



# AMB Sustainability Report 2024

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# Introduction





## AMB Message

### To Our Stakeholders,

We are honored to present Al-Amal Microfinance Bank's (AMB) first Sustainability Report, capturing the achievements of our 2024 “**Year of Sustainable Empowerment**”. This milestone reflects our unwavering commitment to inclusive growth, responsible finance, and long-term resilience—values that define AMB’s contribution to Yemen’s sustainable development.

For AMB, sustainability is not separate from our strategy—it is our strategy. It represents the integration of social and environmental considerations into every aspect of our work. From the Board’s oversight to our daily operations, we are dedicated to serving our clients responsibly while preserving the resilience of our institution.

**In 2024**, we demonstrated that a microfinance institution can be a force for both economic progress and social transformation. We expanded our reach among youth and women, strengthened our digital infrastructure, and strengthened the foundations of our environmental governance. This report is built on the three key pillars of sustainability: economic, social, and environmental impacts.

This Executive Sustainability report reflects our progress and reinforces our commitment to transparency and accountability. It reflects the collective effort of our staff, the guidance of our Board, and the trust of our partners. As we look to the future, we reaffirm our vision to position AMB as a leading driver of sustainable economic and social development in Yemen, guided by principles of integrity, inclusion, and innovation.

**Al-Amal Microfinance Bank**  
**Head Office, Yemen**

## About AMB

Al-Amal Microfinance Bank (AMB) is a **non-dividend Yemeni MFI** that provides inclusive **financial and non-financial** services to the vulnerable, particularly **SMEs**. Established by Yemeni Law No. 23 of **2002** and commencing operations in **2009**, AMB's creation was the culmination of joint efforts among **SFD, AGFUND**, and the **private sector**. Our primary goal is to actively contribute to the development and promotion of sustainable enterprises by offering a comprehensive range of financial and non-financial services that cater to the community's needs. We place particular emphasis on supporting youth, women entrepreneurship, vulnerable groups, and low-income households.



AMB offers a diverse package of financial services, including loans, savings, Micro-LGs, E-Money, etc. What sets us apart from other banks in Yemen is our commitment to providing **business development services (BDS)** in conjunction with our financial offerings. To fulfill this commitment, we have established **Al-Amal Foundation for Training and Entrepreneurship (Reyadah)**, a training institution dedicated to delivering training and consultation services to youth, SMEs, and entrepreneurs. It's worth mentioning that a good portion of AMB's banking service returns is intentionally allocated to support SME owners through our financing portfolio.

## About This Report

This document is **AMB's First Sustainability Report**, presented as an **Executive Sustainability Report for 2024**. It provides a concise overview of the Bank's material economic, social, and environmental impacts during the reporting year and represents an important milestone in AMB's sustainability journey.

This report has been prepared **with reference to the GRI Standards (2021)** and considers the guidance of the exposure draft of the GRI Banking Sector Standard. It covers the operations of **AMB and Reyadah** within Yemen for the period of **January 1 to December 31, 2024**.

The report was **prepared internally** by AMB, under the coordination of the **Sustainability and Climate Action Unit**, using internal data systems and validated institutional reports. **No external or third-party assurance was obtained** for this report.

AMB welcomes feedback from stakeholders to strengthen future sustainability reporting. For more details or inquiries regarding this report, please contact:

### Sustainability & Climate Action Unit

 [sca.unit@alamalbank.org](mailto:sca.unit@alamalbank.org)

## AMB Sustainability Journey

AMB's transition to a fully integrated sustainable banking model has been a deliberate, multi-year process. The bank has moved from isolated initiatives to a structured institutional strategy that embeds sustainability into governance and operations.

### Key Milestones

#### 2024

**Developing E&S Risk Management Manual**  
Guiding AMB E&S due-diligence process.  
**Establishing the Sustainability and Climate Action Unit**  
Lead the integration of E&S safeguards.

#### 2023

**Developing Environmental Policy**  
Guiding responsible financing and minimize environmental risks.  
**Green Climate Fund (GCF) Engagement**  
In the process of becoming a Direct Access Entity (DAE).

#### 2022

**Launching Green Banking Initiative**  
Supporting environmentally friendly SMEs.



## Sustainability & Climate Action Unit (SCAU)

The SCAU now serves as AMB's **strategic sustainability hub**, ensuring that Environmental, Social, and Governance (ESG) principles are systematically applied across all business functions.

The Unit is responsible for transforming AMB's sustainability commitments into operational reality through:

- Developing and implementing the Environmental and Social policies, including the Environmental and Social Risk Management (ESRM) Manual, Gender Policy, Waste Mechanism, and related institutional sustainability instruments, across all lending and operational activities.
- Coordinating AMB's sustainability data collection and GRI-aligned reporting.
- Managing the climate-finance portfolio and leading partnerships with local and international organizations.
- Conducting awareness and capacity-building programs on sustainability, environmental management, and climate adaptation.
- Supporting the design of green financial products and sustainable investment mechanisms.
- Integrating sustainability performance indicators into the Bank's monitoring and evaluation system.

