



بنك الإسكان
Housing Bank



Sustainability Report

Fourth Edition 2020
We Are Committed
to Sustainability



Sustainability Report Fourth Edition 2020

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About this Report

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This report represents the fourth sustainability report issued by Housing Bank for Trade and Finance, through which we aim to cover regularly and document all sustainability initiatives during the period of January 1 to December 31, 2020, and to publicly disclose our success in achieving sustainability on an annual basis across the Hashemite Kingdom of Jordan. We have directed all our human, intellectual and material assets to benefit from our sustainability culture in our products, services, operations, and policies, and we have worked to direct and unify our efforts and practices to enhance our path towards sustainability in a manner that ensures our complete transformation towards sustainable banking in the future. In addition, we are harnessing all our experiences and efforts in order to serve our local community, economy, and environment simultaneously to achieve a comprehensive commercial and digital business model. This report has been prepared for 2020 in accordance with the basic level of the Global Reporting Initiative (GRI) guidelines, which confirmed indicating the correctness of the locations of the materiality disclosures from (GRI 49-102-40 -102) across the report.

For more details, please see **Appendix C:** "GRI Contents Index."

We are pleased to receive all your opinions and comments. For more details about our sustainability approach, performance, and any of the information contained in this report, we invite you to contact us through our pages on the following social media sites:



Housing Bank
for Trade and Finance



Housing Bank
for Trade and Finance



TheHousingBank

Chief Executive Officer's Statement

Dear Stakeholders,

I am pleased to present to you our 2020 Sustainability Report, expressing my gratitude to all our stakeholders who have consistently been involved in supporting and empowering our sustainability practices. This year, our report focuses on environmental, social, and economic aspects and is closely aligned with the United Nations Sustainable Development Goals (SDG) and Global Reporting Initiative (GRI) standards. Our 2020 report also integrates our six main focus areas on sustainability:

- Governance, Compliance, and Risk Management
- Responsible Banking Services
- Our Employees
- Our Social Impact
- Customer Service for a Better Financial Future
- Digital Innovation and Transformation

The unprecedented events over the past year have forced us all to stop and think about our work, our lives, and our world, and none of us could have imagined the impact of the COVID-19 crisis and its effect on various aspects of life. It was also impossible to remember a period of time when the whole world faced the same set of challenges, which confirms that we all share one planet and a common destiny. This urged us to consider the interest of the community before individual interests, which will enable us to build a shared value that affects our policies, operations, and strategies and enhances our position as a leading bank at local and regional levels.

During 2020, we have succeeded in avoiding the effects of the pandemic while complying with the relevant defense orders and the instructions issued by the Central Bank of Jordan through implementing several measures, including reducing interest rates on loans and postponing customers' installments. Also, we have effectively contributed to the implementation of the Central Bank's initiatives that focus on supporting SMEs, and we



continued playing our effective community role through providing support and donations to official initiatives to confront COVID-19, most notably the Himmat Watan Fund. Moreover, we continued to provide support and donations to several health, educational, and social centers and institutions.

We are proud that we have defined the working method for our business models, where we do not only prioritize profitability, cost savings, and operational efficiency, but we also consider our social and environmental impact. We also work to support our customers and help them achieve their financial aspirations and grow their business while seriously seeking to finance different sectors, work with small and large projects, and forge partnerships with like-minded entities that can join our efforts to help build a more inclusive economy and sustainable society.

As a pioneer Bank in digital transformation in the Jordanian banking sector, we constantly work on developing digital solutions that efficiently meet the needs of our customers while making continuous quality improvements. We have introduced a comprehensive suite of digital payment solutions that reduce the need to use cash and visit branches. We have already seen the fundamental changes that digitalization has brought about in the way we meet the needs of our customers, and we have been able to seamlessly guide our customers towards using digital channels to ensure the health and safety of our employees and customers during COVID-19 crisis by reducing the need for physical presence in our branches.

I am confident in our ability to continue the sustainability journey, benefiting from our experiences and capabilities in the service of the economy, society, and the environment. In conclusion, we hope that this Sustainability Report will be a valuable tool for you to share our efforts in the field of sustainable development, and we look forward to you sharing your views with us.

Respectfully,

Ammar Al-Safadi
Chief Executive Officer

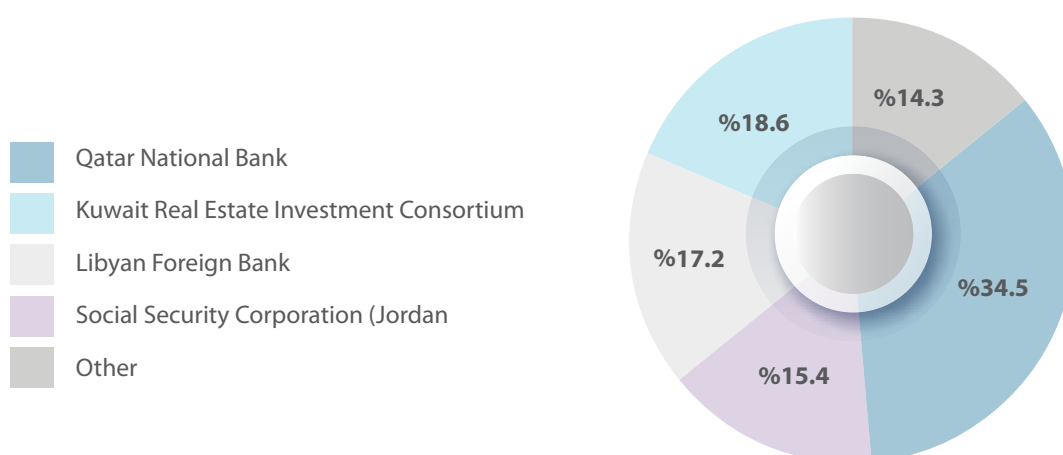
About Housing Bank

Housing Bank—which is considered one of the largest and most developed banks at a national and regional level—was established in 1973 as the first bank specialized in providing housing finance necessary to push population development forward in Jordan with a capital of half a million dinars. After its transformation into a comprehensive commercial bank in 1997, its capital had increased more than once during the past years, the last of which was in 2017, when it became 315 million dinars, equivalent to (USD 444 million).

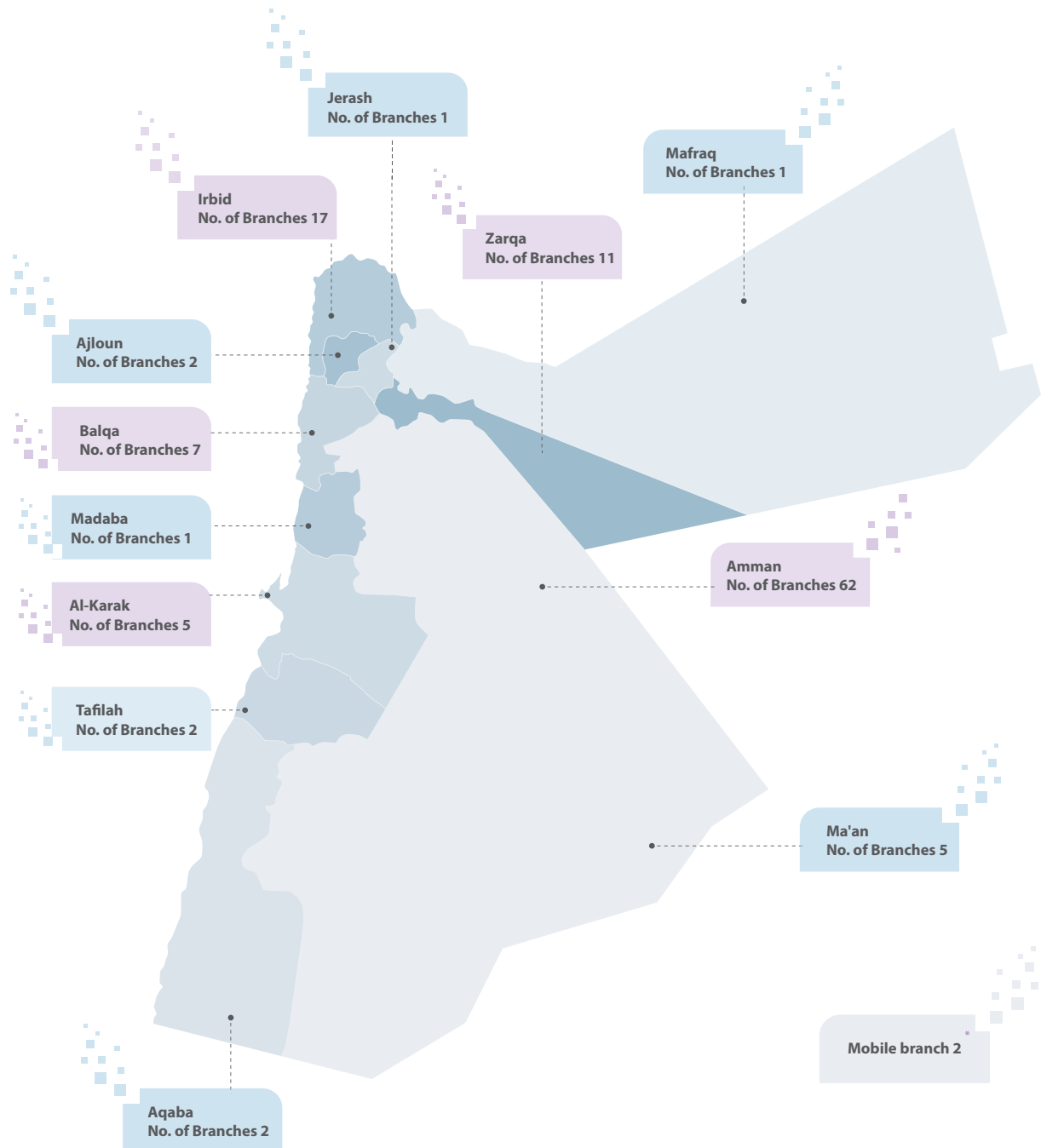
Thanks to its growing performance, the quality of its assets, the solidity of its capital base, and its insightful strategy, the Bank has established itself as a banking institution that supports its retail and corporate customers and provides them with a range of innovative banking,

