



SAUDI ARABIA

LGBT+ Business Climate Score

Out Leadership's snapshot of the current state of affairs for LGBT+ people, through the lens of international business.

The business Climate Score rating is out of ten possible points, and is based on ten independently verifiable indicators of the legal, cultural and business context for LGBT+ people.

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1. Are consensual homosexual acts between adults legal?	0 <i>No</i>	6. Is sex reassignment surgery at birth for intersex children prohibited?	0 <i>No</i>
2. Is marriage or civil unions for same-sex couples available?	0 <i>No relationship recognition</i>	7. Are sexual orientation and gender identity discrimination in employment prohibited?	0 <i>No</i>
3. Is being LGBT+ punishable by death?	0.5 <i>Yes, but in practice it's not reported</i>	8. Is there a US State Department warning against travel for LGBT+ individuals?	0.5 <i>Not an official warning but caution is encouraged</i>
4. Are sexual orientation and gender identity discrimination in the provision of goods and services prohibited?	0 <i>No</i>	9. Do companies sponsor Pride or other means of promoting LGBT+ visibility?	0 <i>No</i>
5. Can transgender people legally change their gender markers?	0 <i>No</i>	10. Are there laws prohibiting freedom for assembly or speech for LGBT+ people (i.e. "Anti-propaganda" laws, media gags, etc)?	0 <i>No, but officials act as though they were</i>

How to Use This Brief

As a business leader, you have the opportunity to create change for LGBT+ people around the world – both within your organizations and in the countries where you do business. This brief provides valuable information to inform your conversations with:

Internal Staff: Ensure that staff at your company who do business in-country are aware of the laws and other regulations that impact LGBT+ people there, and that they've adopted the appropriate internal policies for their location.

Government Leaders: In your meetings with government leaders, particularly those focused on business expansion or diplomacy, we encourage you to bring up the information shared in this brief in an appropriate way, and help them understand how LGBT+ inclusive policies are part of your company's best practices, and acknowledged as global standards. You are the best person to judge whether you have the ability to have such a conversation with a local leader in an appropriate way. Your Government Affairs officer, Diversity & Inclusion head, or equivalent may be appropriate to include in these conversations.

In-country Business Partners: In conversations with business partners, when appropriate, ask them what they're doing to address LGBT+ inclusion, and help explain why inclusion positively impacts your ability to conduct business there.

Talking Points

"Saudi Arabia's persecution of LGBT+ people is keeping me from doing business with the kingdom. It's hard to justify investing money in a country that is severely prejudiced against a segment of our employees and customers."

"We put equal rights for all front and center in our operating philosophy, so we cannot justify investing our resources in the kingdom, so as long as LGBT+ people remain unsafe there. This view is not unique: as LGBT+ rights increasingly are viewed as fundamental, similarly to racial and gender equality, more and more businesses will think twice before expanding into a country that disregards human rights."

"Recent surveys estimate that LGBT+ people make up 4-6% of the population of Saudi Arabia. Allowing these citizens to live safely and openly would give 1.2 to 1.7 million people the chance to more fully participate in Saudi Arabia's social, cultural, political, and economic life."

Current Legal Status of LGBT+ People

Legal Status of the Lesbian, Gay, and Bisexual Community

It is illegal to be LGBT+ in Saudi Arabia. Though this isn't codified in any criminal law (because there is no criminal code in Saudi Arabia), it's enforced by the state's adherence to Sharia law (religious law forming part of the Islamic tradition).

Under Sharia, consensual same-sex sexual conduct is punishable by death or flogging, depending on the perceived seriousness of the case. In 2014, a man in the city of Manama was reportedly punished with 450 lashes and three years in jail for (allegedly) using Twitter to connect with other gay men.

Legal Status of the Transgender and Gender-Diverse Communities

It's illegal to be transgender in Saudi Arabia. Sex-change surgery is illegal in Saudi Arabia except to intersex people, and it's against the law for men to wear women's clothing or to act feminine, and vice versa. Transgenderism and cross-dressing are associated with homosexuality and are penalized the same as homosexuality.