This Executive Sustainability Report reflects the current stage of AMB's sustainability journey: a transition from impact-driven practice to structured sustainability governance. It captures how sustainability has become an integral component of AMB's long-term vision—supporting economic resilience, social empowerment, and environmental responsibility—while maintaining the financial soundness necessary to sustain its mission in the years ahead.

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# Pillar 1

## Economic Performance

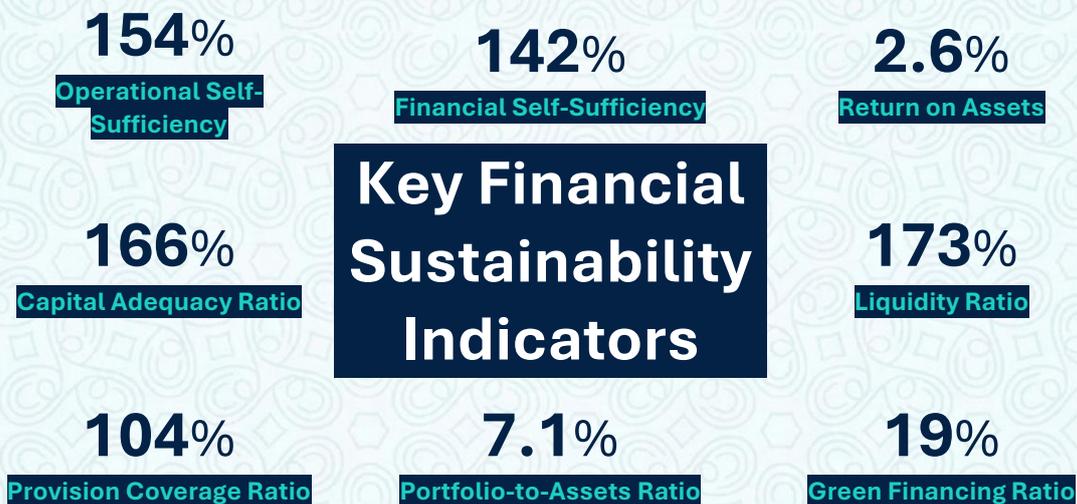


## Financial Sustainability and Stability (GRI 201)

In a volatile economic landscape, Al-Amal Microfinance Bank (AMB) prioritizes financial resilience not as an end in itself, but as the necessary foundation for sustained development impact. By maintaining a robust balance sheet and rigorous risk discipline, AMB ensures it can continue to serve Yemen’s most vulnerable communities, regardless of external shocks.

### Institutional Resilience and Performance

In 2024, AMB demonstrated strong financial sustainability and stability, with **Operational and Financial Self-Sufficiency ratios of 154% and 142%**, confirming full cost coverage and surplus generation for reinvestment. The Bank maintained robust profitability (**ROA 2.6%**), exceptional resilience with a **Capital Adequacy Ratio of 166%**—far above CBY requirements—and a high liquidity ratio (**173%**), ensuring depositor protection and uninterrupted operations. Notably, **19% of the portfolio is dedicated to green financing**, reflecting AMB’s ability to combine financial strength with sustainable development impact.



This stability provides the platform from which AMB launches its broader economic interventions, financing Yemen’s economic renewal through responsible lending and investment.

## Market Presence and Local Economic Contribution (GRI 202)

AMB’s economic contribution is defined by its ability to bridge the gap between formal finance and the local economy. Through a nationwide footprint and digital innovation, the Bank integrates excluded regions and populations into the economic mainstream.

### Nationwide Reach and Local Access

AMB operates as a strictly national institution, serving clients across Yemen from major cities to rural villages. By the end of 2024, the Bank’s physical and digital presence included:

-  A network of **19 branches** ensuring direct service delivery in key governorates.
-  A network of **6,644 agents**, with 247 new agents added in 2024 to deepen penetration in hard-to-reach areas.
-  **11,939 Point of Sale (PoS) devices** facilitating electronic payments for merchants and customers.

According to the Social Fund for Development (SFD) [platform](#), AMB boasts an impressive **market share of nearly 51%** within the **Yemeni SME banking sector**.

