

Arab Bank

Sustainability Report, 2010

Our Sustainability Journey



- Since establishment, AB became a partner institution contributing to the community's social and economic structure & growth. Hence, community initiatives and philanthropic activities became an important focus.
- Our historical philanthropic milestone marked the beginning of the Bank's sustainability journey, through integrating the principles of sustainability across the Bank's core operations.
- Recently, the creation and implementation of a comprehensive sustainability strategy provides the framework and roadmap for the Bank to ensure a successful transition into the sustainability approach.

Our Sustainability Approach

- Recently, and to be aligned with the sustainable approach and to enhance our practices as a responsible corporate citizen, we evolved our mission and vision to guide how we will engage with all our stakeholders (not just with the community).

Sustainability Vision

To be the leading economically, environmentally and socially responsible financial institution of the Arab world

Sustainability Mission

To create long term sustainable financial and non-financial value for the Bank and its stakeholders through continuously supporting and contributing to the achievement of our stakeholders' ambitions

A Roadmap to Achieve Sustainability at the Bank



Our values guide and uphold our solid foundation of banking practices. Upon this foundation, we strive to build our sustainability advantage in order to ultimately achieve our greatest impact: supporting our customers in achieving their ambitions.

Our First Sustainability Report

- To follow the Sustainability Roadmap, the Bank issued its first sustainability report for 2010 based on the GRI guidelines. This practice will be adopted on a yearly basis.



What is GRI?

- GRI is defined as a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework
- This framework is designed specifically for companies that wish to report on their sustainability strategies and initiatives. It addresses organizations' non-financial aspects of economic, environmental, and social performance.
- Main GRI guidelines and indicators are focused on:
 - Economic performance
 - Environment
 - Labor practices and decent work
 - Human rights
 - Society
 - Product responsibility
- There are three levels of reporting (A, B, and C) depending on the number of indicators that the organization report on

Main Drivers

We believe that the company's ability to communicate effectively with its key stakeholders is crucial for its long term success, viability, and growth. Other main drivers for reporting are:

- To show commitment and be transparent: stakeholders are interested in understanding the responsible approach of organizations.
- To demonstrate the ability to participate in competitive markets: the understanding of the link between the organization's everyday performance and sustainability is increasingly recognized as an indicator of the quality of its management skills, this is even more important in a particularly competitive context.
- Plan activities, become more sustainable, and position the company: reporting can be a tool to understand the company's contribution to solving community's current problems and to be better positioned in the future business context.

Implementation Procedures

Writing the report was implemented on 5 different phases

Phase 1: Increase Awareness on Sustainability

- Enhance internal awareness through integrating sustainability initiatives within the annual report, website, intranet, induction presentation for new joining employees
- Engage employees through continuous volunteering initiatives
- Engage departments during the preparation of the Sustainability strategy

Phase 2: Get internal support

- Hold presentation to the Board of Directors and get their full approval and support

Phase 3: Gather Information & Writing Report

- Contact respective departments to introduce our sustainability strategy and get further information on sustainability related achievements
- Review annual report to gather main initiatives already implemented and future plans
- Write the report highlighting social, environmental and economic achievements for 2010 based on the GRI guidelines

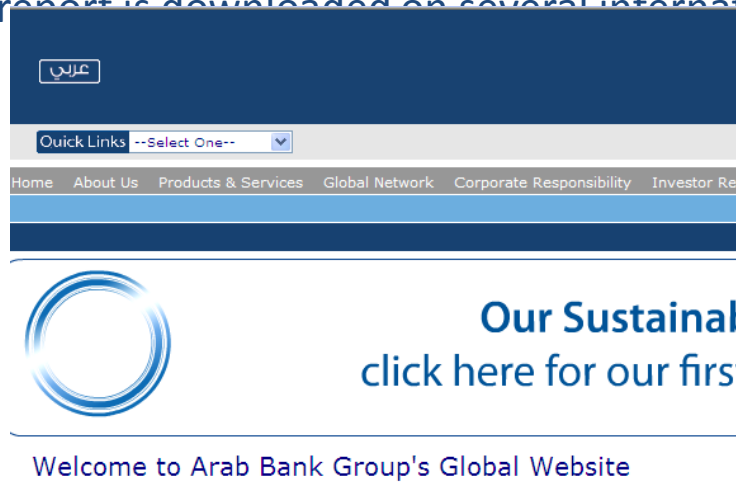
Implementation Procedures

Phase 4: Approve and Level Check

- Submit the report for final approval by the Board and CEO
- Submit the report to GRI for level check

Phase 5: Market the Report

- Emerging from the Bank's environmental responsibility, the report was saved and distributed on CDs and was not printed on papers
- To enhance employees' and customers' awareness, we have downloaded the report on our intranet and website
- The report is downloaded on several internet



Main Highlights

- Our sustainability report was designed based on the Bank's sustainability roadmap

- It includes 6 main chapters. Each chapter highlights the Bank's achievements in one of the identified sustainability advantages.

- Responsible Financing
- Employee Empowerment
- Transparent reporting
- System Optimization
- Community Cooperation
- Our Impact: Supporting our Customers in achieving their Ambitions

- The Bank ensured to achieve level B through reporting most of the required indicators that makes us eligible for this level



Benefits

Internal Benefits:

- Help in developing the organization's sustainability vision and strategy.
- Improve management systems, internal processes and strategic goals.
- Attract and retain employees.
- Connect departments and encourage innovation
- Raise awareness with the Board.
- Achieve competitive advantage and leadership.

External Benefits:

- Enhance Bank's reputation, trust, and respect.
- Transparency and dialogue with stakeholders.
- Demonstrate commitment to sustainability.
- Enable comparability and benchmarking.

Target Groups

All Arab Bank stakeholders



Thank you