



البنك السعودي للاستثمار
The Saudi Investment Bank

Sustainability Program
Extraordinary General Assembly
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Introduction

Sustainability is an integrated system of economic, social and environmental performance that focuses on adding value to all stakeholders. The purpose of the Sustainability Program at The Saudi Investment Bank (SAIB) is to establish a unique market position that allows SAIB to achieve financial gains from its investment and initiatives which contribute to enhancing the Bank's reputation and sustainability leadership position.

Through our investment in sustainability and innovations related thereto, SAIB can attract distinctive customers and employees and enhance their loyalty at the same time. In addition, the Bank operates in a national context, whereby increasing social and economic challenges requires constant creative solutions and innovations.

SAIB's sustainability program is designed to support and secure these gains. Our sustainability approach is reflected clearly in the pillars of our sustainability framework which is based on five Islamic principles. This Sustainability Program documents this framework as adopted by the Bank, its specific strategic objectives, and the policies and practices adopted by the in its endeavors to achieve these objectives.

1. Sustainability Framework

The Saudi Investment Bank has adopted a framework that takes into account global pillars for sustainability framework and links them to five Islamic values. These values add a holistic circle to the economic, social and environmental components of sustainability.

1.1. Pillars of Sustainability

Pillars	Definition
Nummow (Growth)	Nummow means to 'give life' and to 'grow'. In Arabic, it refers to a positive change. For the SAIB sustainability framework, Nummow represents the Bank's efforts to

	create financial and economic stability and growth, to build high quality, and accessible products and services, and to sustainably build on the Bank's financial performance. Nummow embodies sustainable, accessible and inclusive growth that encompasses the Bank and its stakeholders.
Takleef (Responsibility)	Takleef means to be held responsible. For SAIB, this encompasses adopting responsible banking practices, ethical conduct, and measures that protect our customers and earn their trust.
Re'aya (Workforce)	Re'aya refers to the establishment of strong relationships between one another. It encompasses the Bank's efforts to engage employees and work as one family to embody inclusiveness and respect, to develop their talents, and to preserve human rights.
Hifth (Environmental Protection)	Hifth describes the sustainable use of natural resources by local communities. It entails the conservation of the environment by the Bank through its lending and investment decisions, in addition its efforts to limit emissions and waste, and reduce consumption of electricity, water, and paper in its direct operations and with its suppliers.
Awn (Helping Others)	Awn means to help and offer what you can for others. It refers to SAIB's responsibility to support local communities. Awn encompasses payment of Zakat, community investment programs, and local procurement.

1.2. Stakeholders

We are well aware that our success is strongly linked to understanding and responding to the concerns of our relevant stakeholders. At SAIB, we are working hard to reach out to stakeholders both internally and externally through

constructive and ongoing dialogue to better understand their expectations and ensure that our business activities will add value for all stakeholders.

Our main stakeholders are:

1.2.1. Customers

- Our primary goal is to help customers build their future and fulfill our role as a trusted partner in the realization of their aspirations. SAIB is doing so by organizing sustainability initiatives to better support customer's ambitions.

1.2.2. Employees

- The Bank's workforce is the most important stakeholder and the key to its success. Equal employment opportunities, employee well-being, their safety and job stability are managed through human resource policies and programs, have been designed to ensure the joint success of the Bank and its employees.

1.2.3. Regulators

- SAIB is regulated and supervised by the Saudi Arabian Monetary Authority (SAMA), Capital Market Authority and the Ministry of Commerce and Investment. SAIB's management and its Board of Directors ensure that the Bank complies with the regulations and policies of relevant regulators.

1.2.4. Shareholders

- Regular and close contact with shareholders is part of our responsibility to create added value and improve relationships with them.

1.2.5. Community and Environment

- The Bank's strategy is in line with international best practices, and community participation is a priority to improve social welfare, build local capacities, enhance the SAIB brand, continue its efforts to fulfill its social responsibility through participation in selected events, activities, initiatives and programs that are exclusively designed to serve SAIB's stated social objectives.

1.2.6. Suppliers and Service Providers

- SAIB supports local and trustworthy procurement across all its operations, and encourages its suppliers to act in an ethical and responsible manner. One of the Bank's strategic priorities is to focus on local suppliers and service providers in line with the Bank's commitment to its sustainability strategy.