financial, and investment services and solutions that match the best global banking services. Since its establishment, Housing Bank has been known for its leadership in providing many banking services and for being able to introduce innovative concepts into the banking market. Today, it plays a significant role in the modern digital transformation witnessed by the Jordanian banking sector. The Bank, which has won many local, regional, and international awards and certificates of appreciation, is unique in its vast network of internal and external branches in Jordan, Palestine, and Bahrain, in addition to banks and subsidiaries inside and outside of Jordan in Algeria, Syria, and London, and representative offices in Iraq, UAE, and Libya.

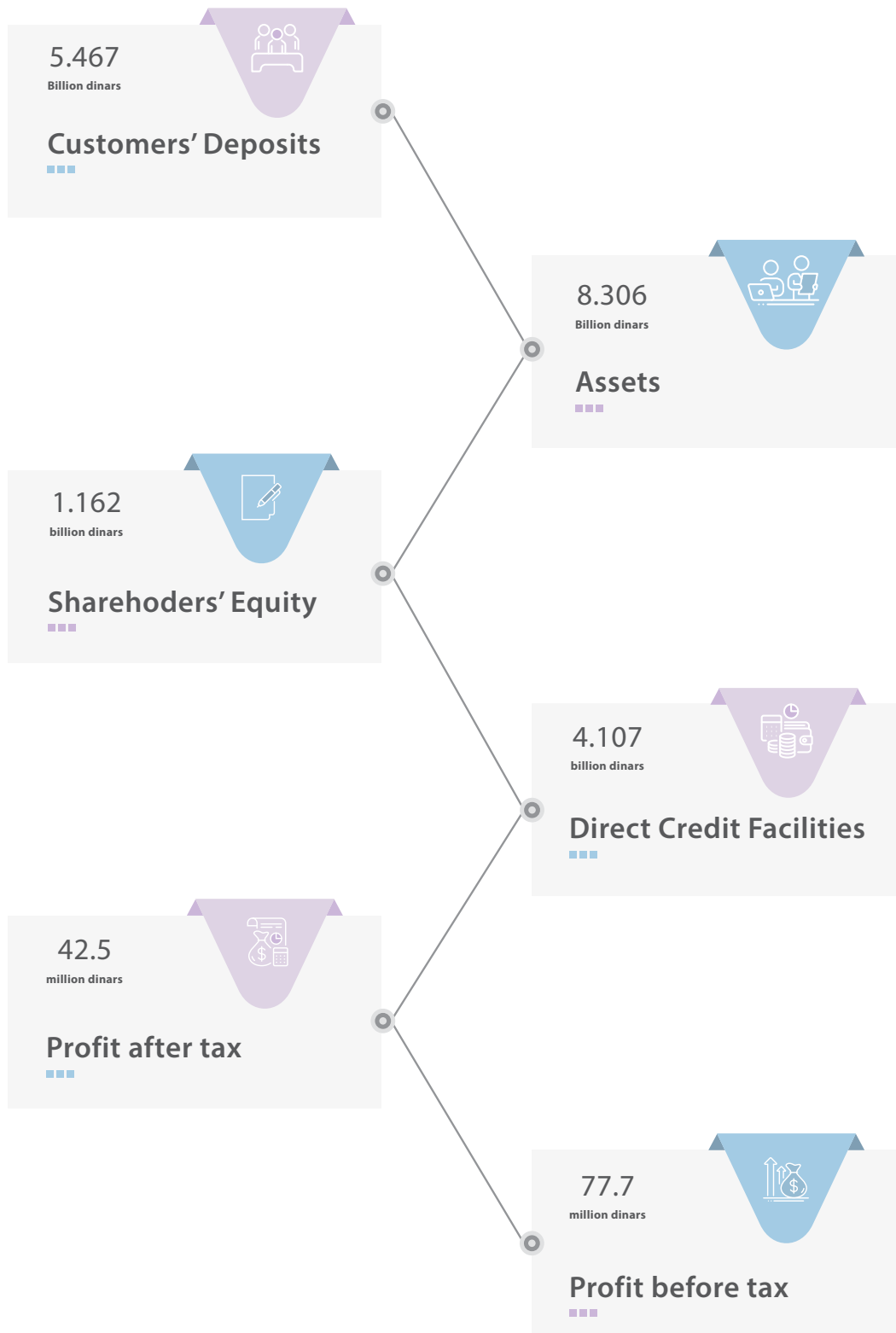
Housing Bank Shareholder Structure for 2020



Our Branches



Financial Performance of the Group



Major Milestones of Performance and Achievement

3.7 million dinars
total donations



2,417 Employees



573,000
Retail and corporate
customers



58.6%
Percentage of recycled
paper



42.2% Percentage of
female labor force



80.2% customer
satisfaction



74% of spending on local
procurement



%50 Percentage of
youth labor force



118 branches



3.2% Increase of green
loans balance



20.5 Million
Total number of
customers' transactions



215 ATMs



Launch of the digital
branch of self-services
(Iskan Engage)



Support of 285 local
suppliers



28.3% Increase of
transactions through
Iskan Mobile



Our Commitment to Sustainability

At Housing Bank, we always strive to remain a sustainable institution that has a positive impact on our society's environmental, social, and economic issues. We are aware of the importance of moving towards sustainability due to its significant impact in reducing the risks that we are exposed to, and we seek to integrate sustainability considerations within the scope of our disclosures and main business practices in a way that enhances the growth of our business. Furthermore, we always strive to remain a sustainable institution that rises to the aspirations of its customers to not only meet their expectations but to go beyond them and achieve the highest returns for shareholders. We work closely with our stakeholders to understand their needs and expectations and serve their interests by encouraging innovation, stimulating creativity, and reducing direct and indirect environmental impacts.

Development Stages of Housing Bank Sustainability Reports

As part of our approach to sustainability, we issued our first sustainability report in 2017, covering all our branches that operate in the Kingdom. For the fourth year in a row, we are issuing the report as an expression of our long-term commitment to sustainability by integrating social, economic, and environmental business practices with the aim of informing stakeholders about our performance and practices in relation to sustainability.

Housing Bank's Approach to Sustainability

Our sustainability framework revolves around six pillars that we have identified, representing the Bank's main focus areas linked to the United Nations Sustainable Development Goals and the GRI standards. We are proud to be one of the first Jordanian companies to commit to preparing a sustainability report. Our primary focus areas are as follows:

