

Stakeholders are individuals or entities who are affected by the Bank's activities or whose actions, attitudes, or perceptions can have an impact on the Bank and its ability to carry on its activities.

As a company operating in Saudi Arabia, SAIB is bound by various statutory and regulatory laws and guidelines to protect the interests of stakeholders. These include the provisions of the Saudi Companies Act requiring companies to establish a policy protecting the interests of stakeholders; supervisory guidelines issued by SAMA which make similar provisions; and Corporate Governance rules issued by CMA which stress on the need to protect stakeholders against any violation. The last includes mechanisms for compensation in case of any violations and also for settlement of disputes. SAIB abides by not only the letter but the spirit of all the above laws and regulations. The Bank endeavours to maintain the best relationships with all stakeholders and protect their rights and interests.

SAIB's stakeholders include investors, employees, vendors and service providers, customers, regulators, and the community. In addition, the stakeholders include those with whom the Bank interacts periodically on special projects or issues, and those who have an impact on or who are impacted by our activities even if they do not directly transact with the Bank. We include "silent stakeholders" such as environmental groups and the future generations.

We will now consider the important groups of stakeholders and the relevant issues.



Investors

Investors are those who have invested funds in the Company with the expectation of a return. Investors' rights, including dividends, voting rights and rights to information are defined in the Bank's Articles of Association and Corporate Governance Manual. There are stakeholder groups associated with investors such as fund managers, stock market analysts, and stock brokers.

In its relationships with investors the Bank maintains the highest possible degree of transparency and provides adequate information on the Bank's activities, financial and non-financial, both about past performance and future expectations.

In addition to the Annual General Assembly and Board of Directors meetings, investors are kept informed through annual, semi-annual, and quarterly reports. The Bank also has a shareholder relations team and a complaint handling mechanism in place.



Customers

The Bank always strives for closeness to the customer; it maintains two-way communication with them and plays close attention to their views and aspirations. The customers desire sustainability oriented products and services and the Bank does its utmost to satisfy their requirements. Customers' suggestions and opinions are taken into account when developing new products. Customer workshops are conducted to cement relationships with customers and develop a sustainability roadmap. The Bank's policies require all staff to provide an excellent service to customers, particularly in the launching of new products and services. We seek to ensure service is provided without any discrimination or exceptions. Through communication with customers the Bank obtains timely feedback on the efficiency and quality of services provided by the Bank's different business units.

The Bank utilises a diversity of channels to engage customers and to facilitate transaction processing. In addition to brick and mortar branches, ATMs, and cash deposit machines, customers can transact through mobile/online banking and SMS. Our dedicated customer relationship personnel also maintain seamless communication through "Flexx Call" contact centre, website, webchat and social media channels.

The Bank gives careful attention to customer complaints and a dedicated Customer Complaint Handling Unit, with well-defined procedures, has been established for this purpose. Complaints can be addressed to the Bank through a channel of the customer's choice. Complaints and actions taken are well-documented and corrective action is taken to prevent recurrence.



Employees

SAIB considers that its staff are its most valuable asset, considering the customer-facing role they play. SAIB remunerates its staff in line with the market and they are treated in accordance with clearly laid down professional policies. The Bank does not stint when it comes to training of its staff; they are well-positioned to satisfy the demands of customers and meet the challenges of a globalised environment. Employees are evaluated fairly by annual performance reviews and rewarded accordingly.

The staff's attitudes should be aligned with the Bank's values, visions, strategies, and objectives. Staff are kept up-to-date on strategic changes, changes to systems, expansion plans, staff benefits, customer and supplier contracts, and community support. The responsibility to communicate with staff rests with each line manager, human resources personnel, and the Senior Management.

Bank staff are bound by a stringent Code of Conduct according to which they are expected to maintain high ethical standards in their activities. By their conduct, they should safeguard the Bank from illegal and unethical activities. They should also safeguard the customers from losses due to acts such as fraud and forgery. In the event of any conflict of interest between themselves and the Bank, employees are required to give priority to the Bank's interests.

We have many mechanisms and procedures to maintain staff morale and communication such as the employee engagement survey, SAIB internal magazine, regular meetings, HR Help Desk, employee suggestion programme, recognition and rewards programme, and Yammer (staff social media application).



