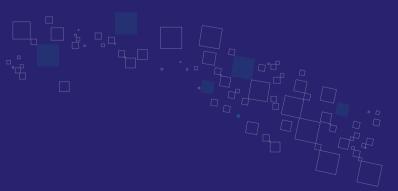




Corporate Social Responsibility Sustainability Progress Report

2019





Welcome

In the past couple of months, we have been reviewing our Corporate Social Responsibility (CSR) programs and interacting with many key functions and units. Our performance was assessed based on leading global CSR frameworks, and was benchmarked against the CSR performance of other Local, Regional and Global Banks.

This report will take you through the assessment of the previous state of the Social Contribution of Riyad Bank. Then, it will touch base over the development of the new strategy that has been set in alignment with the Bank's Strategy, Saudi Vision 2030, and the United Nations Sustainable Development Goals.

In addition, the report will feature the initiatives that we have implemented and have been involved with Bukra's name since the launch of the Strategy; and finally, some statistics that would add value to the progress report.

We are aiming to pin Riyad Bank's "Bukra" over the map of Social Development and creating more sustainable initiatives that would create better future; because **Today's Investments, Tomorrow's Hope.**



January 2020

Eng. Abdullah Mohammed Al-Issa Chairman of the Board Riyad Bank



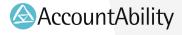




- The Consulting firm "AccountAbility" was hired to develop a "Current State" assessment of CSR programs of Riyad Bank; a report was handed-in after meeting various stakeholders from Riyad Bank and analyzing the situation.
- The Assessment followed a certain methodology by:
 - Reviewing Riyad Bank's Documents.
- Conducting 16 Interviews with Key Departments.

- Finding Leading CSR Practices.
- Looking at Global Frameworks and Trends.

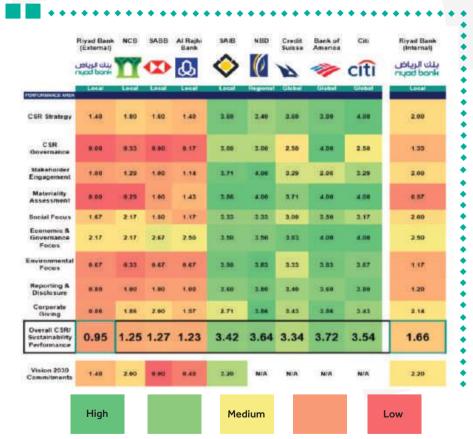
- Developing Desktop Research.
- Expanding Peer Review and Benchmarking.



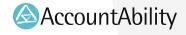


Benchmarking Results

The findings were based on data provided by Riyad Bank as well as publicly available information and may be subject to regional reporting variations.



Results of Peer Review Benchmarking Analysis







Highlights & Findings

Best Performing Areas

Economic & Governance Focus

- Strong governance policies and procedures, supported by training programs
- Some economic programs that create shared value for both the Bank and the Saudi economy

Corporate Giving

- Structured policy on Donations Management & Social Support (recently established)
- Support of initiatives that address social needs

Vision 2030 Commitments

■ Impactful products (SME Lending etc.) and initiatives (community investments, diversity, workforce development

Greatest Performance Gaps

CSR Strategy

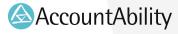
- Lacks a comprehensive CSR Strategy addressing environmental, social and governance (ESG) aspects
- Lacks CSR focus areas
- Lacks a robust materiality assessment

CSR Governance

- Lacks clear ownership for CSR
- Needs a dedicated CSR function with a Head of CSR

Reporting & Disclosure

- Needs a CSR Communications Strategy and CSR Report
- Needs impact assessment and communication



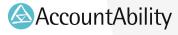


Recommendations



Six Key Recommendations were given

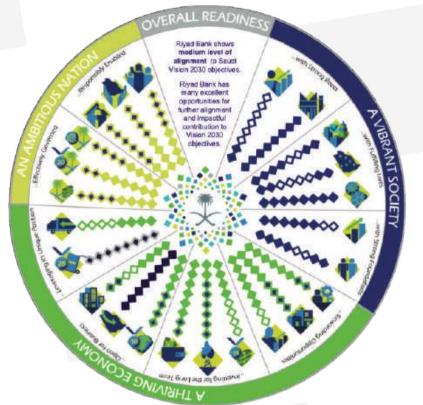






Saudi Vision Check

As part of AccountAbility's Involvement is to evaluate Riyad Bank's Alignment to Saudi Vision 2030 Objectives; which gave us a great summary that we have used and utilized to develop The New Riyad Bank CSR Strategy.