## Digital Financial Services as Economic Enablers

Recognizing that physical infrastructure is often limited, AMB leverages technology to drive local economic activity. AMB's **e-wallet** platform (**PYes**) expanded significantly in 2024, reaching **256,858** cumulative e-accounts. This digital ecosystem empowers local economies by:

-  **Facilitating Trade:** Integrating with e-commerce applications and enabling merchants to accept digital payments.
-  **Salary Disbursement:** Managing group payroll for **32 private-sector companies**, ensuring employees receive wages securely and on time.
-  **Bill Payments:** Enabling the settlement of utility bills and government services digitally, reducing the cost and time of doing business.

By digitizing cash flows, AMB increases the velocity of money in local markets and reduces the risks associated with cash handling for small businesses.

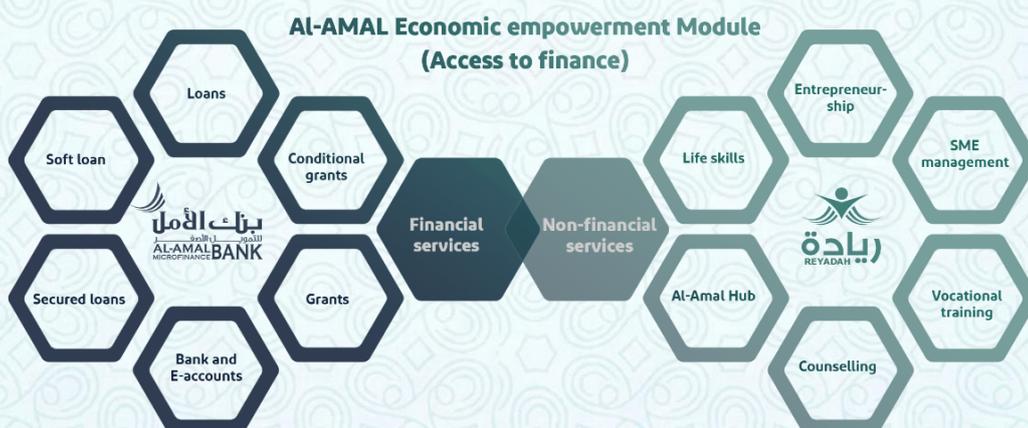
## Indirect Economic Impacts and Financial Inclusion (GRI 203)

Beyond its direct operations, AMB generates significant indirect economic impacts by fostering entrepreneurship, creating jobs, and injecting liquidity into the national economy.

### The "Twin Modality" Approach

Central to AMB's impact is its **Twin Modality**, an integrated structure that ensures financial access translates into sustainable economic success. This model splits responsibilities to maximize effectiveness:

-  **Financial Services (AMB):** The Bank provides the necessary capital through microloans, SME financing, and digital tools to open the door to economic participation.
-  **Non-Financial Services (Reyadah Foundation):** AMB's non-financial arm, Reyadah, provides the "soft infrastructure"—entrepreneurship training, financial literacy, and technical assistance—needed to ensure those businesses survive and grow.



## Fostering Financial Health and Inclusion

Driven by this model, AMB disbursed **21,611 loans** in 2024 with a total value exceeding **YER 8 billion**. These funds provided critical working capital to segments traditionally deemed "unbanked." To maximize economic inclusion, AMB targeted specific demographics often excluded from the formal economy:

- 🌟 **Serving the Base of the Pyramid:** While supporting SMEs is strategic, AMB remains deeply committed to its microfinance roots. In 2024, **17,265 loans**—the vast majority of the portfolio—were **Microloans**, ensuring that capital reaches the smallest, subsistence-level businesses.
- 🌟 **Reaching Rural Economies:** Bridging the urban-rural divide, **41% of AMB's total financing portfolio** was directed to rural areas, stimulating agricultural productivity and livelihood development outside major cities.
- 🌟 **Empowering Youth (Ages 18–35):** Recognizing youth as the drivers of future economic growth, AMB directed **83% of all loans** to this demographic. In 2024, **17,973 youth loans** were disbursed, totaling **YER 2.2 billion**. These funds supported start-ups in agribusiness, retail, and technology, directly combating youth unemployment.
- 🌟 **Empowering Women:** AMB continues to bridge the gender finance gap through tailored products like "Hawa." In 2024, women received **18% of total loans** (3,895 loans) valued at **YER 1.45 billion**. Furthermore, women held over **120,000 bank accounts** (24% of total clients), securing their financial independence.
- 🌟 **Supporting Persons with Disabilities (PWDs):** Advancing true economic inclusion, AMB extended a dedicated portfolio of loans to **entrepreneurs with disabilities**. These financial facilities were supported by targeted entrepreneurship training, ensuring that beneficiaries are equipped with the skills necessary to manage sustainable businesses.
- 🌟 **Savings Mobilization:** Promoting financial resilience, AMB grew its savings portfolio by **58%** to reach **YER 33.5 billion**, providing households with a safety net against economic shocks.
- 🌟 **Liquidity and Social Transfers:** AMB serves as a vital financial artery for the country. In 2024, the Bank distributed over **2 million social transfers** (YER 162.6 billion) for humanitarian partners. Distinct from this aid, AMB also executed **964,339 commercial and personal money transfers**, facilitating domestic trade and family support flows across the provinces.

