Corporate Social Responsibility (CSR) Policy

سياسة المسؤولية الاجتماعية
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Introduction

- The purpose of this document is to set out Saudi Investment Bank (also referred to as “SAIB” or the “Bank”) Policy on Corporate Social Responsibility (“CSR”).
- This policy aims at recognizing The Bank’s position as a significant contributor to the society.
- In addition, this policy translates SAIB’s commitment to:
  - Support its social goals and adapt to changes and challenges faced by the business as a participant in society generally.
  - Fair and equal treatment of employees that includes direct contributions through philanthropy and engagement in the local society.
- While CSR covers a wide range of activities, this Policy is primarily concerned with SAIB philanthropic and charitable activities, support and sponsorship, host of events and programs, education, health, economic, and environmental activities.
- SAIB where deemed necessary will implement more detailed procedures, which are designed to support the Bank’s on-going compliance with, among other things, this policy.
Holistic View

Philanthropy and charitable donations
In line with SAMA regulations, the services provided to charitable organizations through donations and other support means is subject to such organizations being recognized by the Ministry of Human Resources and Social Development, by Royal Decree or otherwise as permitted by SAMA.

Sponsorship and Support
The banking services provided should meet the needs and requirements of the entities, society, encourage economic development and adds value for shareholders, and is provided to a wide variety of stakeholders which may include but not limited to social, educational, economic, health, welfare or environmental benefits. This may include the Bank’s engagement in different sponsorship events, initiatives, programs and providing financial support.

Environmental
The environmental friendly concept is expected to be followed when utilizing the Bank’s resources and facilities. In addition, from time to time, CSR department shall initiate a designed initiative to educate, improve of environmental care and ensure its implementation as appropriate.
Corporate Social Responsibility (CSR) Policy

1. Applicability & Commitment
   1.1. Applicability
   This policy is applicable to SAIB’s philanthropy and social engagement activities.

   1.2. Statement of Commitment
   SAIB and its BoD are dedicated to lead or support active and positive contribution to society and the operation of its business as well to its stakeholder, vendor, employees, investors, clients so far as is practicable.

2. Laws, Regulations, Related Policies & Supporting Procedures
   2.1. Regulations
   The key regulations are as follows:

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<thead>
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<th>Law/Regulation</th>
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<tbody>
<tr>
<td>Corporate Governance Regulations</td>
<td>Capital Market Authority (CMA)</td>
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<td>Key Principles of Governance in Financial Institutions</td>
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   2.2. Related Policies & Procedures
   - Corporate Social Responsibility Manual
   - Sustainability Committee Charter

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Corporate Social Responsibility Manual
Sustainability Committee Charter

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Corporate Social Responsibility Manual
Sustainability Committee Charter
3. Policy

3.1. Policy Statement

Saudi Investment Bank in addition to maintaining the best interest of its stakeholders recognizes its responsibility towards the society and strives to achieve its social responsibility objectives that are designed to support the largest possible segment of the community in all fields, our commitment is deeply rooted in our values and forms an integral part of our strategy.

3.2. Policy Principles

The following are the key principles of SAIB’s CSR Policy, subject to ensuring the solvency of the Bank:

a. Maximizing shareholders’ value;

b. Provide banking services, support and sponsorship that meets the requirements and needs of businesses/stakeholders.

c. Meet the credit needs of the local economy through granting loans and facilities for productive businesses.

d. Provide innovative products that encourage economic development.

e. Conducting the business with the highest local and international standards / principles of ethics, ensuring fair treatment of its different stakeholders including its shareholders, customers, vendors, employees as well as the public.

f. Support various social projects and spread further guidance and awareness within society of financial products and services as well as its different inherited risks.
g. Supporting various social projects and work to increase the level of awareness and guidance.

h. Exercise due consideration for environmental and sustainability issues in the conduct of its business.

i. Support and encourage small and medium enterprises without compromising the bank and its stakeholders.

j. Achieving sustainability development for the society as well as bank employees.

3.3. Policy Details

3.3.1. CSR Governance Structure

The Social Responsibility policy will be approved by the General Assembly, and CSR program should be in line with this policy to support various social activities including without limitation, philanthropy, social engagement, support and sponsorship, host of events and programs, and environmental issues, however the management sustainability committee will approve the initiatives/programs and oversee them along with CSR Department in order to ensure creating the expected value to the bank strategy, customers, as well as society.

