5oy1/saudi_vision203.pdf)

# OUR APPROACH TO SUSTAINABILITY

## OPERATING ENVIRONMENT

In 2024, Bank AlJazira navigated a dynamic operating environment influenced by both global economic shifts and domestic developments, strengthening our reputation as an enabler of the Kingdom's ambitious Vision 2030 objectives. The global economy experienced a degree of volatility during the year; while certain emerging markets and developing economies showed strong growth, fluctuations in oil prices, persistent inflation and geopolitical tensions impacted investor confidence and market stability. Fiscal deficits and government debt still remained above what they were before the pandemic, with debt-service costs continuing to rise in many countries. However, despite the tightening of monetary policy around the world, a global recession was avoided during the reporting period.

The foremost challenge faced by the banking sector globally during 2024 was maintaining financial stability amidst these economic uncertainties. The emergence of generative AI and other technologies continued to go hand in hand with the rise of cybercrime and sophisticated digital threats that were also a high priority risk for banks and their customers. This also led to deepening regulatory intensity for financial institutions with new data protection laws as well as rapidly evolving existing regulations demanding immediate compliance.

In Saudi Arabia, the banking sector demonstrated resilience, supported by the Saudi Central Bank's (SAMA) strong regulatory reforms and alignment with Vision 2030 objectives. The sector benefited from the Kingdom's non-oil economy growth, which expanded by 3.8% year-on-year in the first half of 2024, driven by sectors such as trade, hospitality, transport, communications, and finance. Saudi banks also diversified their funding sources into international debt capital markets due to an increased demand for financing, which also necessitated robust risk management strategies to mitigate potential currency and credit risk.

The emphasis on digital innovation continued throughout 2024, with the fintech market in Saudi Arabia experiencing a 25% YoY growth. The Kingdom also experienced an increase in consumer spending, reflected in the growth of POS and eCommerce transactions, which can be attributed to the rapid adoption of digital payments across Saudi Arabia. The Kingdom's financial markets continued to attract foreign investment, with foreign ownership in the Saudi Exchange increasing significantly over the past five years.

There is also a growing emphasis on environmental, social, and governance (ESG) matters, with the Saudi banking sector integrating sustainability and ESG criteria into their core business strategies. The Kingdom's banks continued to prioritize sustainable financing instruments, with the green bond and sukuk market experiencing significant growth, and positioning Saudi Arabia as a major player in sustainable financing.

## STRATEGIC DIRECTION

Against this promising backdrop, Bank AlJazira was able to identify opportunities and capitalize on the Kingdom's ambitious Vision 2030 initiatives, engaging in financing projects related to infrastructure, renewable energy, and technology sectors that aligned with economic diversification goals of Saudi Arabia. The Bank focused on expanding its green financing portfolio in 2024, with **ﷲ 4.1 Bn.** in total approved credit facilities for green financing projects at the close of the year.

In April 2024, Bank AlJazira's shareholders approved a 25% capital increase, raising the Bank's capital from **ﷲ 8.20 Bn.** to **ﷲ 10.25 Bn.**, reinforcing the Bank's capital base in line with its strategic goals, ensuring the financial stability necessary to support the Bank's strategic goals and projected growth.

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Investing in the overall development of the Bank’s human capital remained a key strategic objective during the year, with BAJ renewing and entering partnerships with highly reputed educational institutions and professional training establishments during the reporting period, to further develop and advance the capabilities and knowledge of its team. These institutions include the INSEAD Business School, Alfaisal University, the Saudi Industrial Development Fund and the Financial Academy, with the agreements aimed to facilitate training programs and workshops to equip the workforce with specialized skill sets tailored to meet requirements of a rapidly evolving industry, and aligning with the objectives of the Financial Sector Development Program (FSDP) under Vision 2030.

In 2024, Bank AlJazira entered into a significant partnership with the Cultural Development Fund. This collaboration aims to support the growth and sustainability of

cultural enterprises, enhance the sector’s creative output, and boost its contribution to the Saudi GDP. Aligned with Vision 2030, the Bank offers flexible financing solutions to foster the development of micro, small, and medium-sized cultural enterprises, underscoring its dedication to empowering the cultural sector. The Bank’s Corporate and Institutional Banking Group (CIBG) also formalized a partnership with the Small and Medium Enterprise Bank (SME Bank) during the year to drive its mandate of becoming the bank of choice for SMEs.

Bank AlJazira continued to make great strides in digital advancements, formalizing several strategic partnerships with fintechs during the year in review to strengthen and extend its digital ecosystem. With multi-million-dollar investments in digital transformation, BAJ continued to enable digital financial inclusion, improving the agility and accessibility of its banking products and services with many industry-firsts to strengthen its market presence among strong competition in 2024.

The Bank continued to improve its asset quality, efficiency, and profitability, continuing to evolve as a mobile first, digitally enabled bank, built on innovation and partnership.



Project “Elevate” – BAJ partnership with INSEAD Business School



# STAKEHOLDER ENGAGEMENT

Having identified key internal and external stakeholder groups who impact and influence the Bank's operations as well as our strategic decision-making, Bank AlJazira also understands the significance in understanding the expectations as well as concerns of these various groups for the continued success of the Bank, both in terms of financial and non-financial performance. We actively engage with our stakeholder groups by facilitating open, transparent, and constructive dialogue in order to gain a deeper understanding of their priorities and expectations. The Bank encourages

stakeholders to convey their opinions on our approach to sustainability, and build trust and credibility with each stakeholder group, identifying and managing potential or existing concerns.

Our stakeholder engagement process is continuous, and prioritizes feedback of our constituents, including shareholders, in order to shape our decisions and our approach to disclosures. We value the long-term relationships we have formed with our stakeholders over the years, and continue to strengthen our mutually beneficial partnerships by understanding and effectively addressing key stakeholder topics of concern.

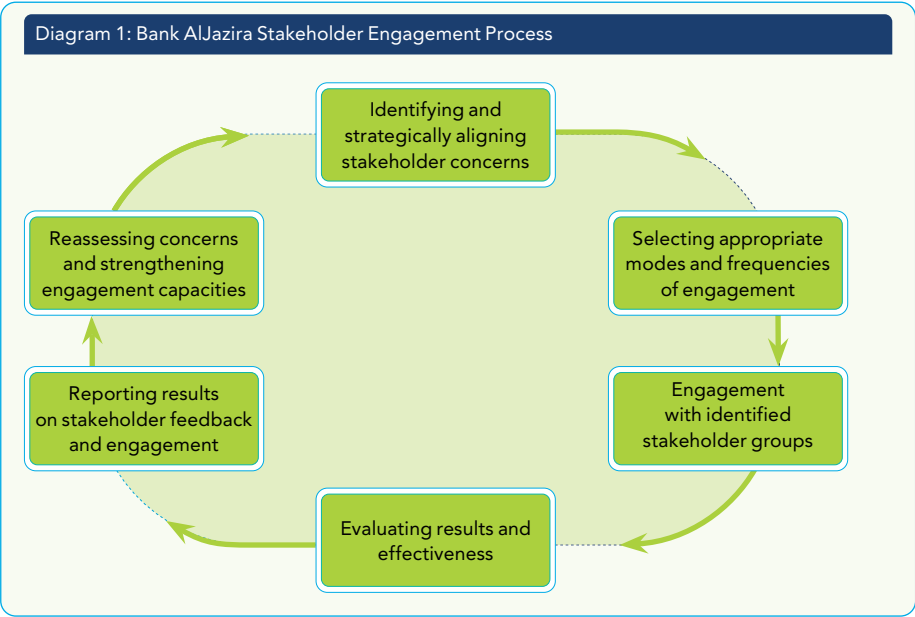


Table 2: Bank AlJazira Stakeholder Engagement Process		
Stakeholder Group	Engagement Mechanism and Frequency	Key Topics for 2024
Shareholders/ Investors	1. Annual General Assembly – Annual	<ul style="list-style-type: none"><li>Financial Performance</li><li>Shareholder Returns</li><li>Governance</li><li>Risk Management</li><li>Sustainability Disclosure</li><li>Business Continuity</li></ul>
	2. Extraordinary General Meetings – As required	
	3. Annual Report – Annual	
	4. Sustainability Report – Annual	
	5. Shareholder Services Division – Continuous	
	6. Interim Financial Statements – Quarterly	
	7. Investor Presentations and Earning Calls – Quarterly	
	8. One-on-One Discussions and Meetings – As required	
	9. Road Shows – Annually	
	10. Press Conferences and Releases – As required	
	11. Announcements made via the Saudi Exchange – As required	

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Table 2: Bank AlJazira Stakeholder Engagement Process

Stakeholder Group	Engagement Mechanism and Frequency	Key Topics for 2024
Customers	<ol style="list-style-type: none"><li>1. Online Banking – Continuous</li><li>2. Branches/Service Centers/ ATMs – Continuous</li><li>3. Customer Visits – As required</li><li>4. Social Media – Continuous</li><li>5. Conventional Media (Advertisements) – As required</li></ol>	<ul style="list-style-type: none"><li>• Service Speed and Quality</li><li>• Access to Financial Services</li><li>• Improving Financial Literacy</li><li>• Improved Digital Channels</li><li>• Awareness on Sustainability Matters</li></ul>
Employees	<ol style="list-style-type: none"><li>1. Induction Program – Once at the point of onboarding</li><li>2. Internal Communication – Continuous</li><li>3. Training Programs – As planned and as required</li><li>4. Special Staff Events – Annual</li><li>5. Performance Appraisals – Annual</li><li>6. One-on-One Discussions – As required</li><li>7. Employee Surveys – As required</li></ol>	<ul style="list-style-type: none"><li>• Career Progression</li><li>• Knowledge and Capacity Development</li><li>• Diversity, Equity, and Inclusion</li><li>• Remuneration and Benefits</li><li>• Awareness on Sustainability Matters</li></ul>
Communities	<ol style="list-style-type: none"><li>1. Special Awareness Events – As required</li><li>2. Public Events – As required</li><li>3. Website – Continuous</li><li>4. Press Releases – As required</li><li>5. Social Media – Continuous</li><li>6. Community Service Initiatives through the “Khair AlJazira Le Ahl AlJazira” Program – Continuous</li></ol>	<ul style="list-style-type: none"><li>• Community Empowerment</li><li>• Awareness on Sustainability Matters (Social and Environmental)</li><li>• Financial Inclusion</li></ul>
Regulators / Policymakers	<ol style="list-style-type: none"><li>1. Consultations – As required</li><li>2. Extraordinary General Meetings – As required</li><li>3. General Assembly Meetings – Annual</li><li>4. Annual Report – Annual</li><li>5. Sustainability Report – Annual</li><li>6. Announcements made via the Saudi Exchange – As required</li></ol>	<ul style="list-style-type: none"><li>• Compliance with Directives and Regulations</li><li>• Financial Performance</li><li>• Saudization</li><li>• Sustainability Disclosure</li><li>• Alignment with Vision 2030</li></ul>

ASSESSING MATERIALITY

Bank AlJazira understands the need to identify and address matters that are most important to our key stakeholders as well as our business. Our materiality assessment and resulting stakeholder outreach is a dynamic and ongoing process that is guided by the Global Reporting Initiative (GRI) Standards; we identify material topics through a Bank-wide assessment across all operations, which gives us insight to stakeholder concerns, market demands, business risks, and opportunities that greatly influence our decision-making, as well as our ability to create long-term value.

We continued to assess identified material concerns with industry research and peer analysis, conducting in-depth desktop

research on market trends while integrating regular feedback from key stakeholders, to prioritize matters of greater concern to them. During the development of our inaugural sustainability report, we identified and finalized eight material topics that are most important to our stakeholders as well as our business. We then applied an internal lens to align these material topics with Bank AlJazira’s eight Sustainability Key Performance Indicators (KPIs).

There were no major changes carried out to the Bank AlJazira materiality topics or materiality matrix during the year in review, with the Bank continuing to measure its progress against the identified materiality topics throughout the year.

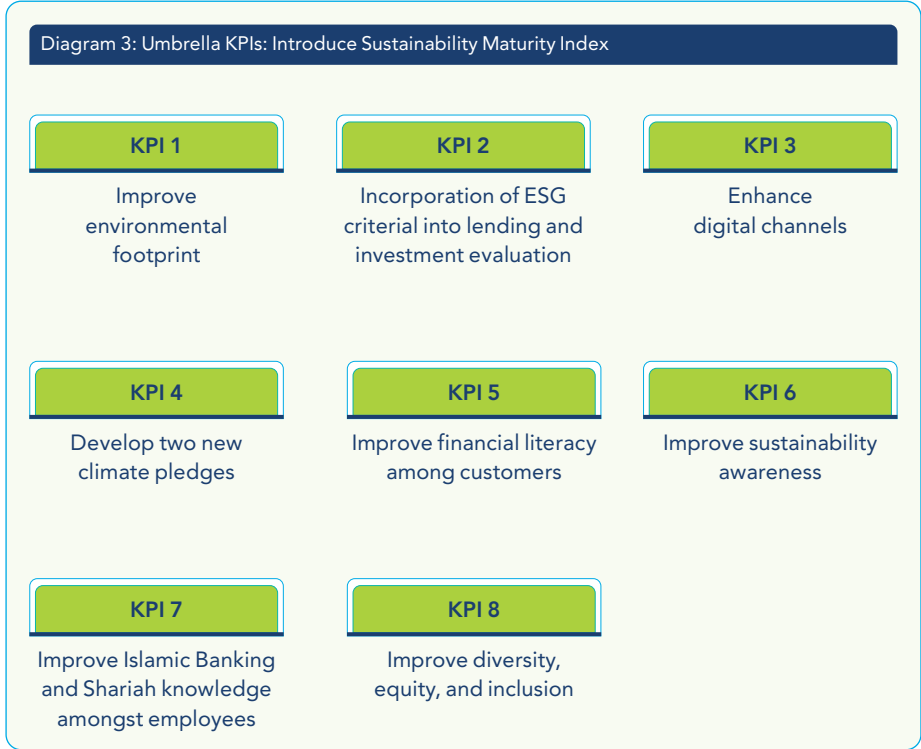
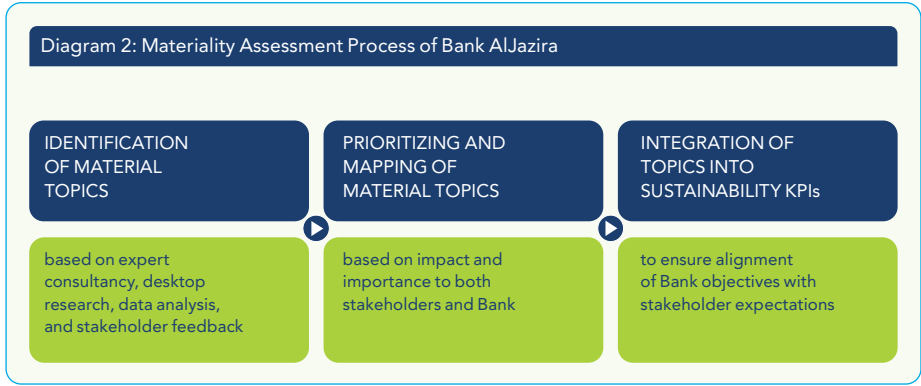


Table 3: Materiality Topics of Bank AlJazira		
Materiality Topic	Relevant Stakeholder/s	KPI
<b>1. Direct Environmental Footprint</b>  Minimizing the environmental impact of our own activities is a prerequisite of responsible operations, prioritized by the Bank and discussed as a material topic by a growing segment of environmentally-conscious customers as well as regulators. This materiality topic drives our efforts to minimize our own resource use.	<ul style="list-style-type: none"><li>Customers</li><li>Employees</li><li>Communities</li><li>Regulators/ Policymakers</li><li>Shareholders/ Investors</li></ul>	<b>KPI 1</b>  Improve of environmental footprint  <b>Group/s:</b> Technology and Operations Group/Sustainability and Social Responsibility Group/ Human Capital and Corporate Support Group  <b>KPI 4</b>  Develop two new climate pledges  <b>Group/s:</b> Sustainability and Social Responsibility Group

Table 3: Materiality Topics of Bank AlJazira

Materiality Topic	Relevant Stakeholder/s	KPI
<b>2. Responsible Financing</b>  We focus on introducing products and services that take into account the most pressing financial needs of our stakeholders. This also ensures effective screening of projects and proposals, covering environmental, social, and governance (ESG) criteria at relevant stages of our financing process.	<ul style="list-style-type: none"><li>• Customers</li><li>• Regulators/ Policymakers</li><li>• Shareholders/ Investors</li></ul>	<b>KPI 2</b>  Incorporation of ESG criteria into lending and investment evaluation  <b>Accountable Group/s:</b>  Retail Banking Group/ Corporate and Institutional Banking Group/ Treasury Group/ Enterprise Risk Management Group
<b>3. Compliance and Transparency</b>  Operating in accordance with national and international regulations and legislation, policies, standards and codes of conduct underpins our license to operate. This also enables us to be transparent in our efforts and approach towards sustainability in our communications with all stakeholders, as well as our reporting and disclosures.	<ul style="list-style-type: none"><li>• Regulators/ Policymakers</li><li>• Shareholders/ Investors</li></ul>	<b>Umbrella KPI</b>  Introduce Sustainability Maturity Index  <b>Group/s:</b>  Sustainability and Social Responsibility Group  <b>KPI 2</b>  Incorporation of ESG criteria into lending and investment evaluation  <b>Accountable Group/s:</b>  Retail Banking Group/Corporate and Institutional Banking Group/ Treasury Group/Enterprise Risk Management Group
<b>4. Privacy Protection</b>  Protecting customer and other key stakeholder data is a fundamental right and requirement, particularly with the growth of digital banking, requiring robust security procedures and systems.	<ul style="list-style-type: none"><li>• Customers</li><li>• Regulators/ Policymakers</li></ul>	<b>KPI 2</b>  Incorporation of ESG criteria into lending and investment evaluation  <b>Accountable Group/s:</b>  Retail Banking Group/Corporate and Institutional Banking Group/ Treasury Group/Enterprise Risk Management Group/ Customer Experience and Protection Division
<b>5. Financial Inclusion</b>  We continue our role as a key partner and a major contributor in the realization of the ambitious financial goals and targets of the Kingdom's Vision 2030, and ensure that financial products and services remain accessible and affordable to all people, and ensure that these people are educated on how to make the best use of these products and services, by improving financial literacy.	<ul style="list-style-type: none"><li>• Customers</li><li>• Communities</li><li>• Regulators/ Policymakers</li></ul>	<b>KPI 2</b>  Incorporation of ESG criteria into lending and investment evaluation  <b>Accountable Group/s:</b>  Retail Banking Group/Corporate and Institutional Banking Group/ Treasury Group/Enterprise Risk Management Group  <b>KPI 5</b>  Improving financial literacy among customers  <b>Accountable Group/s:</b>  Customer Experience and Protection Division

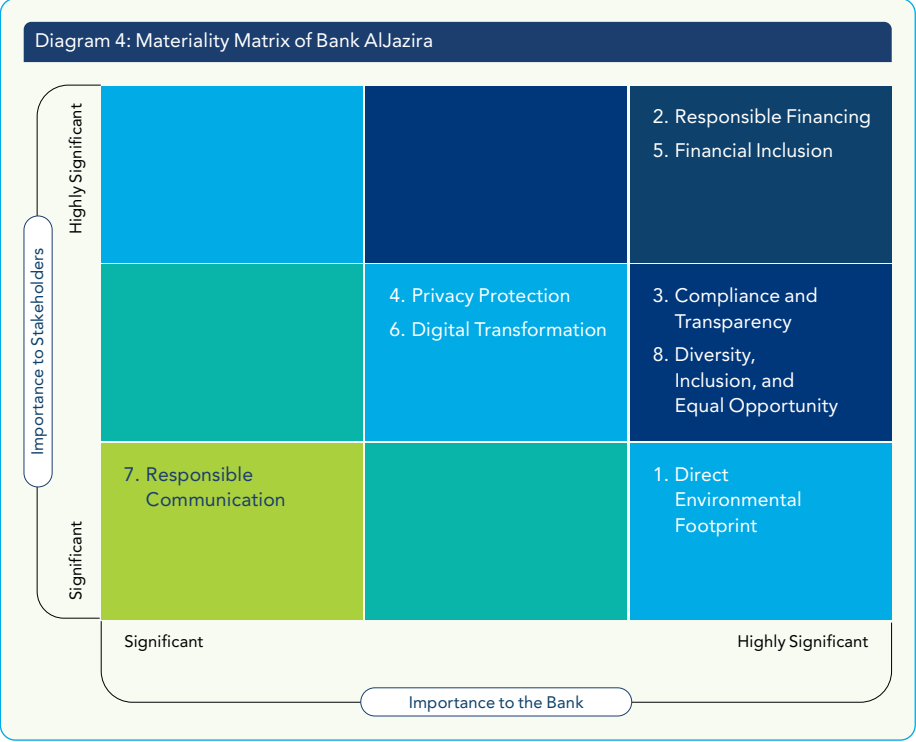
Table 3: Materiality Topics of Bank AlJazira		
Materiality Topic	Relevant Stakeholder/s	KPI
<p><b>6. Digital Transformation</b></p> <p>Digitalization remains a key expectation for customers, and BAJ continues to focus and invest in digitalized products and services for our clients that deliver significant process and resource efficiencies across our business verticals, whilst also providing greater accessibility to financial products and services to customers.</p>	<ul style="list-style-type: none"> <li>Customers</li> </ul>	<p><b>KPI 3</b></p> <p>Enhance digital channels</p> <p><b>Accountable Group/s:</b></p> <p>Technology and Operations Group</p>
<p><b>7. Responsible Communication</b></p> <p>We believe it is our responsibility as a leading financial institution and key enabler of the Kingdom's Vision 2030, to raise awareness among our key stakeholders – mainly our employees – on our approach towards planning and implementing Sustainability initiatives, and our progress towards delivering on our promises. We also consider it our duty to exert more effort towards improving Islamic Banking and Shariah knowledge among our employees, so that they can strengthen our reputation and trustworthiness as a Shariah-compliant Bank by serving our customers better.</p>	<ul style="list-style-type: none"> <li>Employees</li> <li>Regulators/ Policymakers</li> </ul>	<p><b>KPI 6</b></p> <p>Improve sustainability awareness</p> <p><b>Accountable Group/s:</b></p> <p>Sustainability and Social Responsibility Group</p> <p><b>KPI 7</b></p> <p>Improve Islamic Banking and Shariah knowledge amongst employees</p> <p><b>Accountable Group/s:</b></p> <p>Shariah Group</p>
<p><b>8. Diversity, Inclusion, and Equal Opportunity</b></p> <p>We embrace diversity and inclusion to better understand and reflect the evolving communities that we serve across the Kingdom of Saudi Arabia. Inclusivity and equal opportunity results in a more competitive and productive work environment that promotes a sense of belonging.</p>	<ul style="list-style-type: none"> <li>Employees</li> </ul>	<p><b>KPI 8</b></p> <p>Improve diversity, equity and inclusion</p> <p><b>Accountable Group/s:</b></p> <p>Human Capital and Corporate Support Group</p>

MANAGEMENT APPROACH

We ensure our sustainability efforts align with both our business strategy and stakeholder expectations, and have thus prioritized material topics in order to allocate the Bank’s resources effectively, when addressing and managing these identified material topics. As shown in the Materiality Topics table above, the Bank maps each material topic to relevant Sustainability KPIs, which in turn fall under the purview of Group or Unit Heads of the related business function. These Heads are held accountable for the implementation and follow through of the KPI.