### Entrepreneurship and SME Development

Small and Medium Enterprises (SMEs) are the engines of Yemen's recovery. In 2024, AMB directed **56% of its total loan value (YER 4.53 billion)** specifically to SMEs. This financing achieved measurable economic results:

- 🌟 **Start-up Creation:** Financed the launch of **1,950 new start-up businesses**.
- 🌟 **Trade Facilitation:** Issued **3,038 Micro Letters of Guarantee (Micro LGs)** worth **YER 8.15 billion**.

### Job Creation and Human Capital Development

AMB's investments translate directly into employment. The enterprises financed in 2024 created approximately **8,750 new job opportunities** across the trade, service, and agricultural sectors.

Simultaneously, through the non-financial arm **Reyadah**, AMB expanded its entrepreneurship ecosystem, delivering capacity building to **17,922 beneficiaries** (with **27% female participation**). This comprehensive support included:

- 🌟 **Targeted Training:** **10,020 individuals** received access-to-finance training, and **1,306** received grant support.
- 🌟 **Digital Skills:** The **Al-Amal Learn** platform provided e-training to **8,558 youth** (24% women), strengthening digital literacy and employability.
- 🌟 **Business Incubation:** **Al-Amal Hub** incubated **109 small enterprises**, including **38 women-led ventures**, directly fostering innovation and new market entrants.

## Responsible Procurement Practices (GRI 204)

AMB leverages its purchasing power to support the local economy and promote sustainability standards. The Bank prioritizes local suppliers and environmentally responsible products, creating a market for green technologies.

### Sustainable Supply Chain

In 2024, **75% of AMB's total procurement value** was classified as sustainable. This significant figure is driven by the Bank's strategic focus on:

-  **Renewable Energy:** Sourcing solar energy systems and components for internal use and client financing.
-  **Efficiency:** Prioritizing energy-efficient electrical devices and recyclable office materials. By directing procurement budgets toward these categories, AMB not only reduces its own environmental footprint but also incentivizes local vendors to stock and supply green technologies.

## Tax Compliance and Transparency (GRI 207)

At AMB, transparency, disclosure, and tax compliance are not viewed merely as regulatory requirements but as **moral responsibilities and essential contributions to national stability and trust**. Guided by this principle, the Bank is committed to the highest standards of governance and accountability, ensuring that its operations consistently strengthen both institutional integrity and the broader socio-economic fabric of Yemen.

### Transparency and Disclosure

The Bank upholds the highest standards of transparency, evidenced by the publication of its Annual and Sustainability Reports and the rigorous oversight of its Board of Directors. In 2024, the Bank maintained active engagement with regulators and stakeholders to ensure full alignment with national laws.

### Impact on Macroeconomy

As a **non-dividend bank**, AMB does not distribute profits to shareholders. Instead, all surplus revenues are retained and reinvested to expand services, improve infrastructure, and reach more underserved people. This model ensures that economic value generated by the Bank remains within the development ecosystem. Furthermore, AMB fulfills its obligation to pay **Zakat** to the state. These payments contribute directly to the State's GDP and its ability to fund public services and social welfare programs, reinforcing AMB's role as a responsible corporate citizen deeply integrated into the fabric of the national economy.





# Pillar 2

## Social Performance



## Employment and Human Capital Management (GRI 401)

AMB views stable, decent employment as its first contribution to social stability. In a fragile operating context, the Bank prioritizes local talent and staff retention as key pillars of institutional resilience.

### Localization and Stability

Building on the bank's direct economic contribution of **354 full-time jobs** (see Pillar 1), AMB's HR strategy focuses on **localization**. **100% of Employees are Yemeni nationals**, reflecting a deliberate commitment to national capacity building and local knowledge leadership. This localization strategy strengthens institutional legitimacy and ensures services are delivered by professionals who understand the socio-economic realities of the communities served.

### Job Creation and Flexible Employment

Beyond permanent staff, AMB serves as a generator of employment in the local labor market. In 2024, the Bank created **241 temporary and project-based job opportunities** to support interventions like humanitarian transfers.

-  **Gender Breakdown of Temp Hires: 24% women** (57 staff) and **76% men** (184 staff).
-  **New Hires:** The Bank recruited **57 new employees** to fill permanent and project roles, reflecting continued organizational growth.

## Occupational Health and Safety (GRI 403)

In Yemen, "health and safety" extends beyond workplace ergonomics to encompass the physical security of staff operating in conflict-affected areas.