1.3. Scope of the Sustainability Program

The Sustainability Program directs all initiatives and programs carried out by the Bank or handled by its employees, suppliers and service providers or by third parties on behalf of the Bank.

1.4. Approval and Endorsement

SAIB's General Assembly of shareholders hereby approves this program and authorizes the Board of Directors to make the necessary amendments thereto.

1.5. Periodic Review of the Program

The Sustainability Program is reviewed and updated every two years, whenever it undergoes significant changes or based on the recommendations of the Sustainability Committee, which shall be submitted to the Board of Directors for approval.

2. Sustainability Governance and Management

2.1. Sustainability Governance

2.1.1. The Sustainability Committee, comprising executive officers, shall periodically review strategic sustainability priorities, aspirations and objectives in the context of the continuous evolution of sustainability trends, risks and opportunities.

2.1.2. The Sustainability Committee shall assume all the responsibilities and functions described hereunder:

2.1.2.1. Adherence to international standards and guidelines

- Ensure that the Bank complies with local and international standards and guidelines as manifested in the best practices of sustainability management, including but not limited to the Global Reporting Initiative (GRI), the Sustainability Reporting Guidelines, the UN Global Charter (UNGC), and continued exploration locally and internationally of any relevant criteria and directives in order to reach the best sustainability practices.
- Compare performance index with competitors locally and internationally on an annual basis to determine what has been achieved from our strategic objectives, and to accelerate our performance in the field of sustainability.

2.1.2.2. Engagement of Stakeholders

- Building long and close relationships with stakeholders through direct and constructive dialogue with them, and taking their views into account when making decisions.
- Provide timely and accurate information regarding SAIB, the financial and economic sector to provide stakeholders with an integrated knowledge base on which they can rely on in expressing their views and making their decisions.

- Ensure that SAIB gives the Sustainability Program special importance as it is the main base and main frame of reference for all the Bank's communication channels based on the five pillars.

3. The Five Pillars of the Sustainability Program

3.1. Nummow (Growth)

3.1.1. Financial Performance

- Achieve strong and sustainable financial performance for our shareholders by implementing a special growth strategy that is consistent with the principle of financial sustainability.

3.1.2. Innovative Products and Services

- Provide constant support to programs that generate ideas and check innovative concepts related to sustainability trends, risks and opportunities.
- Develop new products and services of high standards that meet the requirements of the market.

3.1.3. Customer Experience

- SAIB is committed to maintain different communication channels with the customer, allowing the Bank to receive inquiries and complaints and any other comments and observations, and forward such to the competent authorities in a timely, streamlined and effective manner.
- Adopt the opinions, suggestions and expectations of customers in initiating new products to cope with their changing needs.
- Ensure that we have employees who give the customer utmost care and attention to foster loyalty to deal with SAIB.
- Carry out and close transactions with utmost efficiency to ensure the timely and effective performance.

3.1.4. Availability and Accessibility of Services

- Facilitate our services to existing and potential customers by increasing the channels and methods of access to those services and implementing new means, methods and techniques.

3.2. Takleef (Responsibility)

3.2.1. Investment and Responsible Lending

- Integrate environmental, social and governance issues into financing and investment activities to mitigate environmental and social risks and enhance investment and credit risk assessment for our retail and corporate customers.
- Ensure that the Bank uses voting rights granted as a shareholder in subsidiaries and affiliates to influence decision-making that can contribute to the creation of responsible social and environmental strategies.
- SAIB supports government initiatives and public and private sector initiatives in support of sustainable economic development that adopts the principle of low carbon consumption as one of its objectives. The Bank has set a target of at least 10% of its financing portfolio for eco-friendly, green and low-emission activities.
- Link new product specifications and applications to the pillar of (Takleef) and promote their social, environmental, ethical and Islamic benefits.
- SAIB supports the programs that assist and finance SME projects on the basis of responsible financing criteria in support of sustainable economic development in the Kingdom of Saudi Arabia.

