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# 1. Introduction

## 1.1 Purpose of the document

At Gulf International Bank (UK) Limited and Gulf International Bank BSC London Branch (together referred to herein as “GIB UK”), we recognise that our activities impact on society, the environment and the economy, as well as our own workforce. We, therefore, believe that sustainability is integral for the health, wellbeing and development of our society, business and economy. We are thus committed to ensuring that our business is environmentally and socially sustainable.

Our definition of corporate sustainability is in line with that of the United Nations Global Compact<sup>1</sup> (UNGC): “Operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption”.

In this policy, we focus on environmental and social (workforce and labour) sustainability. Anti-corruption measures are covered elsewhere<sup>2</sup>.

Furthermore, we believe we should hold ourselves to the same standards that we require of investees, outsourcing parties and third parties.

## 1.2 Ownership of the document

This document is owned by the Strategy Department.

## 1.3 Review and Approval of the document

This document shall be reviewed every 18 months, and endorsed by the Executive Committee and the Head of London Branch. If there are no major changes, Policy sponsor may approve the policy. The Executive Committee must review the policy at least every 3 years.

## 1.4 Version history

Document name	Key changes since last version	Made by	Date	Approval
Environmental and Social Policy	Document created	Strategy Department	2019	5 August 2019
Environmental and Social Policy	Annual review – minor changes only, and alignment with wording in Stewardship Policy	Strategy Department	2020	20 August 2020
Environmental and Social Policy	Annual review – Minor Changes to section 2, sections 3 and 4	Strategy Department	2022	15 February 2022
Environmental and Social Policy	Annual review – Minor Changes to section 2, sections 3 and 4	Strategy Department	2023	

# 2. Environmental and social factors in our investment approach

We are fundamentally an investment-led business. Responsible investment considerations are therefore critical to how we do business. Our Responsible Investment Policy is focused around driving the reallocation of capital by offering our clients a set of products that deliver financial performance through sustainable investments.

A key part of our drive to support sustainable development and positive change is through our stewardship activities which include engagement. At GIB UK, engagement is used across many of our strategies for a number of sustainability issues, including climate risk. Our strategies use engagement to varying degrees.

For further details, please refer to our Responsible Investment Policy and the Stewardship Policy.

<sup>1</sup>United Nations Global Compact link: <https://www.unglobalcompact.org/what-is-gc/mission/principles>

<sup>2</sup>Please refer to our Anti Bribery and Corruption Policy

## 3. Environmental policy

### 3.1 Environmental and climate change policy

We agree with United Nations<sup>3</sup> premise that a healthy environment is imperative for the “full enjoyment of basic human rights, including the rights to life, health, food, water, sanitation, and quality of life”.

We acknowledge the scientific consensus driven by the Intergovernmental Panel on Climate Change that climate change (specifically global warming) is a reality. Further, we are aligned with the UK Parliament declaration in 2019 that we are facing an environment and climate emergency. We recognise that climate-related risks affect different aspects of our business in different ways, creating both environmental and financial risks. As part of our commitment to the Net Zero Asset Manager initiative, we are committed to working with clients, as relevant, to achieve net-zero goals by 2050 or sooner.

In addition to climate-related issues, we recognise that other environmental issues, such as loss of biodiversity, deforestation, illegal logging and chemical and plastic pollution have a negative impact on our environment, business and society.

As a business community, we are facing unprecedented challenges in mitigating these risks. We believe that we, and our peers, bear the collective responsibility to behave in a way that is consistent with saving our planet. Our approach is to partner with like-minded organisations and initiatives and to set over-arching actions and initiatives for our business, and to apply these appropriately across our business functions

Environmental actions and initiatives:

1. We align our business goals with achieving global environmental aims, specifically the SDGs and the Net Zero by 2050 targets, and aspire to being able to demonstrate the impact that GIB UK has had in achieving these,
2. Climate risk is integrated in GIB UK's Risk Management Framework and into GIB UK's Governance Frameworks
3. We monitor and disclose our climate-related risks and opportunities in line with the Task Force for Climate-related Financial Disclosures on an annual basis;
4. We understand, and aim to minimise, the impact GIB UK operations have on climate change through its carbon footprint, such as through ensuring office energy efficiency,
5. Where we are unable to cease carbon-emissions, we commit to either reducing our emissions in line with the 2C target or to offsetting those emissions as appropriate;
6. We monitor and disclose our carbon footprint on a regular basis;
7. We aim to minimise the impact of GIB UK has on other environmental and social aspects through considering our office's environmental efficiencies on a number of topics including air, light and water;
8. We will regularly review and update our approach as the environmental risk landscape evolves.

For further details, please refer to our: Responsible Investment Policy, Risk Management Framework and Governance Framework.

## 4. Social policy

We strongly believe in ethical workplace practices. In this regard, our focus is to contribute towards the SDGs concerning workplace and labour. The SDGs specifies three goals concerning labour:

- Goal 1: No poverty – Eradicate extreme poverty (proportion living below national and international poverty line (USD2.15 a day<sup>4</sup>))
- Goals 5: Gender equality – End all forms of discrimination against all women and girls everywhere
- Goal 8: Decent work and economic growth – achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

Additionally, we want the right work place practices<sup>5</sup> for our employees, and consider employee welfare and well-being to be key to our success as a company and to the wider community

How we think these are relevant to GIB UK is set out in 4.1.

<sup>3</sup>United Nations Environment link: <https://www.unenvironment.org/news-and-stories/story/healthy-environment-healthy-people>

#### 4.1 Child labour and living standards

We ensure that our operations, and third party providers and suppliers, do not show any signs of child labour and/or wage abuse. We comply with the minimum living wage<sup>6</sup> for employees in all countries, with all employees earning well above the minimum wage. We expect our suppliers and third party suppliers to comply with the minimum living wage.

For further details, please refer to our Outsourcing and Third Party Supply Code of Conduct.

#### 4.2 Discrimination, equality, diversity and inclusion

We are committed to creating a diverse, inclusive and a just working environment. We encourage our employees to use their diverse wide range of skills, experiences and perspectives in furthering our business. We are committed to providing equal employment opportunities to all our employees and potential employees. We do not condone any acts of either direct or indirect discrimination in our workplace. All our employees are trained about discrimination. In addition to this, we have an equal pay for equal work policy. We also have an equity, diversity, and inclusion strategy and enhanced resources available to colleagues.

For further details, please refer to our Diversity and Inclusion Policy, and to our Outsourcing and Third Party Supply Code of Conduct

#### 4.3 Human rights: Forced and compulsory labour

Our policies seek to ensure that we, and our suppliers and third party providers, do not engage in any form of forced or compulsory labour such as modern slavery and human trafficking. We comply with the UK Modern Slavery Act, which aims to prevent all forms of labour exploitation and increase transparency of labour practices in supply chains.

For further details, please refer to the Modern Slavery Act Statement on our website, our Data Protection policy and our Outsourcing and Third Party Supply Code of Conduct.

#### 4.4 Employee welfare and well-being

Fostering employee well-being is good for our people. We believe in promoting well-being to create a positive working environment where our individual people can thrive. Good health and well-being is a core enabler of employee engagement and organisational performance and in turn, can deliver mutual benefit to people, our company, economies and communities.

We, therefore, champion a number of well-being initiatives for our employees. These include health (physical, safety and mental health), good work practices, values and principles, employee engagement, personal growth (career development), and an employee assistance programme which also covers financial well-being.

<sup>4</sup>The World Bank

<sup>5</sup>This includes rules and regulations that organisations implement to improve working conditions to employees and relevant employee training

<sup>6</sup>Our employees are based in London and New York