### Risk Management and Staff Security

AMB recognizes that and applies preventive safety measures, internal controls, and risk management procedures to protect staff, particularly those operating in field-based and branch environments.

Health and safety considerations are embedded in operational planning, staff training, and internal guidelines. From a sustainability perspective, these measures safeguard human capital, ensure service continuity, and reinforce AMB's duty of care toward employees.

### Social Protection for Clients (Takaful)

AMB extends safety to its clients through the **Takaful Fund**. This mechanism provides relief to borrowers facing health emergencies or natural disasters, ensuring that a loan obligation does not become a safety liability for vulnerable families.

## Training, Capacity Building, and Education (GRI 404)

AMB invests heavily in "Human Capital"—believing that knowledge is the primary driver of sustainable development.

### Staff Training (Internal)

In 2024, AMB implemented a robust development agenda, delivering **67 internal** and **91 external training programs**. In total, **345 employees** participated in **310 training hours**. Crucially, training focused on sustainability and governance themes:

-  **Sustainability: 177 employees** were trained on Environmental & Social (E&S) standards and the ESRM Manual.
-  **Governance: 61 employees** trained in cybersecurity and **78** in business ethics.
-  **Orientation: 158 sessions** were conducted for new staff.

### Client Education (External)

Through **Reyadah**, AMB provided capacity building to **17,922 beneficiaries**.

-  **Digital Literacy: 8,558 youth** (24% women) received e-training via **Al-Amal Learn**.
-  **Financial Literacy: 10,020 individuals** received access-to-finance training.

### Diversity, Inclusion, and Equal Opportunity (GRI 405)

AMB actively works to dismantle structural barriers to finance. While Pillar 1 outlined the volume of lending to women and youth, the social impact of these figures is the **reduction of inequality**.

### Women's Empowerment (SDG 5)

-  **Workforce: Women constitute 21% of the permanent workforce** (74 employees), with **11% holding management roles**.
-  **Closing the Gap: By directing 18% of total loans** to women and supporting **38 women-led enterprises** through incubation, AMB is actively reducing the gender gap in economic participation.
-  **Training: Women represented 27% of Reyadah beneficiaries**, ensuring equitable access to skills development.

### Inclusion of Other Groups

In 2024, the Bank allocated specific **financial resources** to support **entrepreneurs with disabilities**. These loans were paired with **entrepreneurship training and micro-grant support**, effectively enabling beneficiaries to launch new enterprises and acquire specialized adaptive business skills.

**Youth inclusion** remains a defining feature of AMB's social strategy, with youth forming the majority of beneficiaries across financial and non-financial services, as discussed in Pillar 1. Furthermore, the Bank's network of **6,644 agents** ensures that citizens in remote and conflict-affected regions receive the same service quality as those in urban centers.

AMB's approach emphasizes **equitable access and participation**, while acknowledging areas for continued improvement. From a social perspective, this reflects long-term investment in inclusive future human capital.

### Non-Discrimination and Fair Treatment (GRI 406)

AMB enforces a zero-tolerance approach to discrimination and unfair treatment. This commitment is embedded in the Bank's Code of Conduct, internal policies, and compliance mechanisms, ensuring fair treatment of employees, clients, and partners regardless of gender, age, disability, or social background.

Grievance and oversight mechanisms support accountability and ethical conduct, reinforcing trust in AMB's services—particularly among vulnerable populations.

## Community Engagement and Financial Inclusion (GRI 413)

AMB's community engagement strategy focuses on **inclusive empowerment and social cohesion**, complementing the economic impacts outlined in Pillar 1.

### Inclusion of Priority Groups (Social Lens)

- Youth:** Supported through skills development, entrepreneurship training, and digital literacy programs.
- Women:** Empowered through targeted financial products and participation in capacity-building initiatives.
- Persons with Disabilities (PWDs):** Besides the beneficiaries supported through inclusive financing, entrepreneurship training, and grants, there are support mechanisms aimed at reducing structural barriers to economic participation.

### Social Protection Mechanisms (Careful Integration)

To prevent financial stress from escalating into social vulnerability, AMB applies **client protection and solidarity mechanisms**, including **Takaful-based support**, which provides temporary relief to clients facing health emergencies or severe hardship. These mechanisms strengthen borrower resilience and protect household well-being.

## Customer Privacy and Data Protection (GRI 418)

Protecting customer privacy is central to AMB's social responsibility and trust-based relationship with clients. The Bank applies confidentiality protocols, secure systems, and staff training to safeguard personal and financial data, particularly for vulnerable clients and beneficiaries of social programs.

### Customer data protection indicators (2024):

- Zero substantiated complaints** related to breaches of customer privacy or loss of customer data
- 61 employees** trained in data protection and cybersecurity, strengthening social safeguards against misuse and fraud

From a sustainability perspective, strong data protection practices uphold client dignity, reduce harm, and reinforce confidence in formal financial systems.





