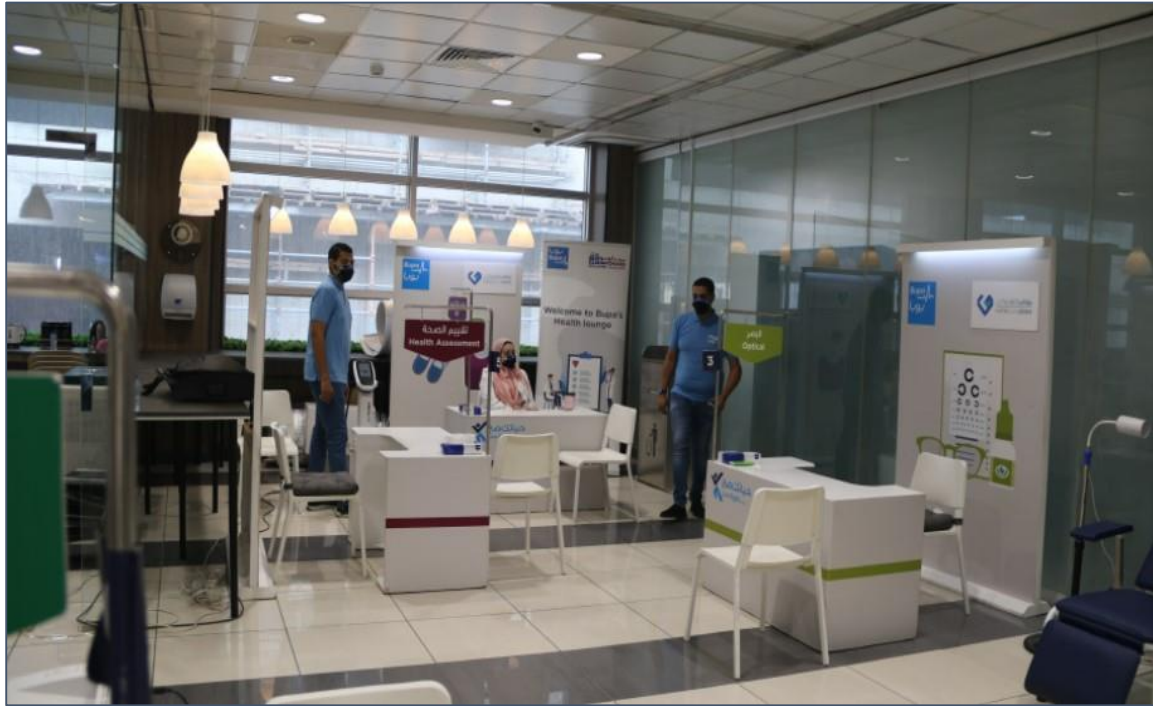




BinDawood Holding Company Environmental, Social and Governance (ESG)

EMPLOYEE HEALTH CHECK

BinDawood Holding partnered with Bupa and set up a health lounge at the head office to give all employees an opportunity to easily access a general health check-up facility.



EMPLOYEE HEALTH CHECK

BinDawood Holding engaged with Ministry of Health to arrange for vaccination from seasonal influenza at BinDawood Head Office premises for all the employees.



BinDawood Holding partnered with foundations to support those who needs help, by transferring the remaining halalas and donations from the customers to those foundations.



NO HUNGER

BinDawood Holding partnered with foundations and companies to support those who need help, by providing food to those foundations and contribute on food waste reduction.



BinDawood Holding initiated the process of using LEDs in stores which consume less power compared to traditional halogen and fluorescent-based lights, resulting in an overall reduction in CO2 emissions.



BinDawood Holding reduced the volume of paper flyers significantly by reducing the number of pages printed in our weekly promotional flyers by around 40% to 45%, in line with the strategic and operational focus of management on digitalization.



BinDawood Holding adopted digital business cards for the employees, which are backed by a QR code, by doing so we are encouraging the employees to rely on technology with an intent of contributing towards the protection of environment.



NO CARDS LOYALTY PROGRAM

BinDawood Holding implemented a mobile application for loyalty program, which eliminates the need for printed loyalty cards, which helped to reduce printing costs and minimize our environmental impact.



BinDawood Holding replaced traditional plastic shopping bags with oxo-biodegradable bags in all stores, which are made from eco-friendly materials that decompose naturally and help reduce waste pollution.



NO PLASTIC BAGS

BinDawood Holding is planning to roll out paper bags, instead of plastic bags. Management is pursuing this initiative in order to reduce the hazardous effects of plastic bags on the environment.