MATERIALITY MATRIX

Each materiality topic has been mapped onto our Materiality Matrix, rated from significant to highly significant in importance:



OUR SUSTAINABILITY JOURNEY

At the core of Bank AlJazira’s business is our long-standing dedication to create sustainable value for our stakeholders. Anchored to Islamic Shariah principles, we have remained mindful of the social impact of the banking products and services we have introduced to our customers over the years, and by the nature of our operation have always focused on minimizing any potential negative impacts that may result from the Bank’s activities. We have contributed towards national-scale community development projects, empowering people across the Kingdom through high-impact social and environmental initiatives. Beyond strengthening our own team of professionals with capacity development to assist in their growth and evolution, Bank AlJazira also continued to empower young men and women in our communities through a range of vocational training programs and other

initiatives, helping to bridge skill gaps in the labor market while also enabling them to become active participants in the Kingdom’s diversifying economy.

Now, in this our third annual Sustainability Report, Bank AlJazira continues to document our sustainability journey, underscoring our persistent commitment to embed sustainability across the Bank’s operations, as a responsible financial institution that continues to organically contribute towards the sustainable development of our communities, and the strengthening of our economy. We provide an overview of our sustainability approach, structured to address the materiality topics we consider to be most relevant for our stakeholders. Following approval from the Board of Directors in 2022 to publish an annual Sustainability Report, we established a sustainability framework, guided by the objective of creating long-term value by conducting our business in a balanced and responsible way to benefit our people and planet.

# SUSTAINABILITY GOVERNANCE STRUCTURE

The Sustainability and Social Responsibility Group has a direct line of reporting to the Sustainability and Social Responsibility Committee, as well as a dotted line to the CEO for continuous guidance and direction. The Group consists of a dedicated Sustainability Division, with a member at this stage driving our sustainability efforts across all business verticals. The Board of Directors has direct oversight over the Sustainability and Social Responsibility Committee, and continues to provide guidance and direction to the Bank’s overarching sustainability ambitions.

# MAPPING OF SUSTAINABILITY FRAMEWORK

Bank AlJazira’s overarching strategy is based on being a purpose-led Bank driven to achieve three key sustainable outcomes:

- 1. Improving our Economic Health –** by bringing our financial ratios such as Cost to Income (C/I), Cost of Funds (CoF), Return on Assets (RoA) and Return on Equity (RoE), in line with our peers.
- 2. Improving our Organizational Health –** by strengthening our culture, values, and reputation for being the preferred employer of top talent.
- 3. Improving our Customer Experience –** by delivering on our brand promise, by optimizing our customer journeys, and providing unparalleled digital experiences to collectively enhance our Net Promoter Score (NPS).

A strategy refresh carried out by the Bank in 2023 for the next 5 years laid out a clear transformation agenda, underpinned by 42 strategic initiatives with defined execution timelines that span across short, medium, and long terms, with a few timely, strategic changes carried out to the Bank’s purpose and objectives:



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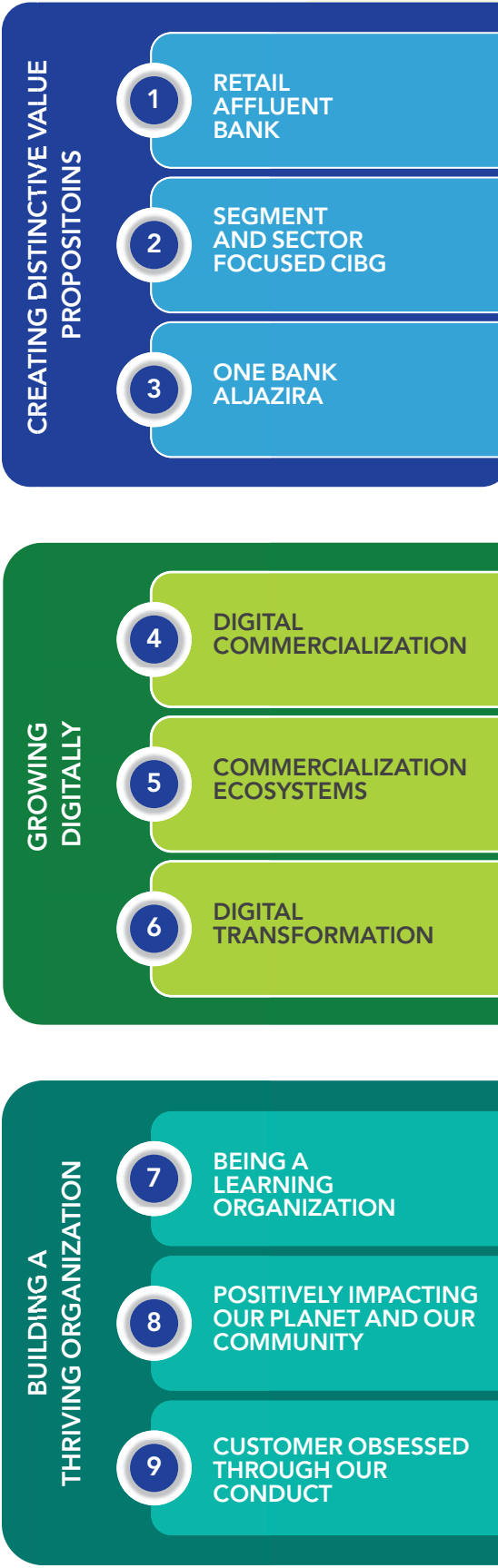
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Bank AlJazira identified four key pillars upon which we established our sustainability framework that would enable us to drive economic growth, and create both greater business value and wider sustainable impact. The focus areas of the Bank’s strategic objectives have been mapped onto the sustainability pillars to create a more cohesive, collaborative and comprehensive effort towards maturing in our sustainability journey. These sustainability pillars support BAJ in remaining aligned to the core parts of our business strategy, to deliver on our commitment to strengthen the Saudi economy, and to contribute towards realizing the ambitious targets of Vision 2030.

Diagram 6: Sustainability Framework





SUSTAINABILITY PILLARS	PURPOSE MAPPING	STRATEGIC OBJECTIVES	UN SDG MAPPING
<b>Sustainability Pillar 01:</b> Sustaining Value creation of/by our core business – banking	1 2 3 4 5 6 7	<ul style="list-style-type: none"><li>• Providing access to finance through a growing portfolio of banking products and services, to increase economic participation and financial inclusion</li><li>• Leveraging digital innovation, digitized banking systems and infrastructure to promote digital financial inclusion and self-service banking</li><li>• Evolving as a learning organization by revamping work culture, providing training and development, accelerating digitalization, and enhancing employee experience</li></ul>	 
<b>Sustainability Pillar 02:</b> Socially Responsible Banking	7 8 9	<ul style="list-style-type: none"><li>• Innovation and development of Shariah compliant products and increasing Shariah knowledge among employees and customers</li><li>• Preventing financial crime with zero-tolerance for bribery, corruption and fraud, and ensuring privacy protection for customers</li><li>• Promoting and exemplifying diversity and equal opportunity in employment</li><li>• Sourcing from local vendors to create sustainable livelihoods</li></ul>	 
<b>Sustainability Pillar 03:</b> Environmentally Responsible Banking	4 5 8	<ul style="list-style-type: none"><li>• Monitoring and minimizing the Bank's carbon footprint through responsible and optimized consumption of our resources, and the management of waste</li><li>• Directing of capital flows and investments towards highly impactful green projects</li><li>• Incorporation of environmental criteria in credit evaluation</li><li>• Improve institutional knowledge on climate change mitigation, adaptation and impact reduction</li></ul>	 
<b>Sustainability Pillar 04:</b> Impact Beyond Banking	8	<ul style="list-style-type: none"><li>• Supporting social entrepreneurship through advocacy, financial assistance and financial literacy to promote creativity, innovation and economic growth</li><li>• Stewardship of external environmental and community initiatives</li><li>• Partnerships with international and local organizations to achieve social and environmental objectives</li></ul>	  

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# PILLAR 01:

## VALUE CREATION BY OUR CORE BUSINESS

Bank AlJazira creates distinct value propositions for retail and corporate customers through a growing portfolio of products, services, and digital innovations, backed by a team of trained and qualified banking professionals.



# ACCESS TO FINANCE THROUGH BANKING PRODUCTS AND SERVICES

## RETAIL BANKING GROUP

Bank AlJazira's Retail Banking Group (RBG) continued to progress as a digitally-powered retail banking ecosystem during 2024, strategically growing across its portfolio of banking solutions to a rapidly evolving consumer market. A distribution network comprising 73 branches, 587 ATMs and over 25,000 Point-of-Sale (POS) devices promotes greater, far-reaching accessibility to Shariah-compliant financial services for all men and women across Saudi Arabia. This is further complemented by a digital banking experience with many industry-first consumer banking functions made available through digital and mobile channels, ensuring consumers are given the ability to access banking products and services anytime, anywhere.

### 2024 Update

RBG remains responsible for executing 14 of a total 42 strategic initiatives under BAJ's current 5-year strategy cycle running through 2022-2026. During 2024, RBG continued to drive its mandate to become the bank of choice for affluent and high net worth individuals (HNWI) by focusing on 5 key strategic objectives:

- Creating a premium brand positioning
- Improving cross-selling
- Increasing penetration of digital sales
- Revamping Bank@Work
- Growing auto-lease business

Vision 2030 continued to catalyze growth across Saudi Arabia's wealth management landscape, with the wealth segment spanning from ultra-high net worth individuals (UHNWI) to a growing mass affluent market, each with their distinct wealth management needs. RBG continued its mandate to become the bank-of-choice for affluent customers in 2024, maintaining its market share of HNWI and family offices through its dedicated Private Banking and Wealth Management Group by redefining its value proposition for key priority customer personas.

RBG's digitally-powered Private Banking and Wealth Management offering stood out in an intensely competitive local market by fostering a cross-sell model with AlJazira Capital – the Bank's brokerage and asset management subsidiary. Priority

customers were able to access local and global brokerage services, investment advisory, asset management solutions, and discretionary portfolio management (DPM) services through cross-sell offers, which preserves and grows their wealth, creating sustainable value for generations to come. In 2024, cross-selling increased by 4% YoY with MASl priority banking customers, who enjoyed an elite banking experience with dedicated relationship managers offering them the utmost convenience in meeting their wealth management needs.

## PRIVATE BANKING AND WEALTH MANAGEMENT GROUP

Overall, the Private Banking and Wealth Management Group recorded 5% growth during the year in review, successfully growing its assets portfolio by 42% YoY. The Bank's benchmarked standards in affluent client servicing was well maintained with well trained and equipped Relationship Managers further enriching the private banking experience. All efforts contributed towards a notable 15% YoY improvement of the net promoter score (NPS) for affluent banking, reaching 54 at the close of the reporting period.

Aligned with the objective of creating a premium brand positioning, RBG also focused on elevating the overall customer experience at BAJ's retail branches during 2024, redesigning interiors to create a more open and welcoming branch environment where customers feel prioritized through the engagement of friendly and attentive staff. Process flows were streamlined and optimized to ensure a high-quality service experience.

RBG focused on growing its core assets and deposits during the reporting period, launching several products and services across real estate, personal finance, and auto leasing to meet business targets for the year in review. In Real Estate Finance, RBG revamped and streamlined its mortgage process, efficiently improving turnaround time (TAT) from 18 to 12 days for greater customer convenience. RBG also launched a Down Payment Support Package, and a Self-Construction Subsidy Package as part of its Subsidized Funding Program facilitated in cooperation with the Real Estate Development Fund (REDF). The new product launches led to a remarkable 46% growth in total mortgage sales for RBG, and a marginal increase in market share, demonstrating the Bank's ability to identify and meet market needs. At the close of 2024, RBG recorded a portfolio growth of 124% YoY, reaching **ﷲ 5.3 Bn.** in value.

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BAJ encouraged and promoted a savings culture among its customers with the AlJazira Savings Account, which is designed to help customers achieve their savings goals with a highly flexible product in accordance with Shariah principles, designed to serve the best interest of the customer. The account can be opened online through the AlJazira web portal or mobile app, providing customers with greater convenience. Return values are calculated daily on any amount saved as there is no minimum amount required to open the account, and is deposited to the account on a monthly basis. AlJazira savings accounts are accessible online at all times via digital channels.

The Retail Group also saw a continued increase in demand for debit and credit cards as well as low limit cards, which have been introduced in both physical and digital formats. Debit and credit cards have increased by 21% and 24% respectively YoY in both formats, with digital debit cards growing by a notable 85%. Digital credit cards have also grown six-fold during the year in review, reflecting a growth in customer adoption of digital cards. The Low Limit

Cards in particular has shown a decrease in physical cards and a consequent increase in digital cards during the reporting period.

In Personal Financing (PF), with the end-to-end digitization of the customer journey in 2023, the Bank notably increased its online PF sales from ﷲ 12.4 Mn. to ﷲ 45.5 Mn. YoY. Policy enhancements made to the Expat PF product more than doubled sales, recording a YoY increase from ﷲ 33 Mn. to ﷲ 76 Mn. A revamp carried out to the Private Sector Pension Plan (RAC) PF also saw a significant increase in sales from ﷲ 415 Mn. in 2023 to ﷲ 621 Mn. in 2024, a near 50% increase YoY. The launch of Dynamic Financing in November 2024 already showed promise with ﷲ 3.1 Mn. in sales at the close of the year. Overall, the launching of new products and the strategic revamp of existing products to meet evolving market needs saw the PF loan book record a 70% YoY growth to reach ﷲ 5 Bn. at the close of the reporting period. Auto Leasing expanded its geographical coverage to the East region in November, gaining an immediate foothold to record sales nearing ﷲ 40 Mn. by year-end, successfully growing its portfolio by 170% YoY to reach ﷲ 1 Bn. in value.

At the close of the reporting period, the Retail business contributed 39.2% of the Bank's total net income before zakat and income tax.

Digital Transformation and Innovation

A number of significant digital upgrades and transformations were carried out across the Retail Banking business in 2024 to improve accessibility and enhance financial inclusion. Key among the initiatives was the launch of the revamped AlJazira Mobile App, which garnered a higher rating on both Apple Store and Google Play than its predecessor, reflective of the enhanced functionality and enriched user experience. The new Mobile App also provides customers the ability to apply for credit cards digitally. Additionally, BAJ became the first bank in the Kingdom to enable Samsung Pay through the AlJzaira Mobile App, and was also the first Bank to integrate the Musaned service through its App, enabling users to perform direct payroll operations for their domestic staff. New and upgraded digital journeys were also introduced, including the online opening of individual and business accounts. More details on how BAJ leveraged digital innovation for financial inclusion can be found in the Technology and Operations Group write-up from page 38-40.

Future Outlook

In the near term, RBG will continue to execute several strategic objectives Following the success of the newly launched products under the Subsidized Funding Program in 2024, RBG will look at aligning with REDF for more new initiatives in the near future. The Bank will also look at launching the non-REDF option for the Self-Construction product, while also expanding the non-REDF off-plan financing product given its positive reception in the market. RBG will continue to automate its real estate financing process and digitize its products in 2025 to increase market penetration.

Personal Financing will also introduce new solutions including a salary advance product and short-term financing. RBG will also look into expanding into non-salary transfers and professional lending in the coming months.

Auto Lease will also introduce several new products and solutions in 2025, including Fleet Leasing and the Used Cars products for both car dealers and individuals. BAJ will continue to enhance customer experience by automating the leasing process, while also providing more consumer-friendly solutions such as balloon payments.

ALJAZIRA CAPITAL

A fully-owned subsidiary of Bank AlJazira, AlJazira Capital (AJC) offers a comprehensive range of investment services ranging from brokerage, asset and wealth management, to investment banking, advisory, and underwriting services.

2024 Highlights

AJC continued to expand its Asset and Wealth Management business line through growing Discretionary Portfolio Management (DPM), Real Estate Funds, and Alternative Investments, successfully growing its Assets under Management (AuM) by 41% YoY to reach ₪ 23.7 Bn. at the close of 2024.

The year 2024 witnessed more stability in the financial markets, due to the general direction of reducing interest and inflation rates. This had a positive impact on trading values, with the average daily trading value reaching ₪ 7,449 Mn. on the main market index, a 39% increase compared to the previous year. As a result, brokerage revenues grew by 13%, reaching ₪ 93 Mn., compared to ₪ 82.2 Mn. in 2023. Additionally, the utilization ratio of the margin financing portfolio increased during 2024. AJC seeks to strengthen its distinguished position in the brokerage business by continued implementation of strategic initiatives aimed at improving the customer experience and providing quality products and services to its clients.

Continuously enriching its customer experience remained a priority at AJC. The new-generation AlJazira Capital platform launched in 2023 underwent a complete revamp during the year in review to effectively enhance digitized customer journeys. The platform has become a one-stop digital investment platform, providing the convenience of easy access to a range of brokerage services, asset and wealth management products, as well as saving schemes and personalized investment services offered by AJC. This allows clients to trade stocks locally and globally and access research and reports for informed decision-making in their investments. Key upgrades to the platform in 2024 include the end-to-end digitization of the full customer onboarding process, as well as margin lending offerings. Furthermore, activation of live prices, subscription in private funds, consolidated report generation, and access to EYRS (Government Sukuk) online subscriptions. A total revamp was also carried out on the AlJazira Capital Mobile App, with over 60 enhancements and new features added to improve the efficiency and usability of the App.

Such focused efforts resulted in strong growth in revenues across all business lines at AJC and effective controlling of operating expenses. This has resulted in AJC recording a net income of ₪ 261.1 Mn. at the close of 2024 before zakat and income tax, a remarkable 53% growth YoY.

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Table 4: New Funds introduced by AlJazira Capital in 2024

Fund Name	Fund Type	Fund Description (EN)
AlJazira CLO Equity Fund	Alternative Investment Fund	Invests indirectly in a well-diversified portfolio of U.S. supermajority Collateralized Loan Obligation (CLO) Equity.
AlJazira Target Alsharq Real Estate Fund	Real Estate Fund	Invests in infrastructure real estate projects by purchasing land, planning and developing land for optimal use to be sold to potential buyers.
AlJazira Infinity Real Estate Fund	Real Estate Fund	Invests in the real estate sector, specifically in residential, commercial, hospitality, and/or offices real estate development projects, by developing the project/s on land to be sold to potential buyers.
AlJazira Evergreen Private Equity Fund	Alternative Investment Fund	Invests indirectly in primary and secondary investments in private equity funds, direct investments and co-investments.
AlJazira AJDAN Real Estate Fund	Real Estate Fund	Invests in real estate development projects through owning land and developing appropriate plans and uses for it by acquiring initially developed lands in any of the cities of the Kingdom for residential, commercial, hotel, office, industrial, and/or other purposes, and then leasing them for the purpose of sale and/or selling them to potential buyers.
AlJazira Rafen Real Estate Fund	Real Estate Fund	Invests in real estate development projects through owning and developing lands and making appropriate plans and uses for them by acquiring lands initially developed in the city of Riyadh in order to develop them for commercial purposes and/or offices and then leasing them for the purpose of sale and/or selling them to potential buyers.
AlJazira Riyamarche Real Estate Fund	Real Estate Fund	Invests in commercial construction development projects through owning and developing lands through construction development and making appropriate plans for them, where a multi-use commercial complex will be built and then leased and then sold to potential buyers, such that the costs of acquiring these properties and the development costs will be financed through the Fund's capital and/or financing that is compatible with the Shariah standards and controls in accordance with what is stated in these terms and conditions.
AlJazira Real Estate Fund 3	Real Estate Fund	A private, closed-ended real estate investment fund that aims to invest in income-generating real estate projects, whereby the acquisition costs of these properties are financed through the fund's capital and/or financing compliant with Sharia standards and controls, as well as investing in initial and/or construction real estate development projects through owning and developing land and developing appropriate plans and uses for them by acquiring land in any of the Kingdom's cities, as well as for residential, commercial, hotel, office, industrial, and/or other purposes, and then selling them to potential buyers.
Aljazira Ijarah Income Fund	Alternative Investment Fund	An open-ended private operating leasing investment fund that aims to acquire and lease equipment in accordance with Sharia-compliant standards. The fund is expected to engage in operating leasing activities for new and used equipment.



AJC’s strong performance and its strategic approach to offer customers with innovative product offerings was recognized during the year in review, with the subsidiary receiving a number of awards and recognitions in 2024, including:

- Most Innovative Islamic Brokerage Service Provider – Saudi Arabia 2024 awarded by Global Economics
- Most Innovative Equity Research Team – Saudi Arabia 2024 awarded by the International Finance Magazine
- Most Innovative Shariah-Compliant Fund 2024 Award for the AlJazira Evergreen Private Equity Fund – Saudi Arabia 2024 awarded by the International Finance Magazine
- Private Equity Company of the Year Saudi Arabia 2024 awarded by Global Banking & Finance Review

Future Outlook

The effective implementation of AJC’s strategic vision – well aligned with BAJ’s overarching strategy – will continue to drive the subsidiary’s steady progress toward becoming a recognized and prominent asset and wealth manager in the Kingdom. Simultaneously, AJC remains committed to maintaining its position as the broker of choice by providing superior trading experience for its valued clients. Upgrades will be continuously carried out across AJC’s digital channels, with over 100 enhancements in the pipeline for the year 2025.

CORPORATE AND INSTITUTIONAL BANKING GROUP (CIBG)

Bank AlJazira’s Corporate and Institutional Banking Group (CIBG) provides a wide range of Shariah-compliant products and services to clients ranging from large-scale institutional accounts to micro, small, and medium enterprises (M/SMEs). CIBG offers clients a diverse set of solutions, from digitally accessible corporate banking accounts and trade services, to treasury products and cash management solutions that comprise payroll and point-of-sale merchant services.



Bank AlJazira recognized as the best workplace Environment (banking sector) in Saudi Arabia for 2024 by International Finance Award

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CIBG thrives in its role as a key enabler of the Kingdom’s Vision 2030 objectives and the diversification of Saudi Arabia’s economy by meeting evolving corporate financing needs, progressively advancing the Financial Services industry in the Kingdom. In addition to the BAJ branch network, CIBG Banking Centers have been established strategically in the Central, Western, and Eastern regions – geographic locations with recorded growth in business activity. Each corporate regional division is dedicated to service CIBG clients, acting as a one-stop shop where all their banking needs and requirements can be met.

2024 Highlights

CIBG remains responsible for the execution of 18 of 42 strategic initiatives falling under BAJ’s current 5-year Strategy Cycle. In 2024, the high-level focus for growing BAJ’s corporate banking business remained on:

- Growing unfunded assets across all segments
- Continuing growth momentum with large corporations
- Continuing smart, strategic growth across the mid-corporate segment
- Becoming the bank of choice for SMEs.

This strategic, sector-driven client segmentation enabled CIBG to successfully achieve 94% of its strategic targets for 2024 at the close of the year.

Table 5: Summary of Client Segment Based Units	
Client Segment-Based Unit	Description
Corporate Banking Group	Extensively focused on building a well-diversified portfolio, acquiring new prospects and businesses, capturing new financing opportunities, and cross-selling BAJ products and services.
Specialized Finance Division	Tasked with providing structured financing solutions and participating in syndicated arrangements, working with other leading banks in mega syndicated deals arranged on behalf of corporate and sovereign clients.
Commercial Banking Services	Provides a wide range of banking products and services to Micro, Small and Medium Enterprises (MSMEs) aligning its strategy with the Kingdom’s 2030 Vision initiatives of diversifying the economy and increasing their contribution to GDP.
Financial Institution Unit	Manages BAJ’s relationships with domestic and international banks as well as other financial institutions and supra-national entities for trade and cash management needs, and performs a key role internally, serving other Business Units in the Bank.
Public Sector Unit	Manages the portfolio of government and quasi-government entities that operate in various sectors, and plays an essential role in the realization of the Kingdom’s Vision 2030 objectives.
Global Transaction Services	Provides commercial and financial institutions around the Kingdom with innovative and superior banking solutions that are cost-effective and efficient. Their services consist of corporate digital channels: e-Corp (corporate web portal), m-Corp (corporate mobile app) e-Trade (web-enabled trade finance services), Rawatebcom (payroll services), as well as cash pick-up and delivery services.



