

البنك  
السعودي  
الفرنسي  
Banque  
Saudi  
Fransi



## | BSF Stakeholders Policy

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## Table of Abbreviations

S. No.	Abbreviation	Expansion and Definitions
1	BoD	Board of Directors
2	CGD	Corporate Governance Division
3	CMA	Capital Market Authority
4	SAMA	Saudi Central Bank
5	LGG	Legal and Governance Group
6	DoA	Delegation of Authority
7	Stakeholder	any person who has an interest in the Bank, including shareholders, investors, employees, creditors, customers, suppliers and the community

## 1. Introduction

### 1.1. Document Authorization Control Sheet

<b>Document Type</b>	Policy
<b>Document Title</b>	BSF's Stakeholders Policy
<b>Version</b>	1.0 (English)
<b>Document Reference</b>	
<b>Date</b>	24-10-2022
<b>Policy Custodian</b>	Corporate Governance Division
<b>Policy Owner</b>	Corporate Governance Division

### 1.2. Document Approval Record

Version	Approval Date	Description of Changes
1.0	24-10-2022	New Policy

### 1.3. Review, Update & Maintenance

- 1.3.1 The authority to amend this policy rests with BSF Board of Directors;
- 1.3.2 Any amendment to this document shall be as per procedure set out in the DoA; and
- 1.3.3 The minimum frequency for reviewing this Policy is every 3 years. However, the Policy must be reviewed / updated earlier if required. CGD is responsible for ensuring that this document is reviewed & approved as required.
- 1.3.4 This Policy shall be a permanent part of the induction program provided to the new Board and Board Committee members upon their appointment. It is the duty of the new member to understand and familiarize himself/herself with it.

## 2. Purpose Applicability and Statement of Commitment

### 2.1 Purpose

The purpose of this Policy is to outline Banque Saudi Fransi policies, principles and guidelines for its relations with stakeholders, to regulate and govern the relationship between Banque Saudi Fransi ("BSF" or the "Bank") and its stakeholders. In-line with BSF's commitment to high Governance Standards, this Policy seeks to set ground rules that ensure the clarity of principles, rights and duties for BSF stakeholders including, employees, shareholders, customers, suppliers which in turn contribute, to serving and protecting the best interests of BSF and Stakeholders.

### 2.2 Applicability

This Policy applies to the BoD, Board Committee members and all BSF employees.

### 2.3 Statement of Commitment

BSF and its Board of Directors recognizes the importance of the proper governance regulating the relationship with stakeholders and oversight of BSF's related policies and procedures to ensure that stakeholder interests and rights are well protected.

## 3. Laws, Regulations, Related Policies & Supporting Procedures

### 3.1 Laws & Regulations

A fundamental aspect of this Policy is ensuring compliance with all laws such as CMA and SAMA and other regulatory requirements.

Key laws and regulations include:

Law/Regulation	Authority
Companies Law	MoC
Capital Markets Law	CMA
Corporate Governance Regulations	CMA
The key principles of governance in financial institutions subject to the supervision and control of the Saudi Central Bank	SAMA

### 3.2 Related Policies

There are various other BSF policies and procedures that are related to this Policy. This Policy should be read in conjunction with such other policies. The key related policies include, but are not limited to:

Policy
BSF Bylaws
Delegation of Authority Manual
Board of Directors Charter
Board Committees Charters
Related Party Transactions Policy
Corporate Governance Manual
Human Resources Policy
Code of Conduct policy for Board and Board Committees' Members
Procurement Manual
Consumer Protection and Customer Complaints policy
Shareholders Rights policy
Corporate Social Responsibility policy
Conflict of Interest Policy
Transparency and Disclosure Policy
Legal Policy
Legal & Governance Group Procedures
Whistleblowing policy

## 4. Policy Details

BSF and its Board are committed to the full protection of all legitimate rights of stakeholders through, among other things, compliance with the legal and regulatory requirements of the Kingdom of Saudi Arabia, and organise the relationship with all stakeholders including shareholders, employees, suppliers and customers and ensuring fair and equitable treatment of all shareholders, including minorities.

Hence, the Board established clear and written policies and procedures regulating the relationship with Stakeholders with the aim of protecting them and safeguard their rights, which include the following:

### 4.1 Shareholders Rights:

BSF and its Board are committed to the full protection of all legitimate rights of shareholders through, among other things, compliance with the legal and regulatory requirements of the Kingdom of Saudi Arabia and ensuring fair and equitable treatment of all shareholders, including minorities.

