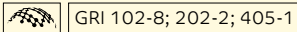


BUILDING PEOPLE SKILLS

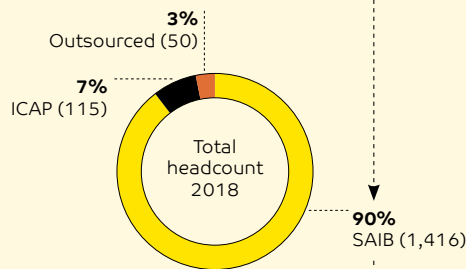
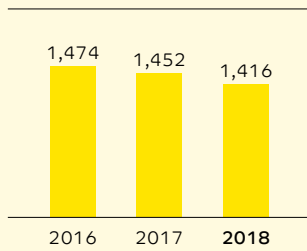


Our HR resources planning is underpinned by a demand and supply analysis. Considering the demand aspect required numbers and roles at business unit levels to be derived from business needs. On the supply side, availability of people is ascertained by function and levels, taking into account the possible contribution of training and development.

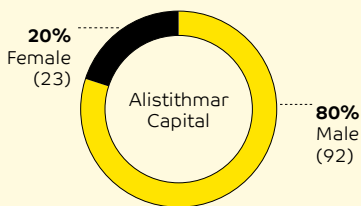
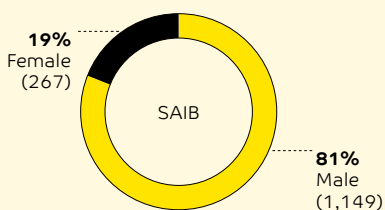


1,416

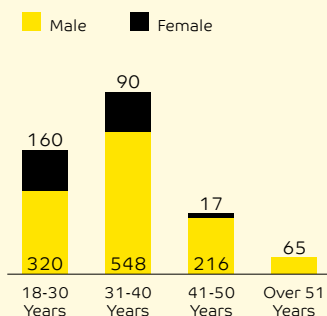
Permanent employees



Total staff by gender
(SAIB and Alistithmar)

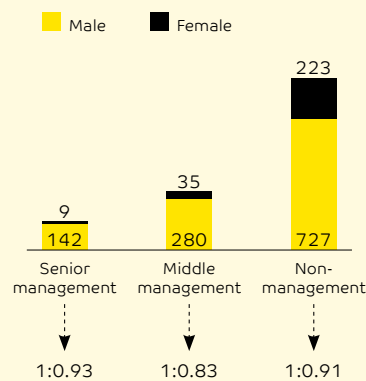


Workforce by age group



One third of employees in the 21-30 age group are female.

Workforce by employee grade

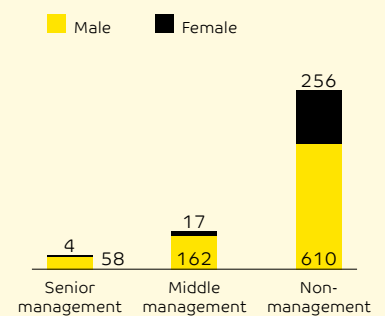


Salary ratio for 2018 for all three categories

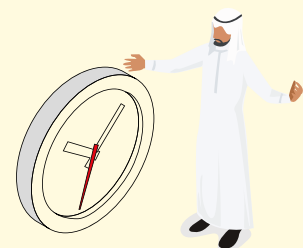
Male: female salary gap has narrowed remarkably in 2018.

