

GHG Emissions Disclosure & Methodology for 2025

Arab Bank plc Report

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This document is Arab Bank's GHG Emissions Disclosure and Methodology Report for the period 1 January 2025 to 31 December 2025.

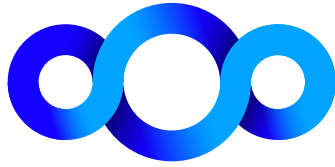
It presents the bank's greenhouse gas emissions results, the methodology used to calculate them, and the independent limited assurance conclusion obtained over the Selected Information presented in Table 1.

The GHG emissions figures referenced in this report are also disclosed across the bank's other sustainability publications, including its 2025 ESG Report and Arab Bank 2025 Climate Report. This document serves as the reference source for the detailed methodology, reporting boundaries, and assurance status underpinning those figures, and should be read alongside those publications for the bank's broader sustainability performance and strategy.

This report is intended for investors, regulators, rating agencies, customers, and other stakeholders seeking a detailed understanding of how the bank's GHG emissions are measured and independently verified. It is organized into the following sections: an introduction to the assurance engagement, a snapshot of the assured results, a detailed basis of reporting describing the methodology applied, and the Independent Limited Assurance Report issued by Deloitte & Touche (M.E.).



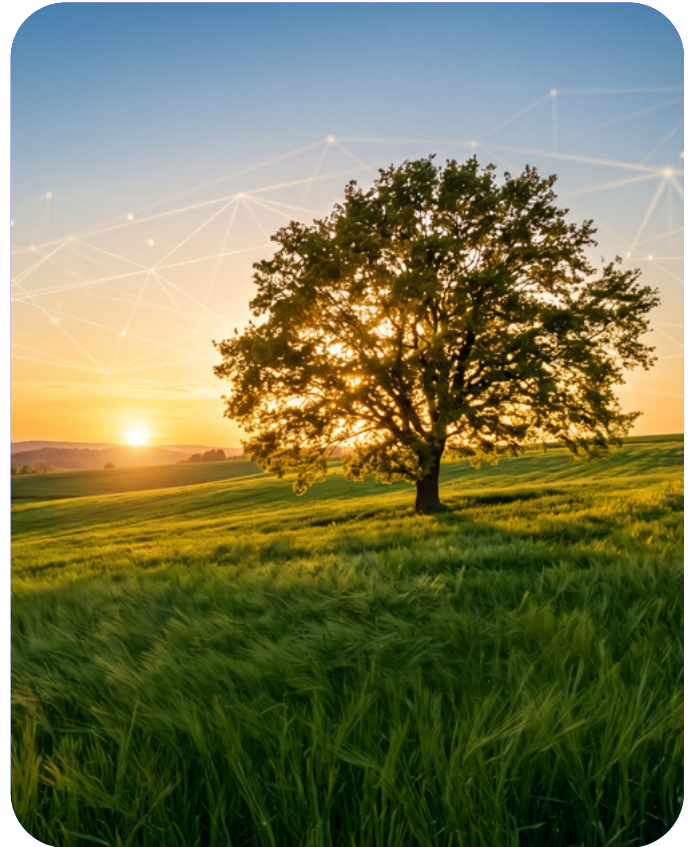
البنك العربي
ARAB BANK



Arab Bank recognizes the growing importance of transparent, decision-useful climate disclosures for its stakeholders, including investors, regulators, customers, and other stakeholders. As part of this commitment, the bank engaged Deloitte & Touche (M.E.) to perform an independent limited assurance engagement over the greenhouse gas (GHG) emissions and underlying activity data of Arab Bank plc's operations across its 12 countries of presence; Algeria, Bahrain, China, Egypt, Jordan, Lebanon, Morocco, Palestine, Qatar, Singapore, UAE, and Yemen, for the period 1 January 2025 to 31 December 2025.

The assurance engagement covered Scope 1 emissions (stationary combustion, mobile combustion, and fugitive emissions), Scope 2 emissions (location-based), and Scope 3 emissions across six categories: purchased goods and services (Category 1), capital goods (Category 2), fuel- and energy-related activities (Category 3), waste generated in operations (Category 5), business travel (Category 6), and employee commuting (Category 7). These six categories represent a complete account of the Scope 3 categories relevant to Arab Bank's operations, with the exception of financed emissions, which were not included within this year's scope but which the bank will consider incorporating in future reporting cycles.

Deloitte's engagement was conducted in accordance with the International Standard on Assurance Engagements 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB) ("ISAE 3000 (Revised)"), the International Standard on Assurance Engagements 3410 "Assurance Engagements on Greenhouse Gas Statements" ("ISAE 3410") and the agreed terms of engagement.



2.0 Results Snapshot

The table below presents Arab Bank's Scope 1, Scope 2, and Scope 3 GHG emissions for the year ended 31 December 2025, covering the boundaries and categories described in the Introduction. These figures were subject to Deloitte & Touche (M.E.)'s independent limited assurance engagement and are also disclosed within the bank's 2025 ESG Report and Arab Bank 2025 Climate Report.