Regulators

SAIB is committed to maintaining the highest degree of compliance with all laws, regulations, and guidelines. SAIB's primary regulator is the Saudi Arabian Monetary Authority (SAMA). SAIB scrupulously complies with the SAMA policies and regulations in all its banking activities. Regular meetings are held to create a match between SAIB's requirements and SAMA's expectations. Among SAMA requirements are having Anti-Money Laundering (AML), Know Your Customer (KYC), and Combating

Terrorism Financing (CTF) policies. SAIB has complied with SAMA guidelines in this regard and has documented procedures for AML.

The Saudi Arabian Capital Market is governed by the Capital Market Authority (CMA), which issues the rules and regulations to create a smoothly functioning investment environment. The business portfolios of SAIB and its subsidiaries include financial securities, asset management and real estate management. SAIB's Management ensures compliance with CMA rules and regulations to safeguard shareholders' and customers' interests through prudent banking practices which minimise transactional and operational risks.

The Bank rigidly conforms to all reporting requirements of regulators and gives its fullest cooperation for meetings and on-site visits. Regular communication is also maintained through letter and email. SAIB also maintains relationships with regulators by participation in governmental initiatives and campaigns.



Community

With SAIB's widespread network of branches we contribute to local economies throughout the Kingdom. By building relationships with local communities and stakeholders we generate sustainable growth for future generations. By encouraging innovation, we focus on changing needs and expectations in line with Vision 2030. The Bank also supports social projects; in our lending practices we pay special attention to the socio-economic needs of the Saudi Community and thereby foster financial inclusion. Affordable housing is also an area where we have made a significant social contribution.

Through the Saudization programme we provide career opportunities for the younger generation of Saudis including women. The staff are assigned roles after providing suitable training. The Bank also supports a large number of charitable and social activities including educational, training, and general learning programmes. These programmes may be carried out by the Bank itself or through licensed charity associations. Scholarships are provided for students attending universities and other institutions. SAIB also has a volunteer programme, whereby staff are encouraged to participate in social and charity programmes.

The community is kept informed of the social impact we are making through public reports, media reports, website, social media, and our employees who are mostly nationals.



Vendors and service providers

In dealing with vendors and service providers the Bank aims to build long-term relationships based on mutual trust. Our procurement policies are based on an understanding that both the Bank and the vendor are responsible for quality of products and services. We also promote ethical sourcing standards that comply with local and international norms. Our procurement and vendor management policy ensures fair treatment for all vendors. There is regular communication with vendors regarding changes in all relevant matters such as expansion plans, strategies, and operational systems.

We maintain open communication with our vendors through bidding and tendering procedures and a complaint management framework.



Environment



The Bank also supports environmental protection activities and promotes training on environmental awareness. SAIB sponsors, in coordination with Saudi Wildlife Commission, several programmes to raise public awareness regarding environmental protection. In its own operations the Bank follows environmental principles by moving towards a paperless environment and adopting live green concept.

As the environment is a silent stakeholder we maintain communication with various non-governmental environmental groups as stakeholders who will represent the cause of the environment. Since moving to sustainability reporting our annual reports have published environmental performance data.

Stakeholder engagement at SAIB

Our stakeholders	How we engage	Their expectations	Our response
 <p>Regulators SAIB is regulated and supervised by the Saudi Arabian Monetary Authority (SAMA), the Capital Market Authority (CMA), and the Ministry of Commerce and Investment (MCI)</p>	<ul style="list-style-type: none"> • Letters of correspondence and email communications • Meetings and on-site visits • Regular reporting • Participation in governmental initiatives and campaigns 	<ul style="list-style-type: none"> • Compliance to policies and regulations • Reporting disclosures as per engagements • Delivering best banking practices • Investments in customer awareness and education initiatives (financial literacy) • Consumer protection • Alignment to the Kingdom's national strategy (National Transformation Plan and Vision 2030) 	<ul style="list-style-type: none"> • SAIB's detailed compliance plan for the year overseen by its Audit and Compliance Committee • Reporting performance for relevant disclosures such as Basel III • Seeking consultation to increase transparency and prevent noncompliance • Enforcement of compliance and best-in-class governance practices
 <p>Investors/Shareholders SAIB's shareholders include the Saudi public, two Saudi Government organisations, and two financial services companies.</p>	<ul style="list-style-type: none"> • Annual General Assembly • Board of Directors meetings • Annual, semi-annual and quarterly reports • Shareholder relations team • Complaints handling mechanism 	<ul style="list-style-type: none"> • Profitability and growth • Strong, sustainable financial returns • Excellent corporate reputation • Sound corporate governance • Transparent communication • Compliance with all laws and regulations • Strong risk management 	<ul style="list-style-type: none"> • Net income growth • Ongoing development of the corporate governance framework • Strengthening of risk management capabilities • Constitutional rights • Dividend entitlements • Voting rights

Our stakeholders	How we engage	Their expectations	Our response
 <p>Customers Our customers include over 381,500 retail banking customers, in addition to more than 15,900 small businesses and over 1,400 large companies utilising our corporate banking and treasury services.</p>	<ul style="list-style-type: none"> • Branches • “Flexx Call” Contact Centre • Mobile and online banking • Website • Social media channels • Relationship managers • Customer research • SMS Banking • Web Chat • ATMs • Cash Deposit Machines • Interactive Teller Machines 	<ul style="list-style-type: none"> • Innovative, high quality products and services • 24/7 quality customer service • Secure, accessible and easy banking • Transparent and fair fees and charges • Privacy • Shariah compliance 	<ul style="list-style-type: none"> • “Flexx Click” Internet banking • “Flexx Touch” mobile banking • “Flexx Call” Contact Centre • WooW and Aseel loyalty programmes • Code of Conduct • Privacy Policy • Shariah Board and controls • Customer segmentation • Voice of Customer Unit • Customer Complaints Unit • Customer satisfaction surveys • Customer Awareness and Education Unit • Disclosures
 <p>Business partners Over 500 vendors and service providers deliver goods and services to SAIB. The Bank also has a large number of correspondent banking relationships.</p>	<ul style="list-style-type: none"> • Bidding and tendering • Procurement and vendor management policy • Complaints management framework 	<ul style="list-style-type: none"> • Vendor and service provider communications • Fair contract bidding and awarding processes • Ethical business dealings • Favouring local bids from local companies • Timely payment 	<ul style="list-style-type: none"> • Maintain mutually beneficial cooperative relations • Increase the number of vendors and service providers with preference to local suppliers where possible • Growing correspondent banking relationships
 <p>Employees A workforce of more than 1,600 employees.</p>	<ul style="list-style-type: none"> • Employee engagement survey • SAIB internal magazine • Training and development • Regular meetings • Annual performance reviews • HR Help Desk • Employee suggestions • My Idea programme • Recognition and awards programmes • Code of Conduct • Innovation centre • Yammer (staff social media app) • Internal communication announcements 	<ul style="list-style-type: none"> • Equal opportunity and fairness • Employee health, safety and well-being • Open, two-way communication with Management • Competitive salary and benefits • Opportunities for training and career development • Transparent and accountable management 	<ul style="list-style-type: none"> • HR Policy • Employee Grievance Policy • Safety training and inspections • Employee satisfaction survey • Thank You programme • SAIB e-learning academy • Al-Aqeeq SAIB Academy Training Centre • Ask HR • Creative Mornings initiative

Our stakeholders	How we engage	Their expectations	Our response
 <p>Local community This includes the Saudi Arabian society</p>	<ul style="list-style-type: none"> Public reports Media relations activities Bank’s employees, who are primarily Saudi nationals Charitable initiatives supporting important local issues Website Social media 	<ul style="list-style-type: none"> Financial inclusion Financial education Affordable housing Advancing social development via investments in the community Developing local talent and providing employment opportunities Minimising environmental impacts Corporate responsibility 	<ul style="list-style-type: none"> EasyPay Partnership with Real Estate Development Fund (REDF) “Flexx Bike” programme Community investments Lending towards strategically important sectors that stimulate the economy Hiring of younger individuals for the workforce; Saudi Graduate and Saudi Fast Track (FaTra) programmes for Saudi nationals
 <p>Environmental groups The environment is an important stakeholder that must be considered and protected to ensure long-term, sustainable operations. Environmental groups give voice to the needs of the environment</p>	<ul style="list-style-type: none"> Engagements with various environmental oriented non-governmental organisations (NGOs) Annual sustainability reports which publish environmental performance data 	<ul style="list-style-type: none"> Minimisation of waste and emissions Limited use of finite resources (energy, water, and paper) Improvement in measurement of resource consumption Incorporation of environmental criteria in financed projects, investments, and supplier qualification 	<ul style="list-style-type: none"> Implementing a Building Management System (BMS) Water and energy usage reduction Recycling initiatives Reducing printing Electronic document archiving Funding of environmental protection initiatives in the community