



Corporate Social Responsibility Policy

بنك دبي التجاري
Commercial Bank of Dubai



Corporate Social Responsibility Policy

Approved by the Board of Directors during its meeting held on 7th February 2018

Corporate Social Responsibility Policy

1. Preface

The Board of Directors of Commercial Bank of Dubai PSC (the “**Company**”) has the power to design, assess, and continuously revise the Corporate Policies, which contain the guidelines governing the conduct of the Company and further develop the principles reflected in the Mission, Vision, and Values of the Commercial Bank of Dubai and the other rules of the Corporate Governance system.

The Company’s Culture include the Corporate Social Responsibility (“**CSR**”) policy intended to favour a culture of social responsibility within the Company, which contributes to the sustainable creation of value for society, citizens, customers, shareholders, and the communities in which the Company does business

Aware of this reality, the Company contributes to the development of communities with its business activity and its social responsibility strategy, with measures designed to promote education and culture and to protect vulnerable groups, and works to establish firm and permanent bonds, taking into consideration the interests of its workforce, shareholders and the financial community, regulatory bodies, customers, suppliers, the media, society in general, and the environment (the “**Stakeholders**”).

The Corporate Social Responsibility Policy is intended to establish the basic principles and the general framework of activities for the management of corporate social responsibility practices assumed by the Company and to serve as the basis for integrating social responsibility into the Company’s strategy. The General Corporate Social Responsibility Policy is further developed and supplemented by the Stakeholders Engagement Policy. The corporate website of the Company is one of the main instruments for channeling its relations with the Stakeholders.

The vision of the Company is to build on the strength of our franchises, always valuing relationships and exceeding customers’ expectations. Our Mission is to be the bank of choice for corporate clients, delivering best in class value propositions to support their related business and personal banking requirements. We are always focused on creating value for our customers, shareholders and the communities we operate in.

We are therefore here to make financial lives better. Better by connecting our customers and clients to the financial solutions they need. Better by connecting across our company to deliver those solutions and better by making connections in the communities in which we live and work.

Being a responsible company is integral to our success and we are engaged on the issues that matter most to our customers, employees and communities. Our employees are guided by a common set of values that ensure we deliver on our company goals while also helping to address local challenges.

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2. Policy Objectives

The objective of this CSR Policy is to:

- a) Ensure an increased commitment at all levels in the organization, to operate our business in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders.
- b) To drive measurable change in the Company's communities by pursuing CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations enabling close supervision and ensure maximum development impact; and
- c) To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive and socially responsible image of the Company as a corporate entity.

3. CSR Objectives

The Company carries out its business enterprise and its own business model with the objective of sustainably creating value for society, customers, shareholders, and for the communities in which it does business, providing a high-quality service through innovation and maintaining awareness of the opportunities offered by the knowledge economy.

The CSR Objectives are the following (i) providing and raising awareness about preventive healthcare preserving and promoting sports (ii) investing in youth and encouraging them to liberate their initiatives, (iii) promoting education and cultural activities (iv) encouraging volunteering through social activities aiming to creating livelihoods for people, especially those from disadvantaged sections of society and (v) promoting sustainable finance;

The instruments implemented by the Company must contribute to the development of the communities in which the Company is present with its business activities and its social responsibility, with measures directed toward promoting four main focus areas:

- a) Preventive Healthcare
- b) Education
- c) Volunteering
- d) Sustainable Finance

The Company will review these focus areas from time to time and make additions or deletions, based on the priorities for each year.

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4. Governance Model

4.1 CSR and the Adoption thereof of the Corporate Governance Structure of the Company

To achieve the aforementioned objectives, the Company will be guided by the principles of conduct set forth in the Corporate Governance Manual, and specifically in this Corporate Social Responsibility Policy and supplementary policies regarding Stakeholders with which it interacts and that are affected by its activities.

The implementation, monitoring and supervision of such principles of conduct is the responsibility of the Company in accordance with the corporate and governance structure defined in the Corporate Governance Manual

4.2 Main Principles of Conduct for the CSR Objectives

Set forth below is a description of the main principles of conduct of the Company with respect to the main CSR focus areas:

4.2.1. Principle of Conduct with respect of Preventive Healthcare

- a) Promoting preventive health awareness and encouraging youth initiatives are key focus area of the CSR Strategy. The fundamental principles are the following:
- b) Spread awareness about preventive health and encouraging sport initiatives and events in the Company amongst the employees and in the communities.
- c) Participate in national and local initiatives, and
- d) Develop internal and external activities and initiatives strengthening the awareness of preventive health and encouraging the sport activities

4.2.2. Principles of Conduct with respect to Education

- a) Promote research development and innovation activities focusing on close interaction with schools and universities, and
- b) Encourage educational initiatives initiated by employees through the Volunteers Club and initiatives initiated by schools and universities' students

4.2.3. Principles of Conduct with respect to Volunteering

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- a) Promote Volunteers Club within the Company to strengthen the employees' volunteering spirit. The Volunteers Club should engage a minimum percentage of the Company's employees to provide minimum number of hours of cumulative service to the communities,
- b) Promote the Volunteering spirit In the United Arab Emirates, and
- c) Engage the volunteers in initiatives supporting disadvantaged communities, promoting women development, eradicating poverty and caring about special needs children. Company to work to drive real change going beyond funding to apply innovation, expertise and volunteerism towards solving pressing social issues;

4.2.4 Principles of Conduct with respect to Sustainable Finance

- a) Promote and embed sustainable finance as part of the business model of the Company
- b) Develop financial literacy program for schools and universities, and
- c) Develop financial learning and training program for young entrepreneurs being Company's customers or potential customers

4.3. Budget and Expenditures

The Company shall allocate a separate budget towards the CSR activities falling within the purview of the objectives of this policy.

The CSR expenditure shall include all actual expenditures including contribution to corpus or on project or programs relating to CSR activities.

The expenditure for the financial year will be tracked by the CSR team and reported to the Management and the Board members. It is mandatory for the Company to disclose its CSR Policy, programs/projects undertaken and the expenditure made towards CSR activity in the annual report

4.4. Governance

The CSR team will be the key stakeholder in the governance of the CSR Policy and initiation of programs and initiatives within the Company. The CSR team will keep the key internal and external stakeholders informed by regular communications and updates, including providing updates on the progress of the projects and addressing issues/concerns, if any.

At least a yearly meeting is scheduled between the CSR Team, the Chief Financial Officer, the Chief Executive Officer, the Chief Human Resources Officer and the Chief Legal and Governance Officer ("CSR Committee") to decide the CSR Programs and initiatives and the expenditure. The recommendations should be escalated to the Board for final ratification.

4.5. Due Diligence and Monitoring

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The Company will undertake necessary due diligence for any CSR activity. The CSR Committee has to ensure that any proposed activity is aligned with our strategic CSR Objectives.

The Company will also review the project proposal and monitor the implementation of the projects on regular basis and establish an evaluation framework for supported causes. The Company should ensure that:

- a) Prior approval is in place for each activity and spending with clear identification of the process owner for each activity
- b) There will be if required physical verification of the projects status,
- c) All donations and contributions are limited to entities and organisations in the United Arab Emirates and in line with all applicable rules and regulations including any Shariah approval
- d) The CSR Committee will be made aware of major updates, and drawbacks;
- e) The CSR committee shall report and keep the Board updated, regarding the expenses incurred on donations and CSR activities for the year.