192
Training programmes

1,681
Participants



1,107
Staff trained

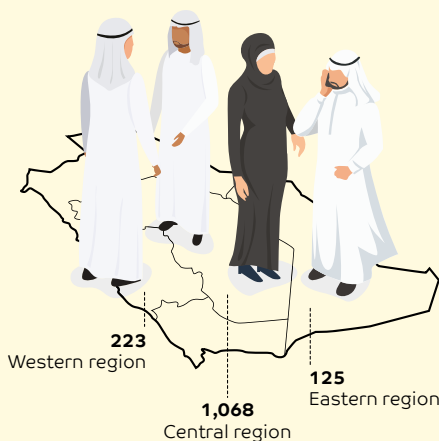


26,425

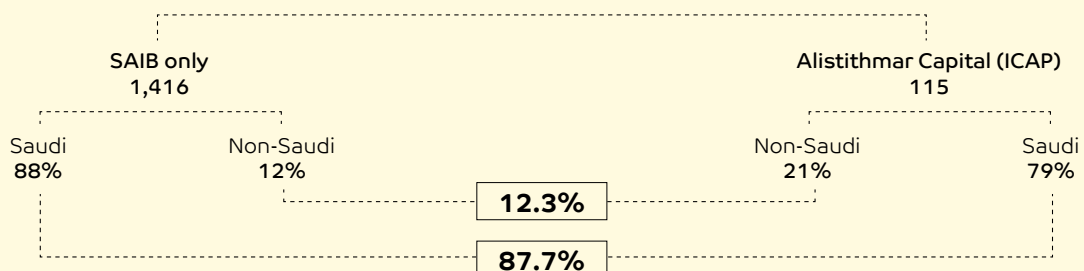
Hours spent on training*

(3,775 Training days)

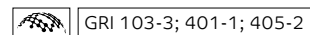
Workforce by region



Rate of Saudization



*calculation based on a 7-hour training day



Aligning HR Strategies with overall strategies

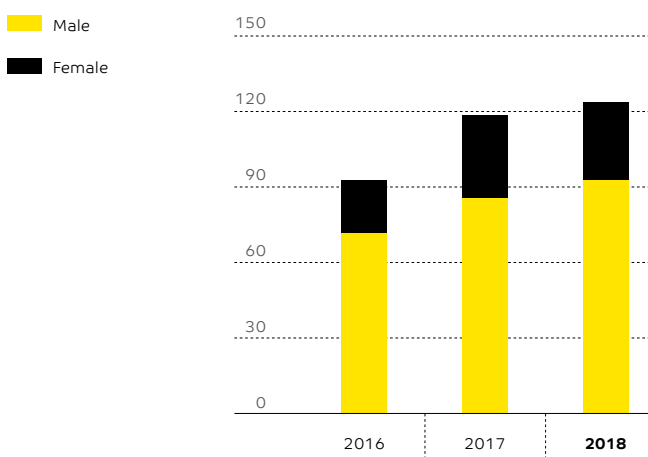
Our human resource planning is closely aligned with overall business strategies. Our HR planning is based on a demand and supply analysis. On the demand side, business needs are cascaded down to numbers and roles at organisation unit levels. On the supply side availability of people is analysed by functions and levels. How gaps can be filled by staff development and training is also identified.

The strategic plan for 2015-2019 identified three high level initiatives for developing human resources. They were excellence in learning; excellence in staff performance; and attaining the employer of choice status. There were several second-tier initiatives identified including recruitment and training for new teams and focus areas; evaluation of centralising incentive schemes under HR; Management succession plans; and training in focus areas such as cross selling.

SAIB has always regarded employees as a key asset and has not stinted in training and developing them.

When recruiting we try to obtain the most talented Saudi citizens and place them in appropriate roles. We source the best person for the job, using a systematic and fair approach. We also value diversity and inclusion in our workplace; we strive to give as many opportunities as possible to youth and women.

New hires (Nos)



Strategic pillars of HR policy

The human resources strategy is founded on five pillars:

- Control of headcounts and costs: We strive to limit numbers while maximising efficiency; pay and performance are linked while being equitable initially and competitive in the market place.
- Partnering with business departments: SAIB has in place a sophisticated organisation framework, taking many human resources related factors into account, which facilitates partnering with business departments.
- Enhancing Saudisation: This pillar is in line with Vision2030. Our successions plans ensure that people with the right skills are there when needed.
- Upskill SAIB human capital: We give the utmost importance to developing our human capital so as to fulfil our goals, objectives and plans.
- Boost automation: We are constantly seeking to increase automation to boost the efficiency of our HR manpower.