# Pillar 3

## Environmental Performance



## Climate Governance and Strategy (GRI 3-3)

Climate change presents a dual challenge for Yemen: threatening agricultural livelihoods while driving demand for resilient energy solutions. At Al-Amal Microfinance Bank (AMB), environmental performance is not a peripheral activity but a core business pillar defined by the "Green Banking" strategic objective.

### Governance of Sustainability

In 2024, AMB formalized its environmental governance through the **Sustainability and Climate Action Unit (SCAU)**. While the unit was officially established in March 2025, its operational framework was developed throughout 2024 to lead:

- 🌿 **E&S Risk Management:** The development of a comprehensive **Environmental & Social Due Diligence Instrument** ensures that credit decisions now systematically evaluate ecological risks.
- 🌿 **Capacity Building: 177 employees** (including loan officers and branch managers) were trained on E&S standards and the ESRM Manual. This ensures that environmental responsibility is decentralized to the branch level, not just held at Head Office.

## Green Finance and Product Impact (GRI 203, 302, 305, 303, 304)

AMB's most significant environmental impact is achieved through its lending portfolio (Scope 3 downstream)—financing the transition to a low-carbon economy.

### Green Lending Performance (2024)

As highlighted in Pillar 1, AMB disbursed **273 new Agri-Green loans** in 2024. From an environmental perspective, these loans act as critical tools for **climate adaptation**:

- 🌿 **Investment in Resilience:** The loans, valued at **YER 1.27 billion**, specifically targeted solar irrigation systems, greenhouses, and water-efficient assets.
- 🌿 **Rural Adaptation:** A significant share of these loans reached rural communities. AMB is also directly supporting farmers in adapting to changing climate patterns and water scarcity.
- 🌿 **Cumulative Impact:** Since inception, AMB has financed **1,866 green projects** (YER 6.3 billion), including **428 solar systems** and **25 greenhouses**, significantly reducing the carbon footprint of smallholder agriculture.

### Large-Scale Impact: The YEEAP Project

Beyond commercial lending, AMB serves as a critical implementation partner for national-scale climate resilience. In partnership with **UNOPS** and the **World Bank**, AMB implemented the **Yemen Emergency Electricity Access Project (YEEAP)**.

- 🌿 **Scale of Impact:** In 2024, AMB distributed **40,000 Solar Home Systems (SHS)**.
- 🌿 **Environmental Co-benefits:** These systems provided clean energy access to **40,000** direct beneficiaries and approximately **160,000 individuals** as indirect beneficiaries. By replacing diesel generators and kerosene lamps, this initiative directly reduces household carbon emissions and improves indoor air quality, complementing the social benefits of safety and education mentioned in Pillar 2.

## Operational Footprint: Energy and Emissions (GRI 302, 305)

AMB is committed to "walking the talk" by reducing the environmental footprint of its own physical operations.

### Energy Consumption and Efficiency

AMB monitors energy use across its branches to optimize efficiency. In 2024, total energy consumption reached **373,393 kWh**.

-  **Renewable Energy Mix:** A remarkable **25.2% (94,170 kWh)** of the Bank's total energy consumption was generated by self-owned solar photovoltaic (PV) systems.
-  **Infrastructure Investment:** This renewable capacity is driven by solar installations at key locations, including the **Head Office (80,170 kWh produced)**, **Aden Branch (36 kW capacity)**, and **Dhamar Branch (6 kW capacity)**.

### Greenhouse Gas Emissions

AMB has established a baseline for its carbon footprint reporting:

-  **Avoided Emissions:** By utilizing solar energy for its own operations, AMB avoided approximately **65.9 Metric Tons of CO2 equivalent (tCO2e)** in 2024. This is ecologically equivalent to the carbon sequestered by planting approximately **3,000 trees**.
-  **Scope 2 Emissions (Indirect):** Emissions from purchased electricity were calculated at **195.5 tCO2e**.
-  **Scope 1 Emissions (Direct):** Data for direct fuel consumption (generators/vehicles) was not centrally tracked in 2024. The SCAU is currently implementing a fuel-tracking system to close this data gap for the 2025 report.

## Environmental Responsibility in the Supply Chain (GRI 308)

AMB leverages its purchasing power to stimulate the local market for green technologies.

### Sustainable Procurement

In 2024, **75% of AMB's total procurement value** was classified as sustainable. This high ratio is driven by the Bank's strategic decision to prioritize vendors who supply:

-  Solar energy systems and battery components.
-  Energy-efficient electrical devices.
-  Recyclable office materials. By enforcing these criteria, AMB ensures that its supply chain reinforces its environmental mission rather than diluting it.