3.3.2. Policy Review

The policy shall be reviewed periodically according to the need and minimum every three years by the Board of Directors and any amendments if required will be presented and approved by the general assembly.
### 3.3.3. Board of Directors

The Board shall ensure that the bank adopts social responsibility programs in line with the Social Responsibility Policy as approved by the General Assembly and its principles.

#### 3.3.3.1. The Bank may disclose the objectives of social responsibility to its (stakeholders including, employees, management, board of directors, vendors... etc.).

#### 3.3.3.2. The Bank must disclose its achieving social responsibility in the periodical reports.

### 3.3.4. Sustainability Committee:

The Sustainability committee is a management committee where its responsibilities are but not limited to:

#### 3.3.4.1. Approve the Social Responsibility activities, initiatives and programs within the approved Budget.

#### 3.3.4.2. Periodically review strategic corporate social responsibility and sustainability priorities, aspirations and objectives in the context of the continuous evolution of social responsibility and sustainability trends, stakeholders, risks and opportunities.

#### 3.3.4.3. Review, recommend and enhance the CSR policy for the Board’s endorsement through Board committee prior the GA.

#### 3.3.4.4. Review and approve endorse eligible community and charitable organizations.
3.3.4.5. Review and endorse the amount of expenditure to be incurred on the CSR activities to be undertaken by the Bank.

3.3.4.6. Establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by SAIB.

3.3.4.7. Ensure the CSR department are complying with the approved donation and focusing on strategic sponsorship & CSR mechanism that add value to customers, investors, society, and other relevant stakeholders.

3.3.4.8. Ensure that the Bank complies with local and international standards and guidelines as manifested in the best practices of CSR and sustainability management.

3.3.4.9. Evaluate the CSR performance with its initiatives and associated activities.

3.3.5. CSR Department

The CSR Department is responsible for recommending and/or assessing all charitable donations and activity sponsorships of events and activities from a social responsibility angle, coordinating efforts in relation to education, economic, health, business retention/growth, and anything that is relevant to the corporate and bank brand strategy and awareness and implementing sustainability and environmental issues.

The CSR Department provides CSR Committee with periodic reports on progress on initiatives taken during the year on a semi-annual basis.
### 3.3.6. Disclosures and related Compliances:
- SAIB shall ensure that requisite disclosures are made in its annual Report in the prescribed format, containing details relating to the Sustainability Committee, CSR spends carried forward and/or set off, and such other information, and the Companies (CSR Policy) Rules, as amended and notified from time-to-time.

#### CSR Selection Framework
The SAIB CSR Selection Framework will be used to improve the design and selection of CSR projects, regardless if a request for a CSR project originates internally from within SAIB, or is submitted by an external party.

The CSR proposal selection framework will be:

1. Is in line with the bank corporate strategy.
2. Is in line with the brand strategy (if not but it’s a needed CSR, then branding will be minimal and without any marketing investment to communicate this).
3. Is in line with the bank CSR strategy.
4. Creates value to the community.
5. Helps in further building partnership with key strategic customers, or in opening possibilities of future banking opportunity for SAIB.

**3.3.6. حالات الإفصاح والامتثال ذات الصلة:**
- يقدم البنك الإفصاحات المطلوبة في تقريره السنوي على النحو المحدد، متضمنًا التفاصيل المتعلقة بلجنة الاستدامة ونفقات المسؤولية الاجتماعية أو تفاصيل ذات العلاقة، ب(سياسة المسؤولية الاجتماعية)، بصيغتها المعدلة من وقت لآخر.

**4. إطار اختيار المسؤولية الاجتماعية**
سيعمل البنك على تصميم إطار اختيار المسؤولية الاجتماعية بهدف تحسين اختيارات المشاريع ذات الصلة، بصرف النظر عما إذا كان البنك من يُقدم طلب لتنفيذ مشروع المسؤولية خارجيًا أو يتم تقديمهم من طرف خارجي.

**4.1. مناسبة إلى الاستراتيجية المؤسسية التي ينتهجها البنك.**
1. استراتيجية العلامة التجارية (إذا لم يكن الأمر كذلك، يلزم تحديد المسؤولية.
2. فتح جزء العلامة التجارية الحد الأدنى دون أي استثمار تسويقي لإيصال ذلك).
3. استراتيجية المسؤولية الاجتماعية للبنك.
4. خلق قيمة للمجتمع.
5. المساعدة على إقامة مزيد من الشراكة مع أهم العامل الاستراتيجيين، أو إتاحة الفرص المصرفية المستقبلية للبنك.