Despite facing several macro and micro level challenges such as interest rate hikes, pricing sensitivity, and fierce competition from other banking and financial institutions across KSA, the Bank's corporate loan book reached **ﷲ 68.5 Bn.** at the close of the year, reflecting the growth of the Saudi Banking sector driven by corporate loans and Vision 2030. CIBG made several strategic and tactical changes during this period related to target segments as well as emerging sectors that powered non-oil GDP growth in the Kingdom, all the while accelerating its digital transformation agenda to increase accessibility to a broader customer base.

A key highlight of the reporting period was CIBG's increased focus on SMEs, continuing to promote AlJazira Amaal (SME Banking) to service various emerging sectors including – but not limited to – green field projects (manufacturing), contracting, trading and services. The SME business unit contributed significantly to the growth of the Corporate vertical by introducing four new SME products during the reporting period.

**AlJazira Amaal** – especially designed to financially empower SMEs – offers of a diverse range of financing and non-financing solutions including Bank Account Services, SME Loan Guarantee Kafalah Program, Commercial Services, Cash Management and Business Credit Cards among other facilities, enables SMEs to increase their contribution to the Kingdom's GDP in line with Vision 2030. More M/SME products are currently under development and expected to be launched in 2025 to build BAJ's reputation as the Bank of Choice for SMEs. The continued growth of the Bank's M/SME portfolio during 2024 evidenced the success of these concentrated efforts.

CIBG's partnership with the Small and Medium Enterprise Bank (SME Bank) took effect in 2024, with several strategic initiatives successfully being concluded at the close of the year. The Group also continued its partnership with the National Center for Privatization (NCP) during 2024, with the aim to support privatization targets in line with Saudi Vision 2030.

During the year in review, the Bank expanded its merchant acquiring business by strengthening its Point-of-Sale (POS) financing proposition, recording a 9% YoY growth to surpass 25,100 POS terminals at the close of the year:

Table 6: Point-of-Sale Growth for 2024		
2023	2024	Growth
23,176	25,140	8%

**Digital Innovation and Transformation**

A number of significant digital upgrades and transformations were carried out for the Corporate Business vertical in 2024 – largely focused on increasing accessibility for customers, especially the growing M/SME sector.

Launch a comprehensive suite of Business-to-Business (B2B) services tailored to meet the evolving needs of corporate clients and government entities. More details on how BAJ leveraged digital innovation for financial inclusion can be found in pages 38-40.

While expanding its presence and accessibility, CIBG also ensured customer relationships continued to be enriched during 2024, successfully surpassing the year's target net promoter score (NPS) in customer satisfaction.

The strategic segmented and sector-based approach contributed towards the growth of both funded and unfunded assets during the year in review, with CIBG recording a 20% YoY increase in its assets portfolio to surpass **ﷲ 50 Bn.** in 2024 to reach **ﷲ 50.4 Bn.**, a significant milestone, while deposits increased by 9% YoY to reach **ﷲ 52 Bn.** Total fee income for the year was **ﷲ 164 Mn.**, a YoY increase of 36%. Notably, CIBG's real estate portfolio value jumped a remarkable 77% YoY to reach **ﷲ 16.8 Bn.** at the close of the year. At the end of the reporting period, the Corporate Business contributed 50.0% of the Bank's total net income before zakat and income tax.

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At industry level, CIBG proudly represented the Bank at the SAMA-led ESG Saudi Bank Advisory Committee (EBAC) meetings, actively participating in monthly engagements with financial sector peers during the reporting period. CIBG played an important role in participating in the Drive Green Finance Solutions Work Stream (WS4), included under the Working Group entrusted with “Accelerating Digital Solutions”. CIBG’s noteworthy progress in building a strong green financing portfolio in line with Vision 2030 objectives is discussed in detail under Pillar 03: Environmentally Responsible Banking from pages 60-65.

Future Outlook

CIBG will continue to complete the implementation of its strategic objectives under the ongoing strategy cycle in 2025. The Group will look into expanding the SME product suite, redesign the SME lending process, and enhance overall SME coverage. The merchant acquiring business will also focus on increasing penetration in the market by introducing innovative POS solutions. Trade Finance and Cash Management products will be ready for launch during the subsequent financial year. While accelerating digital transformation, the Group will also invest in tools and automations to boost the efficiency of its Relationship Managers.

CIBG will also remain focused on growing its existing ESG-driven financing portfolio by a minimum 10% YoY in 2025, in alignment with the Kingdom’s overarching Vision 2030 goals.

TREASURY GROUP

The Treasury business of BAJ serves corporate, institutional, wealth, and private banking clients with a comprehensive range of treasury and capital markets solutions-covering money market, foreign exchange, trading, as well as structured products across multiple asset classes. These offerings help clients manage market and liquidity risks effectively. The Treasury Group also plays a critical role in managing the Bank’s overall liquidity and market risk exposures, and is responsible for overseeing the Bank’s investment portfolio, which represents 23% of BAJ’s total assets. The Treasury Group is also responsible for the Bank’s Assets and Liability Management (ALM), aligning maturities and profit rates of assets and liabilities to optimize balance sheet positions. This balanced approach by the Treasury Group helps BAJ to preserve capital, enhance returns, and ensure compliance with regulatory requirements.

2024 Highlights

Despite a volatile market, monetary policy adjustments, and geopolitical uncertainties, the BAJ Treasury Group remained agile, focusing on liquidity management, prudent risk discipline, portfolio optimization, and dynamic asset-liability strategies. This commitment allowed the Treasury business to deliver resilient performance, supported by stronger customer flows and strategic portfolio optimization.

The Bank’s financial position continued to be robust in 2024, reflecting disciplined balance sheet management by the Treasury Group and a conservative risk stance. By maintaining adequate liquidity levels to meet regulatory standards and client needs, the Bank’s operations were safeguarded against potential disruptions. A diversified funding approach-including short-term interbank facilities, term deposits, and wholesale funding-provided flexibility and stability, while also remaining focused on reducing cost of funds.

Treasury’s investment strategy continued to prioritize capital preservation, liquidity, and yield enhancement, as the Group concentrated on high-quality government and corporate securities while selectively expanding into equity investments in both primary and secondary markets. Continuous position reviews and portfolio rebalancing minimized the impact of interest rate fluctuations, allowing the Group to capture opportunities for improved performance.

Treasury actively supports the Kingdom’s Vision 2030 objectives, and continued to contribute towards achieving the Kingdom’s ambitious Financial Sector Development Program’s goals during 2024. With AlJazira Capital being appointed to the “Primary Dealers Program” by the National Debt Management Center (NDMC) this year, Treasury has been able to broaden its client base by collaborating with the subsidiary, running targeted marketing campaigns and upgrading the Online Subscription system-leading to a notable increase in primary market share. Enhanced market-making capabilities and deeper relationships with brokers and institutional investors also boosted liquidity in the secondary market and further developed the repo market. Throughout these initiatives, the Bank upheld guidelines set forth by the National Debt Management Center (NDMC) with robust internal controls.

Treasury Group recorded a steady growth of 1 Bn. in its investment portfolio during 2024 to reach 34.2 Bn. in total at the close of the reporting period. The Treasury Group successfully contributed 17.2% of the Bank’s net income before zakat and income tax during the year in review.

Future Outlook

The Treasury Group’s plans for 2025 and beyond entail further exploration of opportunities in the evolving financial landscape, continued alignment with regulatory requirements, and focus on sustainable growth, together with the possible integration of ESG considerations across all asset classes of the Treasury portfolio. We remain optimistic about the opportunities ahead of us and are committed to navigating challenges with resilience and agility.

ALJAZIRA TAKAFUL TAAWUNI COMPANY (AJT)

Founded in 2002 as an independent division specializing in Shariah-compliant insurance under BAJ, the Department of Takaful Taawuni strategically transitioned into a Listed Company under the name AlJazira Takaful Taawuni in 2013, specializing in Protection and Savings Insurance. The Company expanded its portfolio to other lines of Business including General, Medical, and Motor Insurance through a Merger with Solidarity Takaful Company in 2021, with a majority share ownership of 33.08% coming under BAJ.

Today, AlJazira Takaful Taawuni Company (AJT) aspires to maintain its leadership position in Islamic insurance and financial services across the Kingdom of Saudi Arabia and the Middle East region by providing innovative, high-quality insurance solutions for Medical, Motor, Property and Casualty, as well as Protection and Savings plans.

2024 Highlights

In 2024, higher inflation rates affecting the disposable income of consumers resulted in an unhealthy price war between insurance operators in the Saudi market, especially in the non-life segment. AJT successfully addressed this challenge by strategically introducing innovative insurance products bundled with additional benefits as well as easy savings plans, thereby maintaining its market share as well as customer loyalty. Among the new products introduced were the **Motor Auto Lease Product, Medical Domestic Helper Product and Craftsmen Insurance** to meet the evolving demands of the market.

A key achievement in 2024 was the launch of the new medical insurance plan – **C-Basic** – specifically introduced to meet the distinctive requirements of small and medium enterprises (SMEs). Through the C-Basic plan, SMEs will be able to provide their employees with affordable healthcare from a Class C medical network. The launch of this product also supported AJT’s market penetration in the non-life segment.

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One of the subsidiary’s main objectives during the reporting period was to increase its sales force and expand its geographic reach to provide customers from across Saudi Arabia with access to insurance products and services. Multiple channels including online sales, direct sales, bancassurance as well as brokerages were utilized to meet this objective. The subsidiary also formalized several new contracts with insurance aggregators to extend its digital reach.

AJT continued its digital transformation agenda in 2024, with the implementation of several projects; the launch of a **new Partner Portal** to support sales staff in achieving sales targets; the launch of an **e-Learning Platform** to empower employees through strategic upskilling and training online; the implementation of **Actuarial Software** in compliance with new insurance accounting standard IFRS 17; and the **automation of the Motor Claims process** to provide consumers with greater convenience and reduced turnaround time. Yet another key highlight for 2024 is the migration of AJT services to the cloud and the **Launch of Cloud Services** by the subsidiary, including Cloud IaaS (Infrastructure as a Service), Managed Backup as a Service, and Managed DR as a Service.

With these strategic digital transformations and upgrades in 2024, AJT ensured high service availability with minimum downtime, backed by improved monitoring, safety and security on a cloud environment, further enhancing its customer value proposition.

During the year in review, AJT received several awards and recognitions in 2024 for its overall performance, including:

- **Best Takaful Operator Saudi Arabia 2024** awarded by the International Business Magazine in Dubai
- **Takaful Company of the Year 2024** awarded by Insuretek KSA

Future Outlook

The subsidiary will continue to focus on penetrating the market by positioning the AJT brand, highlighting its innovative solutions and commitment to delivering the highest value to customers in all insurance lines of business. Key 2025 objectives include the enhancement of both website and mobile app, and the execution of a comprehensive sales strategy to achieve sales targets and earn top of mind awareness among target demographics.

LEVERAGING DIGITAL INNOVATION FOR FINANCIAL INCLUSION AND SELF-SERVICE BANKING

“Growing Digitally” has remained one of three key objectives that drives forward BAJ’s core purpose of “Enriching Lives through Financial Wellbeing”. This key objective has powered BAJ’s comprehensive digital transformation agenda across the Bank’s business operations over the past few years. The Bank leverages these digitally transformed banking systems, infrastructure, digital channels, products and services to promote digital financial inclusion and self-service banking, thereby reflecting the crucial role of digitization in its overarching sustainability agenda.

With multi-million-dollar investments in technology, BAJ has expedited its digitization agenda, enabling digital financial inclusion, innovation and adaptability while improving the agility and accessibility of its banking products and services to strengthen its market presence among strong competition.

As of 2023, the Bank’s digitization efforts fall under the purview of the Technology and Operations Group, ensuring the Bank’s overall digital transformation agenda aligns with its corporate strategy and financial capabilities, while meeting rapidly evolving customer expectations across the Bank’s digital channels.

2024 Highlights

The Technology and Operations Group (TOG) successfully achieved three key objectives that were set by the Group for 2024:

- **Production Availability and Compliance** – Maintained high system availability, enhanced disaster recovery, and met regulatory requirements, including PCI certification and SAMA IT governance compliance.
- **Business Growth Enablement** – Supported business growth by launching 10 new products and services.
- **Executing the Transformation Agenda** – Delivered Data Lake, Customer Relationship Management (CRM) system, private cloud, and core banking upgrades, embedding digital transformation across banking operations.

The Bank’s digital transformation program was executed across seven pillars aimed at enabling BAJ’s digital capabilities, becoming more customer centric, developing digital platforms, consolidating technology resources, and equally importantly – developing team skills and capabilities. In 2024, the digital transformation agenda was extended beyond Retail Banking to include Corporate Banking needs, with focus placed on strengthening digital lending automation, enhancing CRM for better client engagement and relationship management, expanding B2B digital services, and integrating AI-driven automation.

Table 7: The Seven Pillars of the Digital Transformation Agenda	
Pillar	2024 Update
<b>Pillar 01: Data Program</b> Transforming the Bank into a data-driven entity powered by advanced analytics and insights to make informed decisions, and improve customer experiences by understanding customer needs.	The Data Lake Platform was successfully established, providing a scalable and cost-efficient foundation for data-driven initiatives. In 2025, it will support self-service reporting, enabling business teams to access insights independently, and facilitate advanced analytics and AI-driven use cases to enhance decision-making, operational efficiency, and business growth.
<b>Pillar 02: Core Banking Modernization</b> Modernizing the core banking system to eliminate cumbersome manual processes, streamline operations, facilitate the launch of new financial products, while significantly reducing the Bank’s environmental footprint and resource consumption.	The core banking modernization progressed significantly, with the core banking upgrade set for early 2025 completion. The development of the loan origination system (LOS) is underway, supporting digital consumer asset products while aligning with sustainability goals by reducing manual processes and paperwork, enhancing efficiency and customer experience.
<b>Pillar 03: Payments</b> Replacing all legacy back-end payment applications and transitioning into a single payment hub, reducing complexities and resource consumption, enhancing operational efficiencies, expanding product offerings, improving market responsiveness, and realizing cost efficiencies.	The Payment Hub Program is on track for early 2025 delivery, consolidating payment systems for greater efficiency and scalability. Following its launch, a series of enhancements will be introduced to support advanced business features and optimize operations, ensuring faster, smarter, and more seamless payment processing.
<b>Pillar 04: CRM Program</b> Implementing Customer Relationship Management (CRM) systems to better understand customer needs, promoting a strong customer-centric culture, while at the same time ensuring responsible utilization of Bank products and services by customers through engagement and awareness generation.	The first version of the CRM was successfully launched in branches, enhancing customer interactions and service efficiency. In 2025, the focus will be on advanced CRM features, ensuring a unified customer and user view and enhanced sales management. Additionally, a comprehensive CRM for corporate banking is being developed, including the enablement of digital lending to streamline relationship management and lending processes. With the implementation of CRM across the BAJ retail branch network, relationship managers and customer service representatives can serve the customers from one single 360 view, instead of having to access four or more screens.
<b>Pillar 05: techMAL Garage</b> In-house fintech lab that fosters innovation from concept to IPO, supported by the Bank’s technical, operational and GRC resources. The name techMAL is a fusion of the words “tech” and “MAL”, which translates to ‘money’ in Arabic, reflecting the Bank’s focus on creating financial technology solutions.	techMAL Garage successfully launched the new AlJazira Mobile applications for both retail and corporate banking in 2024, as well as the online web channels, marking a significant milestone in in-house digital innovation. These applications enhance customer experience, streamline financial services, and reinforce the bank’s commitment to digital excellence. In 2024, Bank AlJazira established more than 6 strategic fintech partnerships, primarily focusing on enhancing digital payments and customer experiences. These collaborations aim to identify revenue-generating opportunities, including loan aggregation and other financial solutions.

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Table 7: The Seven Pillars of the Digital Transformation Agenda

Pillar	2024 Update
<b>Pillar 06: Integration Modernization</b> Revamping the Bank's integration layer to better support both internal and external APIs, adopt open banking standards, and facilitate banking-as-a-service. This pillar is pivotal in empowering the techMAL garage to offer core banking services to the fintech and SME sectors, thereby enabling these entities to access essential banking functions without the burden of navigating complex systems.	<p>The foundation of the integration layer was successfully established with a business-driven approach, enabling seamless connectivity and scalability. A comprehensive suite of Business-to-Business (B2B) services were launched to support corporate and government transactions, enhancing efficiency, automation, and interoperability across key financial operations. These services were designed to enhance financial operations and optimize payment workflows, including single and bulk local transfers, payroll payments, SADAD payments and balance inquiries.</p> <p>TOG also continued to leverage API-driven technology to collect, store, and use data from various trusted third-party sources to further enhance customer journeys and hyper personalize experiences.</p>
<b>Pillar 07: Infrastructure Modernization</b> Transitioning from traditional three-tier data center infrastructure to a hybrid cloud-based infrastructure. This strategic shift lays the groundwork for application modernization, aligning with modern cloud capabilities to prepare the Bank for cloud migration in the near future.	<p>The foundation of Bank AlJazira's private cloud was successfully established, enabling optimized system resource management, enhanced scalability, and improved operational efficiency. This modernization lays the groundwork for future public cloud adoption, ensuring a flexible, secure, and future-ready IT infrastructure.</p>

BAJ remains fully aligned with SAMA regulations and actively participates in all relevant forums to stay updated on Open Banking trends. In 2024, the bank successfully completed all ASIP (Account Information Service Provider) requirements and actively engaged in PISP (Payment Initiation Service Provider) initiatives announced by SAMA. This proactive approach ensures compliance and positions the Bank at the forefront of Open Banking developments, with several open banking use cases being developed with third parties under the supervision of SAMA.



## Self-Service Banking

BAJ enables self-service banking as a key element of its framework for sustainable value creation, and continued to enable financial inclusion and accessibility through its digital transformation agenda in 2024, reducing operational expenses, and directly contributing towards strengthening the foundations of a sustainable, financially stable society.

Table 8: The Impact made by BAJ's Self-Service Banking Initiatives are three-fold		
Financial Inclusion and Accessibility	Reduced Operational Costs	Economic Growth and Social Impact
<p>TOG relaunched both AlJazira Retail and Corporate Mobile Apps to enable accessibility and convenience for both retail and corporate clients. Significant customer journeys were digitized end-to-end, greatly reducing turnaround times (TAT) for several products, bringing TAT for both Personal Finance and Credit Cards products down to one day.</p> <p><b>Reducing the number of fields and optimizing the online individual account opening journey on the Mobile App saw a 60% increase in new accounts being opened online.</b></p> <p>The successful launch of digital business account opening for sole proprietors and single-owner companies further enhanced onboarding efficiency. By integrating with trusted third parties for information retrieval, the bank successfully streamlined the account opening process to less than three minutes.</p>	<p>The TOG implemented a new organizational structure and operating model across its operations back in 2023, leading to the optimization of technology resources. The Group laid out robust governance for the integration of new technologies and review of existing contracts, while outlining a clear plan for the decommissioning of obsolete technologies and agreements.</p> <p><b>Setting an initial target for OPEX reduction from ₪ 140 Mn. to ₪ 80 Mn. by 2026, TOG made significant strides towards achieving this target in 2024 by successfully reducing OPEX to ₪ 114 Mn. at the close of the year.</b></p>	<p>During the year in review, BAJ installed up to 15 self-service kiosks in Retail Banking outlets, further empowering customers with greater control of their finances and enhanced efficiencies. The kiosks offered 24/7 access to a number of self-service actions, from cash withdrawals and deposits, to card printing in under two minutes.</p> <p>The kiosks recorded a success rate of 96% and an adoption rate of 74%.</p> <p><b>The option to apply for Credit Cards through digital channels resulted in over 37,000 new credit card activations, a 60% YoY increase.</b> This feature also empowers customers with access to credit and the ability to build a credit history to demonstrate financial responsibility, which would enable access to loans and other financial products in future.</p>

Table 9: YoY Growth in Digitally Executed Transactions for RBG		
2023	2024	Growth
23,437,673	24,305,024	4%

## The AlJazira Mobile App

BAJ's Mobile App underwent a complete revamp in 2024; a new, state-of-the-art, full-service AlJazira Mobile App was built in-house by Digital and Technology Team, and launched during the year in review to positive market reception and reviews by existing and new mobile banking customers. The addition of new and improved features has positioned the AlJazira Mobile App among the leading banking apps, now being equipped with over 150 features to enhance the user experience as well as overall functionality.

The new app introduced several pioneering features in Mobile Banking in the Kingdom in 2024; BAJ became the first bank in Saudi to integrate its Mobile App with Musaned – the Kingdom's electronic domestic labor platform launched by the Ministry of Human Resources and Social Development (HRSD) – enabling app users to perform payroll operations for their domestic staff directly through the mobile app. Additionally, BAJ became the first and only bank in the Kingdom to complete testing and enable Samsung Pay through the AlJazira Mobile App by either adding card details in-App or manually, showcasing the Bank's agility and capability to fast adapt and implement innovative new services. BAJ also implemented a new push notification engine, which is capable of broadcasting notifications to a large number of customers within three seconds through the Mobile App, ensuring rapid and efficient communication.

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A native “new account” opening option was also introduced for individual accounts as well as one-person-company business accounts, directly through the Mobile App, providing greater experience. Users can enjoy a wide array of BAJ products from Credit Cards and Personal Finance to Auto Lease and Mortgage directly from the AlJazira App.

A communique was shared to encourage users to share their experience with the new App, and its success in enhancing the user experience was reflected in higher ratings than its predecessor, receiving 4.8/5 on the Apple App Store compared to 3.2 for the old app, and a 4.7/5 on Google Play compared to the old app’s 4.0 rating.

Awards and Recognition

The Bank’s continued commitment towards strategic digital transformation and enhancing customer experiences has earned it several awards and accolades in recent years. During 2024, BAJ won the following awards for:

Table 10: Awards won by BAJ in 2024		
Award	Description	Awarding Body
Best Modern Data Infrastructure in the Middle East	Outstanding progress in data transformation (for Data Lake Platform), affirming the Bank’s strategic commitment to leverage data for impactful outcomes	Cloudera
Outstanding Customer Service Innovation by Retail Bank	Recognizing banks that have demonstrated exceptional innovation in enhancing customer service and experience through digital transformation and cutting-edge technologies	The Digital Banker
Consumer Finance Product of the Year – Auto Lease	Recognition of a standout auto leasing product or service in the digital banking space	The Digital Banker
Best Customer Experience Award – Digital Banking Channels	Reflecting the excellence of the Bank’s digital banking channels and continuous focus on customer through all stages of development	MEA Finance
Excellence in Mobile Banking	Recognition given to financial institutions for their outstanding achievements and innovation in mobile banking services	Finnovax Awards – Saudi Arabia







# Digital Bank Achievements 2024

Customer Experience Award

Customer Service Innovation Award

Digital Payment



**Reduced payment terminal costs by ₪ 2 Mn. annually**

The Bank successfully negotiated lower leasing prices by migrating expiring terminals from other vendors, saving an estimated 250K SAR monthly.



**Enabling full-fledged payment gateway with Apply Pay**

The Bank upgraded its payment infrastructure by adopting the new version of Cyber Source, enhancing its collaboration with payment service providers and expanding merchant acquisition.



**Optimization of POS stock, saving ₪ 720K**

The Bank reduced the number of returned stock and removed obsolete devices from leasing contracts, saving an estimated 720K SAR annually.