## Waste Management and Digitalization (GRI 306)

While AMB does not yet track waste tonnage quantitatively, it actively **minimizes its environmental footprint** through a dual strategy of **digital transformation** and **responsible recycling**.

### Technological Transformation and the "Paperless Office"

AMB is driving a comprehensive technological transformation designed to decouple operational growth from resource consumption. By migrating core workflows to digital platforms—led by the HR and IT departments—the Bank is drastically **reducing its dependency on paper** for daily operations, internal communications, and client transactions.

## Responsible Disposal and Recycling

Complementing this reduction strategy, AMB ensures that unavoidable paper waste is managed responsibly. The Bank systematically collects paper waste and directs it to **recycling channels**, ensuring materials are processed for reuse rather than contributing to landfill mass.

## Policy and Future Outlook

- **Policy Action:** The SCAU has reinforced these practices by issuing circulars to all branches, clarifying staff responsibilities under the Environmental Policy.
- **Future Outlook:** For 2025, AMB has committed to implementing a formal **Waste Sorting Policy** to categorize and recycle all forms of office waste at the source.



## Delivering Impact and International Recognition

### Success Story: Restoring Dignity Through Clean Energy

While Pillar 3 outlines the scale of our environmental impact, the true measure of our work is found in the lives we touch. The story of **Hasiba Ahmed Saleh**, a 20-year-old mother of five from Al-Jamima, Hajjah, exemplifies the transformative power of the **Yemen Emergency Electricity Access Project (YEEAP)**.

Displaced by conflict and living in an IDP camp, Hasiba’s family faced the daily indignity of darkness. Without electricity, simple tasks—cooking safely, studying, or moving around the camp—were fraught with difficulty. Through AMB’s distribution network, Hasiba received a **Solar Pico System**. The impact was immediate:

- 
**Safety & Dignity:** The family can now cook and socialize safely after dark.
- 
**Connectivity:** Hasiba can charge her phone to stay connected with dispersed relatives.
- 
**Education:** Her children now have the light needed to study in the evenings. As Hasiba notes, this "small device made a big difference," restoring a sense of normalcy and stability to a family living on the edge of survival.



### International Awards and Achievements

In 2024, Al-Amal Microfinance Bank’s commitment to innovation, governance, and sustainability was recognized on the global stage. These accolades validate our "Twin Modality" approach and our position as a leader in the MENA financial sector.

#### 1. Product Innovation of the Year (MENA)

- 
**Awarded by:** Global SME Finance Forum (Sponsored by IFC)
- 
**Recognition:** Honoring AMB’s pioneering financial products that unlock access for MSMEs and underserved groups. This award acknowledges our ability to design solutions that create tangible economic impact while ensuring portfolio sustainability.



#### 2. Energy Globe Award

- 
**Awarded by:** Energy Globe (Partnered with Advantage Austria)
- 
**Recognition:** One of the world’s most prestigious environmental awards, recognizing AMB’s leadership in financing renewable energy solutions. It validates the effectiveness of our green lending strategy in reducing emissions and promoting resource efficiency.



#### 3. Building Awareness Champion Award

- 
**Awarded by:** Institute of Internal Auditors (IIA)
- 
**Recognition:** Identifying AMB as a benchmark for transparency and good governance. This award highlights the maturity of our internal audit systems and our culture of accountability.



# Appendices

## Appendix 1: GRI Content Index

|                           |   |
|---------------------------|---|
| <b>Statement of use</b>   | Al-Amal Microfinance Bank (AMB) has prepared this report with reference to the GRI Standards (2021).  |
| <b>GRI 1 used</b>         | GRI 1: Foundation 2021  |
| <b>External Assurance</b> | The information in this Sustainability Report has been internally reviewed and verified by Al-Amal Microfinance Bank. No external assurance was conducted for the 2024 edition. |