The high-level principles applied by BSF in respect to Shareholders Rights are as follows but not limited to:

- a) The right to view a copy of the Bank's By-Laws;
- b) Granting Shareholders the right to attend, participate and vote in person or electronically at the General Assembly (GA) meetings, taking the issues that the Shareholders desire to raise during the meeting into consideration, and to nominate and elect the Board members;
- c) The right to dividends;
- d) The right to obtain their shares of the Bank's assets upon the liquidation;
- e) The right to elect Board Members;
- f) Recording the name of the Shareholder in the Bank's Shareholders register;
- g) Ensure full and clear disclosure of relevant information to shareholders to properly oversee the business, operations and financial position of the Bank.

BSF policy on Shareholders Rights is set out in more detail in its **Shareholders Rights Policy**.

### 4.2 Relationships with customers and suppliers and confidentiality of their information:

BSF and its Board of Directors are firmly committed to BSF's maintaining high standards, ensuring that customers are dealt with fairly and honestly, and implementing an effective framework for the management. In addition, BSF is keen to protect its interest with suppliers through the Procurement Division which is an integral aspect of the Bank's overall operations, and responsible for managing bank-wide purchases / acquisition of supplies and services and constitutes a significant portion of the Bank's capital and operating expenditure.



BSF stakeholders shall not disclose any confidential information in any way relating to BSF, its business or clients and will use such information solely for the purposes of discharging their duties. This obligation continues beyond BSF members and Stakeholders term. BSF and Stakeholders shall protect the integrity of decision-making process. This means, keeping in confidence the discussions at meetings, information, interactions or the views or decisions. Notwithstanding the above, BSF and Stakeholders are subject to the contractual agreement signed by both parties. Moreover, information can be disclosed in case of any legal dispute/court order and whenever is deemed required by regulators.

Any disclosure shall be in-line with SAMA and CMA regulations and any other applicable laws, regulations and in accordance with the Bank internal policies and procedures.

BSF's policies on building good relationship with stakeholders and the confidentiality of information is set out in more detail in its **Code of Conduct and Professional Ethics Policy, Code of Conduct Policy for Board and Board Committees' Members Policy, Customer Protection & Customer Complaints Policy, and Procurement Manual.**

#### 4.3 Code of Conduct and Professional Ethics:

BSF Code of Conduct and Professional Ethics are designed to ensure that its stakeholders perform within a framework of ethical values and principles, in a manner that promotes professional discipline, integrity, transparency, objectivity, efficiency, loyalty and efficacy in their conduct while performing their professional duties and assignments. In addition, Human Resources Group (HRG) is committed to achieving excellence in all areas that support service and professionalism for its employees. This commitment is fundamental to the Bank in achieving its vision and strategic objectives, and it is designed to provide guidance on the policies related to the structure of BSF's Human Resources Group Policy, Procedures and controlling laws.

BSF's policy on the bank's professional code of conduct is set out in more detail in its **Code of Conduct and Professional Ethics Policy, Code of Conduct Policy for Board and Board Committees' Members Policy and Human Resources Policy.**

#### 4.4 BSF's Corporate Social Responsibility:

BSF recognize its position at the heart of the economic system and a significant contributor to society overall. Thus, the bank has established a policy that supports BSF's commitment to act in a manner that supports social goals and adapt to changes, developments and challenges faced by the business as a participant in society generally.

Social Responsibility is a broad concept at BSF extending beyond the way it conducts business in an ethical manner, its commitment to fair and equal treatment of employees to encompass direct contributions through philanthropy and engagement in our society generally.

BSF's policy on social responsibilities is set out in more detail in its **Corporate Social Responsibility Policy.**

#### 4.5 Conflict Of Interest & Related Parties Transactions:

BSF and its BoD are firmly committed to BSF's compliance with all applicable laws, regulations and governance standards aimed at ensuring RPTs are properly identified and only entered into on appropriate terms in the best interests of the Bank, its shareholders and customers. In addition, BSF Board and its committees and BSF employees are expected to adhere to in relation to the avoidance of conflicts of interest with respect to their duties and activities with BSF and/or its customers.

BSF's policy on related party transactions and conflict of interest is set out in more detail in its **Related Party Transactions Policy and Conflict of Interest Policy**.