3.2.2. Customer Protection

- Deal with customers in a fair and professional manner;

- Provide correct, transparent, simple, understandable and accessible information about products and services provided to customers, which should include potential risks.
- Raise the awareness of customers about the financial opportunities and associated risks in order to enable them to make the right decisions and find out the appropriate way to request assistance when needed.
- Protect the personal and financial information of customers.
- Implement the Banking Consumer Protection Principals duly issued by the Saudi Arabian Monetary Authority and use them as a basis for the actions taken and implemented daily to ensure rendering the best service to our customers in the first place.

3.2.3. Integrity and Ethics

- Combat corruption in all its forms, including fraud and bribery, by following a systematic strategy and methods for managing these risks
- Reduce the rate of internal and external fraud.
- Implement an integrated set of procedures to identify the risks of money laundering and terrorist financing.
- Comply with all relevant legislation and regulations.

3.3. Rea'ya (Workforce)

3.3.1. Employee Development and Engagement

- Open opportunities for dialogue between employees and management to ensure understanding and response to their needs and expectations and provide them with all the information and knowledge that helps them to succeed.
- Set clear performance targets for each employee and reward outstanding performers.
- Provide competitive and attractive rewards, returns and salaries to attract and retain the best talents and human calibers.

- Invest in the development of human resources to support understanding of the financial needs of customers and provide them with appropriate solutions.
- Comply with all local and international laws and regulations to respect and protect human rights.

3.3.2. Diversification and Equal Opportunities

- Provide all existing and newly recruited employees with equal opportunities to develop personally and functionally based on their abilities and competencies.
- Turn our diverse work environment into an all-inclusive environment for all employees by prohibiting explicitly all forms of discrimination and harassment.
- Provide opportunities for the promising Saudi youth and support and develop them to raise their skills to achieve success in the Bank.
- Encourage the work of women at the Bank and enable them to work in all departments.

3.4. Fifth (Environmental Protection)

3.4.1. Direct Environmental Impact of Our Operations

- Monitor, minimize and report negative environmental impacts, including energy consumption, greenhouse gas emissions, paper and water consumption and waste treatment.

3.4.2. Indirect Environmental Impact of Lending and Investment

- Work with, encourage and support our customers and suppliers to minimize adverse environmental impacts and mitigate their risks.
- Foster environmental risk management policies and procedures by supporting the processes involved in their management, reporting relevant practices and training our employees.

- Provide financing services to promote the development of environmentally sustainable technologies and products.

3.4.3. Promote Awareness and Education

- Ensure that employees understand the importance of taking environmental considerations into daily work activities and facilitate access to the required training tools and opportunities.

3.5. Awn (Helping Others)

3.5.1. Investment in the Community

- Continued development of WooW AlKhair Program, which allows customers to donate program points to certain charitable societies and foundations in the Kingdom.
- Ensure that community programs adhere to institutional sustainability objectives.
- Promote community investments through which the bank contributes materially and offers the expertise and equipment needed for such projects.
- Support the processes of measuring community initiatives impact.
- Support investment opportunities of a social nature.
- Ensure that each community project supported by the Bank or its employees fulfills the following requirements:
 - Objective requirements: focus on financial education, career development, environmental protection, and health development.
 - Geographical requirements: to be held within the Kingdom of Saudi Arabia
 - Workflow requirements: impact of the social project should be sustainable and measurable.

- Encourage our employees to participate in volunteer programs.

3.5.2. Procurement and Service Providers

- Solicit the assistance of suppliers who share our commitment to achieve best practices and continuous development thereof.
- Ensure that our suppliers have administrative systems in place for dealing with the associated risks and opportunities, and ensure the effectiveness of administrative and developmental performance of these systems.
- Work with our suppliers to leave a positive impact on their sustainable performance, and to ensure that they are operating in accordance with internationally accepted practices criteria.
- Work with suppliers - of specific categories - to mitigate the environmental impact of the materials we use.
- Procure products, materials and services from suppliers within the Kingdom of Saudi Arabia.

4. Ownership and Accountability

- This program operates under the supervision of the Sustainability Committee, whose members are responsible for its successful implementation in all sectors of the Bank, supervising and measuring its results, taking into consideration all employees are expected to contribute to the Bank's sustainable objectives.
- The Sustainability Committee ensures that the Bank's corporate objectives and business strategies are in line with the objectives of the Sustainability Program.
- The Bank publishes a Sustainability Report annually and posts it on the Bank's website, highlighting SAIB's most relevant sustainable activities.