| GRI Standard                                   | Disclosure                         | Disclosure Title   | Location in Report / Direct Answer                                 | Other Standards (SDGs)          |
|--|------------------------------------|--|--|---------------------------------|
| <b>GRI 2: General Disclosures 2021</b>         | 2-1                                | Organizational details   | Introduction: About AMB  | SDG 16                          |
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|  | 2-3                                | Reporting period, frequency and contact point                  | Introduction: About This Report                                    | SDG 16                          |
|  | 2-6                                | Activities, value chain and other business relationships       | Introduction: About AMB; Pillar 1: Market Presence                 | SDG 8                           |
|  | 2-7                                | Employees  | Pillar 2: Employment (354 full-time staff)                         | SDG 8                           |
|  | 2-9                                | Governance structure and composition                           | Introduction: SCAU; Pillar 3: Governance                           | SDG 16                          |
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|  | <b>GRI 3: Material Topics 2021</b> | 3-1  | Process to determine material topics                               | Introduction: About This Report |
| 3-2  |                                    | List of material topics  | Introduction: About This Report                                    | -                               |
| 3-3  |                                    | Management of material topics                                  | <i>Reported within each respective Pillar</i>                      | -                               |
| <b>GRI 201: Economic Performance 2016</b>      | 201-1                              | Direct economic value generated and distributed                | Pillar 1: Financial Sustainability and Stability                   | SDG 8, 9                        |
| <b>GRI 202: Market Presence 2016</b>           | 202-2                              | Proportion of senior management hired from the local community | Pillar 1: Market Presence; Pillar 2: Localization (100% Nationals) | SDG 8                           |
| <b>GRI 203: Indirect Economic Impacts 2016</b> | 203-1                              | Infrastructure investments and services supported              | Pillar 3: YEEAP (Solar access)                                     | SDG 7, 9, 11                    |
|  | 203-2                              | Significant indirect economic impacts                          | Pillar 1: Job Creation & Twin Modality                             | SDG 1, 8                        |
| <b>GRI 204: Procurement Practices 2016</b>     | 204-1                              | Proportion of spending on local suppliers                      | Pillar 1: Responsible Procurement                                  | SDG 12                          |
| <b>GRI 205: Anti-Corruption 2016</b>           | 205-2                              | Communication and training about anti-corruption               | Pillar 2: Training (78 staff trained)                              | SDG 16                          |

|  |       |  |  |               |
|--|-------|--|--|---------------|
|  | 205-3 | Confirmed incidents of corruption  | Pillar 2: Customer Privacy / Non-Discrimination                    | SDG 16        |
| <b>GRI 207: Tax 2019</b>                             | 207-1 | Approach to tax  | Pillar 1: Tax Compliance and Transparency                          | SDG 1, 16, 17 |
| <b>GRI 302: Energy 2016</b>                          | 302-1 | Energy consumption within the organization                               | Pillar 3: Energy Consumption and Efficiency                        | SDG 7, 12, 13 |
| <b>GRI 303: Water and Effluents 2018</b>             | 303-1 | Interactions with water as a shared resource                             | Pillar 3: Green Finance (Water-efficient assets)                   | SDG 6         |
| <b>GRI 304: Biodiversity 2016</b>                    | 304-2 | Significant impacts of activities, products and services on biodiversity | Pillar 3: Green Finance (Agri-Green loans)                         | SDG 14, 15    |
| <b>GRI 305: Emissions 2016</b>                       | 305-2 | Energy indirect (Scope 2) GHG emissions                                  | Pillar 3: Greenhouse Gas Emissions                                 | SDG 13        |
| <b>GRI 306: Waste 2020</b>                           | 306-1 | Waste generation and significant waste-related impacts                   | Pillar 3: Waste Management (Paperless Strategy)                    | SDG 12        |
| <b>GRI 308: Supplier Env. Assessment 2016</b>        | 308-1 | New suppliers that were screened using environmental criteria            | Pillar 3: Sustainable Procurement (75% sustainable)                | SDG 12        |
| <b>GRI 401: Employment 2016</b>                      | 401-1 | New employee hires and employee turnover                                 | Pillar 2: Job Creation (57 new hires)                              | SDG 8         |
| <b>GRI 403: Occupational Health and Safety 2018</b>  | 403-2 | Hazard identification, risk assessment, and incident investigation       | Pillar 2: Occupational Health and Safety                           | SDG 3, 8      |
| <b>GRI 404: Training and Education 2016</b>          | 404-1 | Average hours of training per year per employee                          | Pillar 2: Training (310 total hours)                               | SDG 4, 8      |
|  | 404-2 | Programs for upgrading employee skills                                   | Pillar 2: Training (Sustainability & Cybersecurity)                | SDG 4         |
| <b>GRI 405: Diversity and Equal Opportunity 2016</b> | 405-1 | Diversity of governance bodies and employees                             | Pillar 2: Diversity (21% Women in workforce)                       | SDG 5, 10     |
| <b>GRI 406: Non-discrimination 2016</b>              | 406-1 | Incidents of discrimination and corrective actions taken                 | Pillar 2: Non-Discrimination (No substantiated incidents reported) | SDG 5, 10, 16 |
| <b>GRI 413: Local Communities 2016</b>               | 413-1 | Operations with local community engagement                               | Pillar 2: Community Engagement (Social Transfers)                  | SDG 1, 10     |
| <b>GRI 418: Customer Privacy 2016</b>                | 418-1 | Substantiated complaints concerning breaches of customer privacy         | Pillar 2: Customer Privacy (Zero complaints)                       | SDG 16        |



The Year of  
Sustainable Empowerment

2024