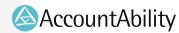
Legend

Not Yet Addressed

Low Alignment

High Alignment

Not Applicable



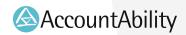


CSR/Sustainability Training Workshop

- In April 2019, We arranged for a Corporate Social Responsibility/Sustainability Training Workshop which consisted of 50 Management-Level participants from a variety of departments.
- The main objectives of the trainings were to:
 - Introduce the Idea of CSR and Sustainability.
 - Riyad Bank's "Current" CSR Performance.
 - Leading CSR Practices in the Banking Sector Case Studies.
 - Frameworks and Standards.







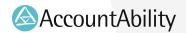


Training Workshop Key Takeaways

- Participants were highly engaged throughout the 2 workshops and clearly expressed an expectation that Riyad Bank should strive to be a leader in CSR in the KSA.
- Participants understood that CSR is not only about spending more, it's about strategically aligning CSR practices to the Bank's mission, values and objectives.
 - RB was recommended to clearly define, both internally & externally, what CSR means for RB.
 - RB needs to define, educate and show the benefits of strategic CSR practices and initiatives across all employees.
 - Participants recommended that the Bank continues their Internal Awareness building.



- There was an urge amongst participants to quickly establish Riyad Bank as the leading CSR practice in the banking sector in KSA.
- RB is encouraged to develop metrics, and start measuring and monitoring the impact of the Bank's CSR programs. This will ensure maximum value creation, something the participants expressed a desire to see.
- Participants expressed approval to know that CSR now has a clear role to lead the required CSR strategy development, aligning with various internal functions.









The Benefits of Effective CSR

After collecting, and analyzing all the available data that were given from the assessment, benchmark, and the workshop; we were able to summarize the benefits of having an Effective CSR Strategy.



Reputation Enhancement



Social Impact



Stakeholder Trust & Loyalty



Unification of Company & Culture



Business Impact



Engaged Workforce



Internal Efficiencies



Risk Mitigation



Vision

To be a leading member of Sustainable Practices that would add value to Employees, Customers, Stakeholders, and the whole Community of Saudi Arabia.

Objectives

- Align our Practices with The Guidance on Social Responsibility (ISO 26000), Accountability Principles Standard (AA1000), The Global Report Initiative (GRI), the UN Global Compact.
- To be Nationally and Globally recognized for our professional and collaborative approach to enhance the environment, education, market and the community for our Bank's Employees and the Society.
- Measure the impact of our programs internally and externally, Then prepare reports, insights and statistics to be shared.
- To have a role in the Community service programs Kingdom-wise by achieving our goals through involving our employees to lead the Bank into success locally and globally.
- To be Diverse, Inclusive, Transparent and Accountable in projects and practices.

Mission

To deliver quality corporate social responsibility practices of impactful values and benefits in alignment with the Bank's Strategy and Operations, the United Nations Sustainable Development Goals (SDGs), and the Kingdom's Vision 2030.



Knowledge























Logo's Concept and Identity

- The Logo represents and reflects the meaning of Sustainability, and the Social Investments that we will work over Today and will have a bigger impact Tomorrow. The tilt of the last letter means that we are on a continuous movement toward a better future for our community. The square blocked in the logo represents the full coverage (spectrum) of the Corporate Social Responsibility Universe, building on the logic of Diversity, Inclusion, and Sustainability.
- The slogan came along with the development of the logo as a descriptive of what we want to achieve over not only the short-term, but also the long-term with a bigger scope and impact toward the future.

Today's Investments, Tomorrow's Hope

خير اليوم، أمل بكرة







The Process of Bukra Initiatives





















Pre-Defining

Every Year, the CSR Committee will work and decide over the focus areas, and themes within Bukra's Pillars to be the highlight of the year



Internal

Developed by the CSR Team with the Advise of the CSR Committee

External

Received via the Online Application or an external entity by sending it to the Bank

WITHIN THE STRATEGY'S **DIMENSIONS**

Analysis

Case Study will be developed within this phase to find the areas of impact for the community in alignment with Bukra's Pillars

Finance

Allocation of budget for the initiative or program to be determined. analyzed, and approved

Development

Initiative will start the development phase based on the KPIs and Metrics set to ensure effectiveness

Communication

Communicate the results of the initiative with the world, create post assessment and develop SROI of the program for future references







↓ Internal: <u>Awareness Broadcasts</u>









- Educational Awareness Broadcasts were sent to the employees which introduced the idea of Sustainability, CSR, and the Benefits of having a well-defined strategy in both Arabic and English Languages.
- Many employees engaged and started asking questions and replying to the broadcasts to know more and asked how they can contribute.