SAY NO TO PLASTIC BAGS



BinDawood Holding is planning to implement a digital receipt system, which eliminates the need for printed receipts, which reduce paper usage and minimize environmental impact.



BinDawood Holding installed modern printers that use less electricity and are more efficient due to improved technology, which reduces energy usage and carbon dioxide emissions.





BinDawood Holding is committed to being environmentally conscious and implemented a paper recycling program, our recycling efforts have helped us reduce the amount of waste that goes into landfills.





BinDawood Holding is committed to promote a healthy lifestyle which is demonstrated by offering an unprecedentedly wide range of organic and gluten-free foods in the stores.





BinDawood Holding Company to promote a healthy lifestyle has a policy of partnering with leading fitness centers for memberships available at discounted rates for employees.



BinDawood Holding has been championing and supporting women as they are fundamental to the success of any society. This is evidenced by the unprecedented increase in the percentage of female employees in our company over the last four years.

BinDawood Holding always strives to retain its leadership position by offering its employees unmatched opportunities and benefits, meanwhile targeting an Employee Stock Ownership Plan (ESOP) which is one strategic measure in management's plan to retain talented leadership.





BinDawood Holding always believes in contributing to society by actively engaging in hiring and nurturing talented graduates, thereby playing a vital role in supporting the society.





BinDawood Holding is committed to improving the lives of domestic households by providing them with training on sewing handicraft items to unemployed or domestic women, who can now produce handmade goods and products that we purchase and display in our stores.



BinDawood Holding is committed to establish strong community connection. In the year 2023, students from 28 schools visited our stores. Experiencing successful initiatives taken by BinDawood may inspire students to consider the impact businesses can have on society and encourage them to make responsible choices in the future.



BinDawood Holding is committed to provide training to its employees through its information security awareness program, which is available at I-Learn Internal Portal. The aim of the program is to educate the employees on how to protect organization's computer systems, along with the data inside it from cyber attacks. This comprise of audio and visual based e-learns followed by a quiz, upon completion of which an employee is granted certification of completion.



BinDawood Holding has compliance training strategy in place, according to which employees are provided training at regular intervals, relating to corporate and regulatory compliances.

Training sessions are held by the Compliance Department within the Company. Details of the training sessions, such as relevant policies, rules and regulations are available on the internal portal of BinDawood Holding for the employees to access at anytime.

Corporate Compliances include but are not limited to; whistleblowing policy, insider trading policy and employees ethical behavior and responsibility to uphold the rules, regulations and internal policies.

Regulatory Compliances include but are not limited to; rules, regulations of Capital Market Authority, Saudi Exchange – Tadawul, Ministry of Commerce and General Authority for Competition.



RISK TRAINING

As part of its commitment to enhancing governance and strengthening institutional readiness, BinDawood Holding has implemented specialized training programs and workshops for its employees on the principles and practices of risk management.

These programs covered various aspects of operational, strategic, and financial risks, and contributed to raising employee awareness and improving their ability to identify and effectively manage potential risks.



Human Resource Department at BinDawood Holding, circulates a reminder with the policy attached.

These include reminder for every employee in order remind responsibility towards Social Media Guidelines, Workplace ethics and dress code policy at workplace.

The reminders are to ensure the existing as well as the new employees give the policies and practices utmost importance once associated with the Company.

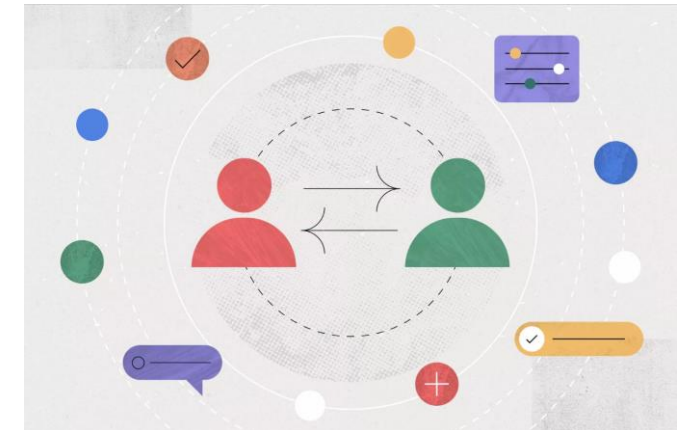
Key aspect relating to Workplace Ethics include, but are not limited to:

- All Employees are expected to treat each other with respect and refrain from any form of harassment, whether physical or verbal; and non-compliance with the workplace ethics will be dealt strictly as per company disciplinary procedures.**
- Prohibition from accepting money, gifts, favors or gratuities from suppliers.**
- Prohibition from offering, giving, soliciting or receiving bribes.**
- Prohibition from sharing confidential information to anyone within or outside the Company.**



