



Integrated Reporting

This report marks the next milestone in the Bank's annual reporting after moving to sustainability reporting in 2011. It is the Bank's first integrated report, and it provides a concise yet comprehensive account of the Bank's results from a broad perspective, and its value creation process in the short, medium and long term. It demonstrates how stocks of value in various forms are created and transformed by our activities and business processes. The report takes a forward-looking approach and elaborates on the opportunities and challenges the Bank faces.

Concepts

In 2011, The Saudi Investment Bank (SAIB) took a major step forward in its reporting process with the introduction of a sustainability report. This marked a change from a single minded focus on the bottom line to a triple bottom line perspective encapsulating our economic, social and environmental impact. With this Report we mark another major milestone by moving to integrated reporting.

Our emphasis is now on value creation; value in its various forms both internal and external. We also consider value creation over the entire time scale – short, medium and long term. Through the process of value creation, stocks of value, our capitals, are generated. The capitals are transformed by our activities and processes, according to our business model, and this Report describes the transformation.

Report boundary

This Report covers SAIB's operations only, subject to the exceptions stated below.

The boundary for financial reporting is the entire Group including SAIB and the following subsidiary and associate companies.

Subsidiary companies

- Alistithmar for Financial Securities and Brokerage Company
- The Saudi Investment Real Estate Company
- The Saudi Investment First Company Limited
- SAIB Markets Limited Company

Associate companies

- American Express Saudi Arabia
- Saudi ORIX Leasing Company
- Amlak International for Finance and Real Estate Development Company

Non-financial matters are reported on only for SAIB except for the workforce data presented in the Management Discussion and Analysis.

This Report covers the period from January 1, 2017 to December 31, 2017, and is consistent with our usual reporting cycle for financial and sustainability reporting.



There are no significant changes from previous reporting periods in the scope and aspect boundaries. The most recent previous annual report covered the 12-month period ended December 31, 2016.



The information given in this Report, as in the past, has been prepared in accordance with all applicable laws, regulations, as well as guidelines for voluntary disclosures.

The SAIB Integrated Report online

The HTML version is published online on the same date as the date of issue of this Integrated Report at www.saib.com.sa/integratedreport2017

Compliance

The consolidated financial statements as of and for the year ended December 31, 2017 have been prepared using:

- International Financial Reporting Standards (IFRS) as modified by SAMA for the accounting of Zakat and Income Tax, which requires adoption of all IFRS as issued by the International Accounting Standards Board (IASB) except for the application of International Accounting Standard (IAS) 12 – “Income Taxes” and IFRIC 21 – “Levies” in so far as these relate to Zakat and Income Tax. As for the SAMA Circular No. 381000074519 dated April 11, 2017 and subsequent amendments through certain clarifications relating to the accounting for Zakat and Income Tax (SAMA Circular), the Zakat and Income Tax are to be accrued on a quarterly basis through shareholders’ equity under retained earnings; and
- Are in compliance with the Banking Control Law, the applicable provisions of regulations for companies in the Kingdom of Saudi Arabia, and the Bank’s Articles of Association.



In preparing this Report we have also drawn on concepts, principles and guidelines of;

Global Reporting Initiative Sustainability Reporting Guidelines-GRI Standards – Core Option, International Integrated Reporting Framework and Smart Integrated Reporting Methodology™

We welcome your comments or queries regarding this Report. The Bank’s Corporate Communication Group is the custodian of this Report and for comments or queries please contact the Head of CSR at Head Office, The Saudi Investment Bank.

Reading this Integrated Report

The Bank uses a variety of media in communicating a cohesive story. In this printed version, cross-referencing has been given to various sections within the report, where relevant, as shown below. Apart from this printed version, a detailed view of our story is accessible through the online version, which has been referenced as shown below, throughout this report where relevant.



Further information could be found elsewhere in this printed version of the Integrated Report.



Additional information that supplement the printed version is available in the online version of this Integrated Report.