↓ Internal: Volunteering Program



- The Volunteering Program was initiated with the Ramadan Iftar Meal; as a pilot, where we asked volunteer to register and join us to pack, then distribute 20,000 meals.
- The program got great feedback and continued to find opportunities to give the employees a chance to volunteer their time in various activities such as Saudi National Day, Family Day (Riyadh, Jeddah, Dammam)
- The program is willing to be embedded in each employees' KPIs as Riyad Bank aiming to activate a unique volunteering program within the Corporate World.
- Certificates were distributed to all the employees and the numbers of hours were added to their Resumes.





201 VOLUNTEERS











↓ Internal: Ramadan Iftar Meal Initiative



During this Campaign we have introduced the Volunteering Initiative, which gave Riyad Bank Employees an opportunity to volunteer their time to help in packing and distributing 20,000 Meals over Riyadh City.



140 Employees

helped in Packing and Distributing the Iftar Meals









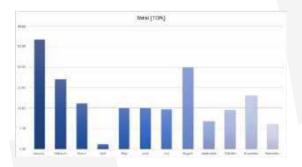




↓ Internal: Recycling Initiative

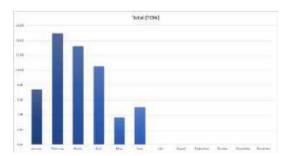


In 2018, Riyad Bank managed to recycle up to 140 Tons of Papers through the **Shredding Machine** only; which was equivalent to around SAR 50,000 and paid by the Recycling Company.





During the first 6 months of 2019, Riyad Bank recycled around 55 Tons of Papers through the **Shredding Machine** only, which is equivalent to SAR 20,000.





↓ Internal: Recycling Initiative





CONSUMED PAPERS IN 2018

2,790 Tons = SAR 697,400

Only 5 % were Recycled of the Total Consumption

We are aiming to increase this number to 20% by 2020







↓ Internal: Recycling Initiative



- The CXC Department started a campaign as a test campaign that would encourage the employees to start recycling and be part of "Saving the Environment Movement" and "Be a Responsible Employee" Initiative:
 - The Campaign started by placing two Recycling Bins in the Department (One for Paper, One for Plastic).
 - An Email sent to all the team asking to participate and take an internal Pledge of Recycling.
 - Most of the Employees showed a commitment to the idea and started Recycling.

CXC Recycled till December 2019, Approximately













↓ Internal: Recycling Initiative



- The idea is to bring the "Recycling Ecosystem" to the Head Office First, then Regional Offices, and then to all the Branches of the Bank around the Kingdom of Saudi Arabia.
 - Recycling Awareness Campaign will be developed to educate the employees about the importance of Recycling and how to participate within your office, home, and city.
 - Recycling Bins will be placed in all the Floors, Departments, and Offices.
 - Dashboard to be created to monitor the amount of Papers and Plastic Bottles Recycled from each Department.
 - An Agreement with Nagaa Sustainability was made to collect and report the collection.









↓ Internal: Environmental Management Program



- The Support Service Division already developed an initiative that managed to introduce some ideas and implement others such as Energy Saving, using Sustainable Products for Cleaning, and Water Saving in the Head Office Building as well the branches.
 - Head Office: The Team introduced LED lighting systems for all the building
 - Branches: The Team developed an automation system that would lower the cost of electricity after working hours by dimming the lights and turning off the Air Conditioning.









During the Holy Month of Ramadan, The Ministry of Interior announced the launch of Furijat Campaign, in which citizens or corporates can pay an amount of money to release a prisoner from prison. Riyad Bank was the leader of this initiative by announcing its participation.

11 Number of Prisoners released by Riyad Bank





ينك الرياض مدين

Replying to @favez malk!

أستاذ فايز، يسعدنا بمناسبة تدشين #فرحت، المبادرة الوطنية الرائعة، أن نشارك بالإفراج عن 5 من الموقوفين في القضايا المالية، وتأتي هذة الخطوة من ضمن مسؤليتنا الاجتماعية تجاة المجتمع ممثلة ببرنامج #بُكرة.