Sustainability Framework at Housing Bank



Material Issues

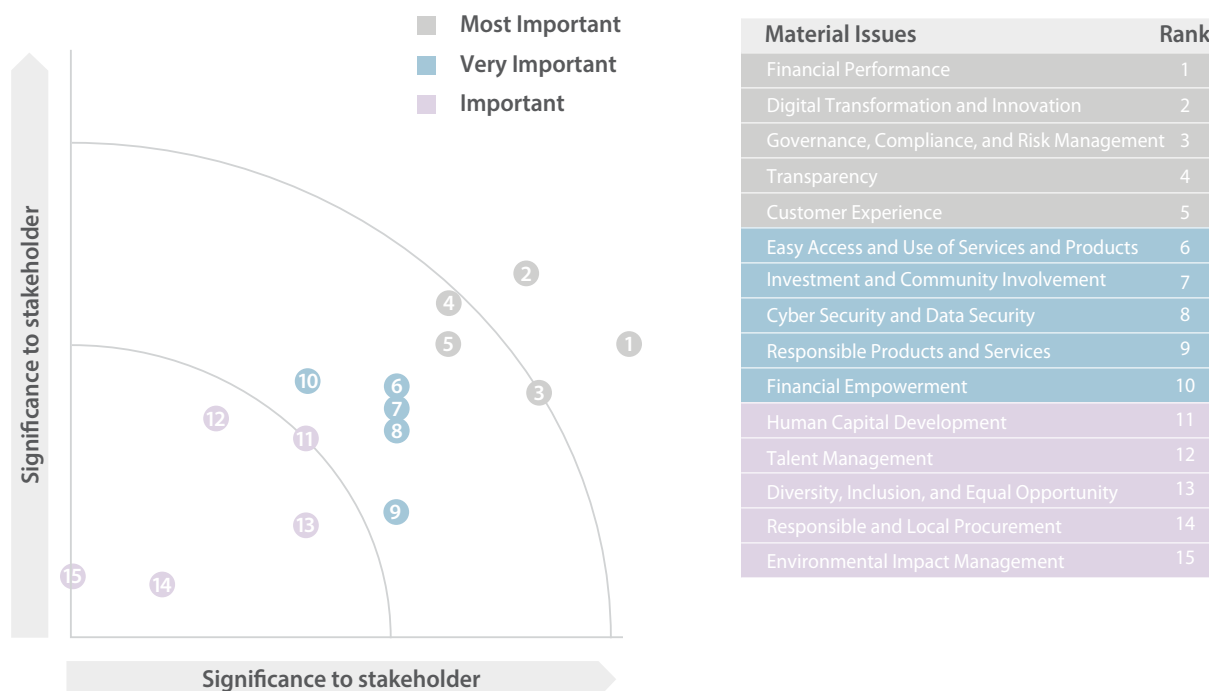
[GRI 102- 47]

Our sustainability team reviews the Bank's material issues on an annual basis to ensure covering all the topics and indicators that reflect significant economic, environmental, and social impacts or that can significantly impact on stakeholder assessments and decisions.

The purpose of a materiality analysis is to identify topics that directly or indirectly impact the institution's ability to create, maintain, or reduce the economic, environmental, and social value, not only for the Bank but also for stakeholders and the entire society.

Accordingly, the Bank's sustainability team worked with internal and external stakeholders to review and prioritize the issues that are considered important by identifying the 15 most significant material issues, which are arranged in the matrix below. Through this matrix, the reader of this report can understand the significance of each of these material topics to the stakeholders, as well as to the Bank's reputation, also considering the Bank's ability to make a positive change in these areas.

2020 Materiality Matrix - Housing Bank



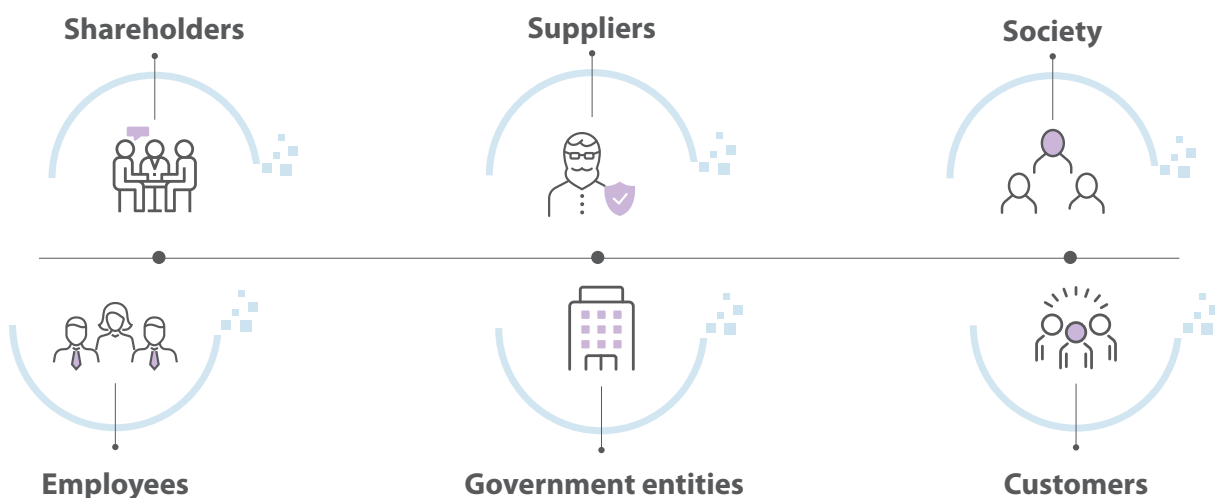
Stakeholder Engagement

[GRI 102- 40] [GRI 102-42]

We consider understanding the diverse and interrelated needs of our stakeholders vital to the success of our business sustainability strategy. Our long-term success depends to a large extent on our ability to instill confidence in our stakeholders. Our stakeholders are identified annually based on the results of internal engagement to determine the impact of each of the Bank's stakeholder groups and the Bank's impact on those stakeholder groups. We find that constructive engagement with stakeholders inside and outside the Bank is a foundation for our sustainability approach.

We define our stakeholders as the groups or individuals we influence through our activities, products, and services and who, in turn, influence our ability to achieve our objectives. For more information about our stakeholders and our methods of engaging and communicating with them, please see **Appendix B**.

Key Stakeholders of the Bank



[GRI 102- 40] [GRI 102-43]

| Stakeholders | Method of communication |
|----------------------------|---|
| Customers | <ul style="list-style-type: none"> • Various communication channels • Diverse advertising and promotional campaigns • E-mail messages • Periodic questionnaires and surveys • Receiving, analyzing, and addressing customer complaints |
| Shareholders | <ul style="list-style-type: none"> • Annual reports and sustainability reports • The Bank's website • Annual General Assembly Meeting |
| Employees | <ul style="list-style-type: none"> • Community service and volunteering (Ataa Al Iskan Team) • In-person and group meetings • Annual employee satisfaction survey • Receiving and following up on employee complaints • Rewards and incentives program • Training and development |
| Government entities | <ul style="list-style-type: none"> • Periodic reports submitted to government agencies • Laws and regulations • Supporting initiatives of interest at the national level |
| Suppliers | <ul style="list-style-type: none"> • Meetings • Contracts |
| Society | <ul style="list-style-type: none"> • Various media (audio, visual, and written media). • Social media • Annual reports and sustainability reports • Community initiatives • Supporting environmental and social activities |

Sustainable Development Goals

As a leading Jordanian financial institution, we affirm our commitment to contribute to the sustainable development goals issued by the United Nations, in line with our values and vision. We fully realize the importance of continuing to align with these goals in the future. We work to include these goals in our approach towards sustainability. Our business and activities address almost all the goals; however, we will only highlight on those with a direct impact.





Governance, Compliance, and Risk Management



Dana Biosphere Reserve

01

Effective and responsible governance is a cornerstone we rely on to achieve our strategic goals while maintaining the highest levels of ethical and professional behavior. We always strive to apply the highest levels of accountability and transparency at all our administrative levels to ensure that prudent decisions are made to enhance business efficiency and reduce associated risks.

Contribution to achieving sustainable development goals



- We seek to have structures, policies, and procedures suitable for all operations that ensure the application of sound governance practices.
- We seek to apply the highest levels of accountability and transparency and significantly reduce all forms of corruption and bribery.



- We strengthen community partnerships with several active civil society institutions in order to support their development efforts.