In August 2023, the Human Resource Department at BinDawood Holding Company introduced “Leadership Café”. The Leadership Cafe aimed to organize a one-on-one session between the Head of Departments and the Managers. These sessions were organized in order to:

- Reflect a two-way feedback between the Head of Department and the Managers;
- Develop a trusting and productive work relationship;
- Help the participants grow in their roles by sharing individual experiences;
- Reconcile the work expectations between each other; and
- Ensure that an interactive performance debrief takes place whereby the Head of Department can pass through the strategies and skill set which contributed in their own individual growth to the Managers



November 2023 was highlighted as Cyber Security Awareness Month at BinDawood Holding Company. Since the Company is operating in various regions, it was facilitated by I-Learn tab in the internal portal of the Company to create awareness among the employees. It comprised of:

Deadline of 30th November 2023 was communicated to all the employees for the completion of e-learns and quiz. Employees who failed to complete the prescribed learning material were subject to disciplinary actions.

- Pre-Quiz regarding cyber security awareness;
- Mandatory E-learns emphasizing the importance of upholding cyber security;
- Post e-learns quiz once the employee has completed e-learns;
- Evaluation of the employee going through the I-Learn portal; and
- At the end employee who completed the awareness program, was awarded a certificate.



The scope of the 11 modules of e-learns and quiz include:

- Targeted attacks by use of Phishing and safeguards against it;
- Physical security of the documents and devices in possession;
- Browsing safely and not using or clicking on a suspicious link;
- Cyberattacks on the mobile devices and safeguards to adopt;
- Data Privacy;
- Password and personal information management; and
- Reporting a incident or concern of cybersecurity to the IT department of the Company.



A robust training plan has been developed by Learning and Development Team within Human Resource Department. Training was provided to all permanent employees at different intervals in group's basis. Further the training plan incorporates provision of appointing external trainers for specific departments within the Company.

The training plan aimed at:

- Increased productivity and performance
- Uniformity of work processes
- Improved knowledge of policies and goals
- Improved customer satisfaction
- Better workplace environment



BinDawood has launched Yallah Return, a game-changing recycling program in two of our Danube stores, Al Safa Branch and Nahda Branch.

With the introduction of this program, Customers can drop recyclables in our Yallah Return bins in any of these stores and earn points for shopping at any one of the above mentioned stores.

Recycling machines promote environmental awareness and encourage communities to participate in sustainable practices. They serve as tangible reminders of the importance of recycling and waste reduction efforts.

Recycling machines placed at Danube will help conserve natural resources by processing waste materials into reusable materials. This reduces the need for raw materials extraction, which can be destructive to the environment.



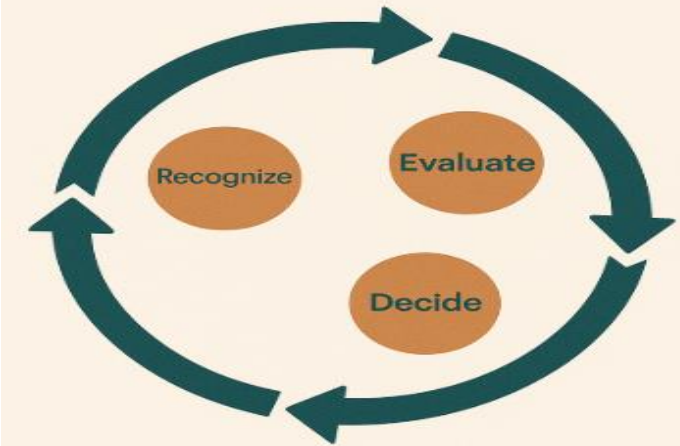
BinDawood Holding has implemented an Ethical Framework which mandatorily applies to:

- All employees (including part-time) and third parties representing the Company;
- Consultants and others when they are representing or acting for, or on behalf of, the Company.

It is a comprehensive governance tool embedded across the Company which supports operational integrity, ethical culture and long term sustainability.

The Ethical Framework is aligned with international ethical and compliance standards and reinforces amongst other things, transparency and accountability.

Ethical Decision-Making Process



Core Components of the Framework are as follow:

- Confidential whistleblowing channels (email, phone, online, in person) with full protection against retaliation;
- Confidentiality and the importance of business ethics;
- Anti corruption, bribery prohibition, conflict of interest disclosures;
- Fair competition and compliance with antitrust law;
- ESG alignment with responsible resource use and environmental ethics;
- Zero tolerance for fraud, misconduct, falsification and misuse of company assets;
- Clear disciplinary actions including termination, loss recovery and legal escalation for violations;
- Ongoing monitoring of the Ethical Framework to ensure alignment with international governance and anti corruption standards.