Narrowing the gender gap

We seek to promote diversity in our workforce giving emphasis to growing the numbers of young people and women. The total number of permanent staff of SAIB only as at December 31, 2018 stood at 1,416. The female staff ratio has increased from 18.6% to 19.1% during the year and we are making every effort to grow the percentage.

We have been gradually narrowing the gap in the male: female salary ratio. The ratio at Senior Management level stands at 1: 0.93. At middle management and non-management levels it stands at 1:0.83 and 1:0.91 respectively. In line with Vision 2030, we have promoted Saudisation, and in 2018 our ratio has increased by 3% to 87.7%.

Salary ratio for 2018 for all three categories

	2018	2017	2016	2015	2014
Male: female salary ratio – Senior Management	1:0.93	1:0.55	1:0.69	1:0.78	1:0.74
Male : female salary ratio – middle management	1:0.83	1:0.76	1:0.86	1:0.96	1:0.92
Male: female salary ratio non-management	1:0.91	1:0.86	1:0.96	1:0.96	1:0.92

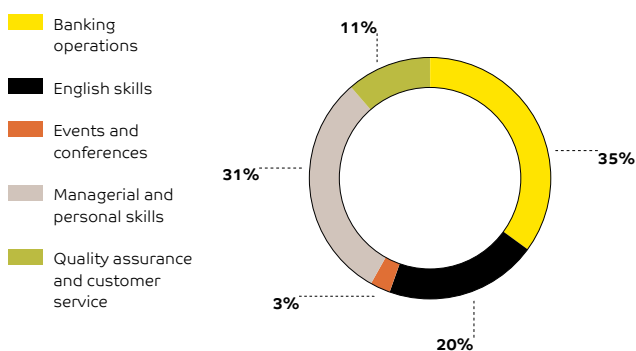
GRI 103-1, 103-2, 103-3; 401-2, 401-3; 404-1, 404-2, 404-3; 412-2

Training and skills development

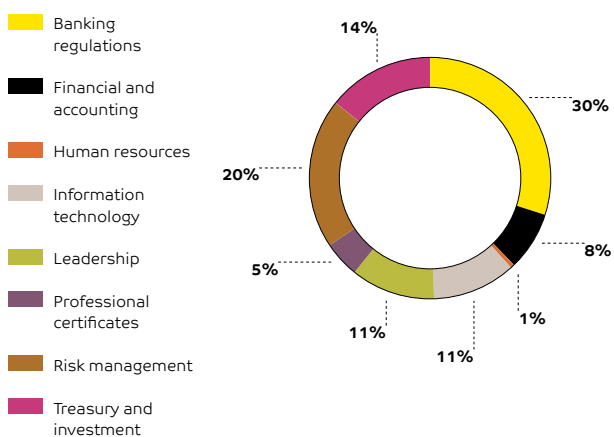
Special attention is paid to identifying the training needs of Saudis who will fill leadership positions in the future and carrying out such training. Considering the age distribution of the staff of SAIB only, the largest percentage is in the 31-40 age bracket which accounts for 44.83% of the total staff. However, the 21-30 age bracket accounts for 34.22% which is an indication of the importance given to youth. Around 62% of the staff have followed formal training.

A total of 26,425 formal training hours has been provided to the staff of which 74.4% was for soft skills and 25.6% was for technical skills. The figures highlight the importance that is being given to soft skills. Of the employees who received training 25.0% were female, while females accounted for 32.8% of the total hours spent on training. The total number of participants in the training was 1,681. In addition to the formal training, the Bank has offered over 208 eLearning modules to its staff.

Training (soft skills)



Training (technical skills)



Motivation and retention

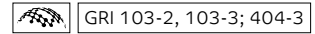
The total expenditure for salaries and benefits for 2018 was SAR 626 million. Of this, salaries accounted for SAR 452 million, additional benefits for SAR 118 million, social security contributions for SAR 31 million and staff insurance for SAR 25 million.