Contact Center



**Shifted fraud monitoring from manual to digital**

The shift from manual to digital fraud monitoring will lead to faster resolution times and improved transaction security and customer experience.



**Improved customer support for branch and POS customers**

Dedicated BHD and POS service lines were established, incorporating automatic ticket generation through the IVR system to streamline operations and enhance the overall customer experience.



**Improved grade of service to over 80%**

A streamlined system was implemented to effectively distribute and monitor leads assigned to branch employees, strengthening reporting and mechanisms and fostering greater business potential.

Digital Transformation



**Samsung Pay**

First bank to complete testing, and the only bank to enable Samsung Pay in-app and manually. This shows the Bank's agility to adapt and implement new services in an innovative manner.



**Business account opening**

The BPM system was upgraded, reducing account opening processing time for walk-in customers from 30-45 mins to under 15 minutes. Third-party service integration and a 24/7 portal now enable online account openings in under 3 minutes.



**Account opening digitalization**

Improvement to the online account opening process and clear roadmap of 6 steps and enhanced integration with NAFATH and NABA led to growth of 73% in new digital accounts.

Self-Services Business



**Transforming ATM business from loss-making to profitable**

The Bank moved from a loss in 2023 to a profitable position, achieving 4.6M SAR in net income as of September 2024.



**Introduction of card printing machines**

Self-service machines are currently operational, expanding to 15 machines by February. Branches take 25 minutes to issue a card, whereas machines take only 2 minutes, with an adoption rate of 75%.



**Reduced operational costs by ₪ 6 Mn.**

The cost-to-income ratio improved from 103% in 2023 to 90% by September 2024, reflecting a 12.6% reduction, highlighting the Bank's focus on cost optimization.

Digital Channels



**Apply digitally for a credit card**

Customers can now apply for credit cards digitally through the enhanced mobile app, with 647 credit card requests processed, totaling a card limit of ₪ 8.25.



**National themes**

World Cup and National Day Themes in the app, which shows the Bank's ability to adapt and engage with national events smoothly through the new app.



**New mobile app launch**

A new mobile app was launched with a 4.8/5 user rating on the Apple Store compared to a 3.2 rating on the old app, and 4.7/5 on Google Play compared to 4.0 on the old app.



**Push notifications**

The Bank implemented a new push notification engine capable of sending notifications to large numbers of customers within 3 seconds, ensuring rapid and efficient communication.



**Musaned**

Bank AlJazira is the first bank to launch the service for the customers to have the ability to pay their household through Musaned service which will improve customer engagement with our digital channels.

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BAJ won several awards at MEA Finance Awards 2024 including Best User Experience Engagement-KSA and Best Customer Experience Award – Digital Banking Channels



BAJ won Best Modern Data Infrastructure in the Middle East awarded by Cloudera in 2024.

Future Outlook

In 2025, Bank AlJazira will continue to enhance its customers’ financial wellbeing by leveraging emerging technologies such as Big Data and AI. TOG has established an AI and Analytics team as part of its Data Management function, with the team looking to utilize generative AI and advanced analytics tools for business use cases to further enrich and personalize the BAJ customer experience. A key focus in

2025 will be on digital payments, building on its recognition as the first bank to introduce Samsung Pay across all possible channels. The Bank also aims to be among the first to launch Google Pay in 2025. Additionally, there will be continuous improvements in digital channels, introducing solutions like Personal Finance Management (PFM), a marketplace platform, and further advancements in digital lending capabilities.

# BUILDING A LEARNING ORGANIZATION

With a strategic objective to become the preferred employer for the Kingdom's top talent, Bank AlJazira continued to attract and retain professionals with an unrivaled employee value proposition during the year in review. Diversity, inclusion, and equal opportunity remain one of BAJ's core material concerns, reflecting the Bank's commitment to nurture working environments that encourage the participation of all segments of Saudi society in its workforce, in line with Vision 2030 objectives.

Beyond benchmarked industry-standard compensation and benefits, BAJ's employee value proposition is centered around continuous learning. The Bank prioritizes both professional and personal growth by facilitating knowledge sharing and encouraging a growth mindset that enables the team to rapidly adapt to change and transformation. This commitment towards the well-rounded development of employees to enhance both technical and soft skills as well as their overall wellbeing, enables the BAJ team to thrive as key contributors to the success of the Bank, as well as the economic growth of the Kingdom.

## 2024 Update

Diagram 7: The three-year Strategy Implemented by the Human Capital and Corporate Support Group

2022  
Brilliant Basics

2023  
Fit to Compete

2024  
Good to Great

In 2024, the **Human Capital (HC)** and **Corporate Support Group** implemented its **"Good to Great"** strategy, meeting ambitious targets and strategic objectives for the year in review. The Group prioritized its culture transformation journey in 2024, alongside the strategic development of its talent, steadily evolving into a digitally-powered, high-performance organization by improving the HC function's operational efficiencies.

## REVAMPING CULTURE

The HC Group developed the **Culture Blueprint** in 2022, a systematic guide to implement a nurturing work-culture that fosters committed, enthusiastic employees, working together as one team for the success of the Bank in alignment with its strategy. This was followed by the Bank establishing a dedicated **Culture and Happiness Team** that same year to rollout the blueprint, increasing employee engagement, enhancing the employee experience, and powering a significant culture shift across BAJ to attract the Kingdom's top talent.

Following the success of the bank-wide Culture Blueprint Launch in 2022 and rollout in 2023, the Culture and Happiness Team continued the momentum of the Culture Journey in 2024, engaging employees by communicating the significance of their participation and engagement to drive forward the complete culture transformation across BAJ.

At the close of 2024, the Bank successfully completed its culture transformation, surpassing target objectives, implementing multiple projects, and including additional unplanned initiatives to record a remarkable 120% completion rate of the culture transformation agenda. The success of the culture transformation at BAJ is reflected in tangible, data-backed results:

- **23% increase in our employee engagement survey participation** – indicating a positive shift in mindset with the belief that employee opinions are valued and considered in the Bank's overall decision-making process
- **16% increase in Employee Net Promoter Score (eNPS)** – reflecting a clear, significant improvement in employee satisfaction
- **30% increase in employment applications and LinkedIn followers** – demonstrating the strong, positive reputation as an attractive and progressive place of employment resulting from the culture transformation

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This remarkable culture transformation journey led to BAJ winning the award for **Best Workplace Environment** at the **International Finance Awards**, not only a hard-earned recognition, but a major milestone in a journey that has been a few years in the making.

During 2024, BAJ continued to focus on enriching the overall employee experience, powered by the digital transformation of the HR operation and strong compliance with evolving regulations, steadily strengthening its standing as the employer of choice for top talent in Saudi Arabia.

Over the next few pages, we take a look at how the HC Group successfully executed the Culture Transformation journey during the year in review, and updates on supporting HR functions.

Table 11: The Culture Transformation focuses on three Main Pillars:

Pillar 01	Culture Cornerstones and Values Embedment in the Organization
Pillar 02	Employee Engagement and Wellbeing
Pillar 03	Capability Development Across All Levels

## CULTURE CORNERSTONES AND VALUES EMBEDMENT IN THE ORGANIZATION

BAJ's culture transformation comprises four main culture cornerstones:



Culture Transformation Journey  
Highlights from 2022 – to date

- A total of **2,728 employees** were invited to participate in the Culture Transformation kick-off sessions, recording a highly successful **attendance rate of over 90% for BAJ employee workshops**.
- Understanding that a truly-effective culture shift requires both top-down and bottom-up engagement, the transformation was carried out in phases, first with **off-site leadership (VP) meetings**, complemented by **Management Workshops** where the mid-tier leadership was equipped with the skills and tools required to rollout the new Culture Blueprint among their teams. A total of **57 Management Workshops** were conducted for **220 managers** across all BAJ's business and administrative lines, with a remarkable **94% participation**.
- A **Culture Digital Platform** was launched to gauge how engaged employees were with the transformation agenda by hosting range of informative content accessible to employees; managers were provided access to content from the Management Workshops, while employees were provided

access to mandatory interactive digital modules that assisted them in better understanding the Culture Blueprint.

- **Newsletters** with updates on the culture transformation were disseminated across the Bank, supported by other communication channels and regular updates to encourage active participation, and to foster strong ownership and employee buy-in of the culture shift.
- **Culture Champions** were appointed from among the Bank's Groups to assist in the Culture Transformation journey. They took on the crucial role of exemplifying the Bank's values through their actions, spreading awareness of the Bank's culture and values, fostering engagement, answering queries, identifying areas for improvement, and driving change.
- A **Culture Values Survey** was specifically designed to assess employee perception of the Bank's culture cornerstones and values, and to understand the alignment of employee behavior with the desired culture, helping the Team gauge the extent to which the Bank's values are embedded within the organization.

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Table 12: Findings of the Survey and the Scope of Value Embedment across the Bank

Culture Cornerstones	One Team, One Goal	We Get It Done	We Innovate	We Learn Everyday
Alignment with Culture Cornerstones based on survey results	<b>"Our team collaborates effectively to achieve our goals"</b> had 88.6% of respondents agreeing or strongly agreeing. This reflects a strong sense of team collaboration within the Bank.	<b>"We show up every day with the intent to make progress"</b> had 92.1% of respondents agreeing or strongly agreeing. This underscores a strong work ethic and commitment to progress among employees.  <b>"We are accountable for our actions and results"</b> had 90.4% of respondents agreeing or strongly agreeing. It indicates a strong sense of responsibility and accountability within the organization.	<b>"We encourage new ideas and perspectives"</b> had 89.5% of respondents agreeing or strongly agreeing, indicating a strong culture of openness to new ideas.  <b>"We adapt to changes quickly"</b> had 86.9% of respondents agreeing or strongly agreeing. This suggests that the organization effectively embraces change.	<b>"We value knowledge sharing and continuous learning"</b> had 94.2% of respondents agreeing or strongly agreeing. This shows a strong culture of learning and knowledge sharing within the organization.  <b>"We encourage self-improvement and personal growth"</b> had 92.8% of respondents agreeing or strongly agreeing. It reflects a supportive environment for personal growth.
Areas of improvement determined based on survey results	<b>Foster values alignment in the workplace:</b> Communicate and reinforce core values, leading by example in demonstrating the values, provide opportunities for value-based training and discussions.  <b>Encourage and leverage individual strength:</b> Recognize and appreciate individual strengths, foster a culture of collaboration and knowledge sharing, provide opportunities for individuals to showcase their strengths.	<b>Foster a culture of celebration and recognition for accomplishments:</b> Acknowledge and appreciate achievements, encourage team members to celebrate each other's successes.  <b>Clearly communicate performance expectations:</b> Provide clear and specific performance guidelines, set measurable goals and objectives, foster open dialogue for clarifying expectations.	<b>Encourage decision making and problem-solving:</b> Encourage open and collaborative discussions, support critical thinking, and creative problem-solving.  <b>Foster innovation and embraces new technologies:</b> Encourage curiosity and experimentation, provide resources and support for exploring new technologies.	<b>Foster a collaborative mindset and encourage partnerships:</b> Encourage teamwork and cooperation, foster a culture of open communication and shared goals.  <b>Promote a culture of knowledge sharing and feedback exchange:</b> Encourage sharing experiences, create platforms for open communication and idea exchange.



## EMPLOYEE ENGAGEMENT

In 2024, the Culture and Happiness Team met with all Group Heads to discuss the results of the Culture Values survey, and immediately address the areas of improvement through enhanced employee engagement initiatives rolled out across all levels of the organization:

- **58 Level-Up sessions** conducted between employees and their Group Heads in 2024 to establish and encourage open communication between leadership and team members, and understand performance expectations.
- **4 CEO Power Hour sessions** conducted between the CEO of the Bank and employees in 2024 with one session held each quarter, discussing a range of open topics with a focus on building high transparency, to align with the Bank's overarching strategy and vision.
- **2 sessions** of the newly implemented and well-received **20x20 Initiative** were carried out in 2024, with more to follow in 2025 following the success of the pilot sessions. The 20x20 initiative provides 20 employees an incredible opportunity to chat with colleagues from various departments for the duration of one minute each, share ideas and gain new perspectives, forming connections with 20 colleagues in 20 minutes. While strengthening connections across BAJ, the 20x20 initiative also fosters a collaborative mindset, promotes knowledge sharing and feedback exchange, and fosters innovation through new idea exchange.
- **3 Annual Get-Together events** were held in 2024, one for each region: The Eastern Region event was hosted in February, which saw the attendance of 69% of the 350 employees invited. A Suhoor gathering was organized for the Western Region employees during Ramadan with 67% of the 1,200 invited employees attending. The Annual Eid gathering also saw a 69% attendance of the 1,300 employees invited. Each event created a wonderful, engaging atmosphere for the attendees, fostering stronger social interactions that have cultivated a more positive and enjoyable work-environment. BAJ considers the average attendance of all three events a good benchmark for employee engagement, and believes participation will increase in the coming years as a result of the success of BAJ's culture transformation.

Employees were also supported by a growing team of **22 Culture Champions** at the close of 2024, with 1-3 Champions guiding each BAJ operating Group depending on the number of team members.

## EMPLOYEE ENGAGEMENT SURVEY

An Employee Engagement Survey was conducted across BAJ in 2024, with a 90% participation. Overall survey results reflected a 62% employee engagement and 60% employee enablement. Following the analysis of these results, the HC Group met with the leadership to discuss the findings and develop an action plan for the next six months to improve these numbers, leveraging the insight gained on the team's collective sentiment to improve various aspects of the HC function, from remuneration and benefits to work processes. This will be a continuous loop to encourage employee feedback, with the aim to carry out the next cycle in four to six months.

## COMPENSATION AND BENEFITS

The feedback received through annual employee engagement surveys has enabled BAJ to meet industry standards by providing competitive compensation and benefits essential to attract and retain top talent in a job market where the niche combination of digital and financial expertise remain in high demand. BAJ conducts periodic research on industry salary standards and other aspects of market pay, keeping abreast of local and regional remuneration benchmarks that also fall in line with supervisory directives issued by SAMA.

The distribution of compensation for permanent BAJ employees is composed of a pay mix of fixed and variable pay, allowances, reward schemes and non-cash benefits, including:

- Medical Coverage
- Life Insurance
- Preferred Lending Rate of 0%, and
- Range of allowances including Housing, Transport, Ramadan, and Vacations
- Annual Bonus

In accordance with Saudi Labor Law and the Bank's internal policies, the total amount accrued for staff end-of-service benefits at the close of 2024 amounted to **ﷲ 309.43 Mn.**



## BANK ALJAZIRA WORKFORCE PROFILE

Table 13: Five-year Employee Statistics					
	2024 Nos.	2023 Nos.	2022 Nos.	2021 Nos.	2020 Nos.
<b>Total Employees</b>	<b>2,638</b>	2,537	2,732	2,789	2,788
Male Employees	2,233	2,198	2,372	2,522	2,554
Female Employees	405	339	361	267	234
<b>Permanent Staff – Total</b>	<b>2,139</b>	2,080	2,244	2,249	2,251
Permanent Staff – Male	1,795	1,776	1,934	2,005	2,035
Permanent Staff – Female	344	304	310	244	216
<b>Contract Staff – Total</b>	<b>499</b>	457	488	540	537
Contract Staff – Male	438	422	437	517	519
Contract Staff – Female	61	35	51	23	18

Table 14: Recruitment by Age, Gender, and Job Category														
Age	CEO-1 (SVPs)		Division Heads (N-2 & G19, G18) Nos.		Managerial Level (G17, G16) Nos.		Supervisory (G15, G14, G13, G12) Nos.		Support (G11, G10, G9) Nos.		Management Trainees Nos.		Outsourced Nos.	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Under 30 years	–	–	6	2	29	12	138	101	122	9	10	8	134	36
30-50 years	9	–	227	26	359	61	543	78	261	34	–	–	277	25
Over 50 years	6	–	40	3	28	7	14	3	2	–	–	–	27	–

Table 15: Recruitment by Gender and Region				
Region	Male		Female	
	2024 Nos.	2023 Nos.	2024 Nos.	2023 Nos.
Central Region	882	797	203	157
Eastern Region	188	196	27	26
Western Region	725	783	114	121

Table 16: Permanent Employees by Employment Type and Gender		
	Male Nos.	Female Nos.
Vice President and above	86	3
Managerial	619	108
Others	1,090	233
<b>Grand Total</b>	<b>1,795</b>	<b>344</b>

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Table 17: Geographic Dispersion of Employees by Age and Gender

Region	Male			Female		
	Under 30 Years	30-50 Years	Over 50 Years	Under 30 Years	30-50 Years	Over 50 Years
Central Region	190	661	31	95	101	7
Eastern Region	23	154	11	7	17	3
Western Region	92	585	48	30	81	3
Total	305	1,400	90	132	199	13

WELLBEING AND  
WORK-LIFE BALANCE

BAJ continued to promote work-life balance and wellbeing with a number of initiatives in 2024, including various fun activities, international days of observance, and initiatives focused on both physical and mental wellbeing. The Bank’s Annual Gathering as well as the offsite meetings held during 2024 received very positive feedback from employees, while employee gifts distributed across the Bank were also highly appreciated. These events further enriched the overall employee experience, and improved employee satisfaction and loyalty.

The Bank successfully held a total 34 engaging employee events in 2024, including:

1. Offsite Meetings in Riyadh, Jeddah, and the Eastern Region
2. Founding Day
3. Saudi National Day
4. Mental Health Day
5. International Women’s Day
6. Mother’s Day and Father’s Day
7. Children’s Day
8. Eid Aladha
9. Ramadan Iftar
10. “Lamat Khair” and “Lamat AlJazira” Gatherings in Riyadh
11. Summer Activities
12. International Blood Donation Campaign
13. Long Service Awards
14. Car Auction
15. International Photography Day

EMPLOYEE TURNOVER RATE

Employee engagement also plays a crucial role in attracting and retaining top talent at the Bank. BAJ employees are ensured that their opinions are valued and considered in the Bank’s decision-making process, which has led to improved morale, trust, and better dynamics between employees and management. More importantly, employee retention rates at BAJ have remained steady over the years. In 2024, BAJ recorded a turnover rate of 12.75%, indicating steady levels of employee satisfaction.

Table 18: Employee Turnover by Age Group

	2024 Nos.	2023 Nos.
Total Number of Employees who resigned	271	297
Under 30 years	65	73
30-50 years	191	206
Over 50 years	15	18
Turnover Rate (%)	12.75	13.64

## CAPABILITY DEVELOPMENT ACROSS ALL LEVELS

When strengthening BAJ’s reputation as a “Learning Organization”, talent development has remained a key area of focus at the Bank, with training, skill development, and performance management initiatives strategically mapped on to existing as well as potential skill gaps, thereby developing a talent pool with a long-term focus. In addition to partnerships and collaborations with the Saudi Governmental Authority – the Human Resources Development Fund (HRDF) and other educational institutions, BAJ has signed multiple agreements with both local and international institutes to facilitate and deliver impactful learning and development activities for bank employees. Notably, these partnerships include renowned institutions such as INSEAD Business School, Alfaisal University, the Financial Academy, and the Saudi Industrial Development Fund (SIDF). These efforts aim to equip the workforce with specialized skill sets tailored to address critical and in-demand capability gaps.

Annually, the HC Development and Career Management (D&CM) Division of BAJ generates a development calendar that aligns with the HC Group’s target-driven strategy, in order to meet the Bank’s talent and business development requirements. BAJ’s training includes soft skills, technical

skills, job-related courses as well as mandatory training for every employee. More specific technical development courses are offered if and when such special requirements arise, or are requested by the relevant Groups.

BAJ launched a variety of training programs aimed at enhancing the skills and knowledge of resources to effectively tackle emerging market and technology trends.

One such course was the Mini MBA program, which is structured to be delivered over a period of four months and encompasses nine subjects, including Finance, Accounting, Marketing, HR, Strategy, and Operations. The inaugural batch of participants comprised over 30 individuals, including employees from BAJ as well as representatives from AlJazira Capital and Takaful.

In 2024, the HC D&CM team enhanced the training mapping, refining learning paths for BAJ employees, thereby effectively minimizing training redundancies. This resulted in a rise in courses to 180 during the reporting period to provide more focused, customized training according to needs, alongside a decrease in the overall average training hours per employee. By the end of 2024, BAJ employees successfully surpassed 15,000 training hours, with an average of 31.9 hours of training per employee. A total of 92% of employees at BAJ engaged in the training program.

Table 19: Five-year Training and Development Statistics					
Item	2024	2023	2022	2021	2020
Training Days	15,481	17,321	10,255	6,368	5,150
Training Hours	84,814	103,926	61,530	38,208	30,900
Number of Courses	180 courses/ 363 sessions	159 courses/ 420 sessions	105 courses/ 300 sessions	70 courses/ 246 sessions	–
Average Training Hours per Employee	31.9	40.6	22.8	14.2	11.5
Average Training Hours per Female Employee	52.5	77.2	40.8	27.2	–
Number of Hours on Digital Training	3,702	11,706	4,422	252	6

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Leadership development is also an equally significant part of the training strategy as well as the Bank’s succession planning, in order to ensure BAJ is able to fill in SAMA approved leadership positions and other critical roles internally. A dedicated Leadership Development Program as well as coaching support for Executive roles from global professionals is facilitated to further augment the leadership benchmark across BAJ. Succession planning has also contributed towards directly enhancing employee morale through promising career growth, thereby increasing retention rates.

Table 20: Leadership Training		
Leadership Program	Target Leadership Tier	Participation
BAJ-INSEAD Leadership Development Program 2024	Managers	Attended by 40 Managers
ELEVATE (INSEAD) Leadership Program 2024	Senior Managers	Attended by 40 Senior Managers
ELEVATE (INSEAD) Leadership Program 2024	Vice Presidents (VPs)	Attended by 30 VPs
Leadership Development Program – AIUla	Senior Managers	Attended by 3 Senior Managers

The **Future Leaders Program** introduced by the Bank continued to attract and retain young Saudi talent, helping them to grow, lead and succeed by discovering their full potential. The Bank accepted 20 applicants for the second phase of Program, which kicked off in 2023 for the duration of one year. By September 2024, all participants were deployed as full-time employees across various groups such as Retail Banking, Audit, CIBG, IT, Cyber Security, Risk and Human Capital.

## PERFORMANCE MANAGEMENT

A performance-driven culture has been nurtured across BAJ, with each employee given SMART KPIs (Specific, Measurable, Attainable, Realistic, Timely Key Performance Indicators) to clearly communicate performance expectations set by the Bank, and motivate employees to meet their objectives with clear purpose and sense of direction. All employees across BAJ receive performance evaluations, with an individual Performance Improvement Plan (PIP) that includes information on acceptable performance levels, SMART KPIs, relevant guidance, followed by details on progress meetings. PIPs also track employee behavior and their alignment with the Bank’s Culture Blueprint, so that their improvement is holistic and supports professional as well as personal growth.

In 2024, the **fully-automated 360 Performance Evaluation** successfully **maintained its 100% submission rate of employee self-evaluation**. A key highlight of the 2024 performance evaluation cycle was 360-assessments being conducted on all 14 Group Heads across BAJ, encouraging employee feedback and enabling improved leadership.

Employees who meet and exceed set KPIs in their job roles gain an opportunity to participate in the Badge Your Expertise (BYE) Program, a performance-based training incentive that continued during the year in review with the Bank investing in the specialized professional development of its most promising, high-performing employees. **BAJ financially supported 62 professional certifications in 2024**, through the BYE program as well as a number of mandatory certifications required by the Bank. At the close of the year, a total of **27 employees had completed their BYE-sponsored certifications**, and were presented with trophies, while **19 graduates of the Finance Leadership Program (FLP)** were also awarded trophies, with the Bank celebrating in its employee achievements. A total of 59 participants have been accepted and enrolled in the 2024 BYE program, with 9 participants having successfully completed and achieved certificates in ESG.

Long-Service awards are also handed out on an annual basis, to recognize, reward and show our appreciation towards our employees and their commitment and loyalty to the Bank. During Q2 of 2024, BAJ distributed 372 trophies to all employees throughout the Bank who completed their service years in 2023. In 2025, BAJ will acknowledge the 404 employees who completed their service in 2024. An email will be sent to all Group heads to support them in recognizing their employees by awarding trophies in a celebratory setting, to further appreciate the employees and boost their morale.

Table 21: Total Employees by Employment Category and Years of Service							
Category	Years						Total
	<2	3-10	11-20	21-30	31-35	>36	
Senior Management	21	36	28	4	–	–	89
Middle Management	213	218	246	49	1	–	727
Clerical	352	680	282	7	1	1	1,323
Total	586	934	556	60	2	1	2,139

### ENHANCING DIGITALIZATION

The HC operation runs on a highly automated cloud-based Human Capital System (HCS), which has continued to boost efficiencies, increase productivity, and enable faster and more informative data-driven decision-making, directly contributing towards enriching BAJ's employee experience. Employees have also been empowered by managing their own HR-tasks through the HCS, personalizing their experience and reducing administrative burden. Automating and streamlining of processes have greatly reduced manual, repetitive tasks, making HR administration more effective, while greatly improving data accuracy.

In 2024, the **average satisfaction score of the HCS** as per employee feedback was a strong **79%**, reflecting growing employee satisfaction with the system. Furthermore, the automation of the Performance Development Review (PDR) and Culture Cards, and the digitalization of the Employee Certificates and Dinari Letters were successfully completed in 2024, further augmenting the efficiencies of the HC function at BAJ.

To further enhance employee accessibility to the HCS and improve convenience, BAJ introduced the HCS Mobile App in 2024, nurturing a more connected workforce with anytime, anywhere accessibility to the HCS. Employees were informed of the app launch via internal communique, promoting the downloading and use of the app.

### BEST PRACTICES IN HUMAN CAPITAL GOVERNANCE

#### The Code of Conduct

All BAJ employees abide by the Bank's Code of Conduct – a collated framework of values, policies, standards, and principles that strengthens the Bank's core governance structure, and aids the team to conduct themselves and make decisions in an ethical and responsible manner within a work environment that is strongly governed, and secured against financial crime, bribery, fraud, and corruption. The Code of Conduct remains BAJ's fundamental tool of corporate governance in terms of Human Rights; it identifies each employee's responsibility towards other internal as well as external stakeholders; encourages open, clear, and concise communication; and obliges management to comply within the framework when exercising their authority.

BAJ employees are introduced to the Code of Conduct at the point of their induction, following which each employee is expected to comply with its policies and best practices, and are thereby held accountable both individually and collectively for the Bank's reputation. As practiced by the Human Capital and Corporate Support Group, the Code of Conduct also promotes non-discrimination and equal opportunities for all employees at BAJ, with the violation of such policies is considered to be against Bank regulations.

The HC Group also provides an Employee Handbook to better acquaint and educate new hires as well as current employees on policies, procedures, expectations, and workplace culture.

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## Bank AlJazira Bylaws

HC remained up-to-date with its HR policy and procedures, staying abreast with the Kingdom's labor laws and regulations. The Bank's Bylaws remain in compliance with the latest employee rights and protections set out by the Ministry of Human Resources and Social Development (HRSD), and were approved by HRSD as well as an authorized lawyer.

## Labor Law Compliance

In accordance with the Labor Laws of the Kingdom of Saudi Arabia, BAJ formed a Labor Committee within the organization towards the end of 2023, to ensure the protection of labor rights, while further strengthening good relations between management and employees. The immediate establishment of the Labor Committee comprising selected representatives demonstrated BAJ's commitment to ensure its employees are provided with a structured platform for open communication where they are encouraged to address workplace concerns without fear of retaliation. The Labor Committee held a total of **five meetings during 2024**, with employee representatives bringing forward one inquiry that was resolved by management.

## Occupational Health and Safety

BAJ is currently looking into adopting an occupational health and safety management system (i.e. ISO 45001), to assure employees of increased safety measures across their work environment, to further protect them from any potential occupational injuries and ill health. At present, the Bank abides by the Security and Safety Guidelines issued by SAMA, with a Health, Safety, and Security Unit established to ensure the security and safety of all BAJ employees, assets, and customers. In compliance with SAMA regulations, BAJ nominates a Fire Warden and Deputy Fire Warden from each branch, providing them with first aid training and fire-fighting training as per regulation.

During the reporting year year, BAJ conducted a survey to assess various aspects of health, safety, and security, including the effectiveness of physical security measures, the prompt and appropriate response to safety and security concerns or hazards, and the overall performance of the health, safety, and security departments at the Bank. In addition, the Bank will assess the clarity and communication of emergency evacuation plans and procedures, as well as their regular implementation. During the review year, all BAJ Branch Managers and Branch Operations Managers were surveyed for feedback by the Health, Safety, and Security Unit, which maintained work environments with zero exposure to hazards, resulting in **zero work-related injuries or ill health arising from any exposure to hazards in 2024**.

## Security and Safety

BAJ conducts thorough background checks as part of our standard hiring process for all positions, including its security personnel. This comprehensive verification process applies uniformly across all roles, ensuring consistent security standards. The Bank's security staff, whether internal or contracted through third parties, must meet these stringent background requirements and complete mandatory on job training, which includes the Bank's Code of Conduct (which includes all Bank policies, standards, and principles) prior to taking on their duties.



# PILLAR 02:

## SOCIALLY RESPONSIBLE BANKING

We prioritize acting ethically and responsibly towards our customers, employees, and communities in our commitment to uphold Islamic banking principles, ensuring our practices, disclosures, and standards remain in the best interest of all stakeholders involved.



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# RAISING AWARENESS ON ISLAMIC BANKING

Shariah principles by nature share a common alignment with the UN Sustainable Development Goals (UN SDGs), and inherently supports the objectives of several SDGs including those focused on poverty eradication, economic growth, and reducing inequalities. Bank AlJazira continued to strengthen its reputation as one of the Kingdom's leading Shariah-compliant financial institutions in 2024, strongly adhering to Islamic Shariah principles and provisions across its business activities and transactions.

To dutifully remain committed to Shariah principles and meet the expectations of its customers and shareholders, the responsibility of BAJ's Shariah Quality Control has been assigned to the Bank's Shariah Group, which conducts intensive reviews and audits throughout the year to ensure all BAJ transactions are compliant with Islamic Shariah law.

The Shariah Group believes innovation and development derived from Islamic Shariah Rules is essential to promote, advance, and grow the Islamic banking industry in order to meet evolving market requirements, and continuously cooperates with other business groups within the Bank to innovate and develop tools and services to drive this mandate forward.

## 2024 Highlights

During the year in review, the Charter of BAJ's Shariah Committee and the Shariah Group's Policy and Procedures were amended in accordance with Saudi Central Bank Circular No. 45068000 dated 29/10/1445 AH (May, 2024) regarding updating the main principles of governance in financial institutions subject to the control and supervision of the Saudi Central Bank, in addition to the Central Bank Circular No. 45075579 dated 17/12/1445 AH (June, 2024) on shariah governance-related disclosure requirements for banks conducting Shariah compliant banking.

With the amendment of the Charter and the Group's Policy and Procedures, these latest developments in the Shariah governance framework issued by the Saudi Central Bank were swiftly implemented within the Bank, to ensure BAJ remains fully compliant with regulatory requirements. The Shariah Group also ensured BAJ employees remained informed of all regulatory changes as well as other Shariah related updates by continuously raising awareness, with a total of 16 communiques disseminated internally.

The Shariah Group's Research Department continued to research and revise reports on Islamic finance activity in the Saudi market, with the following reports being updated in 2024:

- Islamic Banking in the Saudi Market
- Sukuk in the Saudi Market
- Finance Trends in the Banking Sector

Given the continued interest shown by stakeholders in publications and academic research papers covering specific aspects of Islamic finance, the Shariah Group released a number of print publications during 2024, including:

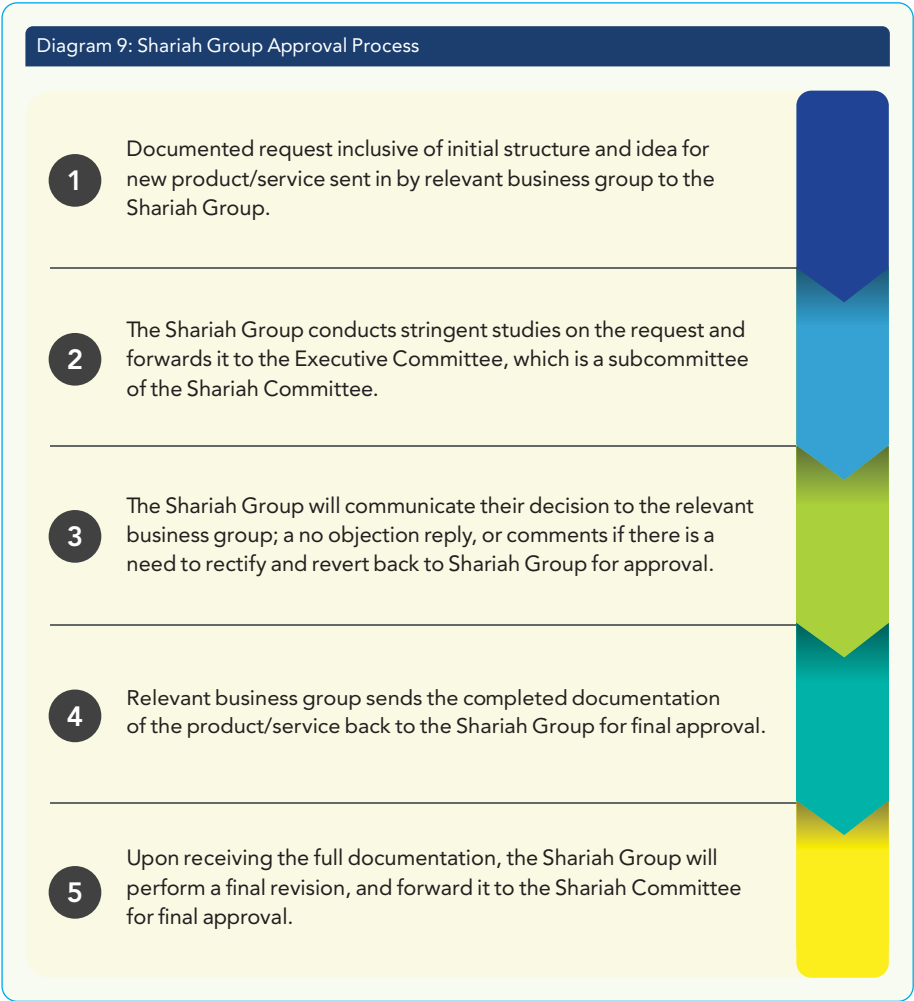
- Refinance
- Reinsurance
- AAOFI's Standards: From Competitions and Prizes to Repurchase
- As part of its cooperation with scientific bodies, BAJ's Shariah Group concluded a scientific partnership with the Association for Social Economics in Saudi Arabia, resulting in the publication of a book titled: "The Social Investment Funds", as a contribution to enhancing knowledge across the financial sector.

These books and research papers are distributed to specialists, students, interested parties as well as educational and financial institutions free of charge.

The Shariah Group remains a member of the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and the Council of Islamic Financial Services (IFSB), supporting such institutions to further develop and achieve standardization of the Islamic financial industry. It is also a member of the Sustainability Working Group (SWG) of the General Council for Islamic Banks and Financial Institutions (CIBAFI), which aims to guide and support Islamic banks in integrating sustainability within their business strategies and operational activities. The Shariah Group continued its dialogue with these entities during the year, remaining abreast with the latest developments in the Islamic banking industry.

### SHARIAH GROUP APPROVAL PROCESS

During 2024, the Shariah Committee held 5 meetings, where 13 topics related to Islamic banking products, investments, financing agreements, and queries were discussed. The Shariah Group continued to follow its set guidelines and process when approving new products/services proposed by various business groups across the Bank:



Customers are encouraged to direct any queries regarding the Bank’s Shariah resolutions related to its products and services to BAJ’s front-end employees, who will in turn communicate the query to the Shariah Group through the Shariah Group email.

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## DIVERSITY AND INCLUSION

BAJ has continued to embrace diversity and inclusion over the years, strengthening its reputé as an equal opportunity employer regardless of gender, age, ethnicity, or any other personal characteristics unrelated to the employee's performance. This mandate to ensure fair and unbiased treatment to all has also aligned perfectly with Saudi Arabia's ambitious Vision 2030 objectives, which aims to empower women, attract foreign talent, and promote a culture of respect and inclusivity, while also focusing on cultural and national pride across the Kingdom.

BAJ carries out a transparent recruitment process that utilizes both internal and external job postings. Candidate selection is based strictly on matching applicants' qualifications to job descriptions and required competencies, following the Bank's established recruitment policies and regulatory requirements that remain stringently non-discriminatory, providing both men and women equal access to opportunities and resources. This systematic approach guarantees fair consideration for all candidates while maintaining compliance with banking sector standards. By strengthening diversity in its workforce, BAJ has been able to access a greater range of talent, and harness this collective power to create impactful outcomes for its businesses, customers, and communities.

Gender diversity has remained a key focus area at BAJ, with the Bank continuing to steadily increase the female representation of its workforce year-on-year. At the close of 2024, 16.08% of BAJ's workforce comprised women, who were provided with safe, nurturing and empowering work environments to grow both personally and professionally, and explore their full potential.

As part of Bank AlJazira commitment to laws and social responsibility, the Bank actively supports the employment of individuals with disabilities in various roles. In alignment with labor laws and inclusion initiatives, the Bank integrated a total of 12 disabled employees across its operational functions at the close of 2024. This approach reflects the Bank's dedication to fostering a diverse and inclusive workplace while contributing to broader societal development goals.

As the Bank continues to steadily grow its female workforce, the HC Group remained focused on accommodating their needs, providing paid maternity leave for up to 10 continuous calendar weeks to all eligible female employees, with the possibility of extension under certain circumstances. Nursing female employees are also entitled to an hour of nursing per day for up to 24 months from delivery, as they ease back into their job role while balancing dual responsibilities. The BAJ Head Office also offers female-only lounge areas, and organizes a number of activities and initiatives centered around female employees, especially for Women's Day.

Table 22: Maternity Leave Entitlement and Availing					
	2024	2023	2022	2021	2020
Number of employees entitled to maternity leave	141	120	121	110	104
Number of employees who availed maternity leave	20	15	12	17	15
Number of employees who returned to work after maternity leave	19	15	12	17	15
Returned to work (%)	95	100	100	100	100

There were zero incidents of discrimination reported to the HC Group during 2024.

Additionally BAJ remains committed to Saudi Nationalization Scheme (Nitaqat), closing 2024 with a 96.49% Saudization rate in line with the Kingdom's regulations. While giving priority to local hires, the Bank also hires foreign professionals who have the potential to add greater skill and value to the BAJ team in roles where local talent is limited. The HC Group helps foreign professionals integrate and assimilate to the local culture and social norms within a supportive, inclusive work environment.

Table 23: Nationalities of Employees at Bank AlJazira	
Nationalities	Employee Numbers
Ethiopian, Chinese, Kuwaiti, South African, Other	1 each
Sudanese, Sri Lankan, British	2 each
Egyptian	3
Bahraini	4
Filipino	5
Yemeni, Pakistani	12 each
Jordanian	13
Indian	15
Saudi	2,064

## SOURCING LOCALLY TO CREATE SUSTAINABLE LIVELIHOODS

In our commitment to support the diversification of the Kingdom's economy as well as the sustainable development of local businesses, BAJ procures products and services largely from a reliable network of local suppliers. Sourcing locally also ensures a continuous and stable supply while strengthening relations with local communities in which the Bank operates.

We follow a stringent supplier screening process and enter into non-disclosure agreements (NDAs) to ensure our dealings with suppliers are carried out in a manner that is well-aligned with the Bank's core values, purpose, and sustainability pillars. The Bank's Vendors Management Unit falling under the purview of the Procurement and Contracts Management Division, is guided by a comprehensive Vendor/ Supplier

Table 24: Sourcing and Supplier Statistics			
	2024	2023	2022
Local Suppliers (Nos.)	445	416	404
Total Procurement Spend (ﷲ Mn.)	948	996	825
Total Spent on Local Suppliers (ﷲ Mn.)	887	928	760
Percentage of Total Spend on Local Suppliers (%)	93.52	93.32	92

Management Framework to govern the process of procurement, and maximizing the benefits of vendor engagement to improve performance and drive efficiencies across the Bank.

The Vendor Management Unit is responsible for vendor engagement, and facilitating vendor briefings with BAJ staff to discuss new products and services. It is also responsible for identifying inherent risks associated with the engaging of vendors/ suppliers, and applying appropriate controls to mitigate them, in order to avoid financial loss, reputational damage, improper disclosure of information, and regulatory action. The Vendor Management Unit utilizes risk assessment, due diligence, documentation, relationship termination guidelines, and oversight to ensure effective Vendor Risk Management at BAJ.

The Vendor Management Unit performs due diligence for environmental and social impacts on our core vendors, making up 20% of the total suppliers. Furthermore, each vendor who registers with BAJ must complete a Pre-Qualification Form, in which details of environmentally practices and sustainability initiatives carried out by the supplier has to be filled out by the supplier as a mandatory clause.

The oversight function includes monitoring the vendor's quality of services, risk management practices, financial conditions, and applicable disclosure, with non-performing vendors identified and reported to BAJ Management. The Unit ensures all vendor engagements conform with Bank policies and standards, and all cybersecurity requirements are met via Service Level Agreements (SLAs). Vendor evaluation is carried out by each requesting department based on the criticality and frequency of service, as well as the degree of substitution.

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# PILLAR 03:

# ENVIRONMENTALLY RESPONSIBLE BANKING

Bank AlJazira continued to demonstrate a strong commitment towards natural resource and waste management, while also driving credit flows of nearly **ﷲ 2 Bn.** towards green projects across the Kingdom, further strengthening our reputation as an environmentally responsible bank.





Beyond digitalizing products and services, BAJ continued to demonstrate strong commitment towards reducing its operating carbon footprint by investing in energy efficiency and responsible resource consumption. The Bank continued to focus on optimized energy and water utilization as well as stringent waste management across the BAJ banking network, while communicating these efforts to stakeholders to educate them on the benefits of such practices. BAJ also focused on building a green financing portfolio in line with Vision 2030 objectives of the Kingdom, with the Bank's approved green financing facilities at the close of 2024 surpassing ﷲ 4.1 Bn.

## RESOURCE OPTIMIZATION

### 1. ENERGY

BAJ continued to transform its branches into energy-efficient spaces by integrating more energy-saving technologies and design features, while also promoting best practices among employees as well as customers to amplify the overall impact.

The Bank has introduced energy efficient equipment, devices and lighting over the years, implementing smart energy controls and conducting regular energy audits. The Bank has recorded over 20% in energy savings since introducing LED lighting in 2018, followed by the introduction of smart lighting at the BAJ Head Office and car park in 2020, further increasing energy savings. Air conditioning is strictly controlled to optimize energy utilization and lower utility bills. Illuminated BAJ logos at our Head Office and branches are controlled with switch timers. Power generators that are highly suitable for urban environments have been installed at all major BAJ branches, ensuring they meet our standards for reduced fuel consumption as well as reduced noise and emissions.

#### 2024 Update

For the year in review, BAJ recorded a 4.35% reduction in electricity bills across the branch network, maintaining our energy saving commitment to reduce our electricity bills year-on-year.

Table 25: Electricity Consumption and Usage Bills for the Year in Review at BAJ				
Month	Electricity Consumption		Electricity Bills	
	2024 Kw	2023 Kw	2024 ﷲ	2023 ﷲ
January	2,781,414	2,709,344	873,545.92	852,989.09
February	2,884,322	2,885,911	898,984.62	902,334.98
March	2,525,337	2,804,869	787,376.65	880,541.01
April	2,828,482	2,986,453	885,383.22	935,602.86
May	3,366,443	3,504,513	1,062,130.30	1,112,408.32
June	4,253,016	4,302,261	1,354,010.13	1,367,978.61
July	4,472,172	4,786,967	1,424,052.53	1,536,415.81
August	5,067,666	5,111,216	1,640,478.44	1,639,303.38
September	4,798,151	5,070,491	1,545,790.52	1,633,812.44
October	4,331,219	4,665,698	1,387,041.09	1,529,375.02
November	3,716,452	3,891,617	1,186,650.65	1,279,604.02
December	3,087,206	3,155,649	888,090.98	998,849.98
Total	44,111,880	45,874,989	14,031,549.33	14,669,215.52
Year-on-year decrease	1,763,109	3.84%	637,666.19	4.35%

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2. WATER

Given the scarceness of water as a resource in Saudi Arabia, BAJ has ensured the meticulous management of our water supply and usage by adopting water saving methodologies across our bank network since 2009. BAJ employees are continuously encouraged to practice water conservation, with the Bank replacing regular water faucets with water saving devices such as automatic flow regulators to control water consumption.

In terms of consumption and discharge, BAJ follows a hybrid model, sourcing and discharging water through the National Water Company at more urban BAJ locations, while using water tanks and sewage tanks at other outlets based on available local water resources, and applicable public policy.

2024 Update:

BAJ continued to execute best practices in water management and usage during the year in review, successfully sustaining water consumption at the same levels with a marginal reduction in the water usage bills.

Table 26: Water Usage Bills at BAJ for the Year in Review		
Month	2024 ريال	2023 ريال
January	18,887	25,134
February	19,263	24,520
March	25,372	23,316
April	22,300	23,648
May	35,590	20,211
June	24,694	23,366
July	24,898	22,621
August	25,794	47,404
September	24,632	33,203
October	25,216	22,022
November	31,555	27,659
December	31,546	17,670
Total	309,747	310,774

### 3. PAPER

While BAJ continued its digital transformation during 2024, reducing the consumption of resources from across its operation, it also continued to eliminate paper usage wherever possible, given the paper-intensive nature of conventional banking. Since 2012, BAJ has ensured the proper collection, shredding and recycling of paper waste across all Bank premises, collaborating with a third- party vendor for waste management following a strict selection process. Internal paper use has continued to decrease over the years with the implementation of best practices including double-sided printing as well as centralized printing at each branch.

#### 2024 Update:

BAJ’s continued digital transformation, automation and streamlining of processes contributed towards further eliminating the use of physical paper at BAJ, reducing

usage by around 1.5 tons during the year in review. The Bank ensured that all collected paper waste during the year was shredded internally according to our established policy mandate, and handed over to the third-party vendor to be recycled.

BAJ also enhanced efficiencies across its Fawri Branches where money transfer and currency exchange services are offered by greatly reducing paper usage, leading to an expected annual saving of **ﷲ 2.5 Mn.**

One of the key achievements in Bank AlJazira’s digital transformation journey during 2024 was the successful completion of the “Backlog Digitization Project”. Over 105 million documents of historical data were scanned, digitized, and secured, greatly reducing the Bank’s paper trail and improving operational as well as resource efficiency in terms of data storage and retrieval. An internal flyer informing the Bank AlJazira team of the achievement was disseminated.



BAJ successfully completed their “Backlog Digitization Project”, leading to the digitization of over 105 million documents.

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WASTE MANAGEMENT

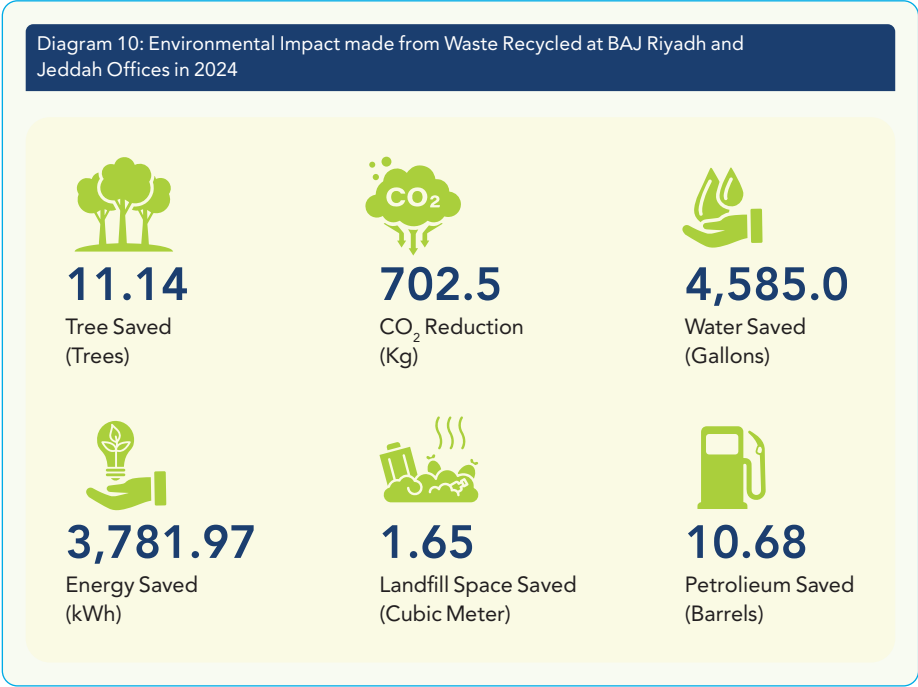
1. SOLID WASTE

BAJ procures third-party janitorial service providers for each BAJ location, with the waste disposed to relevant municipality waste bins dedicated for collection. The Bank continued to improve employee awareness on the urgency of waste minimization and recycling during the reporting period by sharing a bank-wide communique of the effort and impact created through recycling by BAJ. The Bank

was also an early adopter of virtual credit cards in the Kingdom, enabling digital transactions to minimize the use of plastic.

2024 Update:

During the year in review, BAJ partnered with Naqaa Solutions – one of Saudi Arabia’s leading sustainable solutions providers to direct solid waste from BAJ Riyadh and Jeddah offices for recycling. For the year in review, these bank branches recycled 655kg of plastics, cardboard, and mixed recyclables. The environmental impact made from the waste recycled is given below:



BAJ also reduced the use of plastic through the issuance of virtual debit and credit cards in the Kingdom, promoting cashless to card-less transactions among retail clients. Digital Debit Card numbers grew by 85% YoY, while Digital Credit Cards also continued to be steadily adopted by customers, with numbers increasing six-fold over the past year.

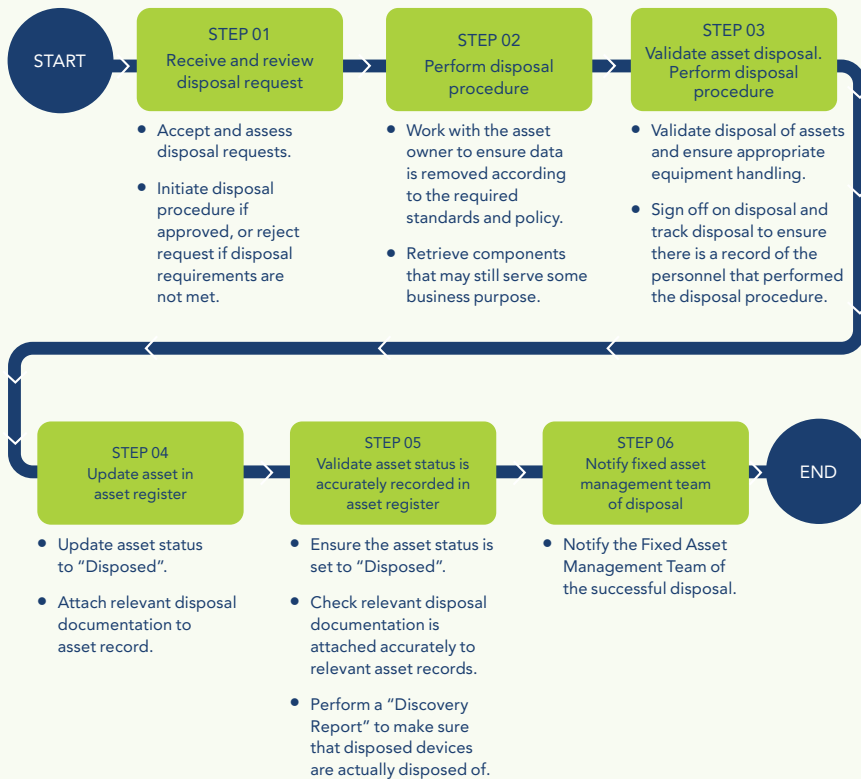
2. E-WASTE

BAJ ensures all IT assets across the Bank network are monitored, upgraded, deployed, maintained, and disposed of, as and when required. Best practices are encouraged across the Bank to increase the lifespan of all IT hardware, enhance their performance, and reduce asset maintenance costs, while also eliminating the misuse, misplacement or theft of the Bank’s IT assets. IT hardware assets across the BAJ network include computer systems, peripheral devices, terminals, communication equipment and other related hardware products.

2024 Update:

During the previous financial year, the Bank developed and implemented a new mechanism to reuse IT assets within the Bank, extending their useful life cycle through preventive maintenance, servicing and the proper purchasing and replacement of spare parts. This commitment to responsible IT asset management has reduced new hardware purchases and e-waste generated, while promoting optimization of existing resources and circularity. Mandatory buy-back policies for IT assets from international vendors (i.e. HP, IBM), were also introduced, to ensure the safe and responsible disposal of unusable IT hardware assets. IT assets that are considered reusable are also donated to charitable programs.

Diagram 11: Asset Disposal Process at BAJ



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## GREEN PROJECT FINANCING

During the year in review, BAJ continued to drive capital flows and investments towards green projects across the Kingdom through its Corporate and Institutional Banking Group (CIBG). In line with ambitious Vision 2030 objectives as well as anticipated SAMA guidelines on ESG disclosure, CIBG focused on expanding the Bank's green financing portfolio, successfully surpassing  $\text{ﷲ}$  4.1 Bn. in total approved credit facilities for green financing projects at the close of 2024, a notable milestone in the Bank's own sustainability journey.

### 2024 Update:

From this total amount, CIBG has thus far utilized  $\text{ﷲ}$  1.8 Bn. in credit for a wide range of sustainable financing projects focused on addressing urgent environmental and social concerns in Saudi Arabia. The large-scale projects that are being financed by CIBG include:

- Green energy project – Renewable power generation sector
- Bio Medical facility – Medical device industry/med-tech
- Carbon capture and storage project – Climate change mitigating technology

- Manufacturing of energy storage batteries – Renewable energy technology
- Waste collection and recycling, and waste water treatment – Responsible and sustainable waste management
- Paper board expansion project – ESG compliant recycling project

CIBG is also in the process of introducing a Supply Chain financing product that will provide suppliers – especially SMEs that are considered the backbone of supply chains – with access to working capital, which is crucial for these businesses to in turn invest in sustainable technologies, processes and practices. This facility is considered to be a key ESG-compliant product, enabling suppliers to align with the growing demand for sustainable business practices from investors, regulators and customers.

In 2025, BAJ will continue to build its Green Financing portfolio as a considerable portion of the overall CIBG portfolio, which in turn will provide the Bank with opportunities to penetrate the growing demographic of customers seeking green financing instruments, with the possibility to raise capital via issuing Green Bonds.

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## PILLAR 04:

# IMPACT BEYOND BANKING

Beyond our duty as a financial institution, the Bank's Sustainability and Social Responsibility Group drives community development and fosters long-lasting social impact under the "Khair AlJazira le Ahl AlJazira" program, strengthening deep-rooted bonds and fulfilling our duty as a responsible corporate citizen.





# SUSTAINABILITY INITIATIVES

Our role as a key enabler of Vision 2030 goes beyond our duty as a leading financial institution of Saudi Arabia. BAJ also plays a key role in driving community development and fostering positive social impact across a number of focus areas. The Bank is renowned for its impactful initiatives carried out under the “Khair AlJazira le Ahl AlJazira” program which was launched in 2006, and have continued to engage with our

communities, strengthening deep-rooted bonds and fulfilling our duty as a responsible corporate citizen.

In 2024, BAJ was recognized by the Regional Network for Social Responsibility (RNSR) in partnership with the United Nations Development Programme (UNDP) for our continued commitment towards the sustainable and wholesome development of our communities, and was presented with the prestigious CSR Award in Arab States for the year 2024 in the banking sector.



Corporate Social Responsibility Award in Arab States for the year 2024 awarded by the Regional Network for Social Responsibility (RNSR) in partnership with the United Nations Development Programme (UNDP)



Bank AlJazira being among the top 20 institutions in social responsibility for the year 2024 by Arab Organization for Social Responsibility

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Approach to Sustainable CSR

Three key factors are considered when planning, approving, and implementing sustainability initiatives at BAJ:

- 1. **Transparency:** Ensuring compliance to transparency in terms of clarity of reference for legal-and-financial-aid granting agencies and organizations, in addition to business transparency in terms of implementation and achievement.
- 2. **Diversity:** Ensuring gender diversity of the beneficiaries (males, females), and the geographical spread across all 13 regions of the Kingdom.
- 3. **Development:** Focusing on the developmental nature of a specific field in a manner to promote continuity and sustainability.

The Bank’s Sustainability and Social Responsibility Committee – guided by our Social Responsibility Policy and the oversight of the Sustainability and Social Responsibility Group – is responsible for channeling BAJ’s resources towards projects that create long lasting impact across the Kingdom. At the beginning of each financial year, the Committee decides the budget for social and environmental initiatives

based on the most pressing needs of the communities in which we operate. Programs are monitored beyond completion, with progress reported at each stage. Updates on our social and environmental initiatives are communicated among stakeholders through multiple communication channels including social media, emails as well as the Annual Report.

FOSTERING A VOLUNTARY SPIRIT

BAJ continued to promote the principles of social responsibility through the Bank’s own projects as well as through partnerships with the government, the private sector, and with non-profit organizations. Employees were encouraged to voluntarily participate in CSR programs, fostering a sense of responsibility and collective pride in our efforts to sustainably develop our communities, and preserve our environment. BAJ communicates awareness messages as well as volunteer opportunities to its employees via internal communiques, further encouraging participation by acknowledging and sharing their efforts with all colleagues. Externally, more awareness continued to be generated via the Bank’s social media channels.



One of the voluntary initiatives of Bank Aljazeera employees, which contributed to planting 1,000 trees.

BAJ was awarded the Corporate Social Responsibility Award in Arab Countries (Banking Sector) for the year 2024, a prestigious recognition from the Regional Network for Social Responsibility (RNSR) in partnership with the United Nations Development Programme (UNDP). The award – presented during a ceremony held in Manama, in the Kingdom of Bahrain – honors the Bank’s continued efforts over the years in championing social responsibility through various programs focused on empowering marginalized communities, and addressing social and environmental issues across Saudi Arabia.

The Bank implemented over 100 projects during the year in review, with the Bank paying special focus to projects promoting capacity development for youth – especially young women – empowering a more diverse and trained workforce to enter the Kingdom’s labor market. At the close of 2024, BAJ reached over 23,000 beneficiaries across the Kingdom. Furthermore, BAJ also donated ﷲ 1 Mn. through the Ehsan Platform for Charitable Work to support various charitable organizations, civil associations and other community relief campaigns.



BAJ team celebrating winning the Corporate Social Responsibility Award in Arab Countries (Banking Sector) for the year 2024.

Table 27: Summary of Environmentally-Friendly Projects undertaken by BAJ	
Program	Beneficiaries
1. Youth Empowerment	6,140
2. Empowering People with Disabilities	5,746
3. Empowering the Non-profit Sector	5,454
4. Al Jazeera Innovation and Social Entrepreneurship Initiative	230
5. Environment, Sustainability, and Community Engagement Initiatives	4,510
6. Al Jazeera Welfare for Al Jazeera Employees (Ikhaa)	21
7. Hassan Loan	1,000
Total	23,101

The projects under each category are described below:

Table 28: Youth Empowerment			
Entity	City	Program name	Beneficiaries
1. Shroua Community Development Association	Shroua	“Professional Designer” project to qualify and develop the skills of young men and women in the field of design	100
2. Badar Youth Development Association	Jazan	“Jadarat” project for training and qualification for the labor market	130
3. Qumam Youth Association	Jeddah	“Producer” project to train young men and women	150
4. Mazhara Community Development Association	Jazan	“Administrative Skills” project to qualify young men and women for the labor market	60
5. Rafhaa Community Development Association	Rafhaa	A project to train youth to determine their orientation to the labor market	320
6. Wafada Voluntary Association to serve visitors to Medina	Medina	“Volunteering” project to empower young men and women in voluntary work	200
7. Northern Borders Media Association	Arar	Youth training project in news, content, and media industry	200
8. Aba'a Association for Orphan Care in Asir Region	Asir region	Rehabilitation of orphans' children for the labor market in the field of design and media	50
9. Association of Productive Families in Jazan Region	Jizan	Empowering craft and professional competencies project	25
10. Youth and Girls Development Association	Bishah	“Values” project for basic skills training	50
11. Mahani Community Development Association	Taif	“Tamkeen” project to train young men and women on labor market skills	100
12. Social Services Association	Taif	Training and qualifying young women on craft skills for the labor market	60
13. Family Development Association in Al-Ahsa	Al-Ahsa	Training young men and women on data entry and word processing to qualify for the labor market	40
14. Al-Ruwad Youth Association	Jazan	“Tawteen” project to train young men and women on specialized skills for the labor market	150
15. Al Jouf Youth Association	Al-Jouf	“Strategic Competence” project to train young men and women to enter the labor market	30
16. Future Youth Association	Arar	A project to train and rehabilitate the capabilities of young men and women for the labor market	160
17. My Child Medical Association	Tabuk	“Little Paramedic” project to train children on first aid skills	1,000
18. Makarem Ethics Association	Riyadh	Training and qualifying young men and women on personal guidance skills	50

Table 28: Youth Empowerment			
Entity	City	Program name	Beneficiaries
19. Innovation and Entrepreneurship Center for Training	Dammam	"Empowerment for Saudization" project to train young women in the labor market	30
20. Science Society for Research and Development	Riyadh	"Science" training project for empowerment in the field of scientific research	40
21. Masarat Youth Association	Jeddah	"Youth Tech" project for training on modern media techniques	25
22. Deep Point Company	Riyadh	"Vocational Guidance" project to rehabilitate young men and women	0
23. Orphan Care Association "Trawaf"	Hafar al-Batin	"Empowerment Factory" project to train and develop the skills of orphans	100
24. Qader Association for Mental Health Promotion	Tabuk	Mental Health Practitioner Project	70
25. Wasl Cultural Center	Jeddah	"Cultural and Creative Industries" project to empower young men and women in the labor market	40
26. Tamayyaz Youth Association	Jazan region	"Takween" project to train and qualify young men and women on vocational skills to enter the labor market	100
27. Rafida Women's Health Association	Riyadh	"Health Awareness" project	900
28. Mastoura Community Benevolence Association	Mastoura	"Mastering the English Language" project to qualify young men and women for the labor market	160
29. Women's Development Association in Al-Ris	Qassim	"Tamkeen" project to qualify and train young women on skills for the labor market	300
30. Rawaa Association for Girls in Tabuk	Tabuk	"Tamkeen" project to promote personal and life values for young women to qualify them for the labor market	40
31. Ayami Association for the care and empowerment of widows and divorced women	Riyadh	"Tamkeen" project to rehabilitate the children of widows and divorced women on skills for the labor market	30
32. Senior Citizens Association	Riyadh	"Namaa and Iktifa" project to rehabilitate and train young men and women on skills for the labor market	30
33. Golden Mind Advertising Agency	Riyadh	Self-development project for young women	200
34. Prince Sultan University	Riyadh	A project to rehabilitate male and female students in advocacy skills in zakat, tax and customs cases	200
35. Digital Health Awareness Society	Riyadh	"Health Awareness Campaigns" project	1,000
<b>Total</b>			<b>6,140</b>



Table 29: Empowering People with Disabilities

Entity	City	Program name	Beneficiaries
1. Nour Najran Women's Association to serve people with disabilities	Najran	Occupational Therapy and Sensory Integration Equipment	80
2. Oasis of Wafaa Association to support the elderly	Onaiza	Equipping the Hyperbaric Oxygen Therapy Clinic	720
3. Rafd Humanitarian Company for Commercial Services	Riyadh	Rehabilitation and behavior modification project for people with disabilities	50
4. Eva Association for the Care of Persons with Disabilities	Dammam	Equipping educational classrooms for people with disabilities	30
5. Sawaed Association for Motor Disability	Eastern Province	Equipped vehicle for people with disabilities	500
6. General Administration of Education in Qassim Region	Qassim	Bank Al Jazira Award for Special Education in Qassim Education "Third Edition"	38
7. Saudi Charitable Society for Autism	Riyadh-Jeddah-Dammam-Jizan	Recorded behavior technician project for specialists dealing with people with autism spectrum disorder	64
8. Wadaq Foundation for Events	Riyadh	Grass Club project for people with disabilities	50
9. Visual Impairment Association in Buraydah	Qassim	Training and rehabilitation project for people with visual impairment	220
10. Institute of Studies and Consulting Services – Majmaah University	Majmaa	Management Diploma for Persons with Disabilities	15
11. Noon Creativity Foundation for Advertising and Publishing	Riyadh	Entrepreneurship Hackathon for Persons with Disabilities	800
12. Medina Blind Association (Vision)	Medina	Empowerment project and granting Braille One for the blind	20
13. Tamheer Training Center	Riyadh	"My Profession" forum for people with disabilities - Sai Initiative	1,000
14. Hypermobility and Developmental Disorders Association	Buraydah	"Hope" project to rehabilitate children with hyperactivity and developmental disorders	100
15. Children with Disabilities Association	Riyadh	Equipping a specialized clinic for children with disabilities	100
16. Medina Autism Society	Al-Madinah Al-Munawwarah	Equipping an early intervention clinic for autistic children	216
17. Saudi Association for Attention Deficit Hyperactivity Disorder (Ashraq)	Riyadh	A project to train educators on how to deal with people with ADHD	793
18. Exceptional People's Association for People with Disabilities	Qassim	A project to diagnose people with disabilities in remote villages	40
19. Kamen Arts Foundation	Riyadh	"Kamen" exhibition for talented people with disabilities	300



Table 29: Empowering People with Disabilities			
Entity	City	Program name	Beneficiaries
20. Riyadh Blind Association – Kafif	Riyadh	Entrepreneurship project for people with visual impairment	100
21. Excellence Skills Center for Day Care	Jeddah	A specialized vehicle for people with disabilities	20
22. Disabled Care Association	Tarif	Empowering people with disabilities to enter the labor market	240
23. Madad Health Association	Dhahran al-Janoub	“Be a Paramedic” project for people with disabilities, their families and those dealing with them	150
24. Wafaq Family Counseling Center	Riyadh	Preparing families of people with disabilities to deal with their children	100
<b>Total</b>			<b>5,746</b>

Table 30: Empowering the Non-Profit Sector			
Entity	City	Program name	Beneficiaries
1. Human Services Association	Al Rabi'iyah	Providing the organization with the necessary empowerment tools	1,000
2. Al Rafiaa Charity Association	Rafiah	Equipping the computer lab at the organization's headquarters	300
3. Al Shatby Association	Jeddah	Equipping the organization's headquarters	42
4. Arzak Association for the Preservation of Grace	Taif	Equipping a vehicle to preserve grace	775
5. Neighborhood Centers Association	Makkah Region	“Integration of Leadership” project to rehabilitate and develop neighborhood centers	100
6. Community Development Association in Hussam neighborhood and its dependencies	Khamis Mushait	Furnishing and equipping the association's headquarters	22
7. Waqf Erfad	Riyadh	The project of equipping the computer lab to empower female prisoners	200
8. Taqat Youth Association	Mecca	“Rehabilitation of PMD PRO Project Managers” project	25
9. Nubul Youth Association	Sakaka	“Equipping a playground in the Observation Center in Al-Jouf” project	60
10. Sub-Council of NGOs in Hail Region	Hail	Furnishing and equipping the “Bank Al-Jazira” training hall	700
11. Ataa Volunteer Office	Asir	Volunteer Empowerment Trainers Program	50
12. Al Wafa Health Association	Majmaa	Training Entrepreneurship Program	200
13. Sports Excellence Association	Medina	“Professional Trainer” Program	40
14. Tamkeen Center for Studies and Research	Medina	Developing Governance in NGOs Project	15
15. Shaqra Family Development Association	Shaqraa	Equipping the Academy's headquarters and facilities	310

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Table 30: Empowering the Non-Profit Sector

Entity	City	Program name	Beneficiaries
16. Sana Association for Young Leaders	Dammam	Equipping the Bank AlJazira Hall	200
17. Charitable Society for Memorizing the Holy Quran in Al-Ardah Governorate	Arada	Equipping the e-reader project	30
18. Leadership Development Company	Riyadh/ Sharqiya	Empowering and Qualifying Workers in the Non-Profit Sector (LMI Personal Productivity Program)	30
19. Quran Memorization Society in Al Namas	Namas	Furnishing Dar Al-Radwan	200
20. Should be – Miscellaneous		Improving the work environment in the non-profit sector	20
21. Sub-Council of NGOs in Qassim Region	Buraydah	“Tamkeen” project to qualify workers in the non-profit sector	30
22. Continuous Rehabilitation Association	Taif	“Creating a therapeutic environment for those recovering from drug addiction” project	30
23. Human Development Association – Hamma	Riyadh	“Qualifying Certified Trainers in Enhancing Protection from Behavioral Abuse in the Work Environment” project	220
24. Namaa Association for Endowment Services in the Northern Borders Region – Our Endowments	Arar	“Rehabilitation and Training of Endowment Supervisors in the Northern Borders Region”	40
25. Mohabbah Association for Family Development in Jubail Industrial City	Jubail	“Training and Development of Family Counselors in Jubail Governorate”	40
26. Manarat Al-Huda Endowment Foundation	Najran	“Waqf Rehabilitation” project to develop Waqf workers	50
27. Family Development Association in the Northern Borders Region – Alfa	Arar	The project of equipping the Bank AlJazira Hall for training	200
28. Future Investment Company	Riyadh	“Waqf and Family Businesses: Opportunities, Challenges and Business Models”	500
29. Rakin Al-Atta Company	Asir	“Building Women Leaders in the Non-Profit Sector” project	25
Total			5,454

Table 31: Environment, Sustainability, and Community Engagement Initiatives			
Entity	City	Program name	Beneficiaries
1. Charity Aid Society	Taif	Watering Pilgrims and Umrah pilgrims	250
2. Al-Birr Community Association	Rijal Almaa	Providing a specialized vehicle for the association's purposes	30
3. Tadawi Health Association	Shroua	Adapting the organization's headquarters	30
4. Orphan Care Association (Trawaf)	Hafar al-Batin	Orphan Sponsorship Project	20
5. Al-Bar Charitable Society	Hawta Bani Tamim	Providing computers and accessories for the association	30
6. Charitable Warehouse Association	Shroua	Relieving the distress of affected families	1,000
7. Hayat Society For Family Development	Rass Governorate	Providing a bus to transport the beneficiaries of the association	30
8. Charitable Society For Quran Memorization	Wadi Leh	Supporting the digital technology of the association	40
9. Tamouh Association For Orphan Care	Shroua	Supporting transportation for orphans	30
10. Rahma Animal Welfare Society	Miscellaneous	Environmental Maintenance Initiative (Covenant and Promise)	1,000
11. Saudi Red Crescent Authority	Riyadh	Ambulatory bags project	50
12. Jazan University	Jizan	Jizan University Arboretum Initiative	1,000
13. Special Libraries Care Association	Riyadh	Providing the association with the necessary empowerment tools	1,000
Total			4,510

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Table 32: Al Jazeera Innovation and Social Entrepreneurship Initiatives

Entity	City	Program name	Beneficiaries
1. Positive Idea Foundation	Riyadh	Innovators Program	30
2. Aflaj Community Development Association	Aflaj	The project of equipping the innovation center at the association's headquarters	80
3. Badr Nasser Alsalhan Foundation	Jizan	Innovators Program – Ninth Edition in the “Technical and Industrial Field”	30
4. Namas Civil Development Association Account	Namas	Equipping the Social Innovation Lab	90
Total			230

Table 33: Good Loan Portfolio

Number of agreements	35
Total portfolio amount (rounded)	ﷲ 102,951,700
Total number of beneficiaries	14,968

# CORPORATE GOVERNANCE

A governance framework backed by Board oversight, robust risk management, and consistent regulatory compliance continues to help Bank AlJazira maintain our strong reputation as an accountable, transparent, and ethical banking institution. Our stringent internal controls and evolving risk management framework have enabled us to protect investor confidence and maintain public trust. We maintain open channels of communication, publishing an Annual Board of Directors Report to ensure our transparency and accountability to our shareholders.

During the Third International Corporate Governance Conference held in 2024 in Riyadh, the Corporate Governance Center

at King Faisal University honored Bank AlJazira with the Excellence Award from among the best performing companies in the Corporate Governance Index (CGI) for the financial sector in the Saudi Stock Exchange (Tadawul) for the preceding financial year. This was based on the results of the annual evaluation in the CGI classification for all listed companies in the Kingdom issued by the Corporate Governance Center at Alfaisal University. This advance classification in the CGI for the third consecutive year indicates Bank AlJazira's commitment to upholding strong governance standards and complying with all regulatory requirements in the Kingdom of Saudi Arabia.



CGC at King Faisal University presenting BAJ with the Excellence Award for being among the best performing companies in Corporate Governance Index (CGI) for the financial sector in the Saudi Stock Exchange for the preceding financial year.

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BOARD OF  
DIRECTORS

Bank AlJazira’s nine-member Board of Directors provides strategic direction and oversight to the Bank’s Sustainability and Social Responsibility Group, guiding them in driving forward the Bank’s sustainability agenda.



Eng. Tarek Othman Al Kasabi  
Chairman



Eng. Abdulmajeed bin Ibrahim Al Sultan  
Deputy Chairman



Mr. Naif A. Al Abdulkareem  
Member



Mr. Mohammed bin Saad BinDawood  
Member





**Mr. Addulwahab bin Abdulkarim Al Betari**  
Member



**Mr. Ibrahim bin Abdulaziz Al Shaia**  
Member



**Mr. Adil bin Saud Dahlawi**  
Member



**Mr. Saad bin Ibrahim Al Mushawah**  
Member



**Mr. AbdulLatif K. Al Mulhem**  
Member

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EXECUTIVE  
MANAGEMENT

Bank AlJazira’s Executive Management Committee remains responsible for implementing the Board-approved strategy, successfully driving the overall performance of the Bank across its multiple business verticals.



**Mr. Naif A. Al Abdulkareem**  
CEO and MD



**Mr. Sami J. Al-Mehaid**  
SVP and Head of  
Corporate and Institutional  
Banking Group



**Mr. Mohammed A. Al Mousa**  
SVP and Head of Retail  
Banking Group



**Mr. Ibrahim A. Al-Omar**  
SVP, Chief Operations Officer



**Mr. Faisal M. Al-Mansour**  
SVP, Head of Human Capital  
and Corporate Support Group



**Mr. Hani S. Noori**  
SVP and Chief Financial Officer



**Mr. Hani A. Araki**  
SVP and Head of  
Treasury Group



**Mr. Abdulaziz Al Zammam**  
Chief Internal Audit Executive



**Mr. Hamad I. Al-Essa**  
SVP, Chief Compliance  
and AFC Officer

**Mr. Osama K. Al Ibrahim**  
SVP, Chief Risk Officer

**Dr. Fahad A. Al Elayan**  
SVP and Head of Sharia,  
Sustainability and Social  
Responsibility Group

**Mr. Sultan S. Al-Qahtani**  
SVP and Board Secretary and Head  
of Corporate Governance Group

**Mr. Bader Al Boqami**  
SVP, Head of Marketing and  
Customer Excellence Group

**Mr. Yazid Almoby**  
SVP, Chief Credit Officer –  
Credit Management Group

**Mr. Nahim Y. Bassa**  
SVP and Head of Strategy and  
Digital Transformation Group

**Mr. Badr A. Al-Rashodi**  
VP, Head of Customer  
Experience and  
Protection Division

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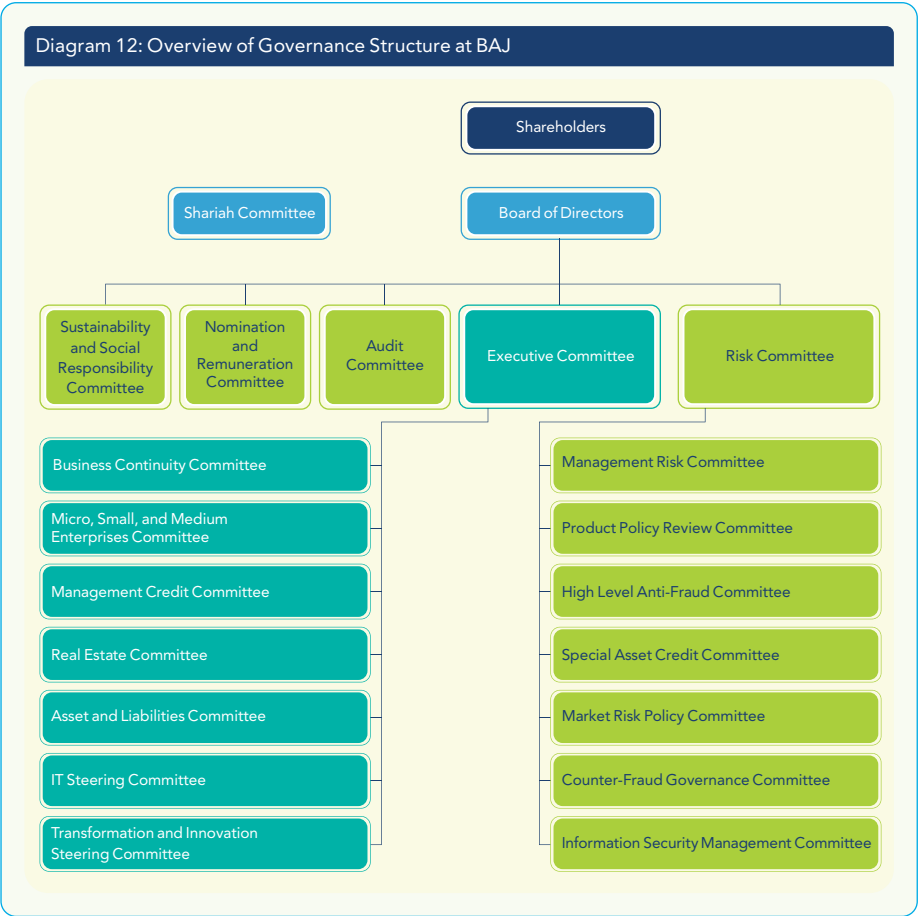
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## MANAGEMENT COMMITTEES

Under the purview of the Executive Committee:

1. Business Continuity Committee
2. Micro Small and Medium Enterprises Committee
3. Management Credit Committee
4. Real Estate Committee
5. Asset and Liabilities Committee
6. IT Steering Committee
7. Transformation and Innovation Steering Committee

Under the purview of the Risk Committee:

1. Management Risk Committee
2. Product Policy Review Committee
3. High Level Anti-Fraud Committee
4. Special Asset Credit Committee
5. Market Risk Policy Committee
6. Counter-Fraud Governance Committee
7. Information Security Management Committee

The governance structure is also based on a series of governance empowerment factors that ensure achievement of required clarity and good discipline of governance, namely: institutional values, design of organizational structure, procedures and policies, the delegation of authority matrix, as well as effective communication at internal and external levels.

## BOARD SUBCOMMITTEES

### BOARD EXECUTIVE COMMITTEE

The Executive Committee of Bank AlJazira consists of five board members chosen by the Board of Directors (BOD) and chaired by the Chairman of the Board. The Board Executive Committee is responsible, in accordance with its delegated powers, to monitor the implementation of the strategy and policies set by the BOD, risk management and control of the Bank's performance, recommend the balance sheet and action plan submitted for the fiscal year, and ensure proper implementation of the policies of the Board, in addition to monitoring the efficiency of internal control standards and policies implementation. The Committee held eight meetings during 2024, with 100% attendance by all five members of the Committee.

### AUDIT COMMITTEE

The Audit Committee comprises three members, and plays a key role in helping the BOD meet its supervisory duties regarding the integrity of the Bank's financial statements and the independency and qualifications of auditors, effectiveness of disclosure controls and procedures, effectiveness of the internal audit and external auditors, adequacy of the Bank's internal accounting systems and financial controls, supervision of the Bank's compliance department, and evaluation of its alignment with the ethical policies and regulatory and supervisory requirements of the Kingdom.

The Audit Committee reviews the quarterly financial statements and assists the Board in carrying out the evaluation and annual review of the efficiency of internal controls, and identifying potential risks. The results of the annual audit of effectiveness of the Bank's internal control procedures have reflected reasonable assurance in terms of covering the important control aspects that materially affect the Bank's achievement of its objectives. The Audit Committee held seven meetings during 2024, with 100% attendance by all three members of the Committee.

## NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises four members appointed by the BOD, and is responsible for recommending nominations to the BOD as per the approved policies and standards, performing annual reviews on the skills required for the membership of the Board, performing reviews of the BOD structure, and recommending changes that could be carried out. The Committee is also responsible for ensuring the independence of independent members and lack of any conflict of interests, ensuring recommended appointments are commensurate with the proper skills and required qualifications, and development and review of remuneration for Directors and Senior Executives. The Nomination and Remuneration Committee held three meetings during 2024, with 100% attendance by all four members of the Committee.

## BOARD RISK COMMITTEE

Assisting the Board in fulfilling the responsibilities of overseeing the risks in the Bank's businesses and controls, the Board Risk Committee consisting of four members responsibilities also consist of reviewing the Bank's ability to manage and undertake risks based on appropriate analysis, and the formulation of appropriate risk management policies. It also approves the credit rating system in the Bank and risk policies for assets and liabilities management as developed by the Assets and Liabilities Committee. The Board Risk Committee also measures the exposures to financial risks and other significant exposures as well as the steps taken by the Management to monitor, control and report cases of risks, including but not limited to; credit, market, liquidity, reputational, operational, fraud, and strategic risks. The Committee evaluates exposures, tolerance levels and approval of appropriate transactions or commercial restrictions and also reviews the scope of risk management and the targeted activities related to the functions of the Bank's risk management. The Board Risk Committee held four meetings during 2024.

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## SUSTAINABILITY AND SOCIAL RESPONSIBILITY COMMITTEE

This Committee comprises three members, and plays an important role in assisting the BOD in the fulfillment of its social responsibilities related to the ‘Khair AlJazira le Ahl AlJazira’ program. It is responsible for the formulation of policies and procedures related to the activities and social responsibility programs, approval of the annual budget for ‘Khair AlJazira le Ahl AlJazira’ program, approval of the annual plan for the program, creating solutions for the obstacles that might hinder the social responsibility programs, and review the objectives of the program by highlighting the Bank’s role in community service. It also contributes and participates actively in many social responsibility programs in the Kingdom, builds cooperation and communication between the Bank and the authorities related to such programs and establishes specific partnerships with associations and charities in the Kingdom, which contribute to highlighting the role of the private sector in enhancing the process of social responsibility. The Sustainability and Social Responsibility Committee also strives to create an appropriate environment to help the youth and rehabilitate them for the market, and it provides distinctive programs for rehabilitating disabled people. The Committee reports annually to the BOD about the activities and functions of the Sustainability and Social Responsibility program. The Sustainability and Social Responsibility Committee held four meetings during 2024, with 100% attendance recorded by all three members of the Committee.

## SHARIAH COMMITTEE

The Shariah Committee is an independent committee comprising four members that reports directly to the BOD. Its responsibilities are to supervise the compliance of Islamic banking transactions with Shariah principles and rules, ensure that the Shariah policies and procedures developed by the Bank are consistent with those principles, and issue decisions on Shariah matters so that the Bank can comply with the Shariah principles. The Shariah Committee issues an annual report that demonstrates the Bank’s compliance to the Shariah principles. The Shariah Committee held five meetings during 2024. More about the Bank’s Shariah function can be found on page 56 under Raising Awareness on Islamic Banking.

## PRIVACY PROTECTION

Bank AlJazira places great importance in our customers’ right to privacy, and the protection of their personal data, with Privacy Protection maintaining its position as one of our Materiality Topics during the year in review. We continuously seek to implement preventive action and strengthen our data security measures to mitigate existing threats as well as evolving risks in this era of digital banking.

BAJ has multiple layers of data protection in place including firewalls, encryptions, anti-virus protection, web-application firewalls, DDOS protection, endpoint protection, network protection, intrusion prevention systems, and other monitoring tools that are used for cybersecurity monitoring. Additionally, a data classification framework enables the Bank to categorize the level of confidentiality of all data.

The Bank’s information security is managed by a dedicated team housed under the Enterprise Information Security (EIS) Division, which ensures the Bank adheres to all Information security policies prepared under the Saudi Central Bank (SAMA) and the Saudi Data and Artificial Intelligence Authority (SDAIA) guidelines. The EIS Division comprises of the following three functions:

### 1. INFORMATION SECURITY GOVERNANCE AND RISK MANAGEMENT

Bank AlJazira’s Information Security Governance and Risk Management function continuously maintains and monitors compliance with SAMA and National Cybersecurity Authority (NCA) regulatory control frameworks along with developing, communicating and monitoring Enterprise Information Security (EIS) policies and standards. It performs regular information security risk assessments and internal security reviews on information assets. This function also provides assurance on adequacy of security controls over high risk information assets and maintains a continuous Awareness and Education Program across the Bank.

#### 2024 Update

Annual reviews on all EIS policies and standards were carried out in 2024. These policies include:

- Data Classification Guidelines
- Data Architecture Policy



- Data Classification Policy
- Data Governance Guidelines
- Data Governance Policy
- Data Privacy and Protection Guidelines
- Data Privacy and Protection policy
- Data Quality Policy
- Data Sharing Policy
- Data Storage and Retention Policy
- Document and Content Management Policy
- Metadata Management Policy
- Open Data Policy
- Reference and Master Data Policy

## 2. CYBER RESILIENCE

The Bank's Cyber Resilience function is entrusted with information security monitoring through the Security Operations Center (SOC), whereby real-time monitoring and analysis on security threats to the Bank's IT infrastructure is carried out, along with necessary action to counter them. It also conducts on-going security vulnerability assessments to identify and prioritize vulnerabilities across information assets, managing vulnerability remediation processes, security incident investigations and forensics, to detect, respond to and recover from cybersecurity incidents. During the previous financial year, BAJ formalized a contract with leading global professional services company Accenture, to manage our SOC, in order to achieve greater information security resilience. In addition, the function implemented a new Cyber Fraud solution last year to monitor abnormal activities, while continuously improving its threat intelligence capabilities by collecting data feeds from multiple sources, including information on zero-day threats and other attacks from all vendors and regulators.

### 2024 Update

The Bank continued to identify critical vulnerabilities and remediate them during the year in review. A joint initiative between EIS and IT was carried out in 2024 to enhance the Bank's cybersecurity posture, mitigating digital threats and reinforcing system integrity.

## 3. INFORMATION SECURITY ARCHITECTURE AND CONTROL

Managing user identity and access management across the Bank and its subsidiaries, the Information Security Architecture and Control function ensures the necessary controls are implemented and in place to control critical black box encryption devices in the Bank's payment

gateways. The function is also responsible for security management of interbank payment and settlement systems, ensuring all SAMA requirements are met. It is involved in designing and implementing security controls in new systems and sites, coordinating, developing, and evaluating security programs, and recommending information assurance/security solutions. Information Security Architecture and Control function supports managing and controlling all credentials, encryption keys, and certificates on all related information assets (such as SWIFT, SARIE, MC, VISA).

### 2024 Highlights

The Information Security Architecture and Control function continued to further enhance the security posture of BAJ in 2024.

Such dedicated effort enabled BAJ to maintain its benchmark standards in information security with zero breaches, leaks, thefts, or loss of data during the year, with no complaints received by the Customer Protection Quality and Performance Analysis Department in 2024. The Bank maintained a track record of zero complaints concerning breaches of customer privacy from regulatory bodies, in line with our commitment to prioritizing the privacy of customer information as a materiality topic in our sustainability journey.

## ETHICAL BUSINESS PRACTICES

When choosing a bank to build a long-term partnership with, customers are now more conscious in selecting a financial institution that not only provides you with competitive products, accessibility, and unparalleled customer service, but one that is also anchored to strong values driven by their social, governance, and environmental responsibility.

As one of the Kingdom's leading Shariah compliant financial institutions, Bank AlJazira continues to maintain the highest standards of professional and ethical behavior towards its internal and external stakeholders. We encourage transparency with an established set of principles, policies, and ideals that govern how and to whom our finances flow.

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BAJ has a zero-tolerance policy for any acts of fraud, bribery, collusion, and corruption, and has in place, and complies with applicable anti-fraud, anti-money laundering, and counter-terrorism financing policies. We protect our banking system as well as the integrity of the extended financial system, and are committed to conducting our business at the highest ethical standards. If such incidents are discovered, the Anti-Fraud Division has a program in place to launch an official investigation, take necessary measures, identify the root cause, recommend corrective action, recover losses (if any), and report the incident to the Central Bank of Saudi Arabia (SAMA).

Based on our belief in sustaining this culture of ethical behavior to succeed as a trusted Bank, we have a comprehensive set of policies that enable us to uphold our ideals, acting as tools for promoting integrity and building trust among our key stakeholders. This includes:

1. THE CODE OF CONDUCT

The Bank's Employee Code of Conduct nurtures a work environment that is protected against financial crime, bribery, and corruption. The policies and standards embraced by the Bank AlJazira provide an appropriate framework for employees to conduct their business, making the best decisions in their endeavor to achieve long-term, sustainable growth. It is the responsibility of the Bank's employees to comply with these policies, and to cultivate and demonstrate the Bank's values through their dealings with both internal and external stakeholders.

2. WHISTLEBLOWER POLICY

At the point of induction, employees are educated and made aware of the Whistleblowing Policy of the Bank, and are continuously reminded of it to encourage good governance practices across the Bank. There are multiple whistleblowing channels including a dedicated 24\*7 hotline, confidential email address, or the BAJ portal, all published on the Bank's intranet.

3. SHAREHOLDER CONCERNS

Under the related supervisory directives, and as a general rule, the Bank is keen to enable shareholders to exercise their legal rights relating to the shares, including the submission of comments and suggestions regarding the Bank and performance. To this effect, two dedicated phone lines (012 609-8394 or 011 215-7325) and an e-mail address (SSU@bankaljazeera.com)

were assigned to receive inquiries from all shareholders, with the Board being informed of all validated inquiries and feedback. In addition, and as per the Bank's practices, the Board addressed all questions and inquiries of shareholders raised at the Bank's general meetings held in the year 2024 and through the shareholders unit. The Board reviews such comments and reacts appropriately to them.

4. ANTI-FRAUD DIVISION PROGRAM

The Bank continuously assesses and updates its Anti-Fraud controls against SAMA counter-fraud guidelines and international best practices. To meet these standards, BAJ has developed multiple documents as well as internal controls and programs, to proactively mitigate potential financial crimes. These include the Bank's Anti-Fraud Policy, Anti-Fraud Strategy, Counter Fraud Governance Committee Charter, Anti-Fraud Procedures, Fraud Risk Assessment Methodology, Fraud Risk Management Framework, Fraud Risk Appetite, Anti-Fraud Training and Awareness Program, Counter Fraud Technology Governance, Fraud Prevention Standards, Fraud Response Plan and Investigation Standards, Fraud Authentication Standards, Due Diligence Standards, RACI, and Intelligence Monitoring.

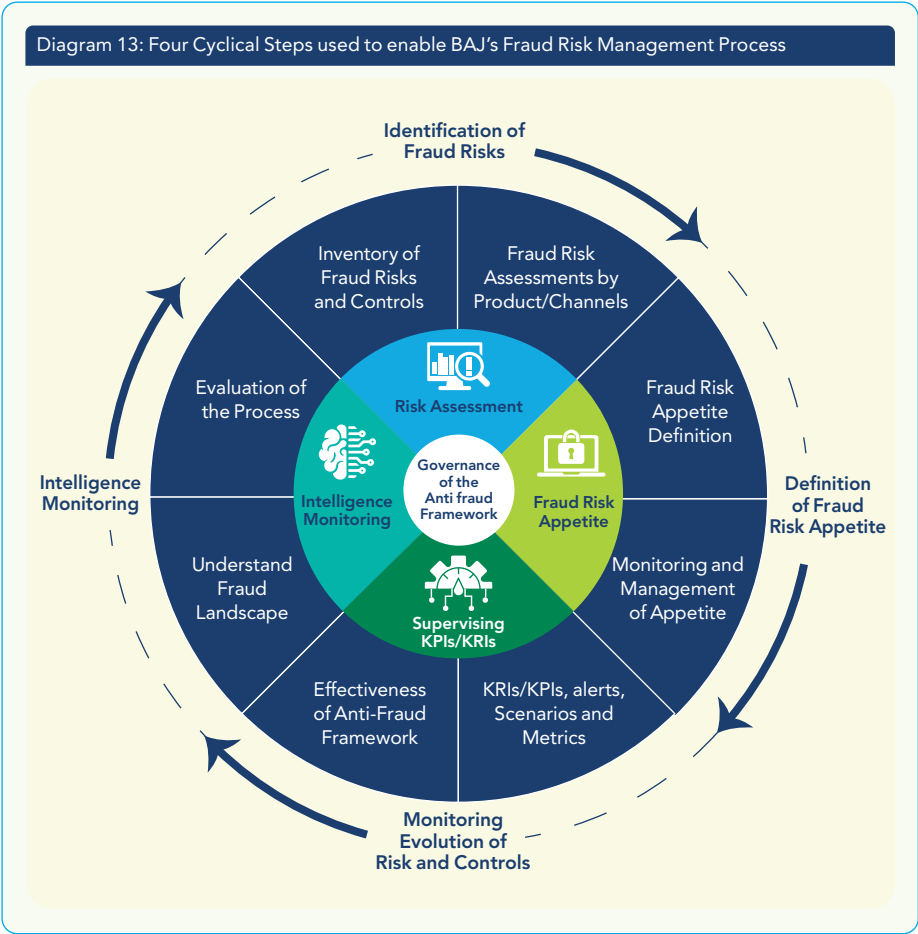
Employees are encouraged to contact or walk into the Anti-Fraud Division office and report any incidents or violations in person or through its hotline channels, with guaranteed confidentiality. During the year under review, the Bank carried out a number of strategic initiatives to enhance its counter-fraud activities, and better align with the Bank's overarching business and strategic objectives:

- Creating a common approach for addressing fraud risks within the Bank
- Achieving an appropriate maturity level of fraud controls within the Bank
- Incorporating the Fraud Combat concept into the Bank's overall strategy
- Ensuring proper resources are delegated to the Anti-Fraud Division
- Enhancing comprehensive Fraud Prevention and Detection solutions across the Bank
- Reviewing the Counter Fraud Risk Management Governance structure and associated strategy across the Bank
- Developing and updating the Counter Fraud Policy, Strategy, Standards and Procedures of the Bank

5. FRAUD RISK MANAGEMENT

The Bank has in place a Fraud Risk Management process to understand, identify, and manage fraud risks that the Bank is, and can be exposed to. The process follows four cyclical steps that enable the Bank to continuously evaluate and fast adapt to its evolving operating environment, and is an effective tool in combating fraud:

- Fraud Risk Assessment – Identification and assessment of fraud risks
- Fraud Risk Appetite – Defining, monitoring and managing the Bank’s fraud appetite
- Key Risk Indicators – Monitoring the evolution of risks and effectiveness of controls
- Intelligence Monitoring – Continuous analysis and monitoring of fraud landscape and corresponding evaluation of controls



Performing Fraud Risk Assessments is a pivotal and strategic element of the Bank’s fraud prevention measures, and plays a key role in the fraud management process. Fraud Risk Assessments lays the foundation for all activities that are required for developing solid Fraud Risk Management functions.

The Fraud Risk Assessment is a set of procedures that are followed in an organized manner to identify, analyze, classify, evaluate fraud risks, and then develop appropriate controls to address those risks, supporting the Bank’s Anti-Fraud Policy and strategic objectives, while also seeking to implement related tasks efficiently and effectively through the optimal use of available resources.

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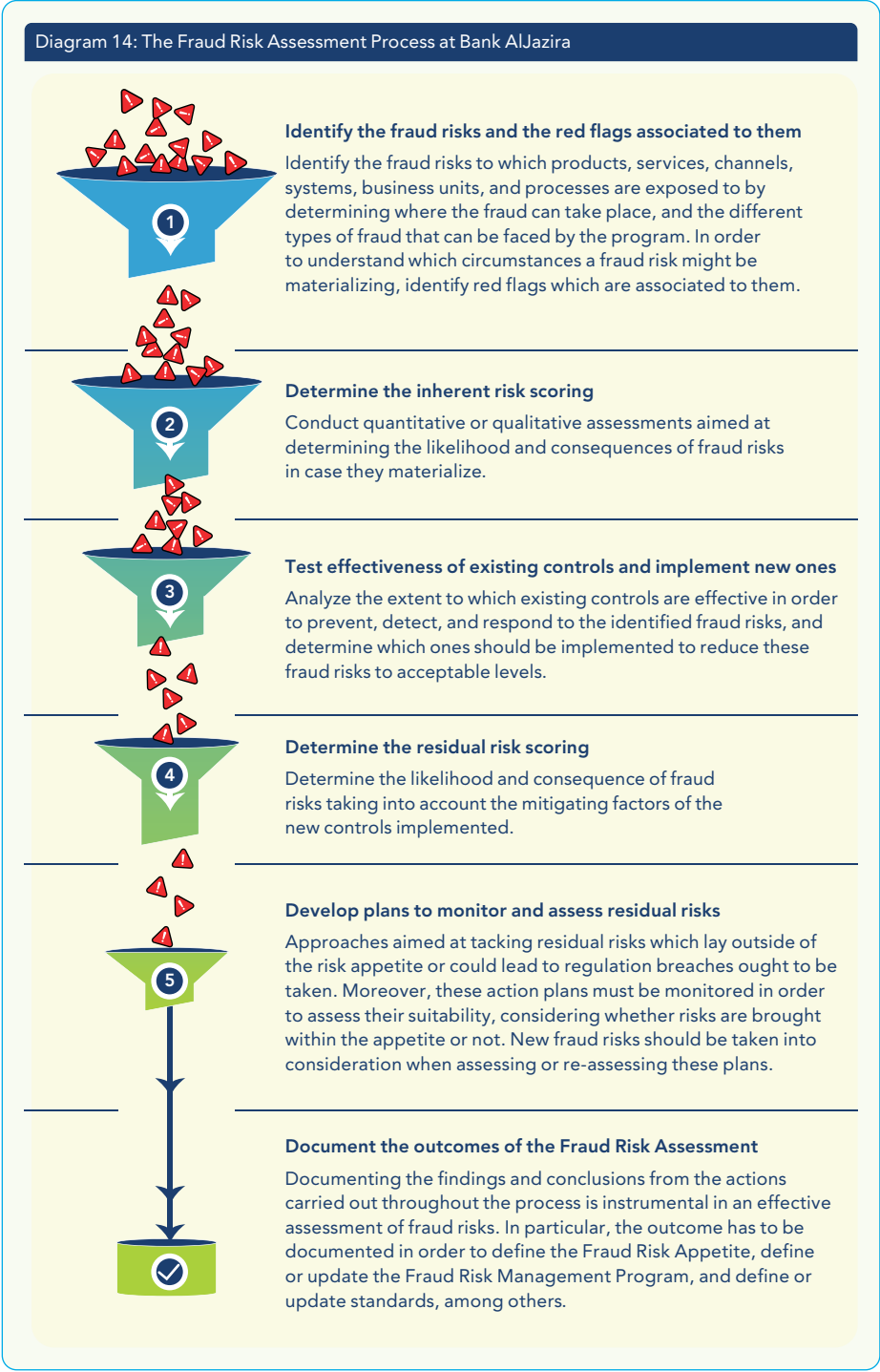
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The Fraud Risk Assessment process consists of two different parts; first, the planning of Fraud Risk Assessments; followed by part two, identifying and assessing fraud risks both at an inherent and residual level.



The Bank has defined an appropriate governance structure and put together a dedicated team to ensure that the Anti-Fraud Framework remains operational at all times.

## INTERNAL AUDIT

The Bank's Internal Audit Group performs independent audit and evaluating the control processes across the Bank, covering all businesses and functions. The group uses standardized internal audit methodologies in providing reasonable assurance and independent opinion in relation to assessment of governance, risks, and internal control systems including the submission of recommendations and follow up to optimize the internal control systems' efficacy and enhance awareness of the efficiency and importance of the control environment. The Chief Audit Executive manages the Internal Audit Group and the Audit Committee has an oversight responsibility for ensuring that the Group's objectives are achieved.

Internal Audit Group pursues a risk-based approach in the planning and execution of audit engagements on risk-based prioritization. The scope of the internal audit activity encompasses all aspects of internal systems, governance, and risk management frameworks.

The Internal Audit Group maintains a Quality Assurance and Improvement Program (QAIP) that covers all aspects of the internal audit activities in addition to an external assessment conducted by an independent qualified body on a periodic basis for conformance with the Institute of Internal Auditors standards.

## ANNUAL REVIEW OF THE EFFECTIVENESS OF INTERNAL CONTROL PROCEDURES

Being a financial institution, the Bank gives high importance to the internal control environment.

At the Bank, effective internal control procedures are in place across the organization by applying the principle of three lines of defense.

This is adopted based on their suitability to the work patterns of the Bank taking into consideration industry best practices and international standards applicable in the banking and financial industry and by contracting with international organizations to provide advisory services to evaluate and optimize the efficiency of control systems, and their effectiveness is continuously monitored and tested by the control functions in the Bank, and additionally tested by the Independent External Auditors and regulatory inspection team.

The Board of Directors and its committees as well as the Executive Management play a vital role in the enhancement of internal control environment through direct supervision of the functions of the Bank's control groups such as Compliance and Risk groups. The internal control process relies basically on the efficacy of the control systems in the bank. The effective internal control increases confidence in the financial reports and audit processes.

The results of the annual audit of the effectiveness of the internal control procedures of the Bank have reflected good and acceptable levels of controls.

### 2024 Highlights

The Internal Audit Group successfully completed the 2024 Risk-Based Plan and circulated all the reports to related stakeholders. During 2024, a qualified external quality assurance assessor was appointed to perform a review on Internal Audit Group Operations in line with the SAMA guidelines and Institute of Internal Auditors (IIA) mandatory guidance. The assessment resulted in a rating of "Generally conforms with mandatory guidance", which is the highest rating that can be achieved.

## RISK MANAGEMENT

BAJ has adopted a robust, transparent and prudent approach towards Risk Management and thus continues to invest into building an infrastructure that is able to proactively identify, assess, measure, and control the risks the Bank is faced with on an Enterprise Wide basis. As a core risk management practice, the management keeps a close track of the top and emerging risks that are expected to emanate and challenge not only the international economies and financial markets but also their ripple effects on the Saudi Economy and thus the financial industry in the Kingdom.

BAJ is dedicated to a culture of proactive risk management. By identifying, quantifying, and managing risks with foresight, we not only enhance our risk-adjusted returns, but also ensure financial stability and confidence among our customers and stakeholders. Our approach is rooted in a clear, well-defined Risk Management Framework, developed in alignment with both regulatory expectations and business complexities. This comprehensive framework encompasses a suite of policies addressing all aspects of risk, ensuring compliance and strategic alignment with our business objectives.

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At the heart of our risk management strategy is the Board- approved Risk Management Policy, aligned with SAMA guidelines. This document outlines our risk exposure, governance structures, and management policies, encapsulated within our Risk Appetite Framework (RAF), Credit Policy, and Treasury Policy. Embracing a precautionary business ethos, we prioritize prevention and systematic risk management, ensuring resilience and strategic agility.

The Bank’s Risk Group plays a critical role in controlling and minimizing risks across different business units, including credit, market, liquidity, operational, and information security risks. By working closely with business units and the Internal Audit Group, we effectively identify, monitor, manage, and minimize risks within tolerated levels. Our governance framework, aligned with international standards, ensures the independence of our Risk Group, promoting a culture of managing risks across the Bank’s operations.

We place great emphasis on delivering training sessions to enhance employee awareness of risk identification and management. Mandatory Business Continuity Awareness and courses to enhance the understanding of operational risk are part of our comprehensive training program, alongside Information Security tutorials that have contributed towards mitigating cyber risks and threats effectively.

2024 Updates

The Bank strengthened its risk management approach in 2024 through cross-functional collaboration, enhanced cybersecurity, and ESG integration, refining its Risk Appetite Framework to align with emerging financial, operational, and ESG-related risks.

In a collaborative effort between the Enterprise Risk Management Group (ERMG), Credit Management Group (CMG), and Corporate and Institutional Banking Group (CIBG), the new Facility Risk Rating Framework was implemented in 2024, providing a more structured and data-driven approach to evaluating credit risks, and ensuring responsible lending practices by considering ESG-related risks in lending decisions.

Another key development was the achievement of PCI-DSS v4.0 compliance for Data Security Standards, with the Bank winning the “Outstanding Online Security Measures” award that demonstrates our continued commitment to protecting customer data. During the year, the Bank’s Vulnerability Management Taskforce further reinforced IT risk controls to ensure risk appetite considerations for cyber threats.

Furthermore, the Bank focused on training key professionals in assessing climate-related risks and opportunities by enrolling 19 BAJ employees in ESG training by the Financial Academy, with the aim of strengthening internal capacity to support the integration of climate risk into risk assessment methodologies at BAJ, ensuring compliance with anticipated sustainability and other ESG disclosure in the future.



Head of Human Capital and Support Group signs with Financial Academy



# BUSINESS CONTINUITY MANAGEMENT (BCM)

Bank AlJazira's dedicated BCM Department has systematic procedures in place to continue vital business processes following any unforeseen incidents that may cause failure of critical assets and disruption of business. To further bolster the Bank's resilience, a BCM Committee was also established to monitor the Bank's BCM as well as Disaster Recovery (DR) performance.

The BCM Department at BAJ ensures compliance with all required SAMA regulations and guidelines, as well as internal and external BCM audit standards, and maintains benchmarked standards in BCM best practices. As part of the compliance with SAMA requirements, a Crisis Management Plan (CMP) has been defined, approved, and implemented which provides effective supervision and management to guide the Chief Executive Officer (CEO) and the Executive Management Team when responding to a major disruption or threat to the Bank's activities, while ensuring the best interests of both internal and external stakeholders. CMP includes criteria for declaring a crisis, frequency of crisis management testing, the Crisis Management Team Members (CMT) and their roles and responsibilities.

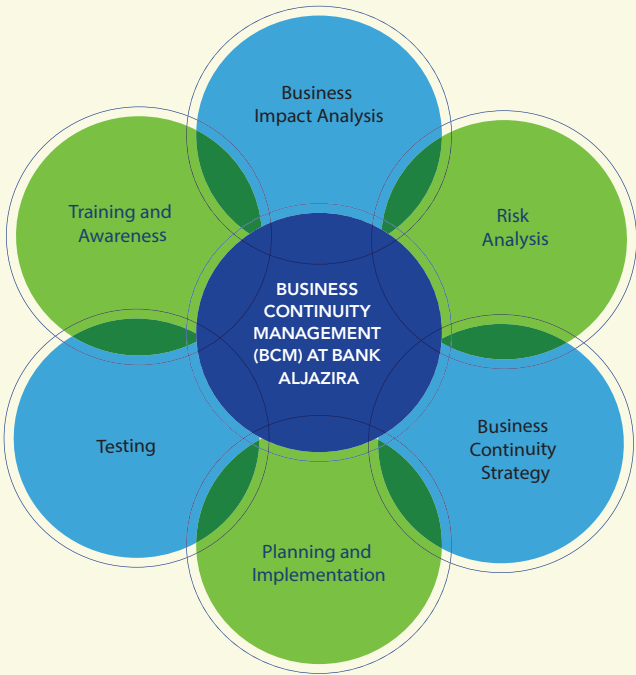
## 2024 Highlights

The Bank's BCM program is ongoing and is regularly reviewed by internal and external stakeholders. These features enhance the Bank's readiness and the capabilities to respond and manage adverse events. The results are minimized negative impacts, enhanced performance and reputation, and compliance with regulatory requirements.

# ACCOUNTING STANDARDS

The Bank maintains proper books of accounts and records in an accurate manner. The consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards ("IFRS") as issued by International Accounting Standards Board and endorsed in the Kingdom of Saudi Arabia and in compliance with other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"), and in compliance with the provisions of Banking Control Law, the Regulations for Companies in the Kingdom of Saudi Arabia and By-Laws of the Bank.

Diagram 15: BCM Program Scope



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## GRI CONTENT INDEX

**Statement of use:** Bank AlJazira has reported the information cited in this GRI content index for the period starting 1 January 2024 to 31 December 2024, with reference to the GRI Standards.

**GRI 1 used:** GRI 1: Foundation 2021

Table 34		
GRI Standard	Disclosure	Location
<b>GRI 2</b> General Disclosures 2021	2-1 Organizational details	Page 12: Bank AlJazira at a Glance
	2-2 Entities included in the organization's sustainability reporting	Pages 4-5: About this Report
	2-3 Reporting period, frequency and contact point	Pages 4-5: About this Report
	2-4 Restatements of information	N/A
	2-5 External assurance	This Sustainability Report is not externally assured
	2-6 Activities, value chain, and other business relationships	Page 12: Bank AlJazira at a Glance
	2-7 Employees	Pages 45-54: Building a Learning Organization Pages 58-59: Diversity and Inclusion
	2-8 Workers who are not employees	Pages 49-50: Workforce Profile
	2-9 Governance structure and composition	Pages 77-91: Corporate Governance
	2-10 Nomination and selection of the highest governance body	Page 83: Nomination and Remuneration Committee
	2-11 Chair of the highest governance body	Pages 78-79: Board of Directors
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 25: Sustainability Governance Structure
	2-13 Delegation of responsibility for managing impacts	Page 24: Management Approach
	2-14 Role of the highest governance body in sustainability reporting	Page 4: About this Report Page 25: Sustainability Governance Structure Pages 78-79: Board of Directors
	2-15 Conflicts of interest	Page 83: Nomination and Remuneration Committee
	2-16 Communication of critical concerns	Pages 19-20: Stakeholder Engagement
	2-17 Collective knowledge of the highest governance body	The Annual Board of Directors Report 2024 published separately by Bank AlJazira in compliance with regulatory requirements contains greater detail of the Bank's highest governing body, including its collective knowledge as requested under this topic. The Bank's BOD Report 2024 can be found at: <a href="https://www.bankaljazira.com/Portals/0/OpenContent/Files/604/BoD_Report_2024.En.pdf">https://www.bankaljazira.com/Portals/0/OpenContent/Files/604/BoD_Report_2024.En.pdf</a>

Table 34		
GRI Standard	Disclosure	Location
	2-18 Evaluation of the performance of the highest governance body	The Annual Board of Directors Report 2024 published separately by Bank AlJazira in compliance with regulatory requirements contains greater detail of the Bank's highest governing body, including the evaluation of the Board's performance. The Bank's BOD Report 2024 can be found at: <a href="https://www.bankaljazira.com/Portals/0/OpenContent/Files/604/BoD_Report_2024.En.pdf">https://www.bankaljazira.com/Portals/0/OpenContent/Files/604/BoD_Report_2024.En.pdf</a>
	2-19 Remuneration policies	Page 83: Nomination and Remuneration Committee
	2-20 Process to determine remuneration	Page 83: Nomination and Remuneration Committee
	2-21 Annual total compensation ratio	Not disclosed due to confidentiality constraints
	2-22 Statement on sustainable development strategy	Pages 6-7: Message from the Chairman
	2-23 Policy commitments	Pages 85-88: Ethical Business Practices
	2-24 Embedding policy commitments	Pages 85-88: Ethical Business Practices
	2-25 Processes to remediate negative impacts	Page 86: Whistleblower Policy
	2-26 Mechanisms for seeking advice and raising concerns	Page 53: The Code of Conduct Page 54: Labor Law Compliance
	2-27 Compliance with laws and regulations	The Annual Board of Directors Report 2024 published separately by Bank AlJazira in compliance with regulatory requirements contains greater detail of the Bank's compliance with laws and regulations during the year. The Bank's BOD Report 2024 can be found at: <a href="https://www.bankaljazira.com/Portals/0/OpenContent/Files/604/BoD_Report_2024.En.pdf">https://www.bankaljazira.com/Portals/0/OpenContent/Files/604/BoD_Report_2024.En.pdf</a>
	2-28 Membership associations	Page 57
	2-29 Approach to stakeholder engagement	Pages 19-20: Stakeholder Engagement
	2-30 Collective bargaining agreements	Page 54: Labor Law Compliance
<b>GRI 3</b> Material Topics 2021	3-1 Process to determine material topics	Pages 20-21: Assessing Materiality
	3-2 List of material topics	Pages 21-23: Materiality Topics Table
	3-3 Management of material topics	Pages 20-24: Assessing Materiality Pages 25-27: Mapping of Sustainability Framework
		Pages 14-16: Alignment with Saudi Vision 2030

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GRI Standard	Disclosure	Location
<b>GRI 201</b> Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 13: Performance Highlights for the Year
	201-2 Financial implications and other risks and opportunities due to climate change	Page 65: Green Project Financing
	201-3 Defined benefit plan obligations and other retirement plans	Pages 52-54
<b>GRI 202</b> Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Not disclosed due to confidentiality constraints
<b>GRI 203</b> Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Pages 66-76: Pillar 04: Impact Beyond Banking
	203-2 Significant indirect economic impacts	Pages 66-76: Pillar 04: Impact Beyond Banking
<b>GRI 204</b> Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 59: Sourcing Locally to Create Sustainable Livelihoods
<b>GRI 205</b> Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Pages 87-88: Fraud Risk Management
	205-2 Communication and training about anti-corruption policies and procedures	Pages 85-86: Ethical Business Practices
	205-3 Confirmed incidents of corruption and actions taken	No incidents of fraud/corruption was reported during the period under review.
<b>GRI 207</b> Tax 2019	207-1 Approach to tax	The Annual Board of Directors Report 2024 published separately by Bank AlJazira in compliance with regulatory requirements contains greater detail of the Bank's statutory payments. The Bank's BOD Report 2024 can be found at: <a href="https://www.bankaljazira.com/Portals/0/OpenContent/Files/604/BoD_Report_2024.En.pdf">https://www.bankaljazira.com/Portals/0/OpenContent/Files/604/BoD_Report_2024.En.pdf</a>
	207-2 Tax governance, control, and risk management	207-1 The Annual Board of Directors Report 2024 published separately by Bank AlJazira in compliance with regulatory requirements contains greater detail of the Bank's statutory payments, and key risks faced by the bank. The Bank's BOD Report 2024 can be found at: <a href="https://www.bankaljazira.com/Portals/0/OpenContent/Files/604/BoD_Report_2024.En.pdf">https://www.bankaljazira.com/Portals/0/OpenContent/Files/604/BoD_Report_2024.En.pdf</a>
<b>GRI 302</b> Energy 2016	302-1 Energy consumption within the organization	Page 61: Energy
	302-4 Reduction of energy consumption	Page 61: Energy
	302-5 Reductions in energy requirements of products and services	Page 61: Energy
<b>GRI 303</b> Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 62: Water
	303-3 Water withdrawal	Page 62: Water
	303-4 Water discharge	Page 62: Water
	303-5 Water consumption	Page 62: Water

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GRI Standard	Disclosure	Location
<b>GRI 306</b> Waste 2020	306-1 Waste generation and significant waste-related impacts	Pages 64-65: Waste Management
	306-2 Management of significant waste-related impacts	Pages 64-65: Waste Management
	306-3 Waste generated	Pages 64-65: Waste Management Page 63: Paper
	306-4 Waste diverted from disposal	Pages 64-65: Waste Management
	306-5 Waste directed to disposal	Pages 64-65: Waste Management
<b>GRI 308</b> Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 59: Sourcing Locally to Create Sustainable Livelihoods
	308-2 Negative environmental impacts in the supply chain and actions taken	Page 59: Sourcing Locally to Create Sustainable Livelihoods
<b>GRI 401</b> Employment 2016	401-1 New employee hires and employee turnover	Pages 49-50: Bank AlJazira Workforce Profile Page 50: Employee Turnover Rate
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pages 48: Compensation and Benefits
	401-3 Parental leave	Page 58: Maternity Leave Entitlement and Availing – Tabulated Data
<b>GRI 402</b> Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	
<b>GRI 403</b> Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 54: Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Page 54: Occupational Health and Safety
	403-3 Occupational health services	Page 54: Occupational Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 54: Occupational Health and Safety Page 50: Well-being and Work-Life Balance
	403-5 Worker training on occupational health and safety	Page 54: Occupational Health and Safety Page 50: Well-being and Work-Life Balance
	403-6 Promotion of worker health	Page 54: Occupational Health and Safety Page 50: Well-being and Work-Life Balance
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 54: Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	Page 54: Occupational Health and Safety
	403-9 Work-related injuries	Page 54: Occupational Health and Safety
	403-10 Work-related ill health	Page 54: Occupational Health and Safety

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<b>GRI 404</b> Training and Education 2016	404-1 Average hours of training per year per employee	Pages 51-52: Capability Development
	404-2 Programs for upgrading employee skills and transition assistance programs	Pages 51-52: Capability Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Pages 52-53: Performance Management
<b>GRI 405</b> Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pages 49-50: Bank AlJazira Workforce Profile
<b>GRI 406</b> Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Pages 58-59: Diversity and Inclusion
<b>GRI 410</b> Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Page 54: Security and Safety
<b>GRI 413</b> Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Pages 66-76: Pillar 04: Impact Beyond Banking
<b>GRI 414</b> Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Page 59: Sourcing Locally to Create Sustainable Livelihoods
	414-2 Negative social impacts in the supply chain and actions taken	Page 59: Sourcing Locally to Create Sustainable Livelihoods
<b>GRI 418</b> Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pages 84-85: Privacy Protection





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