**Fraud,
Misrepresentation
and Executive
Misconduct**



Core Components of the Framework are as follow (continued):

- **Mandatory reporting of ethical breaches, suspected misconduct and data misuse;**
- **Compliance with data privacy laws and responsible use of digital tools, AI and analytics;**
- **Prohibition of misuse of systems, social media or automation tools;**
- **Ethics Framework aligned with ESG priorities: sustainability, responsible procurement and social responsibility;**
- **Ethics culture strengthens stakeholder trust, transparency and long term value creation;**
- **Regular audits of ethical framework by the Company's Internal Audit Team, in order to implement, enforce and create awareness for its compliance.**



Core Components of the Framework are as follow (continued):

- All operations are required to be reviewed on a rotational basis, ensuring every business unit is covered at least once every three years.
- Audits shall follow a pre-approved documented schedule and target to assess the effectiveness and adequacy of the framework, monitor its implementation, detect ethical issues and not limited only to procedural compliance.
- Findings (ethical violations) and recommendations shall be formally reported to the Audit Committee, with corrective actions monitored until closure.
- This approach reflects the Company's transparency, accountability, and alignment with international standards, positioning it above minimum industry norms.

Audit of Ethical Framework



BinDawood Holding conducts mandatory training of the Ethical Framework for:

- **Its employees (including part-time, seasonal and temporary), contracted labor and all other employees when they are representing or acting for, or on behalf of, the Company.**

The purpose of the such training is to:

- **Builds strong awareness of the Ethics Framework and reinforce the fundamental pillars of integrity, transparency and accountability;**
- **Promoting responsible and professional conduct, ethical decision making and adherence to company values;**
- **To emphasize on the importance business ethics, anti corruption, fraud and misconduct, whistleblowing, workplace ethics and data ethics;**



- Strengthen reporting culture, enhancement of compliance with laws, internal policies and to support ESG and sustainability objectives;
- Demonstrating robust governance by focusing subject matters relating to anti corruption, business ethics and creating awareness of established whistleblowing mechanisms;

Such trainings are conducted virtually in English and Arabic language, followed by a Quiz, upon completion of which employee is granted with Certificate of Completion.

The Certificate of Completion has three categories, depending upon the score achieved by the employee in the Quiz:

- Gold;
- Silver; and
- Bronze.

Training on



**Ethical
Framework**

Certificate Template



الدانوب
Danube

BinDawood Academy
LEARN - GROW - SUCCEED



CERTIFICATE OF EXCELLENCE - GOLD

CERTIFICATION OF PARTICIPATION

THIS CERTIFICATE PROUDLY PRESENTED TO

<Employee Name>

FOR PARTICIPATION IN ETHICAL FRAMEWORK AWARENESS PROGRAM 2025

PROVIDED BY AUDIT & GRC DEPARTMENT

26 / 10 / 2025

Issue Date



Ahmad AR. BinDawood,
Chief Executive Officer

BinDawood Holding maintains a robust information security governance framework designed to safeguard the confidentiality, integrity, and availability of its information assets. Information security policies and systems are aligned with leading international standards and are subject to periodic assurance activities.

The Internal Audit function performs risk-based audits over information security policies, processes, and systems to assess design effectiveness, operating effectiveness, and compliance with approved standards and policies covering the BDH's major business lines. Audit results, including key findings and remediation actions, are reported to senior management and the Audit Committee, ensuring appropriate oversight and accountability.



BDH's information security framework is subject to regular audit and assurance activities every 2 years. Internal audits are conducted on a risk-based approach to evaluate compliance with approved policies, and regulatory requirements.

During 2022 and 2024, the Internal Audit function and Independent organization conducted IT audits across BDH to assess compliance with information technology controls and Personal Data Protection Law (PDPL) requirements. In addition, IT Vulnerability Assessment and Penetration Testing (VAPT) exercises were performed to evaluate the effectiveness of cybersecurity controls and identify potential security vulnerabilities.



The areas covered in the audit are:

- **IT Governance and Operations;**
- **IT Planning and Development;**
- **IT Network;**
- **IT Database Management;**
- **IT Application Support;**
- **Privacy Policy and Data Protection (Compliance PDPL);**
- **Gaining an understanding of the IPs which are in scope;**
- **Conducted the VAPT assessment and identify the vulnerabilities;**
- **Perform bruteforce testing to penetrate the vulnerabilities;**
- **Validating findings with management.**