SAR million	2018	2017	2016	2015	2014
Salaries paid	452	386	274	254	227
Benefits paid	118	118	267	316	270
Social Security Contributions	31	51	28	27	21
Staff Insurance	25	24	23	22	14
Total salaries and benefits paid	626	579	592	619	531

In addition to basic remuneration that compares well with market rates, we offer many other benefits to our employees. These include life insurance, medical insurance, fitness club membership, social security, loyalty programmes and allowances for housing and transportation. We also give all possible assistance to our female staff in balancing their work and family responsibilities. This includes paid maternity leave of up to 10 weeks and up to 180 days sick leave for pregnant women for illness due to pregnancy.

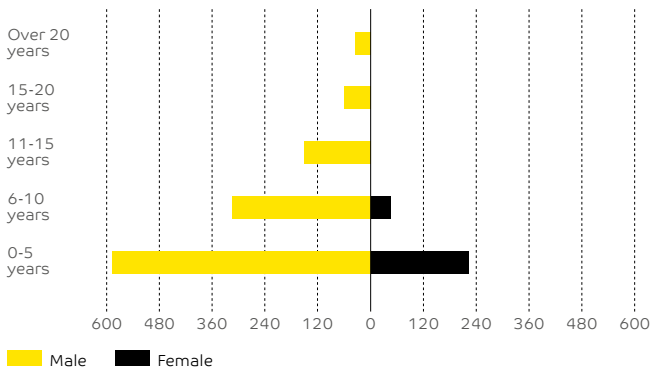
The Bank recognises that employees are motivated not only by short term but also by long-term benefits. Benefits which employees are entitled to either during the course of their service or at the conclusion of it are accrued according to the Saudi Arabian labour regulations or the Bank’s accounting policies. A provision of SAR 26.7 million was made for employee end of service benefits during the year ended December 31, 2018. The balance of accrued benefits outstanding at the end of the year was SAR 165.1 million.

The Bank also offers to certain eligible employees shares under an employee stock grant plan. The employees are granted shares which vest over a four-year period. During the year, the Bank vested 1,736,178 shares for a cost of SAR 25.4 million. In addition, the Bank offers to its eligible employees other types of security and savings schemes that are based on mutual contributions by the employees and the Bank. The balance of the benefits outstanding of the security and the savings plan was SAR 1.9 million as at December 31, 2018.



However, we also give a great deal of importance to the non-monetary aspect of motivation and retention. We recognise the importance of job satisfaction. Sustaining a person’s interest in a single job for a long period of time is not easy. Providing enough diversity within a single career path to keep an employee contented is often not possible, and this can lead to frustration and absenteeism. SAIB has a job rotation policy to alleviate the problem. Moving an employee across jobs, gives him or her the opportunity to gain new knowledge, reskills, and see a broader picture of the Bank’s operations. This also serves the purpose of rotating staff in certain critical areas periodically to minimise risk.

Service analysis of workforce (SAIB only) (Nos)



Safeguarding health and safety of employees

The utmost importance is given to safeguarding the health and safety of our employees. While this is necessitated by our commitment to human rights, it will also bring results in the form of employee loyalty, productivity and retention. Our security and safety policies include the risks of violence and criminal activity. Our policies are reinforced by branch inspections, safety sessions and awareness programmes. Very significantly, there were no employee or contractor fatalities or injuries and no absenteeism due to any work-related health issues during the year.

Engaging with staff

It is a cornerstone of our HR policies that to achieve employee motivation, satisfaction and retention two-way communication is essential. By open dialogues between the Management and staff we can achieve understanding of each others’ viewpoints and perspectives. We conduct a biennial employee satisfaction survey through which we gauge the pulse of our staff. The need for such a survey became clear with the backdrop of the current volatile, uncertain, complex and ambiguous (VUCA) milieu. Through this survey a wide range of employee related variables are measured including satisfaction with performance appraisal, pay and benefits, work processes, working environment, communication and customer focus.

The employee suggestion programme “my idea” allows employees to suggest ideas to our innovation centre for consideration.

Employee hours spent on CSR activities

	2018	2017	2016
Employee hours spent on CSR activities*	363	449	382

*this excludes the three permanent full time Staff employed in the CSR Unit