Translate Tweet 8:21 PM - Jun 2, 2019 - Twitter for iPhone





↓ Internal: International Days - Alzheimer's Day



- As part of our engagement with the Employees is activating the International Days within the work environment, we achieved that by developing awareness campaigns that would add value to the employees and their families.
- During the International Month of Alzheimer; September, we have collaborated with Saudi Alzheimer's Disease Association by featuring the Association Campaign for a week in all of our ATM Channels across the Kingdom of Saudi Arabia.
- In addition, we have invited the association for one full day at our Headoffices as an awareness day that would give the employees a chance to learn more about Alzheimer, presentation, and how to act with their family members.

2600+ **ATMs Broadcasted** The Alzheimer's Ad



150+ **Employees** visited the Booth









During the Month of October, we collaborated with Zahra Charity to talk about the Breast Cancer and demonstrate the home examination.

60 Employees Benefited











↓ Internal: Lose to Win Competition



Earlier this year, "Employer of Choice" started an internal competition; that its main aim is to build an awareness about healthy lifestyle and encourage sport activities.

100+ **Employees**

180kg **Total Fat Lost** 288_{kg} **Total Weight Lost**







↓ Internal: Blood Donation Initiative



This year Riyad Bank collaborated with King Faisal Specialist Hospital & Research Centre and brought the Blood Donation Car to the Head Office for Three Days; which gave the employees a chance to donate blood and be part of the campaign we developed during the month of November.













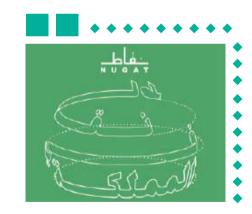




- Nuqat is a nonprofit organization based in Kuwait that aims to develop creative problem-solving skills in the Arab world. Nuqat's main aim is to address the lack of empowering education for expression, inspiration, and creative thinking in the Middle East and North Africa by facilitating, enabling and nurturing a collaborative community that solve social challenges through creative thinking.
- This year Nuqat selected Riyad Bank to be their "**City Partner**" during their Exploration sessions that took place at the King Fahad National Library, Riyadh. The sessions were presented and attended by experts and the community of Riyadh City. The discussed topics were:
 - Architecture & Urbanism
 - Design & Education
 - Funding the Creative Economy













- **Riyad Bank** participated in the annual **Traffic Safety Conference** that promotes the principles of traffic safety and contributes to reduce the number of deaths and serious injuries, raising awareness and knowledge of traffic laws and regulations.
- The themes of the conference include:
 - Modern technologies in control operations and intelligent traffic management.
 - The use of Artificial Intelligence in traffic analysis.
 - Planning of urban activities on traffic.
 - Promoting the concept of traffic safety through traffic awareness programs and events.



3000+

Attendees









As part of engaging our employees with the members of the community. Riyad Bank Branches welcomed many visitors from different charities and schools to learn more about the banking sector and its workforce.











Philanthropy

King Faisal Specialist Hospital - Center for Autism Research



- In 2018, Riyad Bank signed an agreement with King Faisal Specialist Hospital to fund the Center for Autism Research for Three Years. This fund will support the Center's Operations, Researches, and Development.
 - Support and provide specialized medical care for people with autism spectrum disorder.
 - Support scientific and applied research in the medical, behavioral and intervention fields in autism spectrum disorder
 - Support and qualify specialized competencies and localizing international programs.



Duration of the Project









Philanthropy

King Faisal Specialist Hospital - Center for Autism Research

115

Diagnosed Cases

102

Trained Households

1638

Conducted Sessions

44

Organized Workshops

15

Researches and Studies within the Field of Autism

30

Events, Activities, and Short-Courses

8

Awareness Campaigns, Symposiums, and Conferences









Philanthropy

King Faisal Specialist Hospital - Center for Autism Research

350

Trained Teachers

3000

Trained Beneficiaries

19

Specialists Trained in the Diagnostic Program

180

Specialists Trained in the Skills Learning and Behavior Management Program

44

Number of Trainees on the Latest Methods of Dealing with Autism









Philanthropy

King Faisal Specialist Hospital - Center for Autism Research

- In addition to the work of the Center in the field of diagnostics, researches and scientific studies that help in discovering the causes of autism, and modern ways to deal with it. The Center reserved an estimated amount of the fund for the implementation of a number of projects such as:
 - Scholarship agreement with the University of Nevada, USA for 20 Medical Students.
 - Research opportunity with King Saud University Riyadh.
 - Research opportunity with King Abdulaziz University Jeddah.