#### 4.6 Transparency and Disclosure:

BSF shall disclose the information that concerns depositors, investors and shareholders, through appropriate means via an appropriate channel. Type and nature of information published shall be in-line with the size and activities of the Bank and legal requirements.

The Board shall provide stakeholders with comprehensive information, which could assist them in identifying the future trends and strategic plans of BSF.

There shall be proper disclosure methods that enable the shareholders and other stakeholders to access the financial and non-financial information pertaining to the Bank's performance and information in respect of ownership of shares, and to obtain a comprehensive view of the Bank's position.

BSF's policy on information to be received by stakeholders is set out in more detail in its **Transparency and Disclosure Policy and Customer Protection & Customer Complaints Policy**.

#### 4.7 Justice and Equality for BSF employees :

The Bank recognizes and values diversity amongst its employees and is committed to creating an inclusive environment that ensures that equal employment opportunities are available to all employees, including those with a disability. Individuals with different cultures, perspectives and experiences are at the heart of the way BSF works. Every employee is entitled to a working environment that promotes dignity, equality and respect for all. BSF will not tolerate any acts of unlawful or unfair discrimination (including harassment) committed against an employee and a breach of these principles by any employee will be subject to disciplinary action.

BSF's policy on fair treatment without discrimination of the bank's employees is set out in more detail in its **Human Resources Policy and Code of Conduct and Professional Ethics Policy**.

#### 4.8 Complaints/Disputes Resolution and Compensation:

Banque Saudi Fransi developed the necessary policies and procedures to be followed by Stakeholders when submitting complaints or reporting any violations, taking the following into consideration:

1. Facilitating the method by which Stakeholders (including employees) report to the Board

conducts and practices of the Executive Management's that violate applicable laws, regulations and rules or raising doubts as to the financial statements or the internal audit controls or others, whether such conducts or practices are against them or not, and conducting the necessary investigation in that regard;

2. Maintaining the confidentiality of reporting procedures through facilitating direct contact with an independent member of the audit committee or other specialized committees;
3. Appointing an employee to receive and address complaints or reports sent by Stakeholders;
4. Dedicating a telephone number or an email address for receiving complaints; and
5. Providing the necessary protection to the Stakeholders.

The Bank is committed to resolving all complaints in a timely and fair manner and rectifying process weaknesses, which adversely affect the service delivery to customers or other third parties, and promoting an organization structure that values complaints as a tool for continuous improvement. The Consumer Protection and Customer Complaints Division (CPCCD) is an independent and centralized control function that is entrusted with the responsibilities of leading and managing consumer protection and customer complaints, CPCCD's key role entails monitoring BSF complying with SAMA requirements related to consumer protection through customer complaints from various channels by performing a review, validation, and reporting of all customers' complaints received, the main objective is the upkeep and protection of the Bank's reputation, and the continuous improvement of customer experience to better leverage development and growth.

The bank is also committed to facilitating the methods by which shareholder can communicate with BSF by having a dedicated Shareholders Relations Officer to receive and address complaints or reports sent by shareholders through a dedicated telephone number & email address with a specific timeframe of thirty (30) days. Moreover, BSF has developed the Whistleblowing policy in which it provides a high-level strategy of BSF in dealing with Whistleblowing incidents. It is intended to ensure that all employees (BSF staff as well as outsourced and insourced personnel) and stakeholders feel supported in speaking up in confidence and reporting suspected matters such as unethical behavior or inappropriate conduct within the bank.

BSF might from time to time raise or be faced with disputes with its stakeholders or third parties that fall short of potential litigation, but which potentially expose the Bank or the stakeholders to legal risk. In order to mitigate these risks, BSF established certain procedures in coordination with LGG to process and resolve disputes which leads to the protection of both the interests of the Bank and the stakeholders.

The bank along with relevant stakeholders shall create the contracts as per rules and regulations in compliance with the legal and regulatory requirements of the Kingdom of Saudi Arabia and as agreed by both parties in which should guarantee the rights.

Any contract infringement shall be dealt in accordance with internal policies and procedures depending on the situation stipulated by the bank and the rules and regulations set forth by the regulatory bodies, and the concerned stakeholders will be subject to compensation in accordance with the applicable laws and regulations and the internal policies and procedures.

BSF's policy and procedure on disputes arising between BSF and stakeholders is set out in more detail in its **Legal Policy and Legal and Governance Procedure, Shareholders Rights Policy, Customer Protection & Customer Complaints Policy, Procurement Manual, Whistleblowing policy.**