In November 2016, the Saudi government barred transgender people from participating in umrah, a pilgrimage to Mecca with less importance attached than the annual Hajj.

Current Legal Status of LGBT+ People

Government Statements and Actions

Police raided a private event in Riyadh in February 2017 and arrested its Pakistani participants, some of whom were transgender women. One of the women was reportedly tortured and died in custody. In April Human Rights Watch called on Saudi police to release the five Pakistanis still in custody after the raid.

In March 2016, a doctor in the city of Jeddah was reportedly arrested for flying a rainbow flag even though he said he didn't realize what it symbolized.

Also in March 2016, reports surfaced that the government might make coming out online an offense punishable by death. The allegations led U.S. Representatives to write a bipartisan letter warning that mistreatment of LGBT+ Saudis could negatively impact U.S.-Saudi relations.

At the UN, the Saudi government objected in March 2016 to including the condemnation of violence against LGBT+ people in a resolution opposing torture, saying they shouldn't use the eradication of torture to 'promote other issues.' Saudi Arabia also protested at the UN's inclusion of LGBT+ rights in its 2015 Sustainable Development Goals.

Socio-cultural Environment of LGBT+ People

Status of LGBT+ Organizing and Community

There is no open LGBT+ organizing or community.

However, there is a vibrant undercover gay community, especially in large cities and aided by the Islamic norm of keeping most public places gender-segregated.

Cultural Views of the LGBT+ Community

A 2016 poll found that 46% of Saudis reported that they would be "very uncomfortable" if they had a gay or lesbian neighbor. However, a smaller percentage – 35% – thought being LGBT+ should be a crime.

That said, the cosmopolitan cities in Saudi Arabia are known for having thriving gay scenes, largely enabled by the country's strict gender segregation in both public and private spaces.

The official religious view of LGBT+ people claims that same-sex attraction is a Western construct that should not be legitimized in an Islamic kingdom.



Impact of LGBT Discrimination on Business & Talent



BRAND RISK **HIGH**

Homosexuality is completely illegal and punishable by death under Sharia law. There is therefore a high risk that doing business in Saudi Arabia would harm the brand's reputation.

CLIENT RISK **HIGH**

For many companies, doing business in Saudi Arabia involves significant compromises on diversity and inclusion policies. Given the high-profile nature of the kingdom's lack of individual freedoms, including for LGBT+ Saudis, LGBT+ clients may choose to move their business away from companies conducting business there.

TALENT RISK **HIGH**

Consensual same-sex relations, not to mention marriage or diversion from gender norms, are all illegal in Saudi Arabia. This would make it highly risky to relocate LGBT+ employees and their partners to the country.

MARKETING RISK **HIGH**

It would break Saudi law to openly market to LGBT+ consumers.

Local Leaders Advocating for LGBT Equality

Out Leadership encourages you and your company to engage in safe and cautious discussion with local leaders around LGBT+ equality and to leverage your firm's influence to support their work. But this is virtually impossible in Saudi Arabia, where even hinting at being LGBT+ can be met with harsh sanction.

To learn more about how your business can work toward influencing change in Saudi Arabia for LGBT+ people, here are some global groups we recommend contacting: Human Rights Watch, OutRight Action International, Amnesty International, The International Lesbian and Gay Association (ILGA).

Purpose

Multinational companies face operational and reputational risk when they do business in countries where the legal and/or social atmosphere makes it difficult for LGBT+ people to live openly. Discrimination against LGBT+ people creates serious challenges for talent mobility, retention, and development.

Out Leadership's LGBT+ CEO Business Briefs seek to help C-Suite leaders understand and respond to these risks. Secondly, these Briefs seek to inform and empower corporate executives to engage in conversations with trade officials and other local stakeholders about why discrimination against LGBT+ people negatively impacts their ability to do business.



Additional Resources

2016 International Gay and Lesbian Association State Sponsored Homophobia Report

This report contains a country-by-country analysis of anti-LGBT laws and policies around the world.

2016 Human Rights Watch World Report

This report contains a country-by-country analysis of human rights concerns for 2014, and includes specific information pertinent to LGBT issues.

Special Thanks

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