1.1 Governance

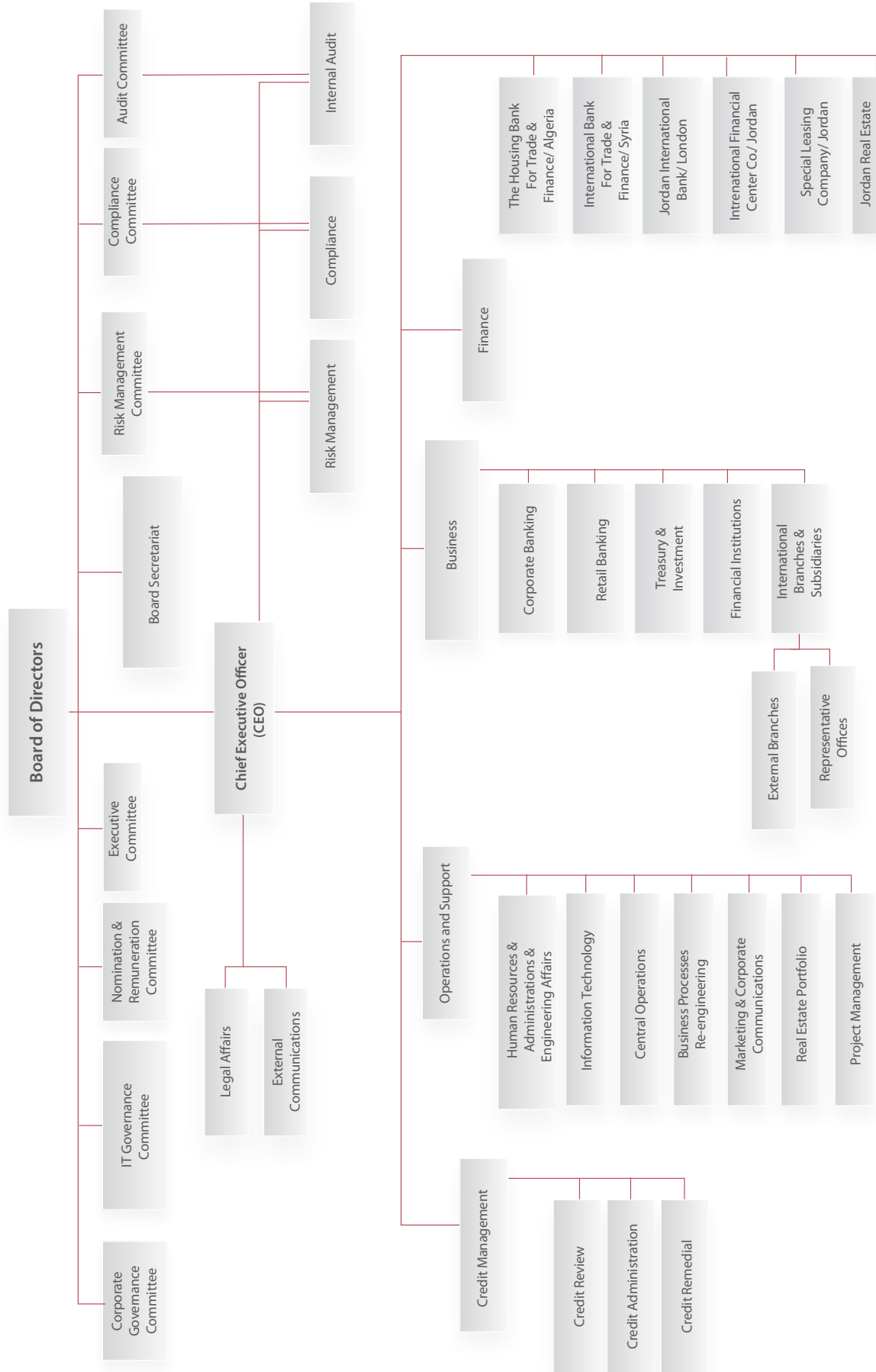
At Housing Bank, we are committed to the highest standards of governance. We realize that sound corporate governance is essential to the continuity and prosperity of the business. To achieve that goal, we have adopted the best practices recognized in the field of governance and constantly review and compare them with best practices applied around the world.

Our governance framework completely complies with the Jordanian Companies Law, the Corporate Governance Instructions issued by the Jordan Securities Commission, banking governance instructions issued by the Central Bank of Jordan, and other relevant regulations and instructions locally and in the countries in which the Bank operates.

Our corporate governance scope includes all operations that create long-term value for our shareholders while considering other stakeholders. It should be noted that our Board of Directors seeks to improve our governance practices and processes to meet the challenges posed by the ever-changing operating environment and to ensure and enhance our competitive capabilities in the markets in which we operate.

In addition, we have an organizational structure that ensures that we are fully committed to sustainable best practices that consider the broader impact we have on all our stakeholder groups.

Housing Bank for Trade & Finance



Board of Directors and Emanating Committees

We always pursue good governance practices, and our Board is the entity in charge before stakeholders. It also monitors the governance practices of the Bank, and it is responsible for determining the Bank's path and assessing its governance performance.

Our Board consists of thirteen non-executive members, including four independent members, and three female members. The Board members are elected by the Shareholders' General Assembly by secret ballot. Our Board members have a diverse range of expertise and qualifications, in addition to possessing extensive knowledge in various financial, banking, and business processes.

To find out more details about the management approach and policy with regard to responsible governance and a summary of the duties and responsibilities of the Bank's Board of Directors and its emerging committees, please refer to the Institutional Governance Manual published on the following link:

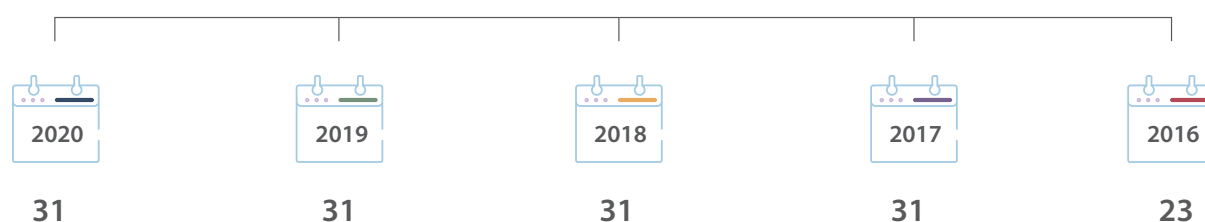
<https://www.hbtf.com/en/InvestorRelations/Pages/HBTF-Governance-Manual.aspx>

Seven sub-committees emerged from our Board, each with specific and written roles, responsibilities, and powers. These committees were formed to make decisions that serve the Bank's interests in various fields. These committees monitor the economic, environmental, and social aspects of our operations and contribute to increasing the effectiveness of the Board of Directors, enabling it to carry out its tasks and duties in an efficient and transparent manner.



Board of Directors

Percentage of Independent Members (%)



Breakdown by gender



| | Female | Male |
|------|--------|------|
| 2016 | 12 | 1 |
| 2017 | 12 | 1 |
| 2018 | 12 | 1 |
| 2019 | 10 | 3 |
| 2020 | 9 | 3 |

Breakdown by age group



| | 30 Under years old | 50-30 years old | 50 Over years old |
|------|--------------------|-----------------|-------------------|
| 2016 | 0 | 5 | 8 |
| 2017 | 0 | 5 | 8 |
| 2018 | 0 | 4 | 9 |
| 2019 | 0 | 6 | 7 |
| 2020 | 0 | 6 | 6 |

1.2 Ethics and Compliance

We commit to the highest levels of ethical and legal behavior that align with international standards. Integrity is one of our core values deeply rooted in our culture and is widely transmitted throughout our work centers and branches that spread over the whole Kingdom. All of our employees are fully aware of their responsibilities to maintain an ethical work environment. They play an essential role in maintaining integrity by working responsibly and being accountable.

During 2020, no incidents of bribery, discrimination, disrespect of people's rights, or forced labor among the workforce were reported. We commit ourselves to provide a work environment free from inappropriate behavior, discrimination, or harassment based on race, color, religion, gender, or any other factors.

Code of Ethics and Professional Conduct

The Code of Ethics and Professional Conduct is a vital document that defines work ethics, values, controls, and guidelines. All our employees have to strictly adhere to the Code of Conduct and the legal and ethical requirements while fulfilling their responsibilities and duties.

The Code is reviewed annually, and all employees can view the Code easily through our internal website. All employees must annually submit a personal commitment form to abide by all the terms of the code.

Response rate for signing a personal commitment form to abide by the Code of Professional Conduct

| 2016 | 2017 | 2018 | 2019 | 2020 |
|------|------|------|------|------|
| 100% | 100% | 100% | 100% | 100% |

Compliance

At Housing Bank, we adopt an effective compliance system to identify and manage the compliance requirements with the various laws and regulations that the bank is subject to. We have a compliance culture based on a proactive risk management approach, and we are fully committed to conducting our banking activities in accordance with all the applicable laws and regulations in the Kingdom concerning the banking sector. We expect all our employees to abide by these laws and regulations, and they have a responsibility to learn and understand these laws and regulations.

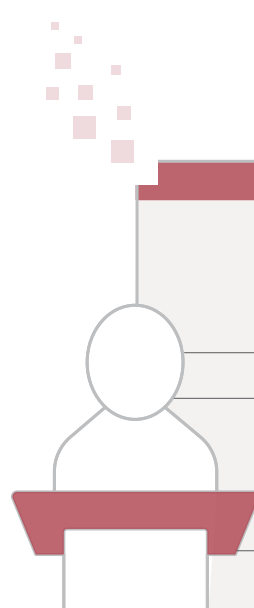
We fully commit to preventing the Bank from being used in any illegal activity by setting policies related to financial crimes and combating money laundering and terrorist financing. We provide a set of unified principles for managing the risks of financial crimes, following the “know your customer” policy that aims to meet all the legal requirements related to undertaking professional due diligence consistently to identify the true identity of customers, verify their names against black-listed individuals, and report unusual and/or suspicious activities.

During 2020, the unit that is responsible for handling customer complaints received 1,824 complaints in different fields, including contracts and conditions of transactions, work environment, interest rates, commissions and fees, professional dealing behavior, electronic services, bank cards, remittances, marketing services and products, securities and endorser,

and credit inquiries. The unit has examined and analyzed all these complaints and informed the customers about the results there, and classified them in the records as valid or invalid compliant, in addition to the actions taken towards these complaints.