Table 1 – Selected Information

Selected Information	Assured amount for the year ended 31 December 2025
Scope 1.1 GHG Emissions - Stationary Combustion	1,143.84 tCO ₂ e
Scope 1.2 GHG Emissions - Mobile Combustion	796.48 tCO ₂ e
Scope 1.3 GHG Emissions - Fugitive Emissions	604.57 tCO ₂ e
Total Scope 1 GHG Emissions	2,544.89 tCO₂e
Scope 2 GHG Emission - Location-Based	18,170.35 tCO₂e
Scope 3 Category 1 GHG Emissions - Purchased Goods and Services	12,263.13 tCO ₂ e
Scope 3 Category 2 GHG Emissions - Capital Goods	3,679.62 tCO ₂ e
Scope 3 Category 3 GHG Emissions - Fuel and Energy Related Activities	6,351.77 tCO ₂ e
Scope 3 Category 5 GHG Emissions - Waste generated by operations	0.52 tCO ₂ e
Scope 3 Category 6 GHG Emissions - Business Travel	22,314.55 tCO ₂ e
Scope 3 Category 7 GHG Emissions - Employee Commuting	8,770.81 tCO ₂ e
Total Scope 3 GHG Emissions	53,380.39 tCO₂e
Total GHG Emissions – Scope 1, 2 and 3	74,095.63 tCO₂e

3.0 Basis of Reporting

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 has been prepared with reference to the principles, requirements and guidance set out in the GHG Protocol Corporate Accounting and Reporting Standard, the GHG Protocol Scope 2 Guidance and, for the selected Scope 3 categories, the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Emissions quantification also draws on the IPCC Guidelines for National Greenhouse Gas Inventories (2006, including the 2019 Refinement, where applicable). The specific methodologies and reporting criteria applied by Arab Bank are set out in this Basis of Reporting.

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 tones of carbon dioxide equivalent (tCO₂e).

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.

Gases Covered and Global Warming Potentials

The inventory accounts for emissions of carbon dioxide (CO₂), 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 (CH₄) and nitrous oxide (N₂O) from fuel combustion are excluded on the basis of materiality, as they represent substantially less than 1% of combustion-related CO₂e for the fuels used. Sulphur hexafluoride (SF₆), perfluorocarbons (PFCs), and nitrogen trifluoride (NF₃) 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 tones of carbon dioxide equivalent (tCO₂e).

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.



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 (liters 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 (CO₂) using a Tier 1 approach based on default emission factors from the IPCC 2006 Guidelines. Diesel consumption in liters is multiplied by an emission factor of 2.71 kg CO₂ per liter and aggregated to tonnes of carbon dioxide equivalent (tCO₂e). 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, fueled by petrol and diesel.

Activity data (liters 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 (CO₂) using a Tier 1 approach based on default emission factors from the IPCC 2006 Guidelines. Fuel consumption in liters is multiplied by the applicable per-liter emission factor – 2.71 kg CO₂/L for diesel and 2.2 kg CO₂/L for petrol – and aggregated to tonnes of carbon dioxide equivalent (tCO₂e). 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 tones of carbon dioxide equivalent (tCO₂e).

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 during an 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 (CO₂), 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 tones of carbon dioxide equivalent (tCO₂e). For carbon dioxide used as a suppression agent, a global warming potential of 1 applies, such that the reported emissions equal the mass of CO₂ 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 Harmonized 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 licenses 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 centralized 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 kgCO₂e 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 (tCO₂e).

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 kgCO₂e per US dollar is applied. Expenditure is applied nominally, without adjustment to the emission factors' underlying price year. Results are aggregated to tones of carbon dioxide equivalent (tCO₂e).

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 – liters 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 kgCO₂e/kWh to electricity consumption, sourced from the IEA and applied uniformly across all countries as a reasonable estimate. All results are aggregated to tones of carbon dioxide equivalent (tCO₂e).



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 (tCO₂e).

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. Where no operational waste data is available, waste generation is estimated from employee headcount using a per-capita waste-generation rate applied across the reporting year; for the Palestine operation, this rate of 0.45 kg per employee per day is derived as approximately half the national per-capita municipal solid-waste generation figure published by the Palestinian Central Bureau of Statistics (PCBS), reflecting the lower waste intensity of an office-based workforce relative to the residential-inclusive national average. 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 kilometers 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 tones of carbon dioxide equivalent (tCO₂e). 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 kilometers 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 tones of carbon dioxide equivalent (tCO₂e).

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 prioritizes country-specific factors where these are available and reliable – as is the case for Scope 2 grid factors – and otherwise applies recognized 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 summarized in the Emissions Factors Table.

Emissions Factors Table

Emission source / category	Emission-factor dataset(s)
Stationary & mobile combustion	IPCC 2006 Guidelines (default CO ₂ factors, per liter)
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 Harmonized 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 ₂ e/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 standardized 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 prioritizes 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.

Independent Limited Assurance Report

Independent Limited Assurance Report to Arab Bank plc

We have been engaged by Arab Bank plc (the “Bank”) to perform a limited assurance engagement relating to the selected sustainability metrics (“Selected Information”) presented in Table 1 – Selected Information in the Bank’s GHG Emissions Disclosure & Methodology for 2025 (the “Report”), prepared in accordance with Arab Bank plc’s Basis of Reporting (“Applicable Criteria”) for the year ended 31 December 2025.

Use of report

This report is made to Arab Bank, in accordance with the International Standard on Assurance Engagements 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB) (“ISAE 3000 (Revised)”), the International Standard on Assurance Engagements 3410 “Assurance Engagements on Greenhouse Gas Statements” (“ISAE 3410”) and our agreed terms of engagement. Our work has been undertaken so that we might state to Arab Bank those matters we are required to state to them in this limited assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Arab Bank for our work, for this report, or for the conclusion we have formed.

Our conclusion

Based on our work as described in this report, nothing has come to our attention that causes us to believe that the Selected Information, as set out in Table 1 – Selected Information, presented in the Bank’s GHG Emissions Disclosure & Methodology for 2025 has not been prepared, in all material respects, in accordance with the Basis of Reporting as set out in the Bank’s GHG Emissions Disclosure & Methodology for 2025.

Respective responsibilities

Arab Bank is responsible for:

- Establishing the Basis of Reporting for preparing the Selected Information;
- The preparation of the calculation for the Selected Information in accordance with the Basis of Reporting;
- Ensuring that the information provided under the Selected Information is properly prepared in accordance with the Basis of Reporting and confirming the measurement or evaluation of the Selected Information against the applicable Basis of Reporting;
- Designing, implementing and maintaining internal processes and controls over the Selected Information that are relevant to the preparation of the Selected Information to ensure the information is free from material misstatement, whether due to fraud or error; and
- Calculating and reporting the Selected Information in accordance with the Basis of Reporting.

Our responsibility is to express a conclusion on the Selected Information based on our procedures. We conducted our engagement in accordance with ISAE 3000 (Revised) and ISAE 3410, in order to state whether anything had come to our attention that causes us to believe that the Selected Information has not been prepared, in all material respects, in accordance with the Basis of Reporting as defined within the GHG Emissions Disclosure & Methodology for 2025. In conducting our limited assurance engagement, we have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code).

Our procedures consisted primarily of:

- Understanding the roles and responsibilities involved in the preparation, governance, and oversight of the Selected Information, and assessing its preparation against the Basis of Reporting.
- Conducting enquiries with management to understand how the Basis of Reporting has been applied in preparing the Selected Information.
- Assess the suitability of the Basis of Reporting as criteria in accordance with the requirements of ISAE 3000 (Revised) and, where relevant, market practice.
- Reviewing and evaluating the Basis of Reporting for measurement and reporting of each selected sustainability metric, comparing it to the actual calculations performed by the Bank to support the Selected Information shown in Table 1 within the GHG Emissions Disclosure & Methodology for 2025.
- Verifying the selected sustainability metrics against the Bank's internal calculations and supporting documentation.
- Assessing the availability and quality of evidence provided to support the Selected Information.
- Confirming the Selected Information against the Bank's internal calculations and supporting documentation.
- Accumulating misstatements and control deficiencies identified and assessing whether material.

Basis of Reporting

The Basis of Reporting is published within the Bank's GHG Emissions Disclosure & Methodology for 2025 section 3.0 Basis of Reporting.

The self-defined applicable criteria; the nature of the Selected Information; and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted within the organisation. The adopted measurement methodologies may also impact comparability of the Selected Information reported from year to year within an organisation as methodologies develop.

Inherent limitations

Our engagement provides limited assurance as defined in ISAE 3000 (Revised) and ISAE 3410. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent limitations exist in all assurance engagements due to the selective enquiry of the information being examined. Therefore fraud, error or non-compliance may occur and not be detected. Our work does not involve testing the operating effectiveness of controls over the underlying data, nor have we sought to review systems and controls beyond those relevant to the Selected Information.

Our independence and competence

We complied with Deloitte's independence policies, which address and, in certain cases, exceed the requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants in their role as independent auditors, and in particular preclude us from taking financial, commercial, governance and ownership positions which might affect, or be perceived to affect, our independence and impartiality, and from any involvement in the preparation of the report.

We applied the International Standard on Quality Management ("ISQM") 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements. Accordingly, we maintained a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

For and on behalf of Deloitte & Touche (M.E.) - Jordan

15 October 2026


Deloitte & Touche (M.E.)
ديلويت آند توش (الشرق الأوسط)
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البنك العربي
ARAB BANK

