

Proposal for Green Retail Loan Initiative

To launch a retail loan program aimed at financing environmentally friendly products such as electric vehicles (EVs), solar panels, energy-efficient appliances, and water-saving technologies. This initiative aligns with Saudi Arabia's Vision 2030 by promoting sustainable practices, reducing carbon emissions, and encouraging green consumption habits.

The Green Retail Loan program provides individuals with affordable financing options to purchase green products, helping them transition to a sustainable lifestyle. The program offers:

- **Competitive Interest Rates:** Slightly lower than the national average to attract customers.
- **Partnership Discounts:** Collaborations with green product manufacturers and retailers to provide exclusive discounts for borrowers.
- **Incentives:** Additional perks such as reduced processing fees or flexible repayment terms for early adopters.

Alignment with 2030 Vision

Saudi Arabia's 2030 Vision emphasizes sustainability and environmental preservation. The Green Retail Loan supports these objectives by:

1. **Encouraging Green Consumption:** Making environmentally friendly products more accessible to individuals.
2. **Reducing Carbon Footprint:** Promoting the adoption of EVs and renewable energy technologies.
3. **Driving Economic Diversification:** Supporting the growth of green industries in Saudi Arabia.

Potential Products for loans

- Electric Vehicles (EVs)
- Solar Panels for Homes
- Energy-Efficient Air Conditioning Units
- LED Lighting Systems
- Water-Saving Devices

Loan Pricing Strategy

The average personal loan interest rate in Saudi Arabia ranges from X % annually. We propose setting the interest rate for the Green Retail Loan at X%, slightly below the market average, to encourage adoption while maintaining profitability.

Benefits to the Bank

1. Attract New Customers: Appeal to environmentally conscious individuals and young professionals.
2. Build Brand Loyalty: Position AlAhli as a leader in sustainable banking.
3. Increase Revenue Streams: While offering lower interest rates, the increased loan volume compensates for reduced margins.
4. Strengthen Reputation: Enhance corporate social responsibility (CSR) initiatives.

Requirements for Implementation

1. Dedicated Team: Create a task force to manage product partnerships, loan approvals, and marketing.
2. Digital Platform Integration: Update online banking and mobile app systems to support Green Retail Loan applications.
3. Partnerships: Collaborate with EV manufacturers, solar panel providers, and other green product suppliers to offer exclusive deals.
4. Training: Equip loan officers with knowledge about green products and their benefits.

Marketing Strategy

1. Awareness Campaigns:
 - Highlight environmental and financial benefits through social media, email newsletters, and webinars.
 - Leverage Saudi Vision 2030's sustainability goals in the messaging.

2. Retail Partnerships:

- Promote the loan program in collaboration with product retailers.
- Offer discounts or rebates for borrowers purchasing partner products.

3. Customer Engagement:

- Host events such as EV test drives or solar panel exhibitions to showcase product benefits.

4. Sustainability:

- Publicize the program as part of AlAhli's sustainability efforts.

The Green Retail Loan is an innovative product that supports Saudi Arabia's Vision 2030 and enhances AlAhli's market position. By offering affordable loans for environmentally friendly products, the bank attracts a growing customer base, generates long-term profitability, and contributes to national sustainability goals.