The unit submits a quarterly statistical report to the Compliance Committee originating from the Board of Directors with all the complaints received, the actions taken, and the unit's recommendations to make any amendments or improvements in the process related to handling customer complaints and reducing their number. The Board of Directors discusses these reports, evaluates complaints, finds their causes, assesses the extent of their impact on the Bank's reputation, and evaluates the measures taken to address recurring complaints and their adequacy to ensure that they do not recur in the future.

During 2020, we continued to provide training programs for all employees at all levels on the best practices related to anti-money laundering, counter-terrorism financing, and compliance with sanctions. During the year, a total of 7 classroom courses were held in the field of compliance and anti-money laundering and counter-terrorism financing, attended by 106 male and female employees, in addition to providing 2,536 employees with training in the same field through e-learning across 6 sessions.



Compliance Training

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|------|------|------|-------|-------|
| Number of employees who have received training in compliance and combating money laundering and terrorist financing operations (classroom) | 943 | 908 | 350 | 610 | 106 |
| Number of sessions | 22 | 19 | 23 | 21 | 7 |
| Number of employees who have received training in compliance and combating money laundering and terrorist financing operations (E-learning) | - | - | - | 2,015 | 2,536 |
| Number of sessions | - | - | - | 2 | 6 |

1.3 Risk Management

Our risk management practices are based on managing our exposure to risks and protecting our assets by assessing and mitigating potential future risks as they occur. We have an integrated and robust system of supervision, control, and risk management, which contributes to achieving our strategic objectives and guaranteeing the interests of all our stakeholders.

This system includes the organizational structure, the role played by the Board of Directors and its control committees such as the Risk Committee and the Audit Committee, the role of executive management, the role of control departments (risk, audit, compliance, financial, legal), internal control and control policies, risk management policies and risk self-assessment systems, in addition to manuals of policies, procedures, and personnel regulations.

The responsibility of risk management lies with all our departments and work centers responsible for identifying and managing the risks related to their activities, setting appropriate controls, and ensuring the continuity and effectiveness of these controls. We have a remarkable Recovery & Resolution Plan (RRP) that aims to define the general framework and options available for us to deal with the difficult economic conditions and potential financial crises that can be measured through early warning indicators to ensure that the Bank continues to carry out its business as usual while reducing the chances of financial distress. Thus, the RRP effectively contributes to managing and responding to potential crises and is compatible with the scope and complexity of the Bank's operations.

Since the emergence of the COVID-19 pandemic, we have worked to provide a flexible work environment that ensures the continuity of our business and the protection of our customers and employees, especially those in direct contact with customers. We also worked to increase the sterilization and sanitary conditions in all our buildings in accordance with the protocols used to provide the highest levels of protection, in addition to conducting (PCR) tests for most of our employees in cooperation with the Ministry of Health and accredited laboratories. Moreover, the flexible work environment system was implemented by allowing many administrative employees to work remotely according to the pandemic status and government instructions.

We regularly work to identify and analyze the most important risks that we face by constantly reviewing the internal and external environment factors and classifying them within our approved risk matrix. During 2020, the matrix included the following main risks:



Information Security

We are fully aware of the potential threats and challenges to security and privacy emerging from the introduction of new technologies in the digital era. Thus, we are implementing strict measures to ensure the protection of our customers' personal and financial data. During 2020, we did not record any case of data breach or loss, and we are working on using information security risk assessments in order to ensure that the Bank monitors, identifies, and handles important security issues on an ongoing basis. Through our information security center, many message alerts are sent to our staff regarding information security.

We have a special framework regulating how personal information is classified, handled, used, disclosed, preserved, and secured.



Responsible Banking Services



Wadi Al Mujib

02

At Housing Bank, we aim to provide a better life for our customers and financially empower the communities where we operate by providing services and products designed in a way that everyone can access in a fair and transparent manner without any discrimination, benefiting from them easily. The provision of the highest standards of care and service to our customers is one of our most important priorities.

Contribution to achieving sustainable development goals



2.1 Responsible Finance

With the difficulties that society had faced during the COVID-19 crisis and the accompanying loss of jobs and high cost of living, the number of individuals wishing to obtain financing has increased, and the number of individuals who faced great difficulties in fulfilling their existing obligations has also increased.

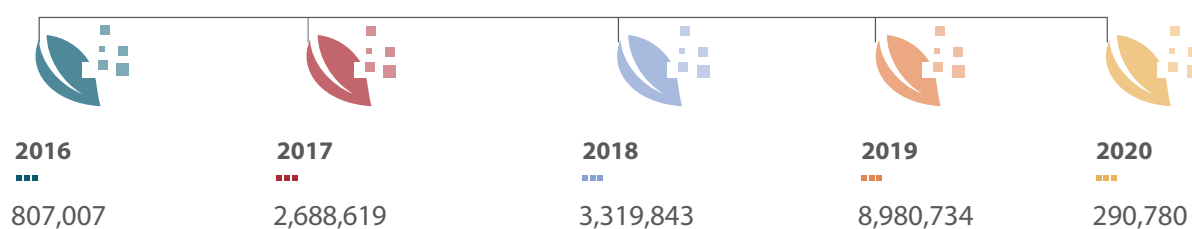
At Housing Bank—and as part of our responsibility towards our society—we have developed a number of solutions to help control payment requests and return our customers to financial recovery. We have provided various incentives, including reducing interest rates on existing facilities by at least %1.5 in order to reduce the monthly debt burden on customers,

postponing customers' installments for housing loans and consumer loans as well as car loans. Additionally, we provide many services electronically without the need for customers to visit the Bank's branches, such as the salary service provided through the 24/7 telephone service, where the customer can apply for the service via phone and without the need to visit branches, which previously was a prerequisite for obtaining this service.

Green Loans

The balance of green loans—for private projects that provide environmental benefits for sustainable development—witnessed growth during 2020-2016, which confirms our orientation towards providing many ecological solutions to our customers by offering environmentally-friendly products and services that they can benefit from as well as supporting their orientation towards investing in environmentally-friendly areas or renewable energy and thus reducing environmental impacts on society as a whole.

Total "Green" Loans (JD)



Total value of "green" assets: Renewable energy, energy efficiency, green real estate / efficient buildings, sustainable waste management, clean transportation, sustainable water management, adaptation to climate change, and carbon sequestration techniques

Supporting SMEs

At Housing Bank, we are aware of the important role SMEs play in supporting the economic growth of the Kingdom and achieving prosperity. Our goal at Housing Bank is to contribute to supporting the growth of these companies and helping them create new job opportunities. During 2020—and despite the outbreak of the COVID-19 pandemic and the many difficulties faced by companies during this period—we worked to mitigate the pandemic and contributed significantly to Central Bank's program to support SMEs to confront the COVID-19 crisis with the aim of enabling these companies to obtain the necessary financing to deal with the adverse effects of the COVID-19 virus on their businesses and to preserve and empower their workforce to maintain the progress of their business and continue their activity at normal levels as well as expand them during upcoming phases. In addition, we pursued participation in financing programs related to different SMEs to contribute to the revitalization of various businesses.

Monetary value of SMEs financing programs (JD)

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-----------|-----------|------------|------------|------------|
| Central Bank Programs | 7,594,108 | 9,468,115 | 8,198,923 | 8,120,067 | 6,706,813 |
| Medium-term industrial advances | 3,562,209 | 4,598,526 | 10,015,379 | 12,250,691 | 35,970,588 |
| The Loans Agreement of Emerging Small Enterprise | 16,116 | 248,273 | 333,525 | 837,701 | 937,709 |
| The National Program to Combat COVID-19 Pandemic | 0 | 0 | 0 | 0 | 29,484,408 |

Allowing Low-Income Individuals to Access Key Financial Products

Housing Bank provides a number of products to support low-income individuals, notably the Basic Bank Account, the Subsidized Housing Loan Program (Good Houses for Good Living), and the Installment Program.

Monetary value of the products and services designed to achieve a specific social benefit (JD)*

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------------------------------|------------|------------|------------|------------|------------|
| Good House | 41,305,912 | 40,563,467 | 39,707,220 | 38,203,616 | 36,836,881 |
| Program of Installment "Advances" ** | 403,727 | 473,071 | 414,227 | 363,428 | 351,410 |
| Basic Bank Account*** | - | - | - | 897,965 | 227,270 |

(*) The figures above represent the balances of loans granted for each product.

(**) The decrease in the size of the purchase installment program is due to the direct installment offers from the companies, in addition to its relevance with customers' commitments compared to their incomes.

(***) The application of the basic bank account started in 2019.

2.2 Financial Inclusion

At Housing Bank, we strongly support financial education for various segments of society, as this is the best way to allow them to acquire sound and correct financial practices and contribute to the future stability of the economy in general. We strive to encourage financial inclusion in a way that meets the needs of the market, and we seek to empower individuals who do not have a bank account or access to our services and products in remote areas where financial services are not available.

During 2020, we continued our endeavor to deliver and provide our services and products to our customers wherever they are in a responsible and sustainable manner, on the one hand, and with easy terms and competitive and acceptable interest rates and commissions, on the other hand.

In 2020, we strengthened our efforts towards financial empowerment and inclusion through:

- Offering a network of branches and ATMs that spread over the various regions of the Kingdom, covering all governorates and remote regions where financial services are not available;
- Holding many educational courses for customers about e-channels and their usage in order to obtain financial services;
- Assigning a specialized team at all bank branches to welcome customers and educate them on electronic channel methods;
- Operating two mobile branches and five mobile ATMs that provide banking services to customers in unserved areas in some regions of the Kingdom and as needed.

In the area of protecting the rights of customers with special needs, we have taken many measures and actions in accordance with the provisions of the Financial Consumer Protection Instructions for Customers with Disabilities issued by the Central Bank of Jordan, including:

- Equipping number of our branches with the necessary and appropriate measures, taking into account the ease of access and providing banking services to customers with disabilities.
- Terminating the previous practice of denying banking services to customers with disabilities and under any pretext in any of our branches.
- Preserving banking confidentiality for customers with disabilities and not informing others thereof.
- Ensuring integrity and equality among all customers, including those with disabilities, in accessing various banking services and using them entirely independently without incurring additional expenses or fees.

Financial Inclusion

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|------|------|------|------|------|
| Percentage of New Accounts of Individuals having Bank Accounts for the First Time | 8.8 | 8.8 | 8 | 8.2 | 6.9 |
| Percentage of New Accounts holding Credit Cards for the First Time | 35.6 | 34.2 | 42.8 | 55.6 | 45.5 |
| Percentage of total local loans for underprivileged or less fortunate business sectors * | 28.5 | 29.3 | 29.5 | 29.9 | 30.4 |

* The above ratios represent loans granted within the north and south regions for SMEs and retail loan portfolios.

2.3 Combating Financial Crimes

Financial crimes such as fraud, money laundering, and terrorist financing are considered destructive factors for the economy and have many adverse effects. The Bank has put in place robust mechanisms to avoid the occurrence of such crimes, and we have established special policies and procedures to detect and avert fraud. At Housing Bank, we follow clear work bases and precautionary measures to avert expected risks, including verifying the identity of customers—"know your customer"—and assessing the source of wealth and funds, in addition to our use of advanced systems to combat suspected money laundering behavior.

We comply with all provisions of the Anti-Money Laundering and Terrorist Financing Law No. (46/2007) and the Central Bank of Jordan's instructions to combat money laundering and terrorist financing no. (14/2018), and report any suspected activities as required under its compliance program and the laws governing the banking sector in Jordan and other countries in which the Bank operates. Also, we are training our staff through the e-learning portal on detecting and reporting fraud, anti-money laundering, combating terrorist financing, or suspected activities.

2.4 Reducing Environmental Impacts

As an expression of our leading role in the economy of the Kingdom, we seek to manage our environmental impact and resulting risks to reduce the cost of business, increase its efficiency, and protect the environment. We seek to comply with the ecological requirements applicable in the Hashemite Kingdom of Jordan and in other markets where we operate through monitoring, reporting, and taking the necessary measures to reduce energy use and emissions, paper consumption, water consumption, waste production, waste management, reuse, and recycling, to prevent pollution and invest in energy efficiency technologies.

The Bank is a Platinum member of the Jordan Green Building Council, which aims to expand and increase the green built environment in Jordan and encourage the adoption of green solutions and practices in planning, designing, and developing buildings and cities, in this way enabling individuals to live in healthy and sustainable surroundings.

Energy consumption


The Bank's energy consumption during 2020 witnessed a reduction of about 16.4%, thus down to 85,000 gigajoules.

In terms of direct energy (which results from fuel consumption for heating and employee transportation), the Bank's consumption during 2020 witnessed an increase of 235.6 thousand liters. A reason for this is that the Bank operated the Head Office building in Shmeisani and housed it with employees, as well as operated more than one building during the COVID-19 pandemic (the Head Office building in Shmeisani and the Secretariat building in the city center).

As for indirect energy (which results from electricity consumption), the Bank's consumption increased by 11%. This increase is attributed to the operation of more than one building during the COVID-19 pandemic (the Head Office building in Shmeisani and the Secretariat building in the city center) and the number of employees during the year increased by 59 employees, in addition to continuing the approach taken with regard to:

- Using air-conditioning that is equipped with an inverter system to reduce electric energy consumption.
- Replacing light bulbs at the branches and buildings of the Bank with (LED) bulbs.
- Setting computers to automatically turn off screens at times when computers are not in use.
- Instructing all employees of the Bank to keep the thermostat temperature for air conditioners at 24°C to save energy.

Total Energy Consumption (Gigajoule)



| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|--------|--------|--------|--------|--------|
| Total Energy Consumption (Gigajoule) | 62,342 | 57,503 | 54,894 | 72,677 | 84,581 |
| Total Direct Energy Consumption (Gigajoule) | 3,153 | 3,726 | 3,488 | 7,422 | 9,472 |
| Indirect Energy Consumption (Gigajoule) | 59,090 | 53,777 | 51,460 | 65,255 | 75,109 |

Direct Energy Consumption



| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|--------|--------|--------|---------|---------|
| Total Gasoline Consumption (liters) | 14,018 | 16,401 | 21,370 | 20,563 | 10,731 |
| Total Diesel Consumption (liters) (vehicles + generators) | 70,054 | 82,928 | 72,362 | 164,076 | 224,906 |
| Total fuel consumption (liters) | 84,072 | 99,329 | 93,732 | 184,639 | 235,637 |

Indirect Energy Consumption

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|------------|------------|------------|------------|------------|
| Total Electricity Consumption (kWh) | 16,414,000 | 14,938,000 | 14,294,496 | 18,126,327 | 20,863,624 |
| Consumption of Electric Energy (Gigajoule) | 59,090 | 53,777 | 51,460 | 65,255 | 75,109 |
| Energy intensity (GJ / employee) | 24.7 | 22.2 | 21 | 28 | 31.1 |

Greenhouse Gas Emissions

The greenhouse gas emissions include all the emissions of Scope 1 (direct emissions resulting from the use of generators and transportation vehicles fueled with diesel and gasoline) and emissions of Scope 2 (indirect emissions from energy consumption, data received from the Jordan Electricity Company).

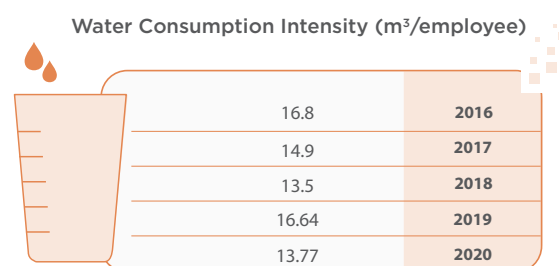
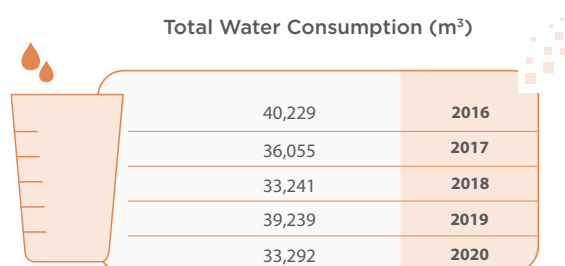
Total greenhouse gas emissions increased by 15.6% in 2020 to reach 17,000 tons, and the intensity of greenhouse gas emissions per employee increased to 7 tons/employee.

Greenhouse Gas Emissions (CO₂ eq.)

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|-----------|-----------|-----------|-----------|----------|
| Direct greenhouse gas (GHG) emissions (Scope 1) (ton CO ₂ eq.) "ton" | 221.1 | 261.3 | 244.6 | 488.8 | 628.8 |
| Indirect greenhouse gas (GHG) emissions (Scope 2) (ton CO ₂ eq.) | 12,770.70 | 11,622.30 | 11,121.10 | 14,102.30 | 16,231.9 |
| Total greenhouse gas emissions (ton CO ₂ eq.) | 12,991.80 | 11,883.60 | 11,365.70 | 14,591.10 | 16,860.7 |
| Greenhouse gas emissions intensity (t CO ₂ equivalent / employee) | 5.4 | 4.9 | 4.6 | 6.2 | 7.0 |

Water Consumption

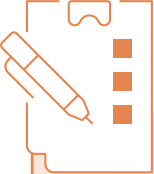
At Housing Bank, we make great efforts towards managing our water consumption in the Head Office building and all our branches, and we encourage all our employees to pay attention to their water consumption. Furthermore, through a periodic maintenance program, we ensure that no amount of water is wasted, and we monitor consumption bills to notice any changes that occur regarding consumption and determine the reasons. During 2020, the total water consumption in the Bank recorded a decrease of about 5,947 thousand m³, or 15.1%, due to the decrease in the number of employees present on the Bank's premises during the COVID-19 pandemic.



Material consumption

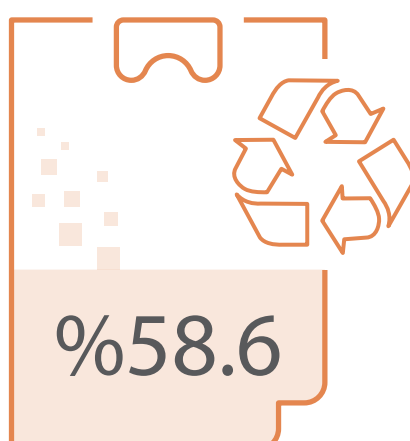
Due to the nature of the Bank's work, the most widely used material is paper, and we have worked hard to reduce the consumption of this material by encouraging our employees to reduce paper transactions, adopt electronic forms, reduce printing work, and use paper on both sides as much as possible as well as encourage our customers not to print paper receipts from withdrawals and deposits at our ATMs. It is worth noting that the Bank purchases A4 paper that can be recycled, in addition to our 2020 donation to the Princess Alia Initiative for Paper Recycling of 3,021 reams of A4 paper.

Paper Consumption



| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|---------|---------|---------|---------|---------|
| Total Paper Consumption (kg) | 304,154 | 306,282 | 280,938 | 213,876 | 216,321 |
| Total Recycled Paper (kg) | 136,900 | 122,932 | 129,565 | 140,402 | 126,662 |
| Ratio of recycled paper to total paper consumption | %45.00 | %40.10 | %46.10 | %65.60 | %58.60 |

Total Recycled Paper Percentage



In addition, as part of our hardware management strategy, the Bank has undertaken a number of measures to promote a sustainable environment, including:

Recycling or donating hardware.

Donating old and unused equipment that still works to charitable institutions and associations.

Replacing old liquid batteries of all kinds, using providers contracted to dispose of old batteries responsibly.

2.5 Green Buildings

As part of our efforts to reduce our environmental footprint, we designed the new Head Office building in Shmeisani to meet the LEED Principles established by the United States of Green Building Council (USGBC), where buildings built in accordance with these standards achieve significant savings in energy, water, and resources. It also generates less waste and contributes to maintaining human health.



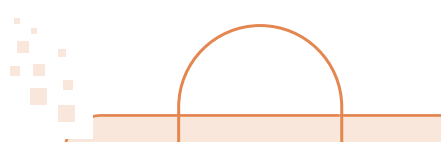
2.6 Sustainable Local Procurement

Our responsible purchasing practices reflect the core of our business and are prominent along our value chain. We are constantly reviewing and improving our purchasing processes by carefully selecting suppliers after evaluating and preparing them to ensure their compliance with the Bank's terms and conditions and values, on the one hand, and their respect for local and international laws and regulations on the other. We expect all of our suppliers to comply with human and labor rights fully.

Despite the adverse effects of the COVID-19 pandemic on the global economic climate, during 2020, we continued to work with local suppliers in the Kingdom by giving the utmost

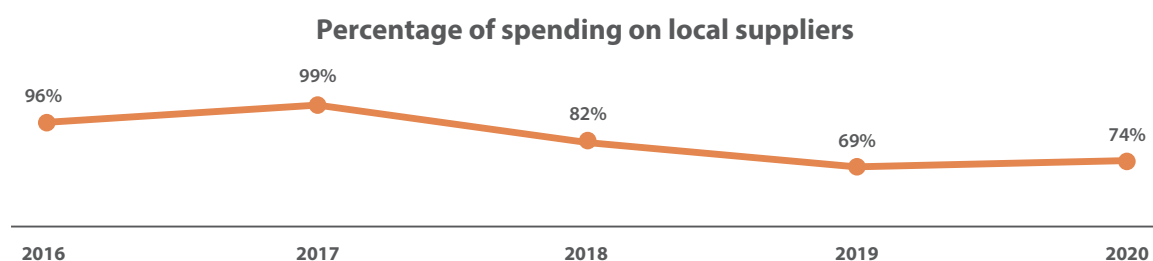
importance to their support by believing in their important role in achieving economic growth in the Kingdom, creating job opportunities, and enhancing capabilities. This would contribute to creating a sustainable climate for the availability of local job opportunities and investment security.

The total purchase expenditures from local suppliers were approximately JD 5.2 million of the Bank's total purchase expenditures or the equivalent of 74% of the Bank's total purchases during 2020. The Bank supported 285 local suppliers through its network.



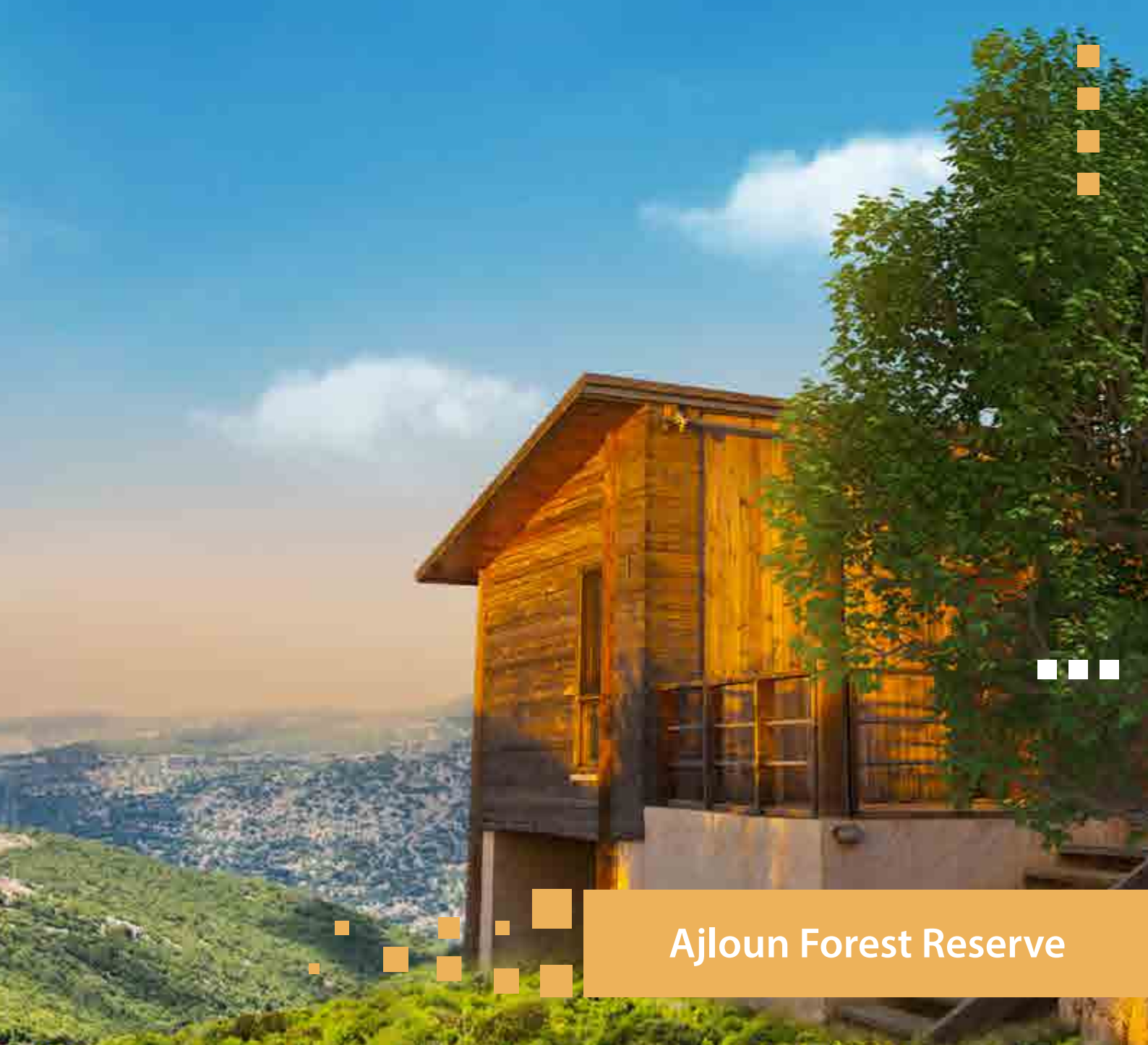
Local Procurement

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|-----------|------------|------------|------------|-----------|
| Total number of participating suppliers | 205 | 219 | 262 | 285 | 289 |
| Total number of participating local suppliers | 200 | 214 | 257 | 262 | 285 |
| Total purchase spending in JD | 8,555,811 | 11,386,762 | 20,666,320 | 13,376,576 | 6,945,698 |
| Total purchases spending on local suppliers in JD | 8,226,783 | 11,250,061 | 17,016,048 | 9,166,805 | 5,152,706 |
| Percentage of spending on local suppliers | 96% | 99% | 82% | 69% | 74% |





Our Employees



Ajloun Forest Reserve

03



At Housing Bank, we are committed to creating an institutional work environment where our employees feel comfortable and satisfied in all areas. This is to motivate them to achieve the Bank's objectives by providing their top energy level and best efforts. The Human Resources Department identifies potential improvement areas for our programs at a high level and with a great ability to meet our employees' needs, and this is what makes us a preferred choice as a recruitment agency in the Kingdom.

Contribution to achieving sustainable development goals



- We work to raise the level of community awareness in the Kingdom.
- We provide material and in-kind support to many medical authorities and contribute to limiting the spread of the COVID-19 virus.



- We seek to achieve the greatest impact on education outcomes for the benefit of society as a whole by adopting a number of non-profit educational institutions.



- We seek to promote gender equality by adopting a corporate culture that aims to support and enhance female work and zero tolerance for any discrimination based on gender.



- We promote equality by treating all our employees and customers equally and without discrimination for any reason, nor do we not accept any form of harassment, assault, or any other degrading actions.

3.1 Our Employees

At Housing Bank, we follow a clear strategy for employment, targeting new graduates in order to provide them with professional opportunities that will contribute to their development and continuous growth. At the end of 2020, the number of our employees working in the Hashemite Kingdom of Jordan reached 2,417 male and female employees, including 1,398 male and 1,019 female employees. All of our employees work on a permanent contract, and the employees are supervised by 36 male and female senior managers and 409 middle management managers, while the percentage of employees with special needs reached 1.65% of the Bank's employees.

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------------------|-------|-------|-------|-------|-------|
| Total number of employees | 2,393 | 2,426 | 2,463 | 2,358 | 2,417 |
| by category | | | | | |
| Non-administrative | 1,922 | 1,998 | 1,974 | 1,960 | 1,972 |
| Middle management | 419 | 383 | 458 | 367 | 409 |
| Senior management | 52 | 45 | 31 | 31 | 36 |
| by type of employment | | | | | |
| Permanent contract | 2,384 | 2,424 | 2,463 | 2,358 | 2,417 |
| Temporary contract | 9 | 2 | - | - | - |

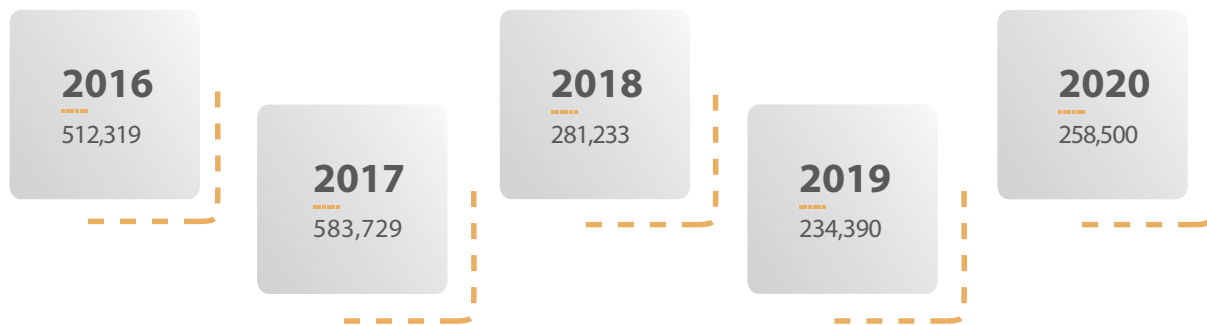
3.2 Development of our employees

Despite the fact that 2020 was considered an exceptional year for the changes that the world witnessed as a result of the COVID-19 pandemic as well as the heavy reliance on remote work due to the partial and complete ban decisions and the prevention of gatherings, we wanted to allow Housing Bank's employees the opportunity to develop their skills through organizing 159 electronic and descriptive training courses as needed, covering all bank employees, with a total number of 2,449 male and female employees.

Based on our belief that our employees are our most valuable asset, we invest heavily in developing their skills and raising the level of their functional efficiency. In particular, we have been driven in this exceptional year to address several topics that contribute effectively to enabling our employees to deal with the challenges that have faced the banking sector during the COVID-19 pandemic. In terms of training and development, the most prominent was the suspension of in-person training during this period. This was due to the difficulty of covering all technical skills training plans, electronically or remotely, due to the privacy of these topics.

At Housing Bank, we invest heavily in training and developing our employees, and advancing their capabilities. The various annual training programs that the Bank implements enhance the skills of our employees, qualifying them for promotions through the career hierarchy, which increases employees' loyalty to the Bank and motivates them to achieve excellence.

Training expenses (JD)

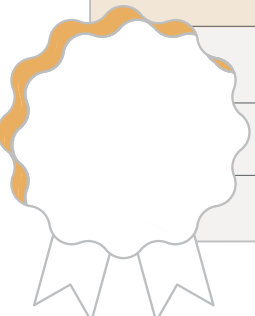


Enrollment in programs of study for academic and professional certificates (number of participants)




| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|------|------|------|------|------|
| Enrollment in academic certificate study programs | 7 | 2 | 3 | 2 | 3 |
| Enrollment in specific banking industry professional certificate study programs | 15 | 8 | 11 | 48 | 49 |


Training (hours)



| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-------|-------|------|------|-------|
| Average hours of training per employee | 10.3 | 78.4 | 24.1 | 22.6 | 12.34 |
| Male | 113.6 | 18.1 | 25 | 23.8 | 12.04 |
| Female | 81.2 | 74.2 | 17.7 | 20.5 | 12.36 |
| Employees between 18 and 30 years old | 153 | 109.1 | 15.8 | 18.3 | 12.1 |
| Employees between 31 and 50 years old | 95.7 | 57 | 8.1 | 14.5 | 12.5 |
| Employees over 51 years old | 14 | 34 | 1.3 | 8.7 | 5.17 |

Training programs (number of participants)



| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|-------|-------|------|-------|-------|
| Training programs held at the Bank's training center | 1,012 | 2,270 | 999 | 1,433 | 872 |
| Training programs held in cooperation with specialized local training institutes | 298 | 165 | 265 | 200 | 22 |
| External training courses held in Arab and foreign countries | 29 | 37 | 17 | 16 | 1 |
|  Number of participants in internal seminars | 802 | 1,128 | 650 | 750 | 0 |
| Number of participants in E-learning courses | - | - | - | 2,733 | 2,463 |

3.3 Our Competitive Advantages

At Housing Bank, we provide highly competitive salaries and benefits to attract and retain the best talents in the sector, without discrimination based on gender, race, religion, or any other characteristic. Additionally, we continuously comparing our rewards and benefits package with other banks operating in the Kingdom to ensure maintaining our competitive advantage.

On an annual basis, we allocate a percentage of up to 5% of our after-tax profits to reward and motivate outstanding performance. This percentage is distributed to employees based on a special system that links achievement rates, goal achievers, and performance levels with rewards.

We continue to provide other privileges to our employees, such as housing loans on easy terms and preferential interest rates and providing a health insurance program for them and their families with comfortable financial limits.

3.4 Health and safety of our employees

Investment in the health and safety of our employees is among the Bank's top priorities. Having a safe work environment always helps employees focus on their primary tasks, which leads to improved productivity. At Housing Bank, our responsibility is to maintain a healthy work environment and monitor risks that affect health and safety, especially the need to maintain the safety of our employees during 2020 to prevent the outbreak of the COVID-19 epidemic. The significant measures taken thereby include:

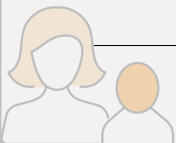
- Directing employees to work remotely during the outbreak of COVID-19.
- Distributing employees to the various bank buildings to reduce the number of gatherings to the maximum extent.

- Examining staff infected with the COVID-19 virus, contacts, and their families at the Bank's expense and following up on their condition to limit the spread and outbreak of the virus.
- Providing a suitable environment in terms of lighting and ventilation inside the Bank's facilities.
- Adopting the evacuation and safety team manual to ensure the evacuation and safety of people and property in the Bank before and during hazardous events and disasters.
- Issuing circulars that include awareness messages and general advice to maintain worker safety whenever the need arises.
- Hiring a general practitioner to provide the necessary medical treatment for employees and their families by visiting the Bank's clinic during and after working hours.
- Completely covering medical treatment, hospitalