2025

ESG Report

Banking with Purpose in a Changing Region

البنك العربي
ARAB BANK

Contents

Prelude: Impact at a Glance 3

Who We Are 4
2025 ESG at a Glance 5
Report Guide 7

PART 1: Context, Purpose and Strategy 8

Messages from Leadership 9
Arab Bank and Our Role in the Region 10
Arab Bank ESG Journey 12
ESG Strategy and Approach 13
Stakeholders and Materiality 15

PART 2: Financing a Just and Resilient Transition 18

Sustainable Finance 19
Embedding ESG Across Our Financial Solutions 25
Sustainable Finance Bond Highlights 27
Supporting SMEs and Entrepreneurship 28
Financial Inclusion and Accessibility 29

PART 3: Operating Responsibly 32

Operations and Environmental Management 33
Sustainable Procurement and Supply Chain 38
Digitalization and Operational Resilience 39

PART 4: Empowering People and Communities 41

Our People and Culture 42
Communities and Social Investment 47

PART 5: Trust, Governance and Integrity 55

Corporate Governance and ESG Oversight 56
Risk Management 58
Conduct and Trust 61
Tax Transparency 64

PART 6: ESG Data, Indices and Methodologies 65

Methodologies 66
ESG Data Tables 73
GRI Content Index 76

Other Relevant Publications

2025 Annual Report

Annual disclosure detailing Arab Bank Group financial performance for the year 2025.

2025 ESG Data Pack

A deeper dive on the 2025 ESG metrics, presented for the entire plc countries and per country.

2024 ESG Report

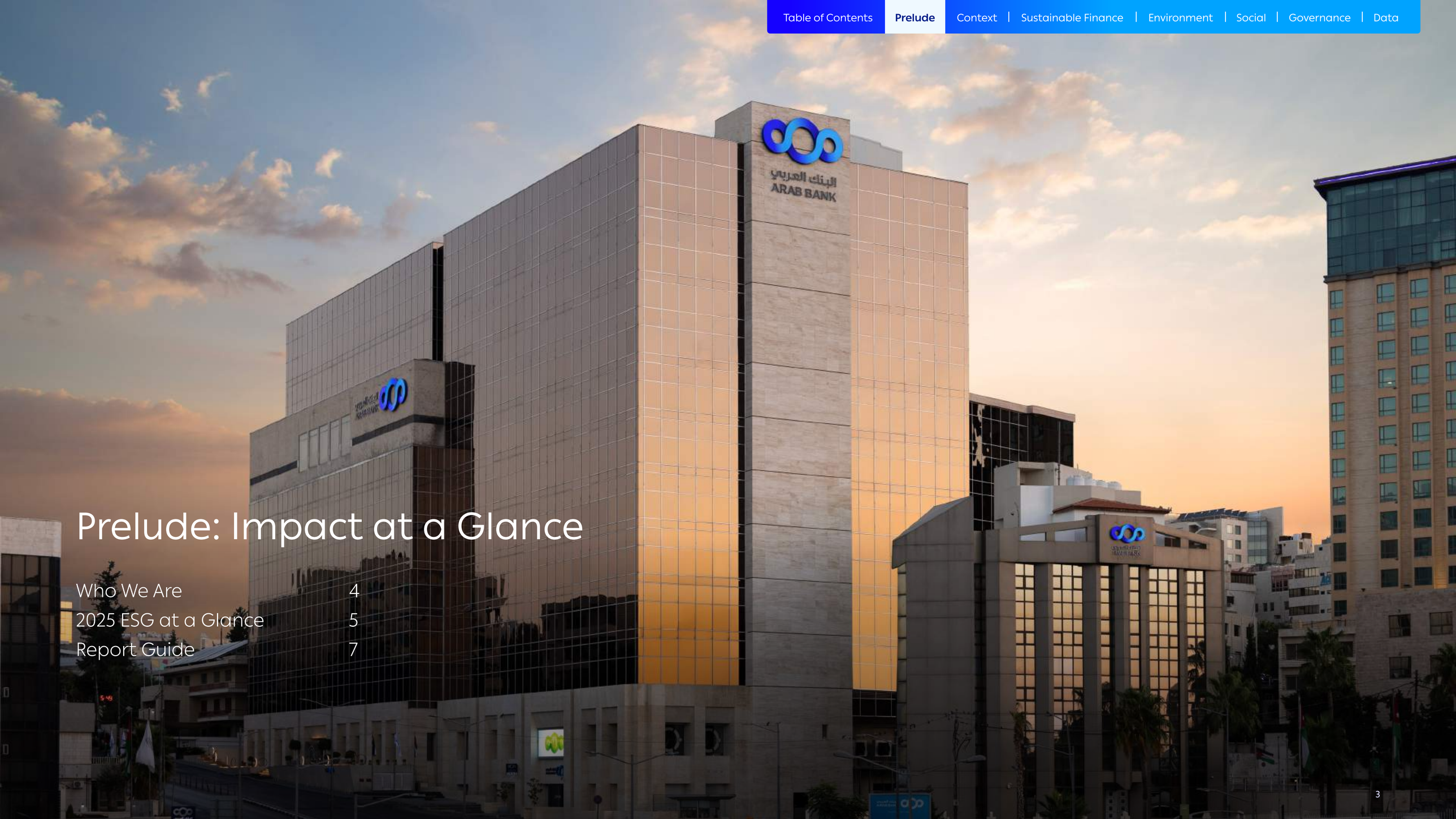
Annual disclosure detailing ESG performance, initiative, and progress across the bank's operations and markets.

2025 Sustainable Finance Report

Prior year sustainable finance allocation and impact results, covering eligible asset portfolio composition and verified environmental and social outcomes.

Sustainable Finance Framework

Framework defining the bank's eligibility criteria, governance structure, and reporting commitments for issuing sustainable debt instruments.



Prelude: Impact at a Glance

Who We Are 4
2025 ESG at a Glance 5
Report Guide 7

Who We Are

Arab Bank is a regional financial institution with a longstanding presence across key markets in the Middle East, North Africa, Europe, and Asia. Through a diversified business model spanning Corporate and Institutional Banking, Consumer Banking and Wealth Management, and Treasury, the bank connects capital to households, businesses and communities across multiple economic contexts and regulatory environments. Its footprint reflects both scale and proximity: a broad geographic reach supported by local operating teams and market-specific expertise.

As of the reporting period, Arab Bank operates in 27 countries, through 600+ branches and offices, serving millions of customers through physical and digital channels. The bank's workforce comprises of 13,013 employees, representing a wide range of nationalities, skills and professional backgrounds. Financially, Arab Bank continues to play a central intermediation role in the region, with total equity of ~USD 13.2 bn, customer deposits of ~USD $57.2 bn, and net income of $1,130 mn.

Over recent years, Arab Bank has received a number of regional and international recognitions for its banking services, digital capabilities, governance practices and sustainability-related initiatives, including Best Bank in the Middle East and Best Bank for Social Bonds in the Middle East by Global Finance, Middle East's Best Bank for Corporate Responsibility by Euromoney, and Middle East Winner for The Banker's Technology Awards 2025.

From an ESG perspective, the bank's role is defined less by isolated initiatives and more by how sustainability considerations are embedded into its regional footprint, client relationships and risk management practices.

Global Footprint

Arab Bank plc Countries Arab Bank Group Countries

27
Countries with Active Operations

600+
Branches

13,013
Employees

*Performance figures in this page are consolidated on a group level.

2025 at a Glance

Financial Highlights

USD 41.2 bn (8.0%)
Gross Loans

USD 57.2 bn (10.0%)
Deposits

8.8 %
Return on Equity

USD 13.2 bn (9.0%)
Total equity

USD 3.6 bn (6.0%)
Total Income

USD 1,130 mn (12.0%)
Net Income

Awards

Global Finance
Best Bank in the Middle East

Global Finance
Best Bank for Social Bonds in the Middle East

Euromoney Awards for Excellence 2025
Middle East's Best Bank for Corporate Responsibility

The Banker
Middle East Winner for The Banker's Technology Awards 2025

In 2025, Arab Bank received over 69 regional and international awards from leading global institutes, recognizing its leadership in Sustainable Finance, Corporate Responsibility, Digital Transformation, and Banking Excellence across the Middle East and multiple international markets. Click here to view all awards.

Credit Ratings

Moody's	Ba1/Stable/NP
FitchRatings	BB/Stable/B
S&P Global Ratings	BB-/Stable/B

*Performance figures in this page are consolidated on a group level.

2025 at a Glance

ESG Highlights – plc

USD 1.1 bn

Sustainable Finance Portfolio since 2024*

USD 225 mn

2025 Allocated Sustainable Finance Portfolio

256,832 Tons

of GHG Emissions Avoided through financed projects

Launched an expanded Sustainable Finance Framework.

Joined the Partnership for Carbon Accounting Financials (PCAF).

39 %

Share of renewable energy of electricity consumption.

74,096 tCO2e

Total Emissions

Expanded Scope 3 GHG Calculations to include Category 3, 5, and 7.

Initiated e-waste recycling across operations.

Appointed a new female Board Member.

Launched an Employee Wellbeing Program.

USD 27 mn

Community Investments

Launched the second internal ESG Hackathon covering all plc countries.

7,184

ESG Training Hours

*This figure represents lending, investing and facilitation activities.

Report Guide

This ESG Report presents Arab Bank plc's environmental, social, and governance performance for the period 1 January 2025 to 31 December 2025, with selected comparative information from prior years included where relevant.

The report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards (2021) and is informed by other internationally recognized frameworks, including the Greenhouse Gas (GHG) Protocol and the UN Sustainable Development Goals (SDGs), to ensure consistency, transparency, and comparability of disclosures.

The reporting scope covers Arab Bank plc's operations, including the Head Office and branches across the countries in which the bank operates, unless stated otherwise. The reporting boundary follows an operational control approach, in line with GRI and GHG Protocol guidance. Environmental disclosures include Scope 1 and Scope 2 greenhouse gas emissions and selected material Scope 3 categories. Any limitations, assumptions, or exclusions are disclosed within the relevant sections of the report and its appendices.

Selected disclosures in this report have been subject to independent external assurance, where applicable, as part of the bank's commitment to data quality and transparency. Methodologies and technical details supporting key disclosures, including greenhouse gas emissions and the materiality assessment process, are provided in the Appendices.

Stakeholders are welcome to share feedback or inquiries by contacting the ESG Office at Arab Bank plc through the bank's official channels.

Context, Purpose and Strategy

Messages from Leadership 9
Arab Bank and Our Role in the Region 10
Arab Bank ESG Journey 12
ESG Strategy and Approach 13
Stakeholders and Materiality 15

Message From Leadership

Across the markets in which Arab Bank operates, economic, environmental, and social transitions are accelerating simultaneously. Climate-related challenges are no longer theoretical; they are increasingly influencing water availability, infrastructure resilience, supply chains, livelihoods, and broader economic conditions across our region. At the same time, the global transition toward lower-carbon and more resilient economic models continues to reshape regulation, investor expectations, technology adoption, and access to capital. For a regional bank, these developments present both challenges and opportunities. Risk is inherent to banking, but the complexity of managing increasingly interconnected risks — whether physical, transitional, operational, or social — requires discipline, adaptability, and long-term perspective. Physical climate risks can be highly localised yet financially material.

Transition risks can emerge through policy shifts, market repricing, or technological disruption, sometimes faster than balance sheets or business models can adapt. Social pressures, from employment and inclusion to affordability and access to finance; can quickly translate into conduct and reputational risk if they are not understood and addressed thoughtfully.

These dynamics force difficult questions. How do we support growth in economies that are still building essential infrastructure while managing long-term environmental exposure? How do we finance transition without excluding those who are least equipped to move quickly? How do we balance prudence with opportunity when the pace of change is uncertain? There are no simple answers, and trade-offs are inevitable.

At Arab Bank, we recognise that sustainability cannot be viewed solely through the lens of compliance or short-term targets. We view it as an integral component of prudent banking practices, sound governance, and long-term institutional resilience. Sustainability considerations increasingly influence how we support our clients, manage risk, allocate capital, strengthen our operations, and position the institution for the future.

For Arab Bank, these shifts have direct implications for how we operate, how we support our clients, and how we embed ESG considerations across the institution. As markets evolve and sustainability considerations increasingly shape economic activity, financial institutions must ensure that their strategies, governance, products, and internal practices remain aligned with long-term resilience, responsible growth, and broader stakeholder expectations.

Our approach is focused on strengthening how we identify and manage risk, capture opportunity, support inclusive growth, and build an institution that remains resilient and relevant over the long term. This requires clear governance, robust policies, sound risk assessment, and transparency about how priorities are set and progress is measured. Within the broader context, sustainable finance serves as an important extension of our core banking role, not a parallel activity. It sits at the intersection of opportunity and governance frameworks, enhancing risk management. Supporting clients investing in renewable energy, energy efficiency, resilient infrastructure, and socially beneficial sectors contribute not only to broader sustainability objectives, but also to strengthening long-term portfolio resilience and sustainable economic development.

Our approach also extends to how we manage ESG across our own operations. This includes governance, culture, operational efficiency, employee engagement, accountability, and the systems through which progress is monitored and assessed over time. While the pace of progress may differ across markets and sectors, we remain focused on maintaining consistency of principles, disciplined execution, and transparency in decision-making.

Importantly, we recognise that the path forward will not always be linear. Financial institutions must balance opportunity with prudence, support growth while managing risk responsibly, and navigate evolving regulatory, economic, and societal expectations. What matters is not pursuing simplified narratives, but maintaining clarity of purpose, institutional discipline, and the ability to adapt responsibly in a changing environment.

This report reflects that approach. It provides an overview of how Arab Bank manages sustainability-related risks and opportunities, while outlining the frameworks, priorities, and governance structures supporting our long-term strategy. It is intended to present our sustainability journey with transparency, balance, and accountability, reinforcing the resilience, credibility, and long-term perspective that continue to define Arab Bank.

Randa Sadik
Chief Executive Officer

Arab Bank and Our Role in the Region

Arab Bank operates at the intersection of diverse economies, development pathways, and risk environments. With a presence spanning multiple markets across the Middle East, North Africa, Europe, and Asia, the bank's role is shaped as much by regional complexity as by scale.

The region we serve is characterized by contrast. It includes fast-growing urban centers alongside developing economies; energy exporters alongside energy importers; markets with advanced financial systems and others where access to finance remains uneven. Demographic pressures, infrastructure needs, climate exposure, and social expectations vary widely across countries, yet are increasingly interconnected through trade, capital flows, and shared environmental challenges.

In this context, Arab Bank's role is fundamentally one of financial intermediation with responsibility. The bank connects savings to investment, supports trade and enterprise, and provides households and businesses with access to financial services that underpin economic activity. This role carries influence, but also accountability, particularly in how capital is allocated, risks are managed, and standards are applied across jurisdictions.

Arab Bank delivers this role through a diversified business model, anchored in three core segments: Corporate and Institutional Banking, Consumer Banking and Wealth Management, and Treasury. Each plays a distinct role in supporting regional economies and shaping the bank's exposure to environmental, social, and governance considerations.

Corporate and Institutional Banking

Corporate and Institutional Banking supports large corporates, financial institutions, and public-sector entities across key sectors that drive regional development. Through long-standing relationships and deep sector expertise, the bank delivers tailored financial solutions that enable clients to grow, operate efficiently, and navigate evolving market dynamics. These offerings are designed to support business expansion, facilitate trade and investment, and strengthen client resilience, while leveraging the bank's regional presence and integrated capabilities to provide consistent and high-quality service across markets.

Consumer Banking and Wealth Management

Consumer Banking encompasses a broad range of solutions for individuals, delivered through an extensive branch network and integrated digital banking channels locally and regionally. These offerings are designed to reflect evolving customer behaviors and preferences, supporting digital engagement, financial inclusion, and responsible financial decision-making.

Wealth management offerings complement these services and are available across the network, tailored to different customer profiles and investment behaviors. These offerings leverage the strength and specialized capabilities of Arab Bank, enabling the delivery of integrated and long-term wealth solutions aligned with clients' financial objectives.

Treasury

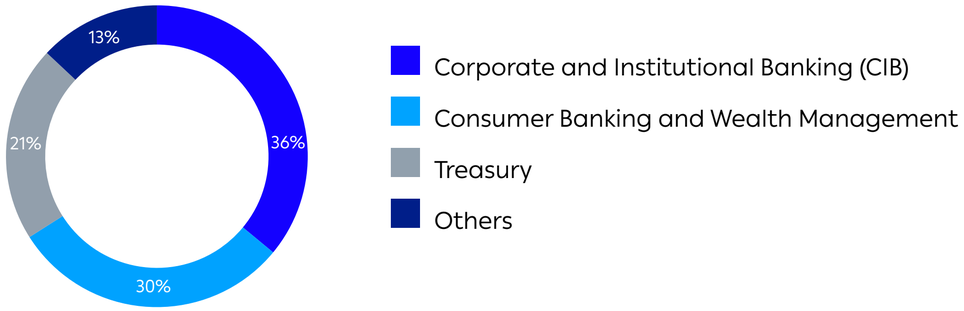
The Treasury division plays a pivotal role in strengthening the bank's financial stability by prudently managing liquidity, funding, and market risks. Working in close collaboration with Corporate and Institutional Banking (CIB) and Consumer Banking (CB), Treasury provides effective hedging solutions and risk management tools to protect clients' interests and support business activity across diverse markets. These efforts enhance the bank's resilience and ability to serve businesses, institutions, and communities in a dynamic economic environment.

	Corporate and Institutional Banking (CIB)	Consumer Banking and Wealth Management	Treasury
Who it Serves	• Large Corporates • SMEs • Financial Institutions • Public Sector Related Entities	• Individual Customers • Households	• Business Lines • External Investors
What it Finances	• Energy • Infrastructure • Trade • Industry	• Personal Assets • Housing • Education • Mobility	• Balance sheet funding • Liquidity buffers • Investment portfolios • Capital markets activities
Risk Profiles	• Long-term exposure • Capital-intensive assets • Physical, Transition, and Regulatory risks	• Fair Treatment • Responsible Lending • Data privacy and cybersecurity • Physical, Transition, and Regulatory risks	• Interest rate risk • FX risk • Market liquidity risk • Physical, Transition, and Regulatory risks
Where ESG is Applied	• Client engagement • Risk Assessment • Transaction structuring	• Product design • Consumer awareness and engagement • Financial literacy • Customer protection	• Product design • Transaction structuring

Decision-making discipline applied consistently across the bank

Governance | Risk | Standards | Accountability

Contribution to Revenue by Business Segment – Arab Bank plc



Key Financial Figures – Arab Bank plc

Financial Line	USD
Revenue	2,043.7 mn
Operating Costs	1,056.4 mn
Net Income Before Tax	987.3 mn
Net Income After Tax	781.6 mn

For Detailed financial information, please refer to Arab Bank's 2025 Annual Report, available here.

Arab Bank ESG Journey

2010

- Beginning of the Sustainability Program of Arab Bank plc
- Issued the first Sustainability Report covering Jordan operations.

2016

- Adopted the GRI Reporting Standards

2021

- Established an environmental and social risk policy

2022

- Published the first sustainable finance framework

2023

- Launched Arab Bank ESG strategy
- Issued the Additional Tier 1 Sustainability Capital Securities bond for $ 250 mn
- Issued GRI report scoping Jordan, Egypt, and Palestine

2024

- Expanded GRI reporting scope to encompass all plc countries.
- Established ESG governance model
- Published the first sustainable finance report

2025

- Issued the expanded and revamped Sustainable Finance Framework
- Published the second sustainable finance report
- Joined the Partnership for Carbon Accounting Financials (PCAF)

ESG Strategy

Arab Bank's ESG strategy reflects the interlinkages between environmental, social, and economic dynamics across the markets where Arab Bank operates through Head Office and branches. As a regional financial institution, the bank integrates ESG considerations into its operations, decision-making, and stakeholder engagement to support long-term resilience and sustainable growth.

Formalized in 2023, the strategy is structured around environmental, social, and governance pillars aligned with the bank's operating context and regional priorities. It is guided by relevant international frameworks, including the United Nations Sustainable Development Goals (SDGs), and provides a consistent approach to addressing sustainability considerations across the organization.

Sustainable finance is a core component of this strategy, translating environmental and social priorities into financing activities. The bank applies a structured approach encompassing use of proceeds financing, general purpose financing (including sustainability-linked instruments) and transition finance, enabling support for clients across sectors and at different stages of their sustainability journey, while ensuring consistency in how sustainable finance is defined and applied.

The strategy supports the transition to more resource-efficient and lower-carbon economic models, while promoting inclusive economic participation through enhanced access to finance and responsible banking practices. It is underpinned by governance structures that ensure effective oversight, transparency, and alignment with regulatory and stakeholder expectations.

Arab Bank ESG Strategic Pillars

	Governance	Environmental	Social
Goal	To embed ESG considerations into the bank's governance and management framework in a way that supports accountability, consistency, and informed decision-making across all markets.	To support the region's transition toward a lower-carbon and more environmentally resilient economy by expanding sustainable finance and strengthening the bank's environmental footprint and practices.	To promote inclusive social and economic development by strengthening financial access, advancing diversity and wellbeing, and deepening the bank's positive contribution to communities across its markets.
Description	This pillar recognizes that effective governance underpins the credibility and sustainability of the bank's activities, providing the foundation for responsible conduct, sound oversight, and consistent application of ESG considerations across the organization.	This pillar recognizes the bank's role in enabling environmental progress through both its financing activities and its internal operations, particularly by supporting clients and sectors as they navigate climate mitigation, adaptation, and broader environmental sustainability requirements while also improving the bank's own environmental performance.	This pillar encompasses the bank's role in strengthening stakeholder relationships, supporting financial inclusion, investing in employee wellbeing and diversity, and contributing to social development across the communities it serves.
SDG Links	16 Peace, Justice and Strong Institutions; 17 Partnerships for the Goals	6 Clean Water and Sanitation; 7 Affordable and Clean Energy; 8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure; 11 Sustainable Cities and Communities; 13 Climate Action	1 No Poverty; 3 Good Health and Well-Being; 4 Quality Education; 5 Gender Equality; 10 Reduced Inequalities
Ambitions	Establish ESG operating model and governance structure Embed ESG KPIs in management scorecards Develop and implement a comprehensive ESG risk framework, policies and systems Expand ESG report to cover all plc countries by 2025	Embed and expand our sustainable finance offerings Calculate baseline financed emissions and develop emissions reduction roadmap Develop a roadmap for achieving net-zero emissions from operations Develop and implement a sustainable procurement system	Increase women representation within the bank's senior management Launch ESG awareness and culture integration initiatives and role-based training on ESG Establish employee wellbeing program Expand the bank's CSR program "Together" to key markets where the bank operates Enhance focus on SMEs and financial inclusion for target groups in key markets

Stakeholders and Materiality

Arab Bank's sustainability priorities are shaped by continuous engagement with its stakeholders and by a structured assessment of the environmental, social, and governance topics that are most relevant to its business and operating context. As a regional financial institution with a diverse footprint, the bank recognizes that understanding stakeholder expectations and identifying material ESG topics are essential to responsible decision-making, effective risk management, and transparent reporting.

Stakeholder Engagement

Arab Bank engages with a broad range of internal and external stakeholders whose perspectives inform its sustainability approach and strategic priorities. These stakeholders include customers, employees, investors and shareholders, regulators and government authorities, suppliers, and the communities in which the bank operates. Engagement is conducted through a variety of channels that reflect the nature of each relationship and the issues most relevant to each stakeholder group.

This ongoing stakeholder engagement supports the bank's ability to identify emerging issues, understand evolving expectations, and incorporate relevant perspectives into its ESG strategy and reporting.

Stakeholder Engagement Map

Stakeholder Group	How We Engage	Frequency	Key Priorities
Customers	Branch network and service centers, digital banking channels and websites, customer care and complaint-handling systems, feedback tools and surveys, social media engagement, disclosures through annual and ESG reports	Continuous / Ongoing	• Seamless and secure banking experience • Digitalization of services • Data privacy and cybersecurity • Fair treatment and access to finance
Employees	Regular team meetings, performance and development reviews, internal communications via Arabina intranet, HR management systems, employee engagement surveys, training and capacity-building programs, internal committees, volunteering initiatives	Ongoing / Annual / Periodic	• Career development • Diversity and inclusion • Fair remuneration • Safe and healthy work environment • Physical and mental wellbeing
Investors and Shareholders	Annual General Meeting, quarterly and annual financial reporting, investor presentations, investor relations meetings, disclosures through annual and ESG reports, Investor Relations website	Quarterly / Annual / As needed	• Financial performance • Business continuity • Risk management • Governance • Long-term value creation
Regulators and Government Authorities	Regulatory filings and disclosures, regulatory reviews, audits, compliance reporting, formal meetings, participation in working groups, policy consultations	Ongoing / As required	• Regulatory compliance • Ethical conduct • Financial stability • Tax transparency • Contribution to economic development
Communities and Civil Society	Community investment programs, volunteering initiatives, collaboration with NGOs and foundations, sponsorships and donations, capacity-building programs, awareness campaigns, engagement through digital channels and public reporting	Ongoing / Annual / Project-based	• Social and environmental impact • Education • Entrepreneurship • Financial inclusion • Community development
Suppliers and Business Partners	Procurement processes, supplier onboarding and screening, contractual requirements, performance reviews, engagement on ESG expectations, sustainable procurement initiatives	Ongoing / Periodic	• Fair business practices • Transparency • Timely payments

Materiality Methodology

Arab Bank applies a structured materiality assessment process to identify the environmental, social, and governance topics that are most significant to its activities and stakeholders. The process is aligned with the GRI Standards (2021) and focuses on assessing the bank's actual and potential impacts on the economy, the environment, and people, including impacts related to human rights.

The assessment begins with an evaluation of the bank's operating context, taking into account its business activities, geographic footprint, client relationships, and the broader sustainability environment in which it operates. A comprehensive list of potential ESG topics is identified through a review of internal policies and frameworks, prior materiality assessments, regulatory developments, international sustainability standards, and evolving market trends within the banking sector.

Identified topics are assessed based on the significance of their impacts. This assessment considers both negative and positive impacts, including short- and long-term impacts, intended and unintended impacts, and impacts that may be irreversible. Impact significance is evaluated using defined criteria, including the scale and scope of impacts and the likelihood of their occurrence.

Input into the assessment is gathered from internal stakeholders, including senior management, to ensure that the evaluation reflects a comprehensive understanding of the bank's activities, risk profile, and operating environment. Individual assessments are consolidated and reviewed to prioritize ESG topics based on their relative significance.

The resulting list of material ESG topics reflects the sustainability issues most relevant to the bank's long-term performance, stakeholder relationships, and societal impact.

The materiality assessment is reviewed periodically to reflect changes in stakeholder expectations, regulatory requirements, and the bank's business activities.

Materiality Process

Materiality Assessment

As there were no significant changes in business and operational context in 2025, Arab Bank's material topics did not change in this reporting period. The assessment identified a set of material ESG topics that reflect the sustainability issues most relevant to the bank's activities, stakeholder relationships, and long-term performance.

The material topics span governance, environmental, and social dimensions and provide the foundation for the bank's ESG strategy and reporting. These topics inform how resources are allocated, how progress is tracked, and how sustainability-related information is disclosed. They also shape the structure of this report, with the identified material topics mapped to the four strategic themes that frame the bank's ESG narrative: financing a just and resilient transition; operating responsibly and efficiently; empowering people and communities; and embedding trust, governance, and integrity.

Forward Looking

Arab Bank recognizes that materiality is not static and that sustainability priorities evolve over time in response to changing stakeholder expectations, regulatory developments, and external risks and opportunities. Looking ahead, the bank intends to reassess its material ESG topics in the coming year with the objective of further strengthening its approach through the application of advanced methodologies for material assessments. This will support a more comprehensive understanding of both the bank's impacts on the economy, environment, and society, and the sustainability-related risks and opportunities that may affect the bank's financial performance over time.

Material Topic Themes

Financing a Just and Resilient Transition

- Sustainable Finance
- Financial Inclusion and Accessibility
- Supporting SMEs and Entrepreneurship

Operating Responsibly and Efficiently

- Direct Environmental Impact of Operations
- Sustainable Procurement
- Innovation and Digitization

Empowering People and Communities

- Employee Wellbeing
- Customer Protection and Transparency
- Diversity and Inclusion (D&I)
- Learning and Development
- Community Investment and Impact
- Human Rights

Embedding Trust, Governance, and Integrity

- Governance, Business Ethics, and Compliance
- ESG Governance
- Risk Management
- Data Security
- Transparency and Trust
- Tax Transparency

Financing a Just and Resilient Transition

Sustainable Finance 19
Embedding ESG Across Our Financial Solutions 25
Sustainable Finance Bond Highlights 27
Supporting SMEs and Entrepreneurship 28
Financial Inclusion and Accessibility 29

Sustainable Finance

USD 1.1 bn
Sustainable Finance Portfolio since 2024*

Approach to Sustainable Finance

Across the region, rising energy demand, climate-related risks, and evolving development needs are reshaping the role of financial institutions. In this context, sustainable finance provides a structured approach to aligning capital allocation with environmental and social priorities, while maintaining sound risk management and financial discipline. It enables banks to support economic transition by influencing both financial performance and long-term development outcomes, and to support the development of a diversified and measurable sustainable finance portfolio.

Arab Bank's approach reflects the diversity of markets in which it operates, recognizing that transition pathways are not uniform. Financing priorities vary across sectors and geographies, ranging from supporting low-carbon infrastructure to enhancing efficiency, resilience, and access to finance. Accordingly, the bank positions sustainable finance as a core enabler of long-term value creation, supporting environmental progress, social outcomes, and financial stability in parallel, while continuing to strengthen the composition and quality of its sustainable finance portfolio.

Sustainable Finance Four Strategic Focus Areas

Arab Bank's commitment to sustainable finance is demonstrated through a set of strategic focus areas that support the integration of sustainability considerations across its core business activities. These areas reflect the bank's approach to embedding ESG principles within governance structures, client engagement, product development, and operational innovation.

1. Governance and Risk Management

Integrate sustainability into its governance structures and risk management practices, ensuring adherence to sustainability policies and compliance with regulatory standards.

2. Stakeholder Engagement

Engage with our key stakeholders, clients, regulators, investors and others, on sustainability by fostering collaboration and providing resources to encourage sustainable practice.

3. Products and Services

Develop financial products and services that promote sustainable practices, such as green financing and sustainable investment products, to positively impact the environment and society.

4. Innovation and Digital Solutions

Leverage innovation and digital solutions in embedding sustainability principles across its business and operations.

*This figure represents lending, investing and facilitation activities.

Institutionalizing Sustainable Finance

Arab Bank has taken a structured approach to institutionalizing sustainable finance across its operations, embedding sustainability considerations within governance, processes, and core business activities. This approach is designed to ensure consistency in how sustainable finance is defined, assessed, and applied across the organization, while strengthening alignment with international standards and market practices.

The bank has established a comprehensive Sustainable Finance Framework, supported by a dedicated policy that defines roles and responsibilities across relevant functions, including business, credit, risk, and the ESG Office. This is complemented by enhanced due diligence processes and tools that enable the consistent assessment and classification of sustainable finance transactions across markets.

To support implementation, the bank has invested in strengthening internal capabilities and infrastructure. This includes the development of data systems to track and monitor sustainable finance activities, as well as the introduction of assessment tools to evaluate client ESG maturity and support informed decision-making. In parallel, targeted training programs have been rolled out to build awareness and technical capacity across business and credit teams.

Together, these elements form an integrated framework that supports the effective execution of the bank's sustainable finance strategy, enabling the scaling of sustainable finance activities while maintaining robust governance, transparency, and operational consistency.

Sustainable Finance Framework

An expanded sustainable finance framework covering over Use of Proceeds, General Purpose and Transition Finance, with SPO from ISS.

Sustainable Finance Policy

Establishes roles and responsibilities for Sustainable Finance activities across ESG Office, Business, Credit and Risk.

Sustainable Finance Due Diligence Process & Tools

Integrates process to assess and classify sustainable finance transactions (CIB) in credit lifecycle across PLC.

ESG Awareness & Maturity Questionnaire

Assess CIB client's level of awareness and maturity with respect to ESG integration in their Business.

Data Enhancements

Track all sustainable finance deals through core banking system.

Staff Training

Train all Business and Credit teams on the new to bank framework, policy, process and tools.

*This figure represents lending, investing and facilitation activities.

2025 Sustainable Finance Framework Update

As sustainable finance practices continue to mature globally, expectations around clarity, consistency, and transparency have increased. Regulatory guidance, investor scrutiny, and market standards are evolving rapidly, while clients are increasingly seeking financing solutions that align with sustainability objectives.

In response, Arab Bank launched its updated Sustainable Finance Framework in 2025, strengthening the structure through which sustainable finance is defined, assessed, and reported. The updated Framework builds on the bank's prior experience, incorporating lessons learned from implementation and reporting, while refining eligibility criteria and decision-making processes.

The Framework has been expanded to cover a broader range of financing structures, including use of proceeds financing, general purpose financing (including sustainability-linked instruments), and transition finance, enabling the bank to support clients across different stages of their sustainability journey.

The 2025 Framework provides a clearer articulation of what constitutes sustainable finance at Arab Bank, supporting consistent application across business lines and geographies. It further strengthens alignment with internationally recognized sustainable finance principles, while remaining tailored to the bank's regional operating environment.

Importantly, the Framework is designed to balance ambition with credibility, ensuring that classifications remain meaningful, defensible, and aligned with genuine environmental and social outcomes.

The updated Sustainable Finance Framework has undergone an independent review by ISS -Corporate, which issued a Second Party Opinion (SPO) confirming its alignment with relevant international sustainable finance standards. sustainability in its financing operations.

Click here to explore Arab Bank's Sustainable Finance Framework.

Eligible Types of Financing and Decision Logic

Arab Bank applies a structured approach to sustainable finance, supporting a range of financing solutions designed to generate environmental and social impact. These financing types form the foundation of the bank's Sustainable Finance Framework, enabling consistent classification and application across business lines.

To ensure discipline and consistency, all transactions are assessed through a defined decision process aligned with environmental and social objectives, supported by clear eligibility criteria, thresholds, and monitoring requirements.

Dedicated Purpose Financing

Use of proceeds linked to eligible green or social projects.
- Funds allocated to defined sustainable activities
- Supports environmental and social impact directly

General Purpose Financing

Financing aligned with sustainability outcomes
- Not project-specific
- Activities assessed against framework eligibility criteria

Transition Financing

Supports clients progressing towards sustainable operations
- Focus on higher-emitting sectors
- Enables gradual transition to lower-carbon models

Green and Social Categories Under the Framework

Green Categories

- Renewable Energy
- Real Estate
- Clean Transportation
- Circular Economy
- Energy Efficiency
- Climate Change Adaptation
- Sustainable Management of Living Natural Resources
- Pollution Prevention and Control
- Sustainable Water and Wastewater Management

Social Categories

- Socio-economic Development
- Access to Basic Infrastructure
- Access to Essential Services
- Food Security and Sustainable Food Systems
- Affordable Housing

Governance and Oversight of Sustainable Finance

Strong governance is essential to maintaining confidence in sustainable finance activities. At Arab Bank, oversight of the Sustainable Finance Framework and related transactions is provided through the Sustainable Finance Committee (SuFin).

SuFin is responsible for reviewing eligible sustainable finance transactions and ensuring that classifications are applied in line with the Framework's criteria. This includes oversight of eligibility assessments, alignment with defined environmental and social objectives, and consistency across different financing structures and markets.

By embedding sustainable finance oversight within a formal committee structure, Arab Bank ensures that decisions are subject to appropriate scrutiny and accountability. This governance approach helps mitigate the risk of misclassification, supports consistency over time, and reinforces the integration of sustainable finance considerations into the bank's broader credit and risk management processes.

The Committee also plays a role in monitoring the evolution of sustainable finance practices and standards, enabling the Framework to adapt as expectations and market conditions change. SuFin is comprised of senior management personnel representing key divisions, including and not limited to:

Policy and Process

ESG Policy

Arab Bank's ESG Policy outlines the core principles and approach for managing environmental, social, and governance matters across the bank's operations. The policy ensures that ESG factors are integrated into decision-making processes to support responsible growth, effective risk management, and value creation for stakeholders. Regular reviews are conducted to keep the policy aligned with evolving best practices and regulatory requirements.

Sustainable Finance Policy

The Sustainable Finance Policy sets out how Arab Bank embeds ESG principles across its financial activities, creating a structured and integrated approach to sustainability. The policy guides the bank in identifying, assessing, and managing sustainable finance products and transactions, supported by clear governance structures and eligibility criteria. It establishes processes for monitoring and reporting, ensuring that all activities are tracked and evaluated effectively.

The policy also addresses how the bank manages ESG and climate-related risks, and how it measures and manages financed emissions within its portfolio. Engagement with stakeholders and industry partners is a core element, as is robust data governance to secure the quality and reliability of information. Finally, the policy ensures transparency through both internal and external disclosures, so that all sustainable finance activities remain aligned with regulatory requirements and international best practices.

Sustainable Finance Due Diligence Process

The bank applies a structured due diligence process to all sustainable finance transactions. This process includes the identification, evaluation, and management of relevant ESG aspects associated with each transaction.

Ongoing monitoring is conducted to ensure continued alignment with internal policies throughout the life of the transaction.

Environmental and Social Risk Policy

The Environmental and Social Risk Policy sets out the bank's approach to identifying, assessing, and managing environmental and social risks in its operations and financing activities. The policy is currently under management review and update to reflect evolving regulatory expectations, with completion expected during the first half of 2026.

Data Tagging

Recognizing the growing importance of transparency and accountability in sustainable finance, Arab Bank has taken proactive steps to enhance the quality and reliability of its sustainable finance data. As part of this commitment, the bank has introduced multiple dedicated backend fields within its core banking system. These fields enable the systematic capture of key sustainable financing types, including dedicated purpose financing, general purpose financing, and sustainability-linked financing.

This structured tagging process is seamlessly integrated into the bank's sustainable finance due diligence process. Each transaction is accurately identified and classified according to its sustainable finance types. To maintain the integrity of this data, the bank will also implement established robust monitoring and control reports, which provide ongoing checks and balances throughout the lifecycle of the transaction.

The use of multiple tagging fields not only strengthens the bank's ability to capture and track sustainable finance activities. This enhanced data infrastructure empowers the bank to produce reliable and transparent sustainable finance reporting for both internal and external stakeholders, including senior management. Ultimately, these efforts reinforce Arab Bank's commitment to responsible banking and continuous improvement in managing its sustainable finance portfolio.

To strengthen the quality, consistency, and auditability of sustainable finance data, Arab Bank has introduced dedicated backend tagging fields within its core banking system to systematically capture and classify sustainable finance transactions (including dedicated purpose financing, general purpose financing, and sustainability-linked financing). Embedded within the sustainable finance due diligence process and supported by monitoring and control reports.

This tagging enhances data integrity throughout the transaction lifecycle and enriches the Sustainable Finance Register maintained by ESG Office, which serves as the bank's centralized tracker of all eligible sustainable finance transactions. Together, system tagging and the register provide a stronger foundation for portfolio oversight—supporting monitoring of allocation and progress against sustainability objectives—while enabling timely internal reporting to senior management and governance committees and consistent external reporting and disclosures, including ESG reporting and, where applicable, sustainable finance reporting.

Training

Arab Bank is committed to fostering a culture of sustainability by ensuring continuous awareness and capacity building among its staff. Recognizing that empowered employees are vital to driving meaningful progress, the bank delivered a role-based training program for different departments within the bank.

The training focused on several ESG related topics including sustainable finance, ESG risk and climate risk.

The bank's approach ensures that sustainability is not restricted to policy statements, but is embedded in all aspects of core business functions. Training modules cover essential topics such as ESG risk identification and mitigation, climate risk integration in lending and investment, and the integration of sustainable finance principles into each of the banks main lines of businesses.

ESG Maturity Assessments

As part of Arab Bank's commitment to strengthening sustainable finance integration across its business lines, the bank has introduced an ESG Awareness Questionnaire to deepen engagement with corporate clients on ESG topics. Developed collaboratively by the ESG Office and Corporate and Institutional Banking, Risk, and Credit departments, this initiative demonstrates a proactive approach to understanding and assessing clients' ESG journeys.

The questionnaire is designed to assess the level of ESG maturity and awareness among the bank's corporate clients. By gaining insights into clients' ESG practices, Arab Bank is better positioned to offer tailored solutions, provide relevant advisory support, and design awareness sessions and sustainable products that address clients' unique priorities and challenges.

The ESG Awareness Questionnaire is aimed for corporate clients that meet specific criteria. It is integrated into the credit review process, ensuring that responses are evaluated during each credit assessment. To support successful implementation, detailed guidance materials and sample responses are provided, and sustainable finance training sessions include a dedicated module on the questionnaire. Through this integrated approach, Arab Bank aims to enhance ESG engagement across its client base, reinforce responsible banking practices, and further embed sustainability within its core business operations.

Embedding ESG Across Our Financial Solutions

Arab Bank embeds environmental, social, and governance considerations across its financial solutions by integrating ESG principles into product design, service delivery, capital allocation, and operational practices across all major business segments. This approach ensures that sustainability is reflected not only through dedicated sustainable finance instruments, but also through the bank's mainstream banking activities, shaping how financial solutions are offered, accessed, and delivered across the region.

By embedding ESG across Consumer Banking and Wealth Management, Corporate and Institutional Banking, and Treasury, Arab Bank translates its sustainability commitments into practical, scalable financial solutions aligned with client needs, market realities, and regional development priorities.

Consumer Banking and Wealth Management

Enabling a Sustainable Lifestyle
Arab Bank offers sustainability-focused solutions that enable customers to adopt environmentally responsible choices while maintaining affordability, accessibility, and practical value. Key initiatives include:

- Green Auto Loans
- Solar Personal Loans
- Arabi E-Mart
- Go Green Campaign
- Biodegradable Cards
- Soft Point of Sale
- Customer Information Cards

Green Auto Loans
Green Auto Loans enable customers to finance electric vehicles, supporting the transition toward lower-emission personal transportation. These loans are designed with competitive pricing and simplified processes to encourage broader adoption of cleaner mobility solutions.

Solar Personal Loans
Solar Personal Loans provide financing for residential solar energy installations, enabling customers to reduce energy costs while supporting the transition toward renewable energy at the household level. This solution improves access to clean energy while strengthening long-term financial resilience.

Arabi E-Mart
Through Arabi E-Mart, Arab Bank enables customers to access environmentally friendly and energy-efficient products through a dedicated digital marketplace. The platform supports informed purchasing decisions and enhances visibility for merchants offering sustainable solutions. Initially launched in Jordan and later extended to Palestine. In Palestine, Arabi E-Mart promotes social inclusion through the introduction of a Female Founders section, supporting women-led businesses by strengthening their digital presence and market access.

Go Green Campaign
The Go Green Campaign, delivered in collaboration with partner merchants, promotes renewable energy and energy-efficient solutions through tailored financing options and targeted incentives. These campaigns link sustainability objectives with practical customer needs, reinforcing environmentally responsible choices as accessible and achievable.

Sustainable Cards & Payment Gateways

Arab Bank integrates sustainability into its cards and payments ecosystem through initiatives that reduce environmental impact while enhancing efficiency and accessibility.

Biodegradable Cards
Arab Bank has rolled out biodegradable debit and credit cards across its portfolio, following an initial rollout for Shabab customers. This transition reduces reliance on conventional plastic materials and supports more environmentally responsible card issuance.

Soft POS Solutions
Soft Point of Sale (Soft POS) solutions enable merchants to accept card payments directly through mobile devices, reducing the need for physical terminals and printed receipts. This initiative supports paperless transactions, improves operational efficiency, and expands digital payment acceptance.

Customer Information Cards
The bank has discontinued printed Customer Information Cards, replacing them with digital account information available through the mobile banking application. This change reduces the bank's plastic consumption, supports a lower environmental footprint, and reinforces environmentally conscious practices towards our customers.

Corporate and Institutional Banking

Corporate & Institutional Banking (CIB) provides a full range of financial solutions through Arab Bank's extensive branch network and digital channels.

ESG considerations are embedded in day-to-day decision-making—from capital deployment and trade finance to transaction structuring and ongoing client engagement, helping clients respond to transition risks, regulatory expectations, and evolving market demands. As CIB represents the bank's core business, integrating ESG is not treated as an add-on; it is consistently taken into account in how the bank originate, evaluate, and manage client relationships and transactions.

Advancing Sustainable Finance within CIB

In line with the bank's ESG strategy, Arab Bank has strengthened sustainable finance integration within Corporate & Institutional Banking by embedding sustainability into governance, processes, and execution across markets. The updated Sustainable Finance Framework—supported by a dedicated policy—broadens sustainable business opportunities for CIB and clarifies roles across business, credit, risk, and the ESG Office, alongside enhanced due diligence tools, data systems, and targeted training to enable consistent transaction classification, effective oversight, and transparent reporting.

Building on its growing sustainable finance portfolio, CIB embeds ESG considerations across origination, capital deployment, trade finance, and transaction structuring in line with the bank's ESG strategy. As part of this integrated and innovative approach, CIB also finances sustainability-linked and transition financing to support clients' evolving sustainability and transition plans, under clear governance and transparent reporting.

Treasury

Arab Bank's Treasury function continues to actively implement its dedicated green bond purchase program; allocating investments to high-quality green bonds that finance projects with clear environmental benefits and align the Treasury portfolio with the bank's ESG objectives. This approach is embedded within Treasury's governance and controls to maintain disciplined portfolio management, risk diversification, and transparency in how green investments are identified and monitored.

Digital Transformation and Operational Efficiency

Digitalization remains a key enabler of Arab Bank's ESG integration efforts across its operations and customer solutions. Across Consumer Banking and Corporate & Institutional Banking, the bank continues to expand digital onboarding, paperless documentation, electronic transaction processing, and digitally enabled customer journeys to improve operational efficiency, reduce resource consumption, and enhance accessibility and service delivery.

These efforts include initiatives such as Soft POS solutions, digital customer information cards, electronic terms and conditions acknowledgment, onboarding digitization, and the progressive digitization of trade finance and guarantee processes. Together, these initiatives support lower paper usage, streamlined operations, stronger controls, and a more seamless customer experience while reinforcing the bank's broader sustainability and operational transformation objectives.

Sustainable Finance Bond Highlights

On 10 October 2023, Arab Bank issued its inaugural Sustainable Additional Tier 1 (AT1) Capital Securities, amounting to USD 250 million. The issuance marked a significant milestone in the bank's sustainable finance journey and reinforced its commitment to integrating environmental and social considerations into its capital and funding strategy.

The net proceeds from the Sustainable AT1 issuance have been fully allocated to eligible sustainable finance assets in accordance with the bank's Sustainable Finance Framework. These allocations support projects and activities that contribute to environmental sustainability, economic resilience, and inclusive growth across the bank's operating markets.

Further details on allocation, portfolio composition, and methodologies are available in the 2025 Sustainable Finance Report.

Issuer	Arab Bank plc
Notes	• AT1 – Additional Tier 1 Capital • Currency: USD • Type: Sustainable Bond
Rank	• Junior Subordinated Unsecured
Principal amount	• USD 250 mn
Net Proceeds	• USD 250 mn
Issuance Date	• 10 October 2023
Coupon	• 8%
Tenor	• Perpetual, next call date 10 January 2029
ISIN	• XS2528336170

Key Indicators	
Sustainable Bond Amount	USD 250,000,000
Sustainable Loan Portfolio (as of 30th September 2025)	USD 255,624,783
Net Proceeds of Sustainable Bond allocated to Sustainable Loan Portfolio	100%
Eligible Sustainable Loan Portfolio allocated	98%
Eligible Sustainable Loan Portfolio unallocated	2%
New loans added to the portfolio post issuance of inaugural Sustainable Bond	45%
New loans added to the portfolio since last Sustainable Finance Report publication	61%

2025 Sustainable Finance Report Highlights

USD 155 Million
Newly Added Allocation Since Last Year (Green and Social)

USD 188 Million
Amounts Allocated to Green Projects

689 MW
Renewable Energy Capacity Financed

256,832 TONS
of GHG Emissions Avoided

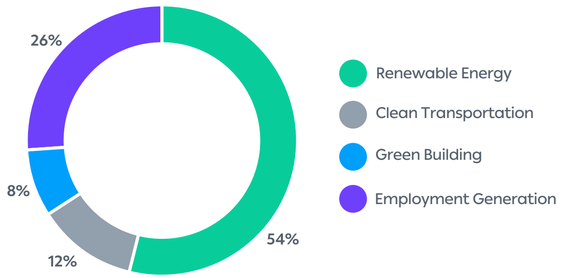
4.2 Million
Equivalent to Carbon Sequestered from Tree Seedlings Grown for 10 Years[1]

Over 9,000 jobs
Supported through SME Financing

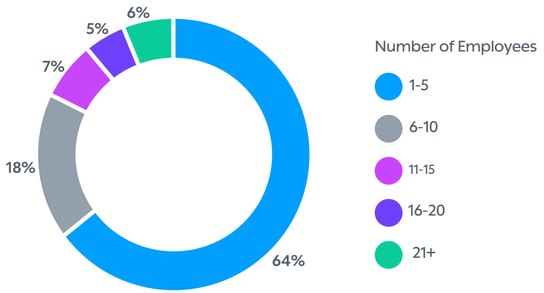
USD 67 Million
Amount of Financing to Support SMEs in Jordan and Palestine

140 Job Supported per USD 1 Million

Allocation by Category



Share of SME Financing



Measuring Climate Impact: Financed Emissions and PCAF Alignment

Recognizing the importance of robust, comparable, and decision-useful climate data, Arab Bank has signed the Partnership for Carbon Accounting Financials (PCAF) and is committed to applying the PCAF Standard to measure and disclose its financed emissions.

This commitment represents a critical step in strengthening the bank's climate measurement capabilities, particularly in relation to Scope 3 Category 15 emissions associated with lending and investment activities. The bank will follow a phased and methodical approach to financed emissions calculation, prioritizing data quality, governance, and alignment with international standards.

Over time, financed emissions insights will support improved climate risk assessment, inform sustainable finance strategy, and enhance transparency in climate-related disclosures, including future reporting under IFRS S2. Arab bank views this as a foundational element in building a credible, data-driven approach to climate action within the financial sector.

البنك العربي
ARAB BANK

Joins

PCAF
Partnership for Carbon Accounting Financials

Supporting SMEs and Entrepreneurship

Arab Bank plays a central role in supporting SMEs and entrepreneurs by improving access to finance, strengthening financial capabilities, and enabling long-term business growth. Recognizing SMEs as key drivers of economic development, employment generation, and innovation, the bank provides tailored financial solutions, advisory support, and capacity-building initiatives designed to address their evolving needs across different markets.

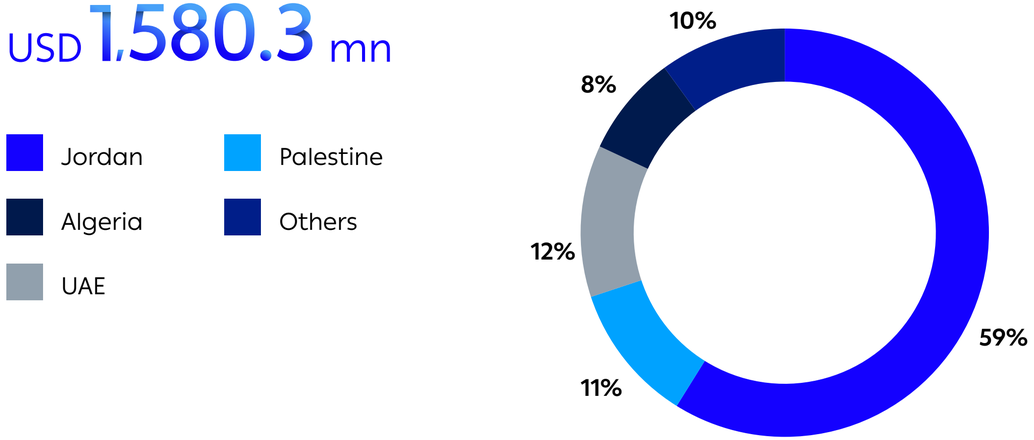
Access to Finance and Capacity Building

Arab Bank offers a wide range of dedicated lending solutions to support SME growth, including working capital financing, trade finance, and investment loans tailored to different business sizes and sectors. These offerings are complemented by specialized financing programs implemented in collaboration with national and regional institutions, including initiatives supported by central banks and development partners, which aim to enhance SMEs' access to affordable financing and strengthen their resilience.

Beyond financing, the bank actively contributes to improving financial literacy and business readiness among SME customers through targeted awareness and education initiatives. These efforts help entrepreneurs better understand financial management, improve decision-making, and strengthen their capacity to manage and grow their businesses sustainably.

SME Lending Portfolio

USD 1,580.3 mn



Accelerating SME Digital Adoption in Jordan

In 2025, Arab Bank continued to strengthen its SME ecosystem through enhancements to Arabi Next and the expansion of its digital solutions offering. These efforts supported a significant shift toward digital adoption among SME clients, with 96% of SME customer transactions conducted through digital channels and 81% of total transaction value processed digitally in Jordan.

Complementing this, the Arabi Next Loyalty Scheme, introduced as the first digital SME loyalty program in Jordan—enhanced client engagement and retention, with approximately 9 million loyalty points granted by the end of December 2025.

Digital transformation and enablement

Arab Bank's SME Ecosystem offers integrated banking solutions designed to meet the evolving needs of SMEs, reflecting the bank's ongoing commitment to supporting this vital sector. The ecosystem includes digital solutions such as Arabi Next, supply chain financing, eCommerce platforms like Arabi E-Mart for online product marketing, and Arabi Shopix for website design. It also features an e-payment gateway, POS machines, and a dedicated relationship manager to support all business needs, enhancing operational efficiency and market access.

Additionally, the Arabi Next SME Loyalty Program is embedded within these services to strengthen relationships through personalized engagement and loyalty-driven initiatives. The program includes onboarding new customers with personalized offers, reward schemes to promote ongoing engagement, optimized POS integration, streamlined transfers and salary processing, and special campaigns offering exclusive benefits. Together, these services and the loyalty program empower SMEs to improve their digital presence, facilitate business continuity, and drive growth.

Financial Inclusion and Accessibility

Financial inclusion is a critical component of a just and resilient transition, particularly in the markets where Arab Bank operates. Access to appropriate, affordable, and secure financial services enables individuals and businesses to participate in economic activity, manage risks, invest in growth, and build long-term resilience. In many parts of the region, however, gaps in access to finance persist. This is driven by geography, income levels, business size, or limited access to traditional banking channels.

Arab Bank's approach to financial inclusion recognizes that expanding access is not solely a question of increasing balance sheet exposure; it requires a combination of physical reach, digital capability, tailored products, and supporting services that respond to the evolving needs of customers and businesses. As such, financial inclusion is embedded across the bank's consumer banking, SME, and digital strategies.

Expanding Access Through Physical and Digital Reach

A foundational element of financial inclusion is ensuring that customers can access banking services reliably and conveniently. Arab Bank maintains an extensive physical footprint, complemented by a growing network of self-service and digital access points, enabling customers to engage with the bank through multiple channels.

While branches and ATMs remain important in many markets, Arab Bank plc continues to invest in digital platforms that reduce barriers to access and enhance service availability. This blended model allows the bank to reach customers with varying levels of digital readiness, while supporting continuity of service across urban and non-urban locations.

12
Countries of Operation

187
Number of Branches

568
Number of ATMs

90%
Share of Customers using digital channels

Reflect: Expanding Access Through Digital Inclusion

Reflect is built on a customer-centric digital experience that prioritizes simplicity, accessibility, and responsiveness. The application enables customers to securely access banking services anytime and anywhere, reducing reliance on physical branches and lowering barriers to financial access. Through features such as instant loans, digital savings accounts, and seamless payment solutions, Reflect empowers customers to manage their finances more efficiently and independently.

This experience is further strengthened by ReVA, Reflect's conversational AI chatbot, which provides immediate assistance across a wide range of banking services. Available in both Arabic and English, ReVA enhances accessibility by supporting diverse customer needs and enabling users to obtain information and resolve inquiries quickly and conveniently.

Accessible 24/7 across mobile and digital channels, Reflect supports inclusive digital access by enabling customers to conduct essential banking activities remotely and securely. This always-on support model reinforces Arab Bank's commitment to financial inclusion and customer empowerment, ensuring individuals have continuous access to tools and services that support their financial wellbeing.

*Reach figures presented here are consolidated on a plc level.

Advancing Integrated Sustainability and Financial Disclosure (IFRS S2)

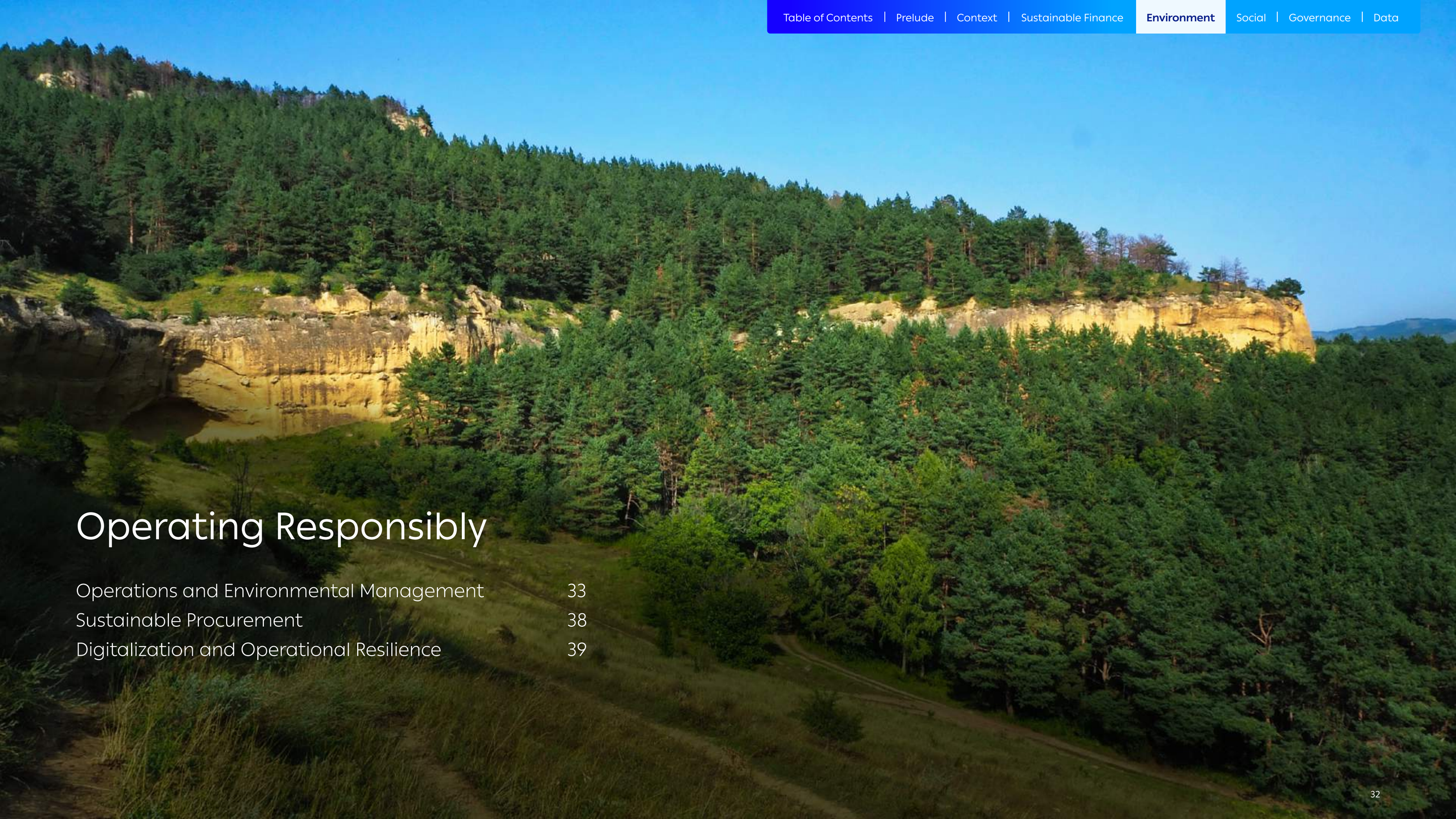
As sustainability and climate considerations become increasingly intertwined with financial performance, Arab Bank has prepared for a more integrated approach to disclosure and decision-making. In line with evolving global best practices and regulatory expectations, the bank has worked toward aligning its sustainability and climate reporting with the IFRS Sustainability Disclosure Standards (IFRS S2).

Arab Bank disclosed a Climate Report according to the IFRS S2 standards in 2026, covering the 2025 fiscal year, marking a key milestone in strengthening transparency around sustainability-related risks, opportunities, and climate-related impacts.

This step will support a more holistic understanding of how sustainability and climate factors influence the bank's strategy, risk management, financial performance, and long-term value creation.

Click here to read Arab Bank's IFRS S2 Report.

IFRS®
International Financial Reporting Standards



Operating Responsibly

Operations and Environmental Management 33
Sustainable Procurement 38
Digitalization and Operational Resilience 39

Operations and Environmental Management

Our Approach to Responsible Operations

Arab Bank recognizes that its responsibility toward the environment extends beyond financing sustainable outcomes to include the way it operates, manages resources, and designs its internal processes. As a regional banking corporation with a wide geographic footprint, the bank's operational activities; ranging from branch operations and office buildings to IT infrastructure and internal workflows carry an environmental footprint that must be actively managed.

The bank's environmental management approach is therefore grounded in continuous improvement, operational efficiency, and risk-aware decision-making. Environmental considerations are embedded into facilities management, procurement, IT systems, and operational governance, ensuring that sustainability is not treated as a standalone initiative but as an integral part of how the bank functions day to day. While implementation varies by country to reflect local operating contexts and infrastructure, initiatives are guided by a shared organization wide ambition to reduce resource consumption, lower emissions, minimize waste, and improve resilience over time.

This approach allows Arab Bank to capture both environmental and business value by reducing costs, strengthening controls, improving data quality, and enhancing operational efficiency, while contributing meaningfully to broader climate and environmental objectives.

Energy Efficiency and Emissions Reduction Across Operations

Energy consumption represents the most significant environmental impact associated with Arab Bank's operational footprint. As such, energy efficiency initiatives remain central to the bank's Low Carbon Operations pathway. Throughout 2025, the bank continued to prioritize investments and operational improvements that reduce electricity consumption, enhance system performance, and mitigate indirect greenhouse gas emissions across its buildings and infrastructure.

Energy Efficiency and Renewable Electricity in Jordan

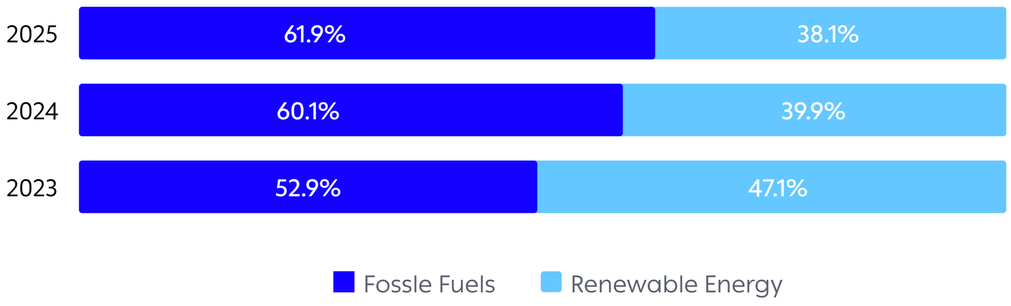
Energy consumption remains a key driver of Arab Bank's operational footprint. In Jordan, efforts focused on improving energy efficiency through infrastructure upgrades and increasing reliance on renewable electricity, supporting the bank's Low Carbon Operations pathway and reducing overall emissions.

~ 90% of electricity sourced from renewable energy.

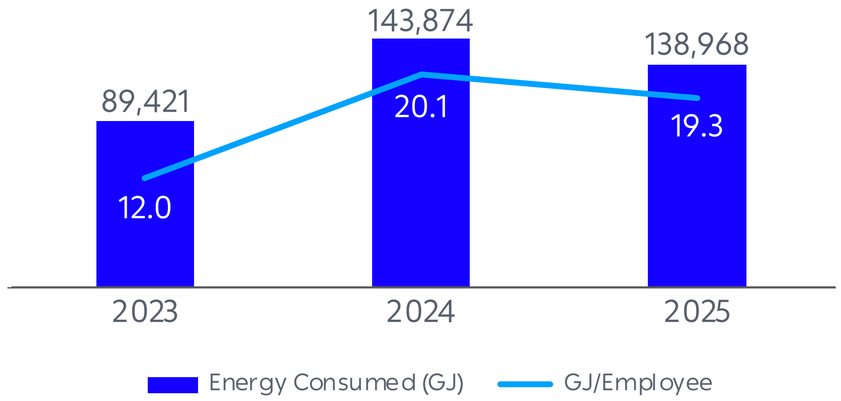
Energy Efficiency Upgrades:
- Replacement of legacy air conditioning units.
- Adoption of high-efficiency inverter-based systems.
- Improved energy performance across facilities.
- Gradual transition of selected vehicles to electric alternatives.
- Lower reliance on printing, storage, and manual processes

Across other markets, including the United Arab Emirates, Qatar, Bahrain, Algeria, Yemen, Lebanon, Morocco, and Egypt, similar efficiency-driven interventions were implemented. These included the installation of smart electricity meters, replacement of conventional lighting with LED alternatives, adoption of inverter technology for cooling systems, optimization of building management systems, and stricter shutdown protocols during non-working hours to improve overall energy performance.

Energy Consumed by Source



Energy Consumed vs Energy Intensity



Greenhouse Gas Emissions Measurement and Reporting

As part of its commitment to responsible operations and climate transparency, Arab Bank calculates and reports its greenhouse gas (GHG) emissions in line with the GHG Protocol Corporate Accounting and Reporting Standard, which provides the most widely recognized global framework for measuring and managing organizational emissions. This approach ensures consistency, comparability, and credibility in how emissions data is compiled, analyzed, and disclosed across the bank's operations.

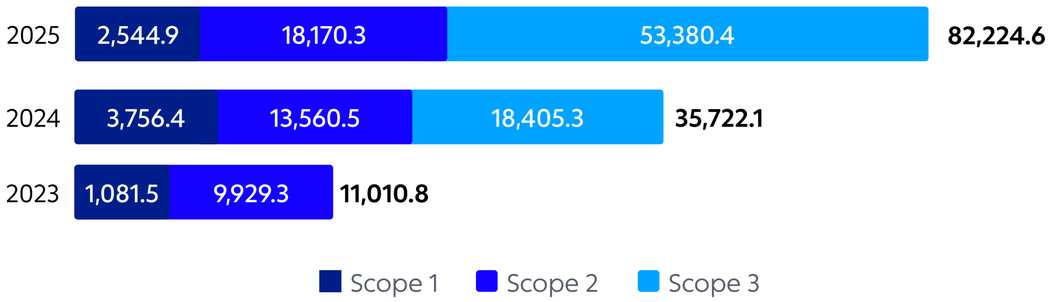
The bank's GHG inventory covers Scope 1, Scope 2, and Scope 3 emissions, reflecting a comprehensive view of emissions associated with its operational footprint. Scope 1 emissions include direct emissions from sources owned or controlled by the bank, such as fuel consumption in company-owned vehicles and on-site fuel use. Scope 2 emissions capture indirect emissions associated with the generation of purchased electricity consumed across branches and offices. Scope 3 emissions represent other indirect emissions that occur across the bank's value chain and are not directly controlled by the bank.

GHG Expanding GHG Emissions Reporting

Arab Bank expanded the coverage of its Scope 3 emissions inventory, strengthening the completeness and robustness of its climate-related disclosures. In addition to previously reported categories, the bank included emissions data related to purchased goods and services (Category 1), capital goods (Category 2), fuel- and energy-related activities not included in Scope 1 or Scope 2 (Category 3), waste generated in operations (Category 5), business travel (Category 6), and employee commuting (Category 7). This expansion reflects the bank's continued efforts to improve data coverage and enhance its understanding of emissions drivers across its operational value chain.

The inclusion of these Scope 3 categories enables more informed decision-making by identifying priority areas for efficiency improvements, behavioral interventions, and longer-term emissions reduction planning. It also supports the bank's broader transition journey by strengthening the link between operational performance, environmental impact, and future climate-related strategies.

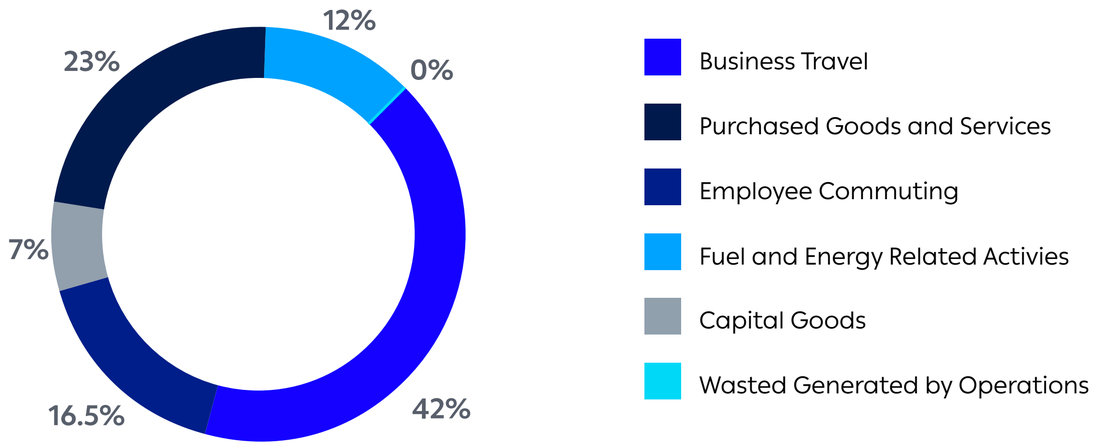
Total Emissions (tCO2e)



Year	2023 (tCO2e)	2024 (tCO2e)	2025 (tCO2e)
Scope 1 (Stationary)	436.1	2,055.2	1,143.8
Scope 1 (Mobile)	645.4	839.5	796.5
Scope 1 (Fugitive)		861.6	604.6
Total Scope 1	1,081.5	3,756.4	2,544.9
Scope 2	9,929.3	13,560.5	18,170.3
Scope 1 + 2	11,010.8	17,316.9	20,715.2
Scope 3 (Upstream)		18,405.3	53,380.4
Total Emissions	11,010.8	35,722.1	74,095.6

(1) Change in emissions reported in 2024 vs 2025 is due to the use of more accurate emissions factors and conversion methodologies.
(2) The drastic increase in total emissions between 2024 and 2025 is due to the fact that 2025 report included additional reporting scopes which were not reported upon in 2024.

GHG Emissions Scope 3 Breakdown by Category (excl. Category 15)



Water Stewardship and Efficient Use

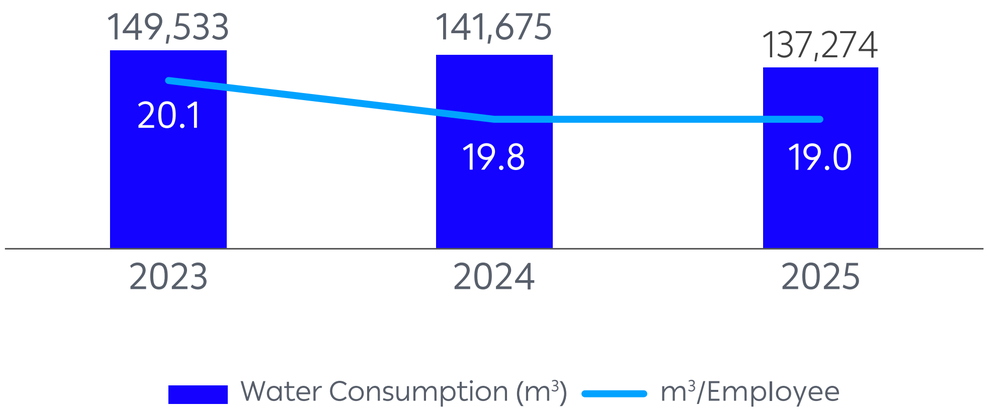
While water consumption is not uniformly material across all Arab Bank locations, the bank has implemented targeted water efficiency measures in markets where water use is more significant or where infrastructure upgrades offered clear opportunities for improvement. These efforts are designed to reduce unnecessary consumption while maintaining hygiene, safety, and operational standards.

In Egypt, water-saving filters were installed on faucets, and inefficient fixtures were replaced to reduce water flow without compromising usability. In the United Arab Emirates, sensor-based mixers and spray-type nozzles were introduced, significantly reducing water usage in restrooms and shared facilities.

These measures resulted in lower water consumption and contributed to reduced utility costs, reinforcing responsible resource management at the facility level.

By addressing water efficiency through practical, low-impact interventions, the bank ensures that water stewardship is embedded into facilities management practices where relevant, while maintaining flexibility across diverse operating environments.

Water Consumption vs Water Intensity



Paper Reduction, Digitization, and Circular Resource Use

Paper is considered one of the most utilized resources within the bank due to the nature of our operations. Beyond the environmental benefits, paper reduction delivers improvements in efficiency, cost management, information security, and governance. During 2025, the bank continued to accelerate the digitization of internal workflows, customer communications, and document management systems across multiple markets.

Digitization and Paper Reduction in Jordan

In Jordan, Arab Bank implemented a centralized Printing Management Solution at Head Office, replacing a highly decentralized printing environment with a secure and centrally managed model. The new system introduced secure user authentication, print usage monitoring, and centralized reporting, enabling the bank to significantly reduce paper consumption while strengthening confidentiality and internal control mechanisms.

These efforts were further supported by the expansion of the Enterprise Content Management (ECM) system, which enabled the digitization of physical archives across key functions including Credit, Legal, Finance, and Human Resources.

Additional initiatives, such as digital cash reports, QR-based documentation, electronic statements, and digital terms and conditions, further reduced reliance on physical documentation while improving operational efficiency and accessibility.

Together, these initiatives represent an important step in Arab Bank's broader digital transformation and resource efficiency efforts, contributing to lower paper consumption and more streamlined internal processes.

Across other markets, including Morocco, Qatar, Bahrain, Egypt, Yemen, and Algeria, paper reduction initiatives focused on eliminating avoidable daily paper use, expanding paperless services, automating statements, and securely destroying and recycling legacy archives. These collective efforts demonstrate a consistent bank-wide commitment to reducing paper dependency while improving efficiency and governance.

399.8 Tons
Paper Consumption

195.6 Tons
Paper Recycled

USD 13,300
Revenue from Recycled Paper

Responsible Waste Management and Asset Lifecycle Stewardship

Arab Bank applies circular economy principles across its operations by prioritizing waste reduction, reuse, refurbishment, and recycling wherever feasible. Furniture and equipment generated from office renovations or branch reconfigurations are reused internally, refurbished, or recycled through certified providers. Obsolete IT assets that remain functional are donated to support community initiatives and extend their useful lifecycle, while non-functional assets are securely destroyed and recycled in compliance with internal policies and data protection requirements, ensuring both environmental responsibility and information security.

Responsible E-Waste Management in Jordan

Arab Bank engaged with a specialized environmental services provider to strengthen its e-waste management practices. Through this collaboration, electronic waste is systematically collected and recycled through certified processes, ensuring hazardous materials are diverted from landfills while enabling the recovery of valuable raw materials. This initiative supports the bank's broader commitment to responsible waste management and the reduction of environmental risks associated with electronic equipment disposal.

Looking ahead, Arab Bank is currently working on the development of a waste inventory across its operations. This initiative aims to establish a structured understanding of the types, volumes, and sources of waste generated by the bank. The resulting inventory will form the basis of a more comprehensive waste management system designed to reduce waste generation, improve segregation, and ensure that different waste streams are handled in the most appropriate and responsible manner across locations.

Looking Ahead: Strengthening Low Carbon Operations

Arab Bank's operational sustainability journey continues to evolve as the bank strengthens the foundations needed to deliver long-term environmental impact reduction. Building on the initiatives implemented to date, the bank is advancing several forward-looking projects that will further enhance its environmental management capabilities.

In addition to the development of a waste inventory and waste management system, the bank is currently conducting a comprehensive asset and energy audit across its operations in Jordan. This audit aims to establish a detailed baseline of energy consumption, asset performance, and emissions sources across buildings, equipment, and operational processes. The findings of this assessment will directly inform the development of a Net Zero Operations Plan for Jordan, with the objective of progressively reducing greenhouse gas emissions from operational activities and moving toward net zero emissions for operations in Jordan.

Sustainable Procurement

The goods and services procured by Arab Bank extend the bank's impact well beyond its direct operations. Effective supply chain management plays a critical role in shaping the bank's overall environmental and social footprint, as well as in reinforcing ethical business conduct across its value chain. Through responsible procurement practices, the bank seeks to ensure that its suppliers and service providers are aligned with its values, regulatory expectations, and sustainability standards, thereby supporting responsible growth and contributing to positive economic, social, and environmental outcomes across the markets in which it operates.

Supplier Standards and Environmental Responsibility

Arab Bank maintains a comprehensive Supplier Code of Conduct that sets clear expectations for suppliers prior to establishing any business relationship. The Code outlines requirements related to labor practices, human rights, environmental protection, regulatory compliance, and ethical business conduct, ensuring alignment with applicable laws and internationally recognized standards.

To further embed responsible practices within procurement activities, the bank integrates social and environmental requirements into contractual agreements with suppliers. These expectations reflect the bank's commitment to internationally recognized frameworks, including the Universal Declaration of Human Rights and International Labour Organization (ILO) principles, and reinforce responsible business conduct across procurement relationships.

Arab Bank also works to ensure that suppliers adhere to environmental regulations and standards applicable in their countries of operation while encouraging the adoption of internal environmental policies aimed at minimizing waste, improving resource efficiency, and reducing environmental harm.

To support these objectives, the bank has established internal procedures to assess and monitor supplier compliance throughout the procurement process. These procedures help limit potential environmental and social risks associated with suppliers and purchased goods and services while strengthening oversight and supporting responsible purchasing decisions.

Supporting Local Economies and Inclusive Growth

Arab Bank remains committed to supporting local economies across its operations by prioritizing engagement with locally based suppliers where feasible. Strategic collaboration with local vendors contributes to job creation, skills development, and the strengthening of domestic economic infrastructure. This approach reflects the bank's broader role as a responsible corporate citizen and its commitment to fostering sustainable economic development in the communities it serves.

77%
Local Vendors

39.7%
Women Led Vendors

Integrating ESG and Inclusion into Procurement Decisions

Building on these digital advancements, the bank has also introduced targeted inclusion considerations within procurement processes. In 2025, women-owned and women-led businesses began to be highlighted through dedicated pulse checks with vendors. These insights are used as part of qualitative assessments, allowing procurement teams to recognize and positively differentiate vendors that contribute to inclusive economic participation. This approach supports SMEs and women-led enterprises while remaining aligned with the bank's procurement governance framework.

Arab Bank is actively developing a comprehensive sustainable procurement system that will further integrate environmental, social, and governance considerations into procurement decision-making. This system is intended to assess vendors based on ESG maturity and reflect those assessments within technical evaluations, alongside traditional commercial and technical criteria. In parallel, the system will evaluate products and services based on ESG-related attributes, supporting more informed selection of solutions with stronger environmental and social performance.

Digitalization and Operational Resilience

Digitalization as an Enabler of Responsible Operations

Digitalization is a central enabler of Arab Bank's operational sustainability and resilience agenda. As a regional bank operating across diverse markets, the bank recognizes that digital transformation plays a critical role in reducing resource consumption, improving efficiency, strengthening controls, and enhancing service continuity. By redesigning processes and systems through a digital-first lens, the bank seeks to decouple operational growth from environmental impact while improving speed, transparency, and governance.

Across its operations, digitalization initiatives are driven by a combination of environmental considerations, risk management objectives, and efficiency imperatives. These initiatives span internal workflows, customer-facing services, credit operations, and technology infrastructure, and are supported by coordinated efforts between business units, operations, IT, and ACABES as the bank's global technology capability center.

Digital Credit Operations and Process Optimization

Digitalization has also transformed core credit operations, particularly within the Global Corporate Credit function. By redesigning credit workflows and accelerating the transition away from physical documentation, the bank significantly reduced its reliance on paper-based processes.

Centralized printer access, usage controls, and the digitization of credit archiving resulted in a substantial reduction in paper consumption while improving operational efficiency and data quality. Digital credit files enhanced traceability, strengthened confidentiality, and supported more efficient collaboration across departments and geographies. activities. These changes demonstrate how digital transformation can simultaneously support environmental objectives and prudent risk management within core banking

Technology Infrastructure and Energy Efficiency

Beyond process digitization, Arab Bank's digitalization efforts extend to the modernization of its technology infrastructure. Through ACABES, the bank continued to invest in scalable, secure, and energy-efficient systems that support both operational efficiency and environmental performance.

Initiatives such as server consolidation, the deployment of hyperconverged infrastructure, and the decommissioning of legacy hardware reduced electricity consumption and improved system performance. These upgrades also enhanced resilience and scalability, supporting the bank's ability to adapt to evolving operational and regulatory requirements while minimizing environmental impact.

Leveraging Artificial Intelligence in Procurement (Pilot Phase)

As part of its ongoing digital transformation journey, Arab Bank has initiated pilot projects to introduce AI-enabled procurement agents.

These tools are designed to automate key aspects of the procurement lifecycle, enhancing both efficiency and effectiveness.

During the pilot phase, the AI agents support market scanning activities by identifying potential suppliers, benchmarking prices and technical specifications, and assessing vendor qualifications.

This capability strengthens the bank's ability to compare available market options and supports procurement teams in presenting well-informed recommendations to internal stakeholders.

The AI agents also support negotiation processes by providing structured market intelligence, enabling procurement teams to engage vendors from a stronger, data-driven position.

In addition, the tools assist in automating elements of the contracting process, including drafting and reviewing contract clauses and suggesting appropriate terms and conditions tailored to specific vendor profiles.

This contributes to improved contract quality, clearer performance expectations, and stronger safeguards around service delivery and compliance.

Empowering People and Communities

Our People and Culture 42
Communities and Social Investment 47

Our People and Culture

Building a Supportive, Inclusive, and High-Performing Workplace

Arab Bank's approach to people and culture is anchored in the conviction that sustainable value creation depends on a workforce that is engaged, supported, and equipped to navigate a rapidly evolving operating environment. The bank recognizes that its people are central to delivering financial services responsibly, managing risk effectively, and advancing its sustainability ambitions.

The bank's people strategy focuses on fostering an inclusive and respectful workplace, supporting employee wellbeing, investing in continuous learning, and creating opportunities for meaningful engagement and innovation. These priorities are embedded across human resources policies, leadership practices, and day-to-day operations, ensuring that people considerations are integrated into decision-making at all levels of the organization. By strengthening its culture and investing in its employees, Arab Bank aims to enhance organizational resilience while contributing positively to the communities in which it operates.

Employee Engagement, Wellbeing, and Workplace Experience

Employee wellbeing is a core pillar of Arab Bank's people strategy, reflecting the bank's understanding that employee health, engagement, and productivity are closely interconnected. In 2025, the bank launched a structured Employee Wellbeing Program designed to support employees holistically and address wellbeing beyond traditional workplace benefits.

The program is built around three interconnected pillars: mental wellbeing, physical wellbeing, and social wellbeing. Together, these pillars guide the development of initiatives aimed at supporting employees' emotional resilience, physical health, and sense of connection and belonging within the workplace. During its initial phase, the program focused on activation, awareness, and engagement, laying the groundwork for broader delivery in subsequent years.

Arab Bank Employee Wellbeing Program
Because you matter to us!

Arab Bank promotes work-life balance as a key component of employee wellbeing and long-term engagement. Flexible working practices are implemented where operationally feasible.

Enabling employees to balance their professional responsibilities with personal and family commitments, while maintaining service quality and operational continuity.

This commitment is supported through structured flexible working options, including flexible morning attendance, remote work arrangements in specific circumstances, and work-from-home options for employees for maternity and paternity purposes.

These arrangements are implemented in line with local regulations and business requirements, ensuring flexibility is provided with a clear and consistent governance framework.

In addition, the bank supports employees in managing family health responsibilities through dedicated Family Health Day leave, which provides employees with a defined balance of days to address health related needs affecting family members.

This approach recognizes the broader wellbeing needs of employees and reinforces a supportive and inclusive workplace environment.

Health, Safety, and a Secure Working Environment

Arab Bank places strong emphasis on maintaining safe, healthy, and secure working environments across its operations.

Occupational health and safety considerations are integrated into facilities management and operational governance, supported by dedicated committee, policies, and procedures.

Employee Health Day in Jordan

As part of its ongoing commitment to employee wellbeing, Arab Bank organized an Employee Health Day designed to promote health awareness and encourage proactive wellbeing among employees.

The initiative brought together healthcare professionals and wellness experts to provide employees with access to health screenings, consultations, and educational resources focused on preventive care and healthy lifestyle practices.

Through this initiative; the program encourages employees to take a more proactive approach to their health while contributing to a supportive and healthier workplace.

The bank conducts regular workplace inspections, safety assessments, and awareness activities aimed at identifying potential risks and mitigating hazards. Fire safety measures, emergency preparedness protocols, and evacuation procedures are periodically reviewed and tested to ensure readiness across locations. These efforts contribute to protecting employees, safeguarding assets, and supporting business continuity.

To support this framework, Arab Bank maintains an Occupational Health and Safety Committee composed of representatives from multiple departments. The committee oversees the implementation of health and safety systems, monitoring workplace conditions, and addressing occupational health and safety matters. It also reviews inspection findings and incident reports, ensuring appropriate follow up and alignment with the bank's policies and preventive risk management approach.

Remuneration, Equal Benefits, and Fair Employment Practices

Arab Bank's remuneration and benefits framework is designed to promote fairness, transparency, and competitiveness across its operations. Compensation structures are aligned with role responsibilities, experience, performance, and market benchmarks, and are applied consistently across comparable roles.

The bank maintains a commitment to equal pay for equal work and provides benefits without discrimination based on gender or other personal characteristics. Regular reviews of remuneration and benefits are conducted to ensure alignment with market practices and employee needs, supporting attraction, retention, and engagement while reinforcing trust and transparency.

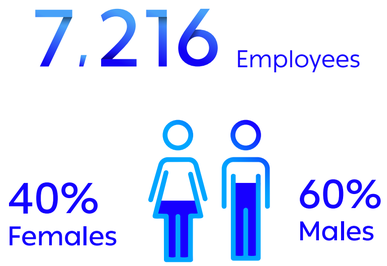
As part of its commitment to inclusive workplace practices, the bank offers childcare support arrangements, including nursery-related benefits, to eligible employees. Notably, these benefits are extended to male employees as well, reflecting the bank's recognition of shared caregiving responsibilities and its commitment to supporting work-life balance in a gender-inclusive manner.

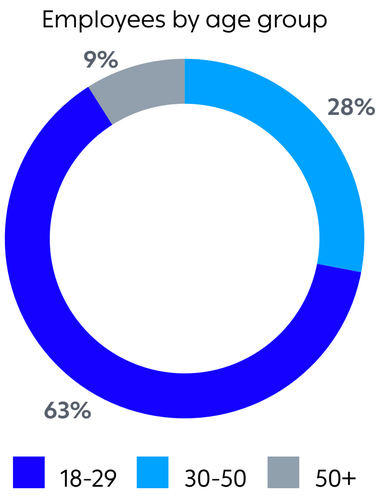
Inclusion, Diversity, and Equal Opportunity

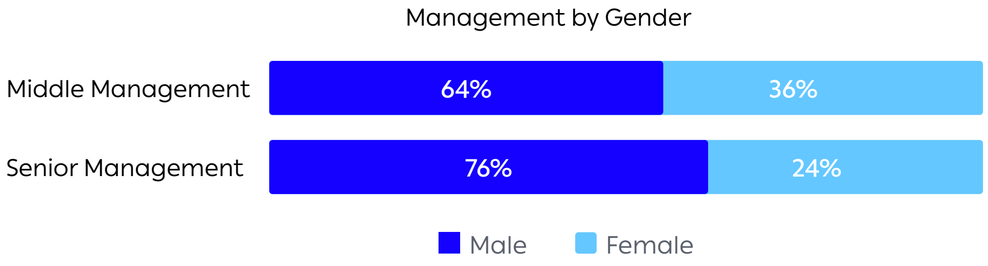
Arab Bank is committed to fostering an inclusive workplace that values diversity and ensures equal opportunity for all employees. The bank maintains a zero-tolerance approach toward discrimination and promotes respect and fairness across all dimensions of diversity, including gender, age, nationality, and background.

In 2025, Arab Bank launched a Women Empowerment Strategy aimed at supporting female employees across multiple dimensions of their professional and personal development. The strategy focuses on wellbeing, encompassing physical, emotional, and mental health, as well as career enablement through access to development tools, skills enhancement, and professional support mechanisms. Over time, the strategy seeks to contribute to improved representation of women across management levels, with progress monitored through workforce diversity indicators.

These efforts are complemented by inclusive recruitment practices, equal access to learning and development opportunities, and ongoing monitoring of workforce composition and progression to support balanced representation across the organization.







Learning, Development, and Capability Building

Arab Bank views learning and capacity building as long-term strategic investments that enable organizational resilience, adaptability, and responsible growth. In a rapidly evolving financial services environment shaped by regulatory change, technological advancement, and rising sustainability expectations, the bank recognizes that continuous learning is essential to maintaining professional excellence and managing emerging risks and opportunities.

The bank's approach to learning and development is structured around building both technical and behavioral capabilities, ensuring that employees are equipped not only with role-specific expertise but also with the broader skills required to operate responsibly, collaborate effectively, and make informed decisions. Training programs are designed to support career progression, strengthen leadership pipelines, and foster a culture of continuous improvement across all levels of the organization.

Learning initiatives are delivered through a combination of classroom-based programs, digital learning platforms, on-the-job training, and targeted development interventions. These programs are aligned with business priorities and are periodically reviewed to ensure relevance, effectiveness, and alignment with evolving organizational needs. By embedding learning into day-to-day operations, Arab Bank aims to cultivate a workforce that is agile, knowledgeable, and prepared to respond to change.

As part of its broader sustainability agenda, Arab Bank has focused on building internal ESG capabilities to support the integration of sustainability considerations into operational and business decision-making.

In 2023, the bank launched ESG Strategy training sessions for senior management, including Senior Vice Presidents and Vice Presidents, to support the rollout of the bank's ESG strategy and strengthen leadership awareness of sustainability priorities. In 2024, the bank introduced general ESG awareness online training for employees, aimed at building a foundational understanding of ESG concepts and their relevance to the bank's operations.

Building on this foundation, in 2025 the bank implemented role-based ESG training programs targeting business units and ESG Champions to provide more practical guidance on how sustainability considerations can be incorporated into day-to-day activities. During the same year, additional ESG training was delivered to remaining non-clerical staff and ESG principles were integrated into induction programs for new employees. The bank plans to expand role-based ESG training to support units in 2026 and introduce system-based ESG learning modules to further strengthen institutional ESG capabilities.

460,081
Training Hours

7,184
ESG Training Hours

63.8
Average Training Hours Per Employee

73
Average Training Hours Per Employee - Females

During 2025, the bank expanded its ESG capacity building initiatives across its operations; ESG trainings were delivered to non-clerical employees across all countries in which the bank operates at, ensuring that sustainability considerations are understood beyond frontline functions and embedded within managerial, operational, and decision making roles.

This structured rollout strengthens institutional ESG literacy, enhances accountability at multiple levels of the organization, and supports the consistent integration of sustainability considerations into core functions. By scaling ESG training across jurisdictions and functional areas, the bank reinforces its commitment to building internal expertise that supports long-term resilience and responsible growth.

Employee Engagement Through Innovation and Collaboration

Recognizing the role employees play in shaping the bank's sustainability journey. In October 2025, the bank hosted an ESG Hackathon that brought together employees from across its regional network to develop sustainability-driven ideas aligned with the bank's strategic priorities.

The initiative attracted over 135 applications from all PLC countries. Shortlisted teams participated in a structured program that included training in design thinking, business modeling, and pitching. Final proposals presented during Demo Day addressed themes such as blue finance, e-waste solutions, AI-enabled ESG tools for SMEs, and green housing finance.

Selected ideas are currently being fast-tracked with relevant departments, while the broader pool of proposals has been documented to inform future planning and innovation efforts. The ESG Hackathon demonstrated the value of employee-led innovation and reinforced a culture of collaboration and shared ownership of sustainability objectives.

Digital Enablement of Human Resources

Digitalization plays an increasingly important role in enhancing the employee experience and improving the efficiency of human resources processes at Arab Bank. In 2025, the bank continued to deploy digital and AI-enabled tools within the Human Resources Division to support accessibility, consistency, and informed decision-making.

Initiatives introduced during the year include a digital HR Q&A platform that provides employees with self-service access to information about HR regulations. Additional tools were developed to support performance management alignment through automated scorecard generation, while AI-enabled interview support tools were introduced to assist with structured resume screening and interview preparation.

These solutions are designed to streamline HR processes and deliver superior services throughout the organization, reduce administrative burden, and enhance consistency, while operating within applicable regulatory and ethical guidelines.

Communities and Social Investment

Arab Bank's approach to community investment is rooted in the belief that long-term value creation extends beyond financial performance to include meaningful contributions to the social and cultural fabric of the communities in which the bank operates.

Building on a long-standing legacy of community engagement, the bank's community investments are designed to respond to local needs while aligning with its broader ESG strategy and values.

Our Community Investment Approach

The bank's community investments are guided by a holistic understanding of economic value distribution.

By generating revenues through the provision of essential financial services and redistributing part of this value through employee compensation, supplier engagement, taxes, shareholder returns, and targeted community investments, Arab Bank contributes to inclusive socio-economic development.

Community investments are therefore viewed not as standalone philanthropic activities, but as an integral component of the bank's role as a responsible financial institution and active corporate citizen.

In 2025, community investments continued to focus on causes that are closely aligned with Arab Bank's ESG priorities and community needs.

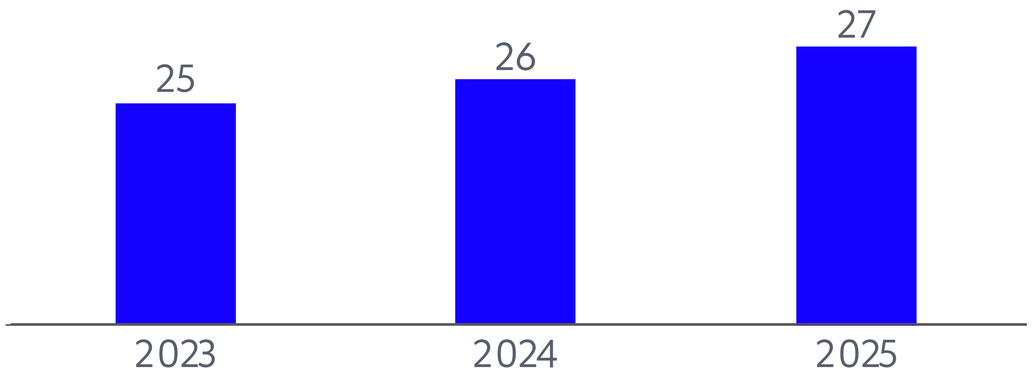
These investments were delivered through the bank multifaceted approach which involves direct charitable donations, CSR based sponsorship, community interventions and initiatives, and employee volunteering.

Community Investments Impact

Arab Bank's community investments reached approximately USD 27 million across the communities where it operates, representing around 3.1% of Arab Bank plc's pre-tax profits. These investments supported a wide range of social and environmental initiatives and reflected the bank's continued commitment to making a tangible difference at the local level.

In Jordan, where the bank's Head Office is located, community investments are further strengthened through the Abdul Hameed Shoman Foundation, which serves as Arab Bank's dedicated social and cultural arm. The Foundation plays a central role in advancing knowledge, creativity, and cultural development across Jordan and the wider Arab region, complementing the bank's broader community engagement efforts.

Community Investments (mn $)



5,764
Volunteering Hours

930
Participant Volunteer

The "Together" Program: A Regional Platform for Impact

Since its launch in 2010, the "Together" program has evolved into Arab Bank's flagship regional CSR and community engagement platform. Implemented across several markets, including Jordan, Palestine, Egypt, and Bahrain, the program focuses on addressing locally relevant needs through six core focus areas: health, education, poverty alleviation, environmental protection, women's empowerment, and orphan support.

The "Together" program adopts a multi-channel approach that combines employee volunteering, collaboration with reputable local NGOs, and customer-enabled donations through the bank's digital and branch banking channels. In 2025, customers in Jordan donated approximately USD 2.53 million through Arab Bank's banking platforms to support community causes, demonstrating the bank's role as a facilitator of social contribution beyond its own direct investments.

Employee engagement remains a cornerstone of the program. During the year, employees and their families collectively volunteered 5,764 hours, participating in over 1,800 volunteering opportunities across different community initiatives. This active participation reinforces a culture of social responsibility within the organization and strengthens the connection between employees and the communities they serve.

"Together" Program Focus Areas

- Health
- Poverty Alleviation
- Environmental Protection
- Orphans Support
- Education
- Women Empowerment

List of Key Initiatives Programs Supported in 2025

Jordan

Pillar	Entity	Initiative/Program
Health	King Hussein Cancer Foundation	Supported the Back-to-School Program, King Hussein Award for Cancer Research and the Hope Gala event.
	Royal Health Awareness Society	Supported the implementation of Healthy School Program and the Mental Health program.
	Jordan Traffic Department	Supported the "My School is My Joy" campaign to promote student road safety through interactive education and VR-based traffic simulations.
Education	Queen Rania Foundation	Supported Read! Program and Iqrali - Behavior Change program.
	Association of Banks in Jordan	Supported the national initiative for the education sector, which includes multiple developmental projects and initiatives.
	Queen Rania Teacher Academy	Supported the "Teach Like a Champion" training course focusing on developing teachers' skills.
	Madrasati	Supported "Proud to be a Teacher" program and Masahati Student Clubs.
	Children's Museum	Supported several programs including the Community Connection Program, the Science & Art Festival and Bil Arabi Festival.
	EDRAAK	Supported online massive open online courses (MOOCs).
	Queen Rania Award for Excellence in Education	The bank supported the "My Beautiful Environment" project, which aims to create a clean, healthy, organized, and stimulating learning environment.
	INJAZ	The bank participated in the INJAZ Job Shadowing Program by hosting students for a workday to provide them with firsthand insight into banking operations.
	Al-Jude for Scientific Care Foundation	The bank supported Sunbulah Sonbola initiative in public schools, which promotes creativity, improves the school environment, and encourages collaborative problem-solving among teachers, students, and the community.
	Haya Cultural Centre	The bank supported the launch of the "Financial Literacy and Technological Innovation" program, which creatively promotes financial literacy and introduces students to modern technological concepts.
Women Empowerment	Dar Abu Abdullah	Supported the Women and Youth's Economic Empowerment project with the Dar Abu Abdullah Association by financing 21 hydroponic greenhouses, enabling 14 women and 7 youth to generate sustainable income through ongoing agricultural cycles.
	Jordan River Foundation	The bank supported the Women's Empowerment program, which trains and employs 18 women in the Jordan River Designs program and Al Karma Kitchen.
Environmental Protection	Royal Society for the Conservation of Nature	Contributed to the oak tree planting project in the Ajloun Forest Reserve with the Royal Society for the Conservation of Nature, and organized a "Clean Up the World" campaign in the Dibeen Forest Reserve.
	Children's Museum	Supported the second edition of the "Art of Recycling" initiative with the Children's Museum Jordan to enhance children's environmental awareness and encourage creative use of recyclable materials.

Pillar	Entity	Initiative/Program
Poverty Alleviation	Tkiyet Um Ali	Supported the Family Adoption and Home Renovation Programs, as well as the sponsorship of a charity Ramadan Iftar day that distributed 5,000 meals. The bank also supported back-to-school campaign targeting students in underprivileged areas.
	Jordan River Foundation	Supported the Child Safety Program and Ramadan Iftars with Children.
	Crown Prince Foundation	Sponsored the Tawasol Forum, supported the back-to-school campaign targeting students in underprivileged areas across several governorates of the Kingdom, and supported the Ramadan campaign. In addition, provided Financial Literacy and AI sessions to youth.
	Ministry of Digital Economy and Entrepreneurship	Supported distributing food packages to underprivileged families across the Kingdom.
	Waqf Thareed	Supported the weekly meals program, distributing 1,000 meals per week for an entire year.
Orphans Support	Al Aman Fund	Supported orphaned students' university Education.
	Charity Clothing Bank	Supported the Orphans Day program to provide 1,200 underprivileged orphans with new cloths.
	SOS	Supporting an orphan's house in Amman.
	Higher Council for the Rights of Persons with Disabilities	Delivered a specialized financial literacy program for a group of women with disabilities to equip them with essential financial knowledge and enhance their confidence in managing their finances.

Palestine

Pillar	Entity	Initiative/Program
Health	Governmental Hospitals and Centers	Donated a number of devices and equipment to enhance the quality of healthcare available for patients in public hospitals.
	Princess Basma Centre	Supported children with special needs through the comprehensive rehabilitation and inclusive education program.
	Dura Governmental Hospital	Supported the enhancement of the hospital's infrastructure.
	Augusta Victoria Hospital	Supported the rehabilitation of the elderly care unit at the Hospital to enhance the quality of health services provided to elderly patients and their companions.
	Dunya Women's Cancer Centre	Sponsored the October breast cancer awareness campaign, covering early screening for over 150 women and supporting an awareness initiative on the importance of early detection.
	Ministry of Transportation	Supported the traffic safety initiative aimed at enhancing road safety and reducing traffic accidents.
Education	INJAZ	Supported the schools' renovation initiative, which aims to improve the learning environment at eight public schools.
	Ministry of Social Development	Supported the "School Bags" initiative distributing 4,000 bags to public schools' students.
	Palestine Technical University – Kadoorie	Donated to equip a computer lab at the university to support educational development and strengthen students' technical and practical skills.
	Supporting Universities	Supported the establishment and landscaping of student outdoor spaces at universities in Jericho and Dura. Also supported students with disabilities by donating to purchase a Braille printer for visually impaired students.
Environmental Protection	Ramallah Municipality	Participated in the "Adopt a Street" initiative.
	Rehabilitation of Public Parks	Contributed to the rehabilitation of parks and maintained them by repainting benches and playground equipment, as well as conducting volunteer activities to plant trees in various public areas and parks.

Pillar	Entity	Initiative/Program
Poverty Alleviation	Ministry of Social Development	Donated more than of 2,600 food parcels that were distributed during the month of Ramadan for underprivileged families in West Bank.
	Rawan Society for Child Development	Supported covering a full year of remedial education for 20 children with learning difficulties.
	Charity Iftars During Ramadan	Sponsored charitable Ramadan Iftars for underprivileged groups in Ramallah, Bethlehem, and Jericho.
Women Empowerment	Women Business Forum	Supported assisting 30 women-owned small projects, particularly in marginalized areas, by addressing their basic business development needs.
Orphans Support	SOS	Supported two orphan's houses in SOS Children's Villages in Bethlehem.

Egypt

Pillar	Entity	Initiative/Program
Health	Magdi Yacoub Global Heart Centre	Donated to establish an adult intensive care unit at the centre to improve access to high-quality, life-saving medical services for underprivileged patients.
	Baheya Foundation	Organized an awareness campaign for early detection of breast cancer, along with workshops and educational activities to support women cancer survivors.
Education	Financial Literacy Sessions	Provided several financial literacy sessions to students and women.
Women Empowerment	Baheya Foundation	Hosted an exhibition to support and empower 20 breast cancer fighters.
Poverty Alleviation	Tahya Misr Fund Ramadan Food Packages	Supported families with food packages during the month of Ramadan.
	Egyptian Food Bank	Sponsored a Ma'edat Rahman, providing iftar and suhoor meals during Ramadan.
	Ministry of Endowment	Supported the Udhiya Certificates initiative, aimed at distributing meat to underprivileged families.
	Martyrs' Honor Fund	Supported providing financial assistance to improve the quality of life for children in need and to meet their educational, health, and living requirements.

Bahrain

Pillar	Entity	Initiative/Program
Education	Training program for university graduates	Organized a training program for university graduates to prepare them for careers in the banking sector.
	INJAZ	Bank employees participated in implementing the "Personal Finance" program to enhance financial literacy among students.

UAE

Pillar	Entity	Initiative/Program
Orphans Support	Support Orphaned Children	Providing educational supplies to a group of orphaned children for the back-to-school season.
Environmental Protection	Mangroves Tree Plating	The bank supported a project to plant 5,000 mangrove trees, with participation from bank volunteers.

Planting 5,000 Mangrove Trees - UAE

Mangrove trees are among the world's most powerful carbon sinks, capable of storing up to four times more carbon than tropical forests, while also protecting coastlines and supporting biodiversity.

Arab Bank UAE successfully planted 5,000 mangrove trees in 2025, advancing nature-based solutions that deliver long-term environmental impact.

The initiative strengthens the bank's commitment to climate-positive action.

Abdul Hameed Shoman Foundation

Established in 1978 by Arab Bank, the Abdul Hameed Shoman Foundation represents a pioneering model of corporate-supported cultural and intellectual development in the Arab world.

Funded through a dedicated allocation of Arab Bank's profits, the foundation's mission is to invest in intellectual, cultural, and social creativity, contributing to the long-term development of Arab societies.

The foundation's work is organized around three main pillars: Thought Leadership, Arts and Literature, and Cultural Grants and Innovation.

Through these pillars, the foundation supports a wide range of programs, including scientific research awards, research support funds, cultural forums, public libraries, children's and youth literature initiatives, innovation awards, and cultural grants.

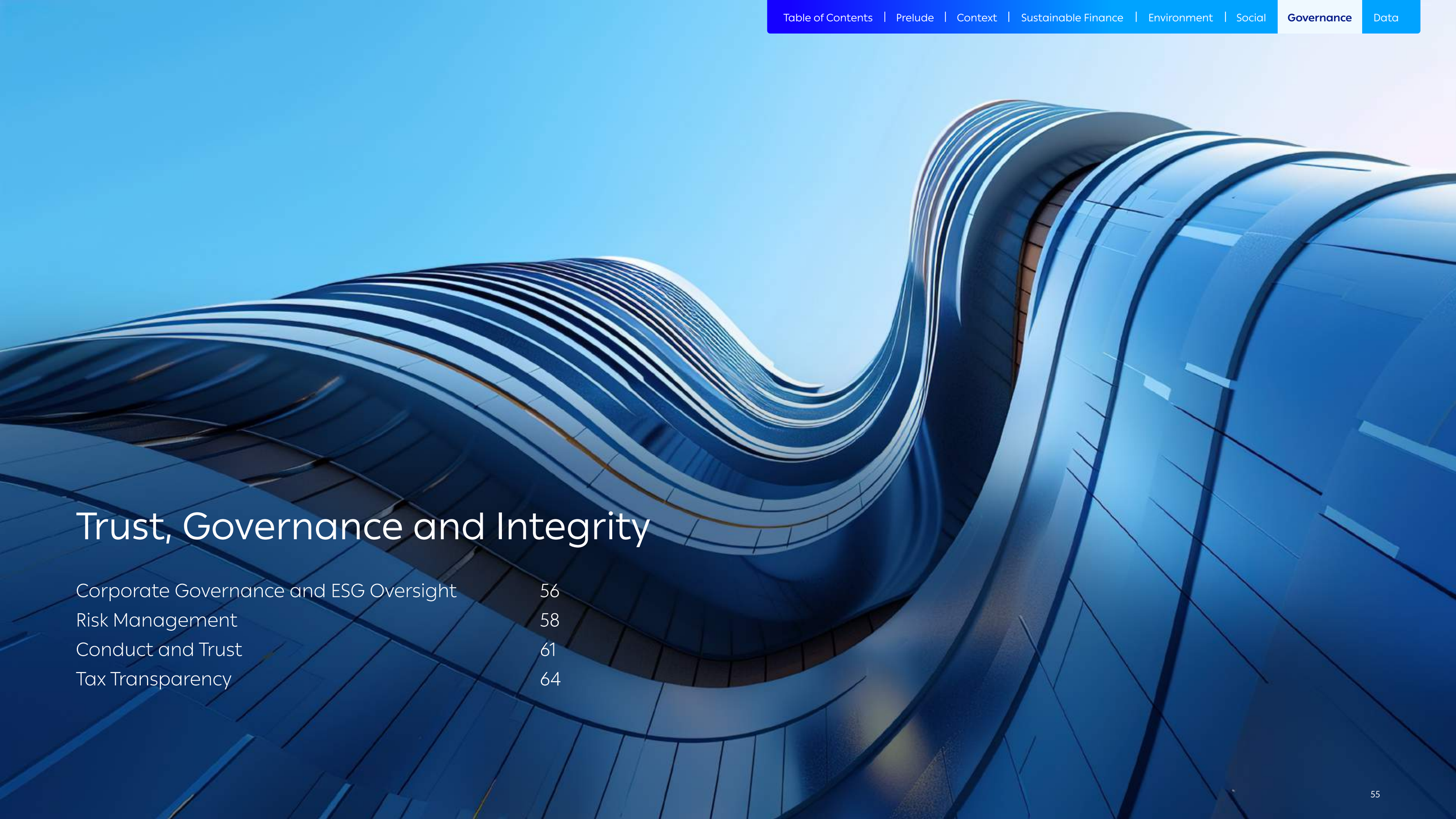
In 2025, the foundation recorded strong engagement across its programs. Scientific research initiatives supported multiple projects and training courses aimed at enhancing research capabilities across the region.

Cultural and literary programs reached hundreds of thousands of beneficiaries through libraries, reading initiatives, storytelling activities, competitions, and cultural events held across several governorates.

Innovation-focused programs continued to encourage creative thinking and problem-solving among young innovators, contributing to the development of future-ready skills.

The Foundation's Program Achievements in 2025 are Summarized in the Following Table.

Pillar	Description
Scientific Research Abdul Hameed Shoman Award for Arab Researchers	In its 43rd cycle, the award included 12 topics within six scientific fields, 10 researchers from several Arab countries were honored out of 521 applications received from 27 countries.
Scientific Research Abdul Hameed Shoman Research Support Fund	14 projects were supported; in addition to organizing 8 training courses to develop the research capabilities of 261 beneficiaries.
Abdul Hameed Shoman Award for Children's Literature	The Award, which aims to enrich Arabic literature for children, received 910 entries, including 174 from Jordan. 3 writers were selected as winners: two from Egypt and one from Jordan.
Abdul Hameed Shoman Award for Creative Production for Children and Adolescents – Abd'e	Applications were open in nine fields, attracting 1685 children and youth from all governorates in Jordan. After a thorough evaluation process, 27 winners were selected.
Abdul Hameed Shoman Public Library	The number of library visits increased to 208,413 with 3125 new memberships registered. The library lent out 20,602 physical books and 1,092 e-books, and the library databases were accessed 28,386 times. The library also held 551 events. Additionally, the library organized the "Reading Marathon" event that resulted in over ten million pages being read, with children and adults participating in 12 governorates.
Knowledge Path Library	The Knowledge Path Library had an active and engaging year, welcoming 113,430 children and young adults who borrowed 13,851 physical books and approximately 638 digital titles. Throughout the year, the library conducted 1,641 storytelling and cultural activities and hosted 16 authors from Jordan and abroad, enriching the literary experience of its visitors. The "Reading House" program engaged 90 parents, while the library's reading clubs attracted 320 children and youth across 19 sessions, fostering a love of reading and learning in the community. The library also launched a reading competition titled "16 Before 16," in which 1037 children and youth participated. Over the year, the library both welcomed visitors from and conducted outreach visits to more than 155 schools and institutions, providing cultural activities attended by 3,714 beneficiaries.
Young Innovators Lab	The lab conducted training programs and workshops for participants. Twenty-five young innovators joined, completing six scientific projects.
Cultural Forum	As part of its "Monday Lecture" series, the Cultural Forum hosted 49 events, including dialogues with 35 Arab figures and 179 Jordanian thought leaders. It also organized poetry gatherings, book launches, and events honoring guest contributors.
Cinema	As part of its weekly Tuesday program, the organization held structured discussions accompanying a total of 96 film screenings. In addition, nine sessions were conducted under the Cinema Club program, and three film weeks were organized throughout the year. The organization also hosted four Arab experts specializing in film criticism and sound engineering.
Cultural Days in Ajloun	As part of its annual cultural program 37 distinctive events were organized attracting 4300 participants. In addition to many activities in collaboration with 39 cultural and media entities.
Musical Evenings	4 musical evenings were organized and attended by 1417 beneficiaries.
Grants	The Foundation supported 21 cultural projects in Jordan and Palestine, as well as key initiatives including the Amman Book Fair, the Family Library, the Mobile Library, the Royal Society of Fine Arts, and the Jerash Festival. It also facilitated Palestine's participation in the Library Symposium.
Digital Communication	We reached 66 million people, 72 thousand new followers, 98 million video views, and launched the Azraq Platform for Arabic Digital Content.
Human Resource	A total of 42 specialized trainings were conducted, along with 3 internal courses through Shoman Academy, and attendance at 32 internal and external events.



Trust, Governance and Integrity

Corporate Governance and ESG Oversight	56
Risk Management	58
Conduct and Trust	61
Tax Transparency	64

Corporate Governance and ESG Oversight

Board of Directors (BoD) Oversight and Accountability

The BoD is the highest authority at the bank and is responsible for the implementation of sound corporate governance.

Their role includes setting the bank's long-term strategic objectives and overseeing senior executive management performance in executing strategies to achieve those objectives.

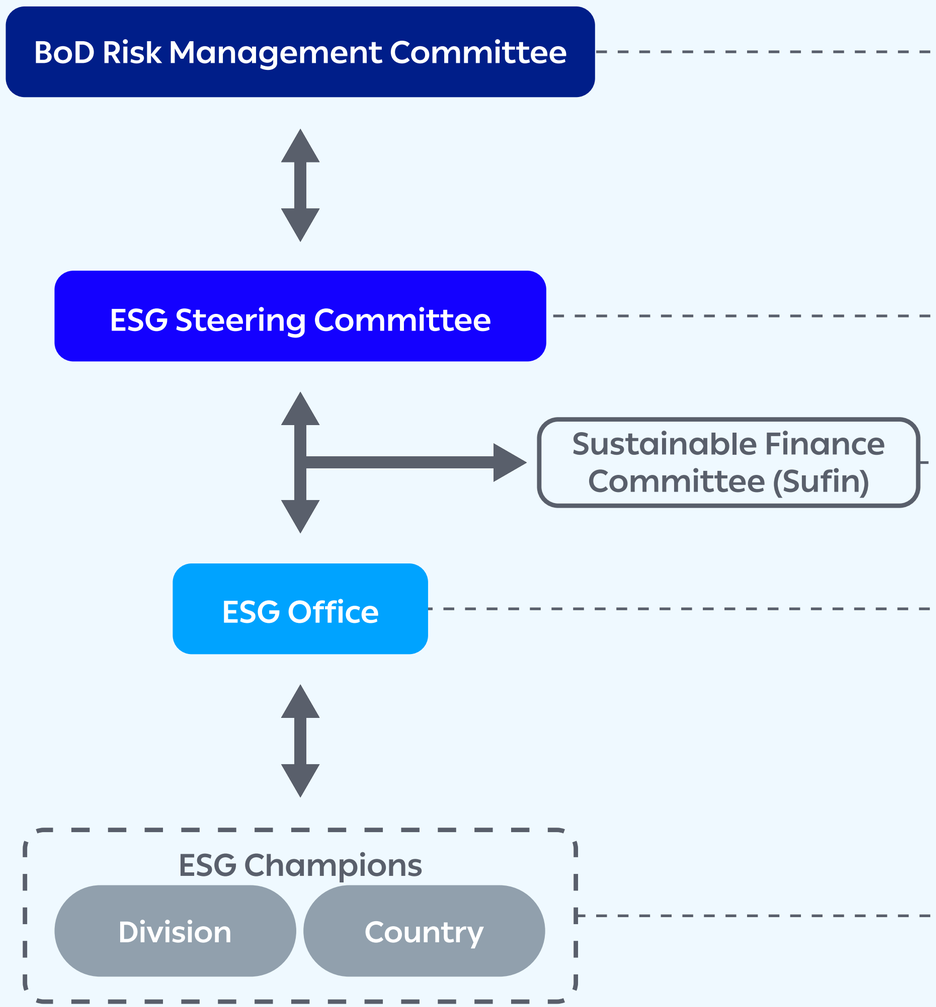
The BoD ensures that the interests of shareholders, depositors, creditors, employees, and other stakeholders are met.

They certify that internal control systems are effective, and that the bank's activities align with the laws and regulations in jurisdictions in which it operates.

The BoD is currently comprised of 11 non-executive members, following the resignation of one member during the year, five of whom are independent.

The BoD held 6 meetings in 2025. Members of the BoD are selected based on their qualifications in the fields of finance and banking, taking into account other related competencies and experience.

Arab Bank ESG Governance Framework



ESG oversight is embedded within the Board's governance framework, primarily through the Board Risk Management Committee. The Committee oversees the integration of ESG considerations into enterprise risk management, including environmental and social risks, regulatory developments, and strategic implications.

At the executive level, ESG implementation is overseen through a structured governance framework led by the ESG Steering Committee. The Committee drives strategy execution, monitors progress, and ensures alignment across business lines and geographies.

The Sustainable Finance Committee oversees the identification, evaluation, and approval of eligible transactions in line with defined criteria and internal policies. More detail on page 22

The ESG Office acts as the central coordinating function, supporting implementation, monitoring progress, and facilitating collaboration across business units, support functions, and geographies to ensure consistency and alignment.

ESG Champions support the integration of sustainability into day-to-day operations across divisions and countries. They act as focal points within their units, driving awareness, implementation, and feedback at the operational level.

Risk Management and Cybersecurity

Risk is inherent in all aspects of financial services. Effective risk management is therefore fundamental to Arab Bank's long-term stability and resilience. The bank maintains a comprehensive risk management framework designed to identify, assess, monitor, and mitigate risks across all operations, ensuring alignment with strategic objectives and regulatory expectations.

Through its governance structure and specialized committees, the Board of Directors oversees the implementation of risk management policies and ensures that robust controls are applied across all areas of the bank. These controls address a wide range of risks, including credit risk, market risk, liquidity risk, operational risk, information security risk, and business continuity and crisis management.

Risk Management

Arab Bank manages risk through an Enterprise Risk Management (ERM) framework that integrates risk considerations into business strategy and operational decision-making. The framework is built around key pillars that guide how risks are identified, assessed, and managed across the organization.

Three Lines of Defense

Arab Bank applies a Three Lines of Defense model to ensure effective risk management and internal control across the organization.

Governance and Culture

The bank's ERM Framework is based on leading best practices and is supported by a Board and Executive-level risk governance structure, consisting of risk-related Board Committees, Executive Management Committees, and three independent levels of oversight.

Strategy and Objective Setting

Risk appetite is established and aligned with strategy. Business objectives put strategy into practice while serving as a basis for identifying, assessing, and responding to risk.

Information, Communication, and Reporting

ERM requires a continual process of obtaining and sharing necessary information from both internal and external sources, which flows across the bank.

Review

By reviewing the bank's performance, the bank can consider how well the ERM components are functioning over time in light of substantial changes, and determine what revisions are needed.

Performance

Risks that may impact the achievement of strategy and business objectives are identified, assessed, and prioritized by severity in the context of the risk appetite. The bank then selects risk responses and takes a portfolio view of the amount of risk it has assumed. The results of this process are reported to key risk stakeholders.

Risk Governance

The Board of Directors adopts a corporate culture of high ethical standards and integrity, alongside setting and implementing clear lines of responsibility and accountability throughout the bank. Furthermore, the Board approves and oversees the execution of the bank's Risk Management Strategy, Risk Management Frameworks, high-level policies, and the Group Risk Appetite.

ESG Risk Management

Arab Bank recognizes that effective management of ESG and climate risks is essential for protecting long-term financial stability, supporting sustainable economic development, and safeguarding stakeholder interests. ESG and climate risks are increasingly acknowledged as material factors that influence credit, market, operational, and reputational risk. As a leading financial institution, Arab Bank is committed to proactively addressing these risks to maintain resilience and foster positive change across industries and communities.

Our commitment to ESG risk management reflects our dedication to responsible banking, operational resilience, and sustainable growth. The bank's approach is anchored in a comprehensive policy and framework that guide the systematic identification, assessment, mitigation, and monitoring of ESG and climate-related risks and opportunities. The current Environmental and Social Risk Policy (ESRP) outlines the methodology for managing environmental and social risks, including physical and transition risks associated with climate change. Clear governance structures establish ownership and accountability across the ESG Office, Group Risk, and business units.

ESG and climate risk management are fully integrated into the bank's Enterprise Risk Management framework and overall risk strategy. These risks are considered within our credit processes, consistent with the Exclusion List and the provisions of the Credit Policy Manual. Policies and procedures are continuously refined to remain aligned with international standards, evolving regulatory requirements, and stakeholder expectations.

Enhancing our approach to manage ESG and climate risks

Arab Bank is progressing the development and rollout of an enhanced ESG and Climate Risk Framework. This update strengthens the bank's overall risk management approach by embedding more structured, forward-looking capabilities to identify, assess, and manage ESG and climate-related risks across the portfolio.

In parallel, the bank is advancing its climate-related disclosures in alignment with evolving global standards, including IFRS S1 and S2. As part of these enhancements, climate risk considerations are increasingly integrated into existing risk management practices, including the use of climate stress testing to assess the potential impacts of both physical and transition risks on the bank's exposures under relevant regulatory scenarios.

These ongoing updates reinforce the bank's commitment to strengthening ESG and climate risk management practices, supporting regulatory alignment, improving risk transparency, and safeguarding long-term financial resilience and stakeholder value.

Third-Party Risk Management

Third-party service providers play an important role in supporting banking operations. Arab Bank maintains a dedicated Third-Party Risk Management (TPRM) framework to ensure that suppliers and partners meet the bank's security, compliance, and operational resilience standards.

All third parties undergo structured due diligence assessments before engagement. These assessments evaluate security controls, regulatory compliance, data protection practices, and operational capabilities.

Ongoing monitoring ensures that third-party relationships remain aligned with the bank's risk tolerance, regulatory requirements, and information security standards.

Information Security and Cybersecurity

In an increasingly digital financial ecosystem, information security and cybersecurity are critical to protecting customer data, maintaining operational resilience, and preserving stakeholder trust. Arab Bank adopts a comprehensive approach to information security that integrates international standards, industry best practices, and advanced technology controls.

The bank's cybersecurity framework focuses on protecting the confidentiality, integrity, and availability of information assets, while mitigating risks such as cyberattacks, data breaches, fraud, and operational disruptions.

Arab Bank aligns its information security practices with globally recognized standards and regulatory frameworks, including PCI DSS, SWIFT Customer Security Programme (CSP), ISO 27001, and relevant data protection regulations.

The bank also conducts regular security assessments, penetration testing, and internal and external audits to ensure continuous improvement of its cybersecurity posture and resilience against emerging threats.

Cyber Threat Monitoring and Risk Assessment

Arab Bank maintains a structured methodology for identifying and assessing cyber threats across its technology infrastructure and digital services.

The bank continuously monitors threat intelligence from multiple sources, including cybersecurity feeds, industry alerts, regulatory notifications, and global threat intelligence platforms. These insights support proactive identification of potential vulnerabilities and emerging cyber risks.

Threat assessments consider the likelihood of attack, the potential impact on critical systems and data, and the effectiveness of existing security controls. This process enables the bank to prioritize risk mitigation measures and strengthen its defensive capabilities.

Information Security Certifications

The Payment Card Industry Data Security Standard protects cardholder data and ensures secure payment transactions through robust encryption, monitoring, and fraud detection measures.

Compliance with SWIFT CSP strengthens controls around secure banking transactions and helps prevent unauthorized access to payment systems.

The ISO 27001 Information Security Management System framework supports a risk-based approach to managing information security, ensuring resilience, regulatory compliance, and protection of sensitive information.

Privacy and Data Protection

Risk is inherent in all aspects of a financial services business, so sound risk management practices are fundamental to long-term success. An informed and responsible approach to risk management is a core competency of Arab Bank. Thus, we have a constant focus on implementing proactive risk management procedures to mitigate and minimize risk.

Privacy and Data Protection Governance

The Privacy and Data Protection Compliance Program is vested under the Privacy and Data Protection Office situated within Group Regulatory Compliance at Head Office (GRC HO). The Privacy and Data Protection Office independently monitors Arab Bank data processing activities and ensures adherence to data protection mandates at the local level while benchmarking the Program against EU's GDPR.

Personal data availability, integrity, and security are critical components of a Privacy and Data Protection Program. To that end, while the Privacy and Data Protection Office ensures application of Privacy and Data Protection Program aligned with applicable legislation, Information Technology and Risk Management are also integral to Program efficiency and success.

IT is responsible for implementing and maintaining the technical infrastructure that safeguards personal data as well as ensuring systems are configured to adhere to privacy and data protection regulations. On the other hand, Risk Management participates in evaluating and mitigating potential threats arises from personal data processing, this involves analyzing data flows, and implementing controls to minimize the likelihood and impact of data breaches including via maintaining a Data-Loss Prevention (DLP) strategy and handling breaches through investigations and remediation of gaps.

In tandem, the three functions coupled with a privacy and data protection culture across the bank serves to harness practices around personal data availability, integrity, and security.

Conduct and Trust

The bank takes a proactive approach to ensuring good business conduct, strictly complying with policies, leading practices and applicable regulations while being open and transparent.

Code of Conduct

The Code of Conduct (CoC) is a high-level policy that sets the foundation for the bank strong commitment to conducting business in compliance with the highest ethical standards and integrity across all operations and jurisdictions. The CoC serves as the guidelines to which all employees are held accountable, ensuring they carry out their responsibilities while adhering to legal and ethical obligations.

The CoC is accessible to all the bank's employees at all levels through the internal portal "Arabina" and other means. The CoC applies to all employees, and they must acknowledge that they will abide by it. All new hires must take the CoC E-Learning within three months of employment, while existing staff must take the E-Learning regularly (every two years, alternating between the CoC E-Learning and the acknowledgment). All staff must sit for an exam after completing the training course.

Further, the Arab Bank has a Code of Conduct for Suppliers published on its website, which outlines the requirements for suppliers to conduct their business in conformity with applicable legal requirements, industry standards, and the bank's ethical standards. The Suppliers or potential suppliers may report to Arab Bank any violation, misconduct, unethical or questionable behavior by any Arab Bank employee, in violation of the bank's standards, related to procurement potential or existing dealings by reporting to the Ethics Committee email via the Speaking Up Channel on the Website.

Supporting Policies

The CoC is supported by several additional bank-wide policies. They include issues such as privacy, Combating Terrorist Financing and anti-money laundering, conflict of interest, as well as Anti-Bribery and corruption policy. Some of the most critical policies in this respect include:

Anti-Bribery and Corruption Policy:

This policy aims to enforce controls to combat bribery and defines restricted activities. This policy is communicated to all Arab Bank plc employees, as well as to the bank's suppliers, contractors, business partners, and the wider stakeholder group.

Know Your Customer (KYC), Anti-Money Laundering (AML), and Combating Terrorist Financing (CTF) Policy:

The bank's KYC, AML, and CTF policy ensures that all legal requirements are met in relation to exercising the required due diligence to determine the true identity of the bank's customers and maintain a clear understanding of their business, screening customers against sanction lists, and reporting suspicious activities.

Human Rights

At Arab Bank, we uphold and promote human rights in alignment with international leading practices. Its commitment is reflected in the bank's policies, business operations, and stakeholder engagements, ensuring that ethical and responsible practices are embedded in everything the bank does.

Guiding Policies and practices for Human Rights:

- Arab Bank CoC: sets the foundation for ethical behavior, holding all employees accountable for upholding the highest standards of human rights.
- Diversity, Equity and Inclusion (DEI): DEI practices ensure equal opportunities and a respectful workplace, reinforcing the bank's commitment to human rights. By fostering inclusion and ethical labor standards, we protect the rights of all employees and stakeholders.
- Code of Conduct for Suppliers: Upholds human rights by ensuring ethical labor practices, fair treatment, and the prohibition of forced and child labor across our supply chain.

Conduct Risk

Conduct risk is a key part of Arab Bank's risk management framework, ensuring ethical, professional, and responsible behavior across all operations. The bank's Conduct Risk Management Framework helps mitigate risks posed by unethical or inappropriate conduct that could affect customers, the bank's reputation, or financial stability.

Conduct Risk 2025 Focus

Effective conduct risk management is embedded in Arab Bank's culture, governance, and ethical standards, ensuring employee behavior aligns with regulatory expectations and the bank's values. In 2025, Group Regulatory Compliance (GRC), in coordination with country and Head Office functions, completed Conduct Risk Self-Assessments across two key pillars: "Our People" and "Our External Stakeholders," reinforcing a structured and proactive approach to managing conduct-related risks.

The "Our People" Risk Self-Assessment focused on ethical leadership, aligned incentives, and employee competency and integrity, while the "Our External Stakeholders" pillar addressed fair client outcomes, market integrity, financial crime compliance, and shareholder confidence. Together, these assessments enhance accountability, strengthen internal controls, and support transparent, responsible business practices in line with regulatory requirements and leading standards.

Ethics Committee

The Arab Bank Ethics Committee is responsible for monitoring the conduct of the bank's business in accordance with the highest ethical standards across all Arab Bank Branches. The purpose of this executive committee is to interpret and enforce Arab Bank CoC, and to investigate potential legal and regulatory violations, as well as whistleblowing incidents across the Arab Bank plc network. The Head of Group Regulatory Compliance chairs the Committee and includes the Heads of the HR and Legal Affairs Divisions. The Chair of the Ethics Committee reports regularly to the bank's Chief Executive Officer (CEO) as well as quarterly to the Compliance Committee of the Board on the Committee's activities.

Whistleblowing

Arab Bank's whistleblowing policy encourages third parties to raise concerns, and instructs employees to promptly report any potential violations of the CoC, Arab Bank policies and/or applicable laws and regulations to the Ethics Committee, while maintaining and protecting their anonymity. If an employee is unsure whether a violation has occurred, they are encouraged to submit their inquiries to Group Regulatory Compliance (GRC) at the Head Office.

Compliance Culture

The enterprise compliance program helps to enhance the bank's reputational capital by demonstrating compliance to the highest ethical standards. It is a robust system for identifying and managing regulatory compliance requirements across all jurisdictions in which we operate.

The program is designed to ensure effective and consistent implementation of policies, procedures, and training programs to meet regulatory requirements. It also drives a system of internal controls, including periodic monitoring and reporting, which ensures continuous compliance across its global network. Arab Bank's approach balances its business practices, revenue growth, customer experience, and risk management, so that any risk taken is the risk intended.

In 2025, GRC introduced initiatives to enhance compliance awareness, promote adherence to regulations, and empower employees with best practices in ethical conduct and risk management.

- Ethical Decision-Making Guide

In 2025, GRC developed a step-by-step guide for staff to evaluate and address ethical dilemmas and issues involving breaches of the AB Code of Conduct or applicable laws or regulations, ensuring that decisions are grounded in transparency, fairness, accountability, and respect. The guide was designed to help all staff navigate such challenges with confidence and clarity.

- Interactive Compliance Aware: Gamification and Awareness

To make compliance Awareness more engaging, the bank launched two editions of the Compliance Aware Gamification tool, covering key topics including:

- Customer Complaints Management
- Recognizing and Addressing Ethical Dilemmas (Part of Ethical Leadership Awareness Series for Managers).

During 2025, the GRC Compliance Learning Academy delivered 70+ Training sessions benefiting 1000+ AB staff across the group, covering compliance topics related to Trade-Based Financial Crime, AI and Financial Crime,

RegTech, Reporting Suspicious Transactions, Sanctions - High Risk Accounts, Tax Evasion, Intelligent Information Gathering and Complaint Classification, Compliance overview, in addition to Leadership practices. The bank also updated its e-learning programs, introducing revised courses on the Code of Conduct, Anti-Bribery & Corruption, Advanced KYC, AML, & CTF, and Treating Customers Fairly & Consumer Protection, and covering key regulatory requirements and indicators of unusual activity associated with bank products and services. Also, to reinforce Arab Bank's commitment to a zero-tolerance policy toward bribery and corruption, the bank maintains a culture of ethical conduct as a central value, emphasizing consumer rights, and fostering a customer-centric culture.

To further professional development, Arab Bank continues to support employees in obtaining compliance certifications, reinforcing expertise and adherence to best practices. This included obtaining the Combatting Trade Based Financial Crime (CTBFC) professional Certification Program.

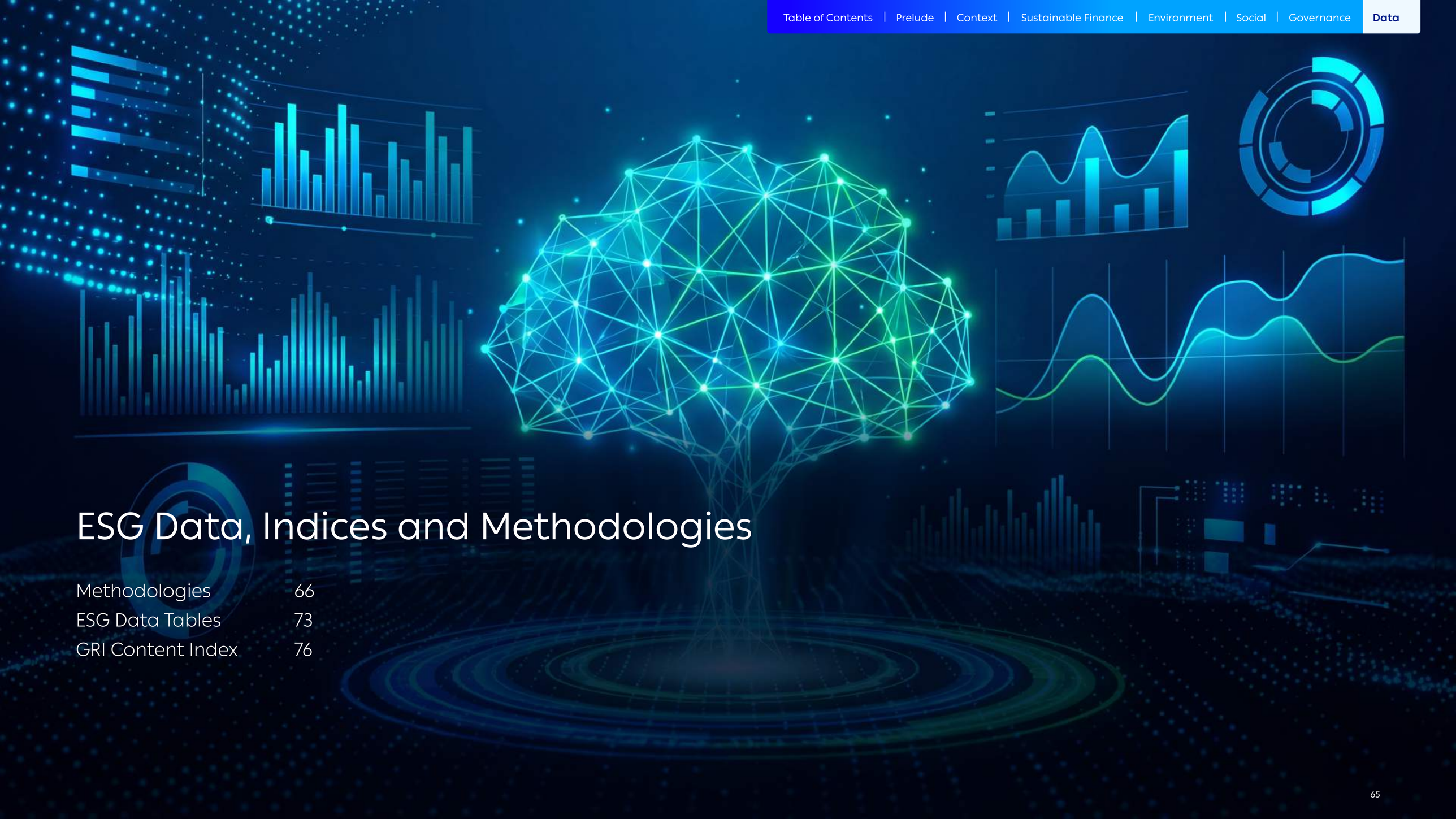
Tax Transparency

Arab Bank is committed to upholding integrity and transparency in its tax practices in all the jurisdictions where the bank operates.

The bank adheres to all applicable tax laws and regulations, ensuring compliance and minimizing potential risks and disputes. In order to determine fair and reasonable pricing for cross-border transactions, the bank follows authoritative guidelines, such as those issued by the OECD, to ensure that transactions are conducted at arm's length and fair price.

The bank has established strong internal controls and policies to comply with all domestic tax laws across the bank while adhering to the OECD standards regarding substance and transparency. Therefore, the bank aims to build and maintain a constructive, appropriate and open relationship with tax authorities. As a publicly listed company, the bank considers tax planning and risk management an essential and appropriate part of supporting the bank's strategic tax approach. Arab Bank will only engage in transactions where there is a high degree of confidence that the tax aspects will be accepted by the respective tax authorities.

For additional information on our Tax Transparency; please refer to our 2025 Annual Report.



ESG Data, Indices and Methodologies

Methodologies 66
ESG Data Tables 73
GRI Content Index 76

Greenhouse Gas (GHG) Emissions Calculation Methodology - Basis of Reporting

Purpose and Methodological Framework

Arab Bank plc calculates its greenhouse gas (GHG) emissions to understand, manage, and reduce the environmental impact of its operations and to support informed decision-making aligned with its sustainability strategy. The GHG inventory is prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, alongside relevant sector-specific and technical guidance, including the GHG Protocol Scope 2 Guidance and the GHG Protocol Corporate Value Chain (Scope 3) Standard. Emission quantification draws on the IPCC Guidelines for National Greenhouse Gas Inventories (2006, and the 2019 Refinement where applicable).

The methodology is designed to ensure transparency, consistency, and comparability over time, while reflecting the operational realities of a geographically diversified banking group. The inventory covers the reporting period 1 January to 31 December 2025, and all emissions are expressed in tonnes of carbon dioxide equivalent (tCO_2e).

Organizational and Operational Boundaries

Arab Bank plc applies the operational control approach to define its organizational boundary. Under this approach, the bank accounts for 100% of emissions from operations over which it has operational control, comprising branches, offices, and facilities across its twelve countries of operation: Algeria, Bahrain, China, Egypt, Jordan, Lebanon, Morocco, Palestine, Qatar, Singapore, the United Arab Emirates, and Yemen. All vehicles within this boundary are owned and operated by the bank, and no leased-vehicle emissions arise.

The operational boundary covers emissions categorized under Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased electricity), and selected Scope 3 (other indirect emissions) categories considered relevant and material to the bank's activities. Financed emissions are excluded from this inventory and are addressed separately in line with the Partnership for Carbon Accounting Financials (PCAF) methodology.

The organizational boundary is consistent across the inventory; however, the coverage of individual emission sources varies by category according to data availability and materiality. Stationary combustion, mobile combustion, and Scope 2 are reported for all twelve countries. Where a specific source or country is excluded from a given category — for example, the exclusion of air-conditioning and refrigeration fugitive emissions for the Singapore office on the basis of data availability and immateriality — this is disclosed in the corresponding section below.

Where activity data is unavailable or controlled by third parties (for example, landlord-controlled utilities), the bank assesses materiality and either obtains the data, applies a documented estimation or proxy approach, or excludes the source where it is assessed as immaterial, with any such exclusion disclosed. Nil values represent genuine zero activity and are not used to represent missing or unavailable data.

Estimates and Proxies

Estimates and proxies are used only where primary activity data is unavailable. The bank applies the following hierarchy: (1) measured or invoiced data; (2) documented estimation based on reasonable assumptions; and (3) proxy data. Estimates and proxies are applied consistently across reporting periods, and material estimates and proxies are disclosed in the relevant sections of this methodology.

Gases Covered and Global Warming Potentials

The inventory accounts for emissions of carbon dioxide (CO_2), hydrofluorocarbons (HFCs), and — in the interest of completeness — certain substances controlled under the Montreal Protocol that remain in use in the bank's legacy equipment, specifically HCFC-22 (R-22) in air-conditioning and refrigeration and Halon-1211 (BCF) in fire-suppression systems, notwithstanding that these fall outside the Kyoto Protocol basket of gases. Methane (CH_4) and nitrous oxide (N_2O) from fuel combustion are excluded on the basis of materiality, as they represent substantially less than 1% of combustion-related CO_2e for the fuels used. Sulphur hexafluoride (SF_6), perfluorocarbons (PFCs), and nitrogen trifluoride (NF_3) are not associated with the bank's operations and are therefore not included.

HFC, R-22, and BCF emissions are converted to carbon dioxide equivalent using 100-year global warming potential (GWP) values from the IPCC Sixth Assessment Report (AR6), applied consistently across all reporting periods. All emissions are expressed in tonnes of carbon dioxide equivalent (tCO_2e).

Scope 1 Emissions: Direct Emissions

Stationary Combustion

Scope 1 stationary combustion emissions arise from the consumption of diesel by backup generators operated by the bank across its branches and offices. Diesel is the only stationary combustion fuel used within the bank's operational boundary; no natural gas, LPG, or other stationary fuels are consumed.

Activity data (litres of diesel consumed) is obtained from actual records in each country, sourced either from internal consumption-recording systems or from the financial system in which fuel invoices are captured. No estimation, extrapolation, or spend-based proxying is applied; all reported consumption reflects measured or invoiced quantities. Countries that do not operate backup generators, or that recorded no diesel consumption during the reporting period, are reported as nil — these are genuine zero values rather than data gaps, and all twelve countries of operation are accounted for.

Emissions are quantified for carbon dioxide (CO_2) using a Tier 1 approach based on default emission factors from the IPCC 2006 Guidelines. Diesel consumption in litres is multiplied by an emission factor of 2.71 kg CO_2 per litre and aggregated to tonnes of carbon dioxide equivalent (tCO_2e). The same emission factor is applied uniformly across all countries of operation; country-specific diesel emission factors were not available and were therefore not used. Methane and nitrous oxide are excluded on the materiality basis described in the inventory's gas-coverage policy.

Mobile Combustion

Mobile combustion emissions result from fuel consumed by vehicles owned and operated by the bank. All vehicles within the inventory are bank-owned and under the bank's operational control; the bank holds no leased vehicles. The fleet comprises passenger vehicles, cash-transport vehicles, and light pickup trucks, fuelled by petrol and diesel.
Activity data (litres of fuel consumed) is obtained from actual records in each country — fleet fuel logs, vendor fuel reports, and expense records captured in internal and financial systems. No estimation, mileage-based, or spend-based proxying is applied; all reported consumption reflects measured or invoiced quantities.

Countries with no bank-owned fleet, or with no recorded fuel consumption during the reporting period, are reported as nil — these are genuine zero values rather than data gaps. Emissions are quantified for carbon dioxide (CO_2) using a Tier 1 approach based on default emission factors from the IPCC 2006 Guidelines. Fuel consumption in litres is multiplied by the applicable per-litre emission factor — 2.71 kg CO_2/L for diesel and 2.2 kg CO_2/L for petrol — and aggregated to tonnes of carbon dioxide equivalent (tCO_2e). Emission factors are applied uniformly across all countries of operation; country-specific factors were not available and were therefore not used. Methane and nitrous oxide are excluded on the materiality basis described in the inventory's gas-coverage policy.

Fugitive Emissions – Air Conditioning and Refrigeration Systems

Fugitive emissions arise from the leakage of refrigerant gases from air-conditioning and refrigeration equipment operated by the bank. Emissions are estimated using a capacity-based (charge-based) approach consistent with the IPCC methodology, in which the refrigerant charge held in each unit is estimated from its cooling capacity and lifecycle-based leakage rates are applied to that charge.

Equipment in scope comprises split-unit air conditioners, window air conditioners, central air-conditioning systems and chillers, refrigerators, and freezers. Data on equipment type, refrigerant, cooling capacity, and lifecycle status is sourced from procurement records, maintenance reports, and vendor documentation, and compiled into a unit-level register maintained by the ESG Office. The refrigerants in use are R-22, R-32, R-134a, R-407C, and R-410A.

For each unit, the cooling capacity (in tons of refrigeration [TR] or kilowatts [kW]) is converted to an estimated refrigerant charge in kilograms by applying a standard charge-to-capacity conversion factor, applied consistently across all equipment. Lifecycle-stage leakage rates are then applied to the estimated charge to determine the annual leakage quantity: rates differ according to whether the unit was newly installed, operating throughout the year, or decommissioned during the reporting period, and according to equipment type, so as to reflect installation (first-fill), operating, and end-of-life losses. The quarter of commissioning or decommissioning is used to prorate operating leakage over the portion of the year the unit was in service. The leaked quantity of each refrigerant is multiplied by its 100-year global warming potential from the IPCC Sixth Assessment Report (AR6) and aggregated to tonnes of carbon dioxide equivalent (tCO_2e).

No direct measurement of refrigerant leakage is performed; emissions are estimated on a capacity basis. The conversion factor and leakage-rate assumptions are based on established refrigeration and air-conditioning emission-estimation practice consistent with the IPCC methodology, applied uniformly across all countries and reporting periods to ensure comparability, and are documented in the bank's supporting working papers.

Fugitive emissions from air-conditioning and refrigeration are reported for all countries of operation with the exception of Singapore, where the office occupies a small footprint within a multi-tenant building and its air-conditioning and refrigeration fugitive emissions are neither separately metered nor reliably attributable to the bank; these are assessed as immaterial and excluded from this category.

Fugitive Emissions – Fire Suppression Systems

Fugitive emissions from fire-suppression systems arise from the release of suppression agents from equipment operated by the bank, whether through discharge during emergency, accidental, or maintenance and testing events, or through gradual leakage from charged systems. Fire-suppression systems are included where they are under the bank's operational control; systems controlled by third parties, such as landlord-operated building systems, are excluded. Emissions are estimated using a capacity-based approach consistent with the IPCC methodology, in which the agent charge held in each system is determined and a release/leakage rate is applied to estimate the quantity emitted during the reporting period.

Equipment in scope comprises fixed fire-suppression systems and portable fire extinguishers across the bank's facilities. Data on equipment type, suppression agent, agent charge, and any discharges is sourced from maintenance records and vendor documentation, including the type, size, and quantity of units and any discharges occurring during maintenance, drills, or emergency events. The suppression agents in use are carbon dioxide (CO_2), HFC-227ea (FM-200), and Halon-1211 (BCF). As noted in the inventory's gas-coverage policy, BCF is a Montreal Protocol substance included here in the interest of completeness, notwithstanding that it falls outside the Kyoto Protocol basket of gases.

No direct measurement of agent release is performed. For each system, the estimated quantity of agent released is determined by applying a release/leakage rate to the agent charge, with rates reflecting established fire-suppression emission-estimation practice consistent with the IPCC methodology and applied consistently across all countries and reporting periods.

The released quantity of each agent is multiplied by its 100-year global warming potential from the IPCC Sixth Assessment Report (AR6) and aggregated to tonnes of carbon dioxide equivalent (tCO_2e). For carbon dioxide used as a suppression agent, a global warming potential of 1 applies, such that the reported emissions equal the mass of CO_2 released. Fire-suppression fugitive emissions are reported for all twelve countries of operation.

Scope 2 Emissions: Indirect Emissions from Purchased Electricity

Scope 2 emissions arise from electricity purchased and consumed by the bank's branches and offices across all twelve countries of operation. Electricity consumption data (in kWh) is collected primarily from utility bills. Where primary electricity consumption in kWh is unavailable, consumption is estimated using a documented approach (cost divided by an average unit tariff). For FY2025, this estimation approach is applied for Egypt and Palestine, where billing records capture cost rather than quantity; all other countries use invoiced or metered kWh. For Egypt, consumption is estimated using an average unit tariff of 1.98 EGP/kWh.

For Palestine, electricity bills are obtained from the Financial Controller and are issued in Jordanian Dinars (JOD). Billed amounts are converted from JOD to Israeli Shekels (NIS) using the average 2025 JOD/NIS exchange rate, and the resulting NIS cost is divided by an average unit tariff to derive estimated consumption in kWh. The unit tariff applied is 0.6994 NIS/kWh, drawn from the Palestinian Territory Prime Minister's Decree on electricity prices for 2025, and is applied to all buildings and branches with the exception of the Nablus branch, for which a tariff of 0.733 NIS/kWh is applied in line with the applicable Israeli electricity tariffs. Where a utility invoice covers a period of more than one month, the billed cost is apportioned equally across the number of months covered by that invoice to derive a monthly consumption estimate.

For FY2025, Scope 2 emissions are reported on a location-based basis, applying country-specific national grid emission factors to each country's electricity consumption, in line with the GHG Protocol Scope 2 Guidance. Grid emission factors are selected using the following hierarchy: (1) country-specific official factors where available; (2) reputable international datasets where country-specific factors are unavailable; and (3) regional or default factors as a last resort. In practice, factors are drawn primarily from the IGES List of Grid Emission Factors, supplemented by UNFCCC tools (the UNFCCC GHG Calculator and the UNFCCC Harmonised IFI Default Grid Factors) and other published national sources where required. The most recent publicly available factor is applied for each country.

Scope 3 Emissions: Other Indirect Emissions

To enhance the completeness and accuracy of its GHG inventory, Arab Bank plc reports on selected Scope 3 categories relevant to its operational footprint and value chain, calculated in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard. The reporting boundary for Scope 3 covers the bank's twelve countries of operation, together with the central purchasing entities ACSS and AGT, which procure on behalf of the bank's operations in the Gulf Cooperation Council (GCC) countries. Activity data is sourced from the bank's procurement, travel, and waste-management systems, and includes purchases made centrally by these entities on behalf of country operations. Category-specific exclusions, where a source is immaterial or data is unavailable, are disclosed in the relevant sections.

The categories assessed as relevant and reported are Categories 1, 2, 3, 5, 6, and 7. The remaining Scope 3 categories have been assessed and are not reported, on the following basis. Category 15 (Investments), comprising the bank's financed emissions, is excluded from this inventory and disclosed separately in the bank's Climate Report in line with the PCAF methodology. The remaining categories — including Category 4 (Upstream Transportation and Distribution), Category 8 (Upstream Leased Assets), and Categories 9 to 14 — are assessed as not material to the bank's operations as a financial-services provider and are therefore not reported. The bank periodically reviews the relevance and materiality of all Scope 3 categories and will expand coverage where future assessments identify material sources.

Category 1: Purchased Goods and Services

Category 1 covers upstream emissions from the production of goods and services procured by the bank for its own operations. This includes printed materials and forms, office and stationery supplies, IT hardware and software maintenance and support contracts, software licences and other IT intangible assets, communications and network services, professional, cleaning, security, administrative and general services, courier, mail and logistics services, and cash replenishment services (CIT and ATM). It excludes capital goods, which are reported under Category 2; fuel- and energy-related upstream impacts, reported under Category 3; and purchased electricity, reported under Scope 2.
Emissions are calculated using a spend-based method. Procurement expenditure is extracted in US dollars from the bank's centralised procurement system, covering all twelve countries of operation and the central purchasing entities ACSS and AGT. Each line of expenditure is mapped to a corresponding industry category, to which an environmentally-extended input-output (EEIO) emission factor expressed in $kgCO_2e$ per US dollar is applied; emission factors are drawn from the U.S. Environmental Protection Agency (EPA) EEIO dataset. The resulting emissions are aggregated to tonnes of carbon dioxide equivalent (tCO_2e).
As a spend-based approach, this method estimates emissions from the economic value of goods and services rather than physical activity data, and is applied using reported expenditure without adjustment to the emission factors' underlying price year; it therefore provides a reasonable estimate appropriate to the materiality of these categories, with accuracy expected to improve as more activity-based data becomes available.

Category 2: Capital Goods

Category 2 covers upstream emissions from the production of capital goods purchased by the bank. This includes IT hardware (such as personal computers, laptops, servers, ATMs, point-of-sale devices, and networking equipment), office furniture, and office equipment. Items are classified as capital goods on the basis of their internal treatment by the bank's Finance and Procurement functions as capital assets or capital expenditure, distinguishing them from operational purchases reported under Category 1. The acquisition or construction of buildings is included within the scope of this category; no such capital expenditure was recorded during the reporting period, and this item is therefore reported as nil for 2025.

Emissions are calculated using a spend-based method consistent with that applied to Category 1. Capital expenditure is extracted in US dollars from the bank's procurement and asset-management systems, covering all twelve countries of operation and the central purchasing entities ACSS and AGT. Each line of expenditure is mapped to a corresponding industry category, to which an EPA EEIO emission factor expressed in $kgCO_2e$ per US dollar is applied. Expenditure is applied nominally, without adjustment to the emission factors' underlying price year. Results are aggregated to tonnes of carbon dioxide equivalent (tCO_2e).

Category 3: Fuel- and Energy-Related Activities (Not Included in Scope 1 or 2)

Category 3 covers upstream emissions associated with the fuels and electricity consumed by the bank that are not captured in Scope 1 or Scope 2. Three components are reported: well-to-tank (WTT) emissions from the production and distribution of combustion fuels used in Scope 1; transmission and distribution (T&D) losses arising from purchased electricity reported in Scope 2; and WTT emissions associated with the generation of that purchased electricity.

The activity data underlying this category is consistent with the data used for Scopes 1 and 2 — litres of diesel and petrol, and kilowatt-hours of purchased electricity, respectively — ensuring alignment across the inventory. All twelve countries of operation are included. WTT emissions from fuels are calculated by applying upstream emission factors to the same fuel quantities reported under stationary and mobile combustion, drawn from U.S. EPA EEIO and World Bank data. Electricity T&D loss emissions are calculated by applying a country-specific transmission and distribution loss rate to electricity consumption to determine the quantity of electricity lost, and applying the corresponding national grid emission factor to that quantity; grid emission factors are consistent with those applied under Scope 2. WTT emissions from electricity generation are calculated by applying an upstream generation emission factor of 0.084 $kgCO_2e/kWh$ to electricity consumption, sourced from the IEA and applied uniformly across all countries as a reasonable estimate. All results are aggregated to tonnes of carbon dioxide equivalent (tCO_2e).

Category 5: Waste Generated in Operations

Category 5 covers emissions from the treatment and disposal of waste generated by the bank's operations. The waste streams reported are mixed paper, mixed municipal solid waste, mixed plastics, and mixed electronic waste, each assigned to its applicable treatment route — landfill or recycling. Emissions are calculated on a waste-type and treatment-route specific basis: the quantity of each waste stream (in tonnes) is multiplied by an emission factor corresponding to both the material type and its treatment method, drawn from the U.S. EPA (2024), and aggregated to tonnes of carbon dioxide equivalent (tCO_2e).
For Palestine, recycled waste additionally includes wooden office furniture recovered through refurbishment. Where furniture units are recycled and refurbished for continued reuse within the bank, the total recycled quantity is estimated by multiplying the average weight of a single unit by the total number of units refurbished during the reporting period. This quantity is included within the recycled waste stream for Palestine and is calculated on the same basis as other recycled material.

The bank applies differentiated approaches to activity data according to availability. Quantities of recycled waste are obtained from waste-management vendors, supported by invoices and proofs of processing, and therefore reflect documented activity data. Quantities of general (non-recycled) waste sent to landfill are estimated, as direct weighbridge data is not consistently available across the bank's operations; estimates are derived using operational proxies, such as the number of waste-collection runs combined with the capacity of collection vehicles, or short-term sampling of daily waste weights extrapolated across the reporting period. These estimation techniques are applied consistently and are disclosed in the interest of transparency; the bank intends to improve the granularity of waste activity data in future reporting cycles. All twelve countries of operation are included in this category.

Category 6: Business Travel (Including Accommodation)

Category 6 covers emissions from employee business travel and associated overnight accommodation. Travel emissions and accommodation emissions are calculated separately and then combined to give the total for the category. The destination country recorded for each entry refers to the location travelled to, which may lie outside the bank's countries of operation.

Business travel emissions are calculated using a distance-based method. For each trip, the number of passengers, the distance travelled, and the mode of transport (air or land) are recorded; the total return-trip distance is used as the basis for calculation. Distances are recorded in kilometres and converted to miles to match the basis of the applicable emission factors. For air travel, journeys are automatically assigned to distance bands (short-, medium-, or long-haul) based on trip distance, and the corresponding distance-band and mode-specific emission factor is applied; land travel (rail and bus) is treated using its respective mode-specific factor. Emission factors are drawn from the UK Department for Environment, Food & Rural Affairs (DEFRA) 2024 dataset and applied to distance to derive emissions in tonnes of carbon dioxide equivalent (tCO_2e). Trips recorded with a nil distance value represent same-day round trips, where the employee travelled to and returned from the destination within the same day; these are genuine zero values and do not represent missing or unavailable data.

Accommodation emissions are calculated on a hotel-night basis. For each stay, the number of rooms booked and the number of nights per room are recorded, and a country-specific per-room-per-night emission factor from the DEFRA 2024 dataset is applied. For Jordan, where accommodation nights are not separately captured, nights of stay are derived from ticket-based travel days for each trip, calculated as total days of travel less one night.

Where a country-specific accommodation factor is not available within the DEFRA dataset, the bank applies, as a secondary source, factors from the Greenview Global Hotel Footprinting Tool (https://greenview.sg/resources/hotel-footprinting-tool/#hft-calculator); factors drawn from this source are documented and identified within the Emission Factor Repository. Where a factor cannot be sourced from either dataset, the factor for the geographically nearest available country is applied as a proxy; on this basis, the factor for India is applied to the British Indian Ocean Territory, being the closest country for which a factor is available. Similarly, for certain destinations — including Syria and Yemen — where neither dataset provides a country-specific or nearest-country factor, the factor for a comparable country (Jordan) is applied as a proxy. These proxy approaches are applied to address gaps in available data and are disclosed in the interest of transparency.

Category 7: Employee Commuting

Category 7 covers emissions from employees commuting between home and the workplace. For the purposes of this category, employees comprise full-time and part-time employees of the bank; contractors and interns are excluded from the commuting boundary. The commuting scope covers home-to-workplace travel only; business travel is excluded and reported under Category 6. Remote-working days are captured through the survey's frequency data and are treated as zero-commute days.

Emissions are calculated using a survey-based method. In each country of operation, a sample of employees is surveyed to capture commuting mode, one-way distance, and frequency. The survey results are used to derive average commuting emissions per employee for each country, which are then extrapolated to that country's total employee headcount for 2025 to estimate total commuting emissions, ensuring complete population coverage while limiting reporting burden.

The survey achieved substantial coverage across the group, with responses from approximately 1,846 employees against a total workforce of 7,216 — an overall sampling rate of around 26%, and considerably higher in smaller operations. Commuting distances are recorded in kilometres and processed using mode-specific emission factors from the UK Department for Environment, Food & Rural Affairs (DEFRA) 2024 dataset. To convert per-trip survey data into annual emissions, an assumed 247 commuting days per year is applied, based on a five-day working week adjusted for public holidays and annual leave. All twelve countries of operation are included, and emissions are aggregated to tonnes of carbon dioxide equivalent (tCO_2e).

Emission Factors and Data Sources

Emission factors are selected on the basis of relevance, geographical specificity, recency, and data availability, with the aim of applying the most representative factor available for each emission source.

The bank applies a selection hierarchy that prioritises country-specific factors where these are available and reliable — as is the case for Scope 2 grid factors — and otherwise applies recognised international default or activity-specific factors applied consistently across all countries of operation. Where a factor is not available for a specific country or destination, a documented proxy is applied, using the most comparable available factor, and disclosed in the relevant section. Emission factors are reviewed each reporting cycle, and the most recent published version available at the time of preparation is applied; any change in factor source or version, and its rationale, is documented in the supporting working papers. The factor datasets applied by category are summarised below.

Emission source / category	Emission-factor dataset(s)
Stationary & mobile combustion	IPCC 2006 Guidelines (default CO_2 factors, per litre)
Fugitive – refrigerants & fire-suppression agents	IPCC Sixth Assessment Report (AR6) – 100-year GWPs
Scope 2 – purchased electricity	IGES List of Grid Emission Factors; UNFCCC GHG Calculator; UNFCCC Harmonised IFI Default Grid Factors
Scope 3 Cat 1 & 2 – purchased & capital goods	U.S. EPA EEIO (per US dollar)
Scope 3 Cat 3 – WTT for fuels	U.S. EPA EEIO and World Bank data
Scope 3 Cat 3 – T&D losses & WTT for electricity	National grid factors (per Scope 2); IEA (upstream generation, 0.084 $kgCO_2e/kWh$)
Scope 3 Cat 5 – waste	U.S. EPA (2024)
Scope 3 Cat 6 – business travel & accommodation	UK DEFRA (2024)
Scope 3 Cat 7 – employee commuting	UK DEFRA (2024)

Data Quality, Quality Assurance, and Controls

Arab Bank plc applies a structured Quality Assurance and Quality Control (QA/QC) framework to ensure the accuracy, completeness, and consistency of its GHG inventory. Activity data is collected at country level through standardised data-collection templates by designated ESG Champions, and is consolidated and centrally validated by the ESG Office. Validation includes checks for completeness across all countries and emission sources, review of outliers and unit consistency, and verification that reported activity data is supported by underlying records. These compilation checks are applied in particular to the key datasets underpinning the inventory, including Scope 2 electricity consumption, mobile and stationary fuel consumption, and the fugitive-emissions equipment registers.

The bank distinguishes between measured, documented, and estimated activity data, and prioritises higher-quality data where available. Fuel consumption and purchased-electricity data are drawn from invoices, internal recording systems, and financial records; recycled-waste quantities are supported by vendor invoices and proofs of processing; and, where direct data is not available, transparent estimation techniques are applied and disclosed in the relevant sections. All key assumptions, estimation techniques, and emission-factor selections are documented, and all calculation files and supporting documentation are retained to ensure traceability and auditability.

Base Year and Recalculation Policy

The year 2025 has been selected as the base year for the bank's GHG inventory, representing the first year for which a complete inventory has been prepared across Scopes 1, 2, and the selected Scope 3 categories. The base year provides the reference point against which future performance and progress toward emission-reduction objectives will be measured.

In line with the GHG Protocol Corporate Standard, base-year emissions are recalculated where structural or methodological changes would otherwise compromise the consistency and comparability of the inventory over time. Triggers for recalculation include mergers, acquisitions, or divestitures; changes in organizational or operational boundaries; changes in calculation methodology or improvements in the accuracy of emission factors or activity data; and the identification of significant errors or a number of cumulative errors that are collectively significant. A recalculation is undertaken where the cumulative effect of such changes on base-year emissions exceeds a significance threshold of 10% of total base-year emissions. Recalculations, and the rationale for them, are documented and disclosed in the reporting period in which they occur.

Data Tables

Governance

Governance Structure and Composition

	Unit	Scope	2023	2024	2025
Total number of board of directors	Number	AB plc	11	10	11
Gender					
Females	Number	AB plc	0	0	1
Males	Number	AB plc	11	10	10
Percentage of female members	%	AB plc	0	0	9
Percentage of male members	%	AB plc	100	100	91
Independence					
Number of independent members	Number	AB plc	5	5	5
Percentage of independent members	%	AB plc	45	50	45
Executives					
Executive members	%	AB plc	0	0	0
Non-executive members	%	AB plc	100	100	100
Board oversight on ESG	-	AB plc	Yes	Yes	Yes
Total number of critical concerns communicated to the board	Number	AB plc	0	0	0

Business Ethics

	Unit	Scope	2023	2024	2025
Number of incidents of corruption	Number	AB plc	0	0	0
Number of confirmed incidents of corruption in which employees were dismissed or disciplined	Number	AB plc	0	0	0
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to corruption	Number	AB plc	0	0	0
Total number of employees anti-corruption policies communicated to	Number	AB plc	—	7,164	6,822
Percentage of employees receiving anti-corruption training from total targeted employees	%	AB plc	—	96.0	99.0
Total number of employees receiving anti-corruption training	Number	AB plc	—	7,164	6,420
Percentage of employees anti-corruption policies communicated to from total targeted employees	%	AB plc	—	96.0	99.0

Business Ethics

	Unit	Scope	2023	2024	2025
Total number of identified leaks, thefts, or losses of customer data	Number	AB plc	0	0	0

Environment

Energy Consumption for Operations

	Unit	Scope	2023	2024	2025
Gasoline consumption	Liters	AB plc	193,132	232,454	218,046
Diesel consumption	Liters	AB plc	90,144	120,941	116,825
Heating diesel and standby electricity generators	Liters	AB plc	161,975	758,841	422,338
Total electricity consumption from conventional resources	kWh	AB plc	20,283,803	28,238,616	30,702,099
Total electricity consumption from renewable resources	kWh	AB plc	18,079,800	18,784,817	18,866,876
Percentage of electricity from renewable resources	%	AB plc	47	40	38
Total energy consumption within the bank	GJ	AB plc	89,421	143,874	138,968
Energy intensity	GJ/employee	AB plc	12.0	20.1	19.3
Energy Intensity	GJ/$ of Revenue	AB plc	-	-	0.039

Emissions

	Unit	Scope	2023	2024	2025
Scope 1 GHG emissions - stationary combustion	tCO2e	AB plc	436.1	2,055.2	1,143.8
Scope 1 GHG Emissions - mobile combustion	tCO2e	AB plc	645.4	839.5	796.5
Scope 1 GHG emissions - fugitive emissions	tCO2e	AB plc	-	861.6	604.6
Scope 1 GHG emissions - total	tCO2e	AB plc	1,081.5	3,756.4	2,544.9
Scope 2 GHG emissions	tCO2e	AB plc	9,929.3	13,560.5	18,170.3
Scope 1 + 2 GHG emissions	tCO2e	AB plc	11,010.8	17,316.9	20,715.2
Scope 3 GHG emissions - purchased goods and services	tCO2e	AB plc	-	8,877.0	12,263.1
Scope 3 GHG Emissions - capital goods	tCO2e	AB plc	-	3,342	3,679.6
Scope 3 GHG emissions - fuel and energy related activities	tCO2e	AB plc	-	5,415.5	6,351.8
Scope 3 GHG emissions - business travel	tCO2e	AB plc	-	770.9	22,314.5
Scope 3 GHG emissions - employee commuting	tCO2e	AB plc		-	8,770.8
Scope 3 GHG emissions - waste generated by operations	tCO2e	AB plc	-	-	0.5
Scope 3 GHG emissions - total (excluding financed emissions)	tCO2e	AB plc	-	18,405.3	53,380.4
Total GHG emissions	tCO2e	AB plc	11,010.8	35,722.1	74,095.6
GHG emissions intensity	tCO2e/Employee	AB plc	1.5	5.0	10.3

Water Consumption

	Unit	Scope	2023	2024	2025
Water consumption	m^3	AB plc	149,533.2	141,675.8	137,274.9
Water discharge	m^3	AB plc	149,533.2	141,675.8	137,274.9
Water intensity	m^3/employee	AB plc	20.1	19.8	19.0

Material and Waste Management

	Unit	Scope	2023	2024	2025
Paper consumption	Tons	AB plc	407.6	480.3	399.8
Paper recycled	Tons	AB plc	139.3	92.5	195.6
Percentage of paper recycled	%	AB plc	34	19	38
Waste to landfill	Tons	AB plc	977	1,013.8	883.7
Waste recycled by type - furniture	Tons	AB plc	0	0	4.1
Waste recycled by type - E-waste	Tons	AB plc	0	0	5.3
Waste recycled by type - plastic	Tons	AB plc	0	0	1

Social

Suppliers

	Unit	Scope	2023	2024	2025
New suppliers screened using social criteria	%	AB plc		100	100
Local procurement spending from total spending	%	AB plc		92	93
Total number of suppliers	Number	AB plc	1,178	2,482	2,828
Number of local suppliers	Number	AB plc	976	1,935	2,089
Suppliers whose company is owned by females	Number	AB plc	124	269	903

Employees

	Unit	Scope	2023	2024	2025
Contracts					
Total number of employees (full-time and part-time)	Number	AB plc	7,431	7,154	7,216
Total number of employees (full-time)	Number	AB plc	7,431	7,154	7,216
Total number of employees (part-time)	Number	AB plc	0	0	0
Full-time contract	Number	AB plc	7,381	7,154	7,216
Temporary contract	Number	AB plc	63	111	131
Workers who are not employees and controlled by the bank	Number	AB plc	1,103	1,185	1,204
Diversity					
Employees by gender - females	Number	AB plc	2,897	2,846	2,863
Employees by gender - males	Number	AB plc	4,534	4,308	4,353
Female employees in senior management	%	AB plc	20.9	22.3	23.6
Female employees in middle management	%	AB plc	34.8	36.1	36.2
Age Groups					
18-29	Number	AB plc	2,105	2,034	2,052
30-50	Number	AB plc	4,542	4,490	4,530
Over 50	Number	AB plc	734	630	634
Employment Level					
Number of senior level employees	Number	AB plc	278	274	280
Number of middle management employees	Number	AB plc	2,059	2,067	2,237
Number of non-management employees	Number	AB plc	4,568	4,381	4,292
Number of non-clerical employees	Number	AB plc	476	432	407
Nationalization rates and nationalization rate for senior management can be found in the data pack					
Employees with Disability	Number	AB plc	137	128	167
Parental leaves					
Employees entitled for parental leave – females	Number	AB plc	171	164	156
Employees entitled for parental leave – males	Number	AB plc	179	163	184
Employees that took parental leave – females	Number	AB plc	171	164	156
Employees that took parental leave – males	Number	AB plc	179	163	184
Employees that returned to work after parental leave – females	Number	AB plc	150	138	134
Employees that returned to work after parental leave – males	Number	AB plc	181	161	184
Employees that returned to work after parental leave ended that were still employed 12 months after their return to work – females	Number	AB plc	167	157	121
Employees that returned to work after parental leave ended that were still employed 12 months after their return to work - males	Number	AB plc	179	164	175
Return to work rate of employees that took parental leave per country can be found in the data pack					
Retention rates of employees that took parental leave per country can be found in the data pack					

Health and Safety

	Unit	Scope	2023	2024	2025
Fatalities as a result of work-related injury	Number	AB plc	0	0	0
High-consequence work-related injuries (excluding fatalities)	Number	AB plc	1	0	0
Recordable work-related injuries	Number	AB plc	22	23	12
Fatalities as a result of work-related ill health	Number	AB plc	0	0	0
Recordable work-related injury or ill health	Number	AB plc	14	22	12
Employee absentee rates per country can be found in the data pack					

Salaries

	Unit	Scope	2023	2024	2025
Ratio of basic salary and remuneration of women to men	Number	Ratios per country can be found in the data pack			
Ratio of basic salary and remuneration of women to men by employment level - senior management	Number				
Ratio of basic salary and remuneration of women to men by employment level - middle management	Number				
Ratio of basic salary and remuneration of women to men by employment level - non-management	Number				
Ratio of basic salary and remuneration of women to men by employment level - non-clerical	Number				
Ratio of entry level wage to minimum wage for full time employees	Number				
Ratio of entry level wage to minimum wage for full time female employees	Number				
Ratio of entry level wage to minimum wage for full time male employees	Number				

Employees' Children Scholarships

	Unit	Scope	2023	2024	2025
Grants provided to employees' children to go to universities	USD	AB plc	245,327	290,403	616,168
Number of employees who benefitted from employees' children scholarship program	Number	AB plc	123	122	187
Number of students who benefitted from employees' children scholarship program	Number	AB plc	140	139	275

Training and Capacity building

	Unit	Scope	2023	2024	2025
Average hours of training per employee	Number	AB plc	13.8	26.0	63.8
Average hours of training per employee - females	Number	AB plc	15.4	28.8	73.0
Average hours of training per employee - males	Number	AB plc	12.7	24.2	57.7
Average hours of training per employee - senior management	Number	AB plc	3.8	17.5	37.7
Average hours of training per employee - middle management	Number	AB plc	11.8	25.3	58.0
Average hours of training per employee - non-management	Number	AB plc	16.6	29.4	74.0
Average hours of training per employee - non-clerical	Number	AB plc	1.0	0.6	5.5
Total training hours provided	Number	AB plc	101,559	185,275	460,081
Total cost of trainings	000' USD	AB plc	2,326	2,526	2,770

Hiring and Turnover

	Unit	Scope	2023	2024	2025
Hires					
Total new employee hires	Number	AB plc	1,174	1,031	994
New employee hires – females	Number	AB plc	478	413	385
New employee hires – males	Number	AB plc	696	618	609
New employee hires - 18-29	Number	AB plc	854	681	609
New employee hires - 30-50	Number	AB plc	313	341	370
New employee hires - over 50	Number	AB plc	7	9	15
Turnover					
Employee turnover – voluntary	%	AB plc	10.9	12.4	9.7
Employee turnover – involuntary	%	AB plc	3.4	5.2	3.3
Total employee turnover	%	AB plc	14.3	17.6	13.0
Total employee turnover - females	%	AB plc	12.9	15.9	12.8
Total employee turnover - males	%	AB plc	15.2	18.8	13.1
Total employee turnover - 18-29	%	AB plc	21.3	24.1	19.2
Total employee turnover - 30-50	%	AB plc	9.9	12.5	9.5
Total employee turnover - over 50	%	AB plc	21.1	33.5	18.5

Corporate Social Responsibility

	Unit	Scope	2023	2024	2025
Total community investments	000' USD	AB plc	25,217	25,954	27,007
Pre-tax profits Invested in the community	%	AB plc	3.4	3.1	1.6
Number of beneficiaries of Arab Bank community investments	Number	AB plc	602,996	2,523,521	2,853,663
Total volunteering hours	Hours	AB plc	3,974	4,755	5,764
Total volunteering hours by gender - females	Hours	AB plc	1,787	2,100	2,951
Total volunteering hours by gender - males	Hours	AB plc	2,119	2,655	2,813
Total number of volunteers	Number	AB plc	659	776	930
Total number of volunteers by gender - females	Number	AB plc	222	270	347
Total number of volunteers by gender - males	Number	AB plc	437	506	583
Total number of volunteering participation	Number	AB plc	1,257	1,503	1,805
Total number of volunteering activities	Number	AB plc	99	117	129
Number of NGO employees attending courses of Capacity Building program	Number	AB plc	217	327	413
Number of courses	Number	AB plc	9	16	23
Hours of courses	Hours	AB plc	804	1,765	2,316
Customer donations					
Donations received through Internet Banking	JOD	Jordan	118,551	142,224	120,565
Donations received through ATMs	JOD	Jordan	36,130	20,701	19,771
Donations received through Together Platinum Credit Card	JOD	Jordan	32,759	32,839	34,821
eFawateercom	JOD	Jordan	1,848,178	1,929,868	2,393,679
Total customers donations	JOD	Jordan	2,065,626	2,125,632	2,568,836

GRI Content Index

This report has reported in accordance with the GRI Standards for the period January 1st 2025 to December 31st 2025.

GRI 1 Used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Page(s)	SDG Alignment	Notes / Omissions
Organization and Reporting Practices				
GRI 2-1	Organizational details	4, 10		
GRI 2-2	Entities included in sustainability reporting	7		
GRI 2-3	Reporting period, frequency, and contact point	7		
GRI 2-4	Restatements of information	7, 68		Recalculation policy provided.
GRI 2-5	External assurance	Provided Separately		Can be found on the ESG Publications web page here.
Activities and Workers				
GRI 2-6	Activities, value chain, and other business relationships	4, 10, 38		
GRI 2-7	Employees	4, 44, 70	8	Breakdown in Social Data Table.
GRI 2-8	Workers who are not employees	70	8	Tracked in Social Data Table.
Governance				
GRI 2-9	Governance structure and composition	56, 57, 69	16	
GRI 2-10	Nomination and selection of the highest governance body	56	16	
GRI 2-11	Chair of the highest governance body	N/A		Can be found in the Annual Report, here.
GRI 2-12	Role of the highest governance body in overseeing impacts	56, 57	16	
GRI 2-13	Delegation of responsibility for managing impacts	57	16	
GRI 2-14	Role of the highest governance body in sustainability reporting	57	16	
GRI 2-15	Conflicts of interest	N/A		Can be found in the Annual Report, here.
GRI 2-16	Communication of critical concerns	63	16	See Whistleblowing.
GRI 2-17	Collective knowledge of the highest governance body	56	16	
GRI 2-18	Evaluation of performance of the highest governance body	N/A		Can be found in the Annual Report, here. Annual total compensation ration for the bank's highest-paid individual to the median annual total compensation for all employees cannot be disclosed due to Confidentiality constraints, as the bank do not disclose the employee's median annual total compensation for employees.
GRI 2-19	Remuneration policies	44, 70	8, 10	
GRI 2-20	Process to determine remuneration	44	8, 10	
GRI 2-21	Annual total compensation ratio	70	10	More details can be found in the Annual Report, here.
Strategy, Policies, and Practices				
GRI 2-22	Statement on sustainable development strategy	13, 14	All	
GRI 2-23	Policy commitments	23	16	
GRI 2-24	Embedding policy commitments	20, 23	16	
GRI 2-25	Processes to remediate negative impacts	23, 63	16	
GRI 2-26	Mechanisms for seeking advice and raising concerns	63	16	
GRI 2-27	Compliance with laws and regulations	63	16	
GRI 2-28	Membership associations	6, 12, 28	17	

GRI Standard	Description	Page(s)	SDG Alignment	Notes / Omissions
Stakeholder Engagement				
GRI 2-29	Approach to stakeholder engagement	15	17	
GRI 2-30	Collective bargaining agreements	N/A		Arab Bank ensures the freedom of association of its employees and respect their right to associate with legal trade unions permitted by local regulations where we operate. In compliance with internal regulations, any employees who is part of a trade union should declare it to his/her manager and Human Resources. Currently the bank does not have a system to track the total employees covered by collective bargaining agreements.
Material Topics				
GRI 3-1	Process to determine material topics	16		
GRI 3-2	List of material topics	17		
Financing a Just and Resilient Transition				
Sustainable Finance				
GRI 3-3	Management of material topics	19, 21	8, 9, 13	
Non-GRI	Sustainable Finance Bond allocation highlights	27	7, 8, 9	
Non-GRI	Financed emissions (Scope 3, Category 15)	28	13	
Non-GRI	IFRS S2 Climate Report alignment	31	13	
Supporting SMEs and Entrepreneurship				
GRI 3-3	Management of material topics	28, 29	8, 9	
Non-GRI	Supporting SMEs and entrepreneurship	28, 29	8, 9	
Financial Inclusion and Accessibility				
GRI 3-3	Management of material topics	29, 30	1, 10	
Non-GRI	Financial inclusion and accessibility	29, 30	1, 10	
Operating Responsibly and Efficiently				
Direct Environmental Impact of Operations				
GRI 3-3	Management of material topics	33	12, 13	
GRI 302-1	Energy consumption within the organization	34, 69	7, 12, 13	
GRI 302-2	Energy consumption outside of the organization	34, 67, 69	7, 12, 13	
GRI 302-3	Energy intensity	34, 69	7, 13	
GRI 302-4	Reduction of energy consumption	33	7, 13	
GRI 302-5	Reductions in energy requirements of products and services	N/A		Not applicable, as the bank provide financial services and does not engage in sales of products that consume large amount of energy.
GRI 303-1	Interactions with water as a shared resource	35	6	
GRI 303-2	Management of water discharge-related impacts	35	6	
GRI 303-3	Water withdrawal	36, 69	6	
GRI 303-4	Water discharge	69	6	
GRI 303-5	Water consumption	35, 36, 69	6	
GRI 305-1	Direct (Scope 1) GHG emissions	34, 66, 69	13	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	34, 67, 69	13	
GRI 305-3	Other indirect (Scope 3) GHG emissions	34, 67, 69	13	

GRI Standard	Description	Page(s)	SDG Alignment	Notes / Omissions
GRI 305-4	GHG emissions intensity	34, 69	13	
GRI 305-5	Reduction of GHG emissions	6, 33, 34	13	
GRI 305-6	Emissions of ozone-depleting substances (ODS)	66, 69	13	
GRI 305-7	Nitrogen oxides, sulfur oxides, and other significant air emissions		N/A	Not Applicable, due to the nature of the bank's business, no significant NOx or SOx emissions are generated.
Sustainable Procurement				
GRI 3-3	Management of material topics	38	8, 12	
GRI 204-1	Proportion of spending on local suppliers	38	8, 12	
GRI 308-1	New suppliers screened using environmental criteria	38, 70	12	
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	38, 70	12	
GRI 414-1	New suppliers screened using social criteria	38, 70	5, 8	
GRI 414-2	Negative social impacts in the supply chain and actions taken	38, 70	5, 8	
Innovation and Digitization				
GRI 3-3	Management of material topics	39	9	
Non-GRI	Innovation and digitization (AI in procurement / operations)	39, 40	9	
Empowering People and Communities				
Employee Wellbeing				
GRI 3-3	Management of material topics	42	3, 8	
Non-GRI	Employee wellbeing	42	3	
GRI 401-1	New employee hires and employee turnover	71	5, 8	
GRI 401-2	Benefits provided to full-time employees	44	3, 8	
GRI 401-3	Parental leave	70	5, 8	
Data Security				
GRI 3-3	Management of material topics	60	16	
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	60, 69	16	
Transparency and Trust				
GRI 3-3	Management of material topics	61	16	
Non-GRI	Transparency and trust	61-63	16	
Tax Transparency				
GRI 3-3	Management of material topics	64	16	
GRI 207-1	Approach to tax	64	16	
GRI 207-2	Tax governance, control, and risk management	64	16	
GRI 207-3	Stakeholder engagement and management of concerns related to tax	64	16	
Customer Protection and Transparency				
GRI 3-3	Management of material topics	25	12	
GRI 416-1	Assessment of the health and safety impacts of products and services	N/A		Not Applicable. The bank provides financial services and does not manufacture or supply physical products with direct health and safety impacts.
GRI 416-2	Incidents of non-compliance concerning health and safety impacts	N/A		Not Applicable. The bank provides financial services and does not manufacture or supply physical products with direct health and safety impacts.
GRI 417-1	Requirements for product and service information and labeling	25	12	

GRI Standard	Description	Page(s)	SDG Alignment	Notes / Omissions
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling		N/A	No incidents of non-compliance with regulations and/or voluntary codes concerning products and services information and labeling within the reporting period.
GRI 417-3	Incidents of non-compliance concerning marketing communications		N/A	No incidents of non-compliance concerning marketing communication within the reporting period.
Diversity and Inclusion (D&I)				
GRI 3-3	Management of material topics	44	5, 10	
GRI 405-1	Diversity of governance bodies and employees	5, 44, 56, 69	5, 10	
GRI 405-2	Ratio of basic salary and remuneration of women to men	44, 70	5, 10	
Learning and Development				
GRI 3-3	Management of material topics	45	4, 8	
GRI 404-1	Average hours of training per year per employee	6, 45, 70	4, 8	
GRI 404-2	Programs for upgrading employee skills and transition assistance	45	4, 8	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	70	8	No operations with a significant actual or potential negative impact on our local communities were reported in 2025.
Community Investment and Impact				
GRI 3-3	Management of material topics	47	1, 3, 4	
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	5, 47, 49-52	1, 3, 4	
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	N/A		
Human Rights				
GRI 3-3	Management of material topics	62	8, 16	
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	38	8, 16	
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	38	8, 16	
Embedding Trust, Governance, and Integrity				
Governance, Business Ethics, and Compliance				
GRI 3-3	Management of material topics	56, 58	56, 58	
GRI 205-1	Operations assessed for risks related to corruption	58, 61, 63	58, 61, 63	
GRI 205-2	Communication and training about anti-corruption policies and procedures	63, 69	63, 69	
GRI 205-3	Confirmed incidents of corruption and actions taken	69	69	
ESG Governance				
GRI 3-3	Management of material topics	14, 57	16	
Risk Management				
GRI 3-3	Management of material topics	58, 59	16	
Non-GRI	ESG risk management & governance	56-59	16	

Disclaimer

This report includes forward-looking statements based on current beliefs and expectations about future events. Forward-looking statements include projections and estimates. Forward-looking statements are not guarantees of future performance, results or occurrences and are subject to inherent risks, uncertainties and assumptions about Arab Bank investments, developments, banking industry trends, changes in political, social and/or economic conditions globally, in particular energy prices, technological innovations, climate-related events and other unforeseen events or conditions.

Those events are uncertain; their outcome may differ from current expectations which may in turn significantly affect expected results. Actual results may differ materially from those projected or implied in these forward-looking statements. Any forward-looking statement contained in this report speaks as of the date of this report. Arab Bank undertakes no obligation to publicly revise or update any forward-looking statements in light of new information or future events.

The information contained in this report as it relates to parties other than Arab Bank or derived from external sources has not been independently verified and no representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein.

Neither Arab Bank nor its representatives shall have any liability whatsoever for any loss however arising from any use of this report or its contents or otherwise arising in connection with this report. Arab Bank, its affiliates and its representatives expressly disclaim any liability and responsibility for any decisions or actions which you may take and for any damage or losses you may suffer from your use of or reliance on this report.

You are advised to exercise your own independent judgment (with the advice of your professional advisers as necessary) with respect to the risks and consequences of any matter contained in this report.