Partnerships

Ministry of Labor and Social Development



- The Ministry of Labor and Social Development approached Riyad Bank and many other entities for partnership to activate their CSR and Sustainability arm; by extending areas of expertise in the development of the Saudi CSR Strategy.
- Riyad Bank participated in variety of discussions, workshops and activities that would add to the development of the Strategy of the Kingdom, as well that would add value to the development of Riyad Bank Sustainability Strategy.









Partnerships

Ministry of Labor and Social Development

The Saudi Arabian Monetary Authority in Partnership with the Ministry started a new Autism Center "Excellence Center" with the participation of the all the Banks; in which Riyad Bank supported the center not only with money but also Furnitures, and other Classroom stationaries.

15 44

Offices Cubicle Offices

8

Lounge Seatings Meeting Tables









Partnerships

Ministry of Culture



- The Ministry of Culture approached the Bank for a roundtable discussion to better understand how the bank is supporting Cultural Events and Activities as part of their development of the Sustainability and CSR Strategy.
- The discussion explored future areas of collaboration that would be part of 2020 Agenda.





King Khalid Award Participation

- During 2019, Riyad Bank Participate in The King Khalid Sustainability Award that was part of King Khalid Foundation, the Participation helped in the development of the CSR Strategy.
- Although Riyad Bank didn't make it to the finals, but we were among the Companies that got selected to be analyzed with a Scorecard to enhance our Sustainability practices. The analysis will be followed by a workshop that will take place in early 2020.







King Salman Center for Disability Research

- **King Salman Center for Disability Research** is a research center that its main focus is to become a leader in the field of disability researches with a global impact.
- Riyad Bank holds the title of "**Founding Members**" in which the founders believed in the mission, the vision, and the need for a research institute that would dedicate its knowledge and work toward Disability Researches.
- This year our CEO, Mr. Tareq Al-Sadhan got elected to be part of the Board of Trustees (2019 -2023); as the representative of Riyad Bank membership of the founders.





Disability Friendly

- Riyad Bank is aiming to be among the international companies that are titled to be "Workplace Disabled-Friendly", as part of our commitment to this is to:
 - Build internal Awareness and Invest inTraining.
 - Make Accessibility a Priority.
 - Focus on Health and Well-being.
 - Make use of Assistive Technology.
- Riyad Bank is applying to Mowaamah Certificate; which is a project owned by the Ministry of Labor and Social Development of Saudi Arabia, that adopts the best standards and practices in creating work environments suitable for people with disabilities.



GHG Emissions Reporting

- The Greenhouse Gases Emissions reporting is methods of declaring the direct and indirect emissions from a company / a facility.
- Riyad Bank is aiming to be among the companies that report and declare its emissions as part of their sustainability practices and save the environment movement.
- The Bank already took couple of initiatives that would lower the amount emissions such as:
 - Use Less Heat and Air Conditioning.
 - Replace light bulbs to more efficient ones.
 - Buy Energy-Efficient Products.
 - Reduce and Recycle.
 - The use of Technology in Conducting Conference-Calls.





Vision 2030 حنا وطن ۲۰۳۰

As part of our contribution to the Economy of Saudi Arabia and essential role in participating in Vision 2030, we have developed a campaign that shared with the world our contribution toward the Vision.

In addition to that we developed a website that was catered to individuals and companies to check their participation toward the Saudi Vision 2030.



Impression: 5.2M

Engagement: 463K





168K

Website Traffic





SME Support

39% of the SMEs on the Kafalah Program are working with Riyad Bank.

Riyad Bank holds the Highest Portfolio of SMEs, and the Largest Loan Book for SMEs.







Sustainable **Procurement**

- Sustainable procurement is the meeting of business needs for materials, goods, utilities and services in an environmentally-friendly, responsible and ethical way.
- The Procurement Department at Riyad Bank is currently working over a Sustainable Methods and Systems; that allow Riyad Bank to purchase, select vendors, and manage purchases in more sustainable ways.





Charities Donations

- As of November 2019, Donation Accounts of various Charities and Associations were opened with Riyad Bank.
- Channels were activated to accept donations.

2018

61,286

Transactions

2019

85,958

Transactions





Misk Values

- "Misk Values" is one of the initiatives of Misk Foundation, which is a program that aims to develop 50 students (18-22 years of age) professionally, considering the values that will have a role in developing their skills in the work environment. The program was unique in which the selected students spent couple of hours in shadowing the leaders to learn from them and develop their skills during their working hours.
- Two Executive Vice Presidents (Communication & Customer Experience and Human Capital), both participated and volunteered their time to the promising students of Misk Values.









Coop Trainings and Internships

In 2019, Riyad Bank hired more than 200 students within the Internships and Coop Trainings Programs for a period of 3-6 months within the Branches, Departments and Divisions of the Bank.







Coop Trainees



36



116

Summer Trainees











Coop Trainings and Internships

NUMBER OF STUDENTS

126



NUMBER OF STUDENTS

9



NUMBER OF STUDENTS

7

المالية Finance **NUMBER OF STUDENTS**

3

الرئيس الأول للمخاطر Chief Risk Officer

NUMBER OF STUDENTS

20

س المال البشري Human Capita

NUMBER OF STUDENTS

8

مصرفية الأفراد Retail Banking

NUMBER OF STUDENTS

7



NUMBER OF STUDENT

1



NUMBER OF STUDENT

1

الرياض المالية rıyad capıtal

NUMBER OF STUDENTS

17

مصرفية الشركات Corporate Banking

NUMBER OF STUDENTS

8

المصرفية الرقمية Digital Banking NUMBER OF STUDENTS

5

الرقابة الداخلية ومخاطر السوق Internal Control & Market Risk

NUMBER OF STUDENT

1

الخزينة والاستثمار Treasury & Investment





7

Impressions: **41,472**

Engagements: 979







Impressions: 28,554

Engagements: 503



Impressions: 27,567

Engagements: 344



Impressions: 10,374

Engagements: 161



Impressions: 9,995 Engagements: 118



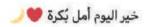


Impressions: **3,094,770**

Engagements: 52,525

Views: 1,449,744





bit.ly/1LdfW6V





8:00 PM - May 5, 2019 - Twitter Web Client



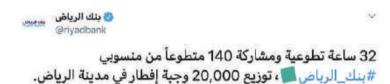




Impressions: 42,498

Engagements: 11,543

Views: 11,500



Translate Tweet



4:50 PM - May 15, 2019 - Twitter Web Client





Impressions: 32,842

Engagements: 1,178









Impressions: 33,588

Engagements: 820









Impressions: 669,299

Engagements: 37,927



Replying to @fayez_malk!

أستاذ فايز، يسعدنا بمناسبة تدشين #فرحت، المبادرة الوطنية الرائعة، أن نشارك بالإفراج عن 5 من الموقوفين في القضايا المالية، وتأتي هذة الخطوة من ضمن مسؤليتنا الاجتماعية تجاة المجتمع ممثلة ببرنامج #بكرة.

Translate Tweet 8:21 PM - Jun 2, 2019 - Twitter for iPhone



شكراً لك فاير على هذة المبادرة الطبية، ونفتخر بزيادة العدد إلى 11 شخص وبمشيئة الله تكتمل الفرحة بالعيد مع أهاليهم كما تسعد بمشاركتهم في يرنامج #سك الرياض الله للتثقيف المالي من خلال برنامج #ك. 6 لخدمة المحتمع.







Impressions: 1,588,514

Engagements: 53,846





Impressions: 1,239,476

Engagements: 195,273









Impressions: 59,184

Engagements: 407





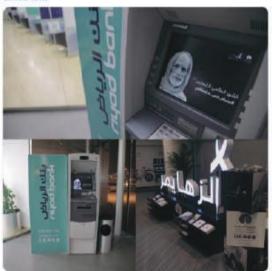






شكراً لتفاعل بنك الرياض ومشاركتهم في الشهر العالمي للألزهايمر في رفع نسبة الوعي بهذا المرض وسبل الوقاية ... #عساه_حس ماينطف













#أطفال_الجمعية يعبرون عن شكرهم وامتنانهم لـ #بنك_الرياض

لمبادرته الكريمة لرعاية برنامج إبداعات ورسومات الأطفال

Translate Tweet



💄 بتك الرياض

11:56 AM · May 2, 2019 · Twitter Web Client





Thank You

خير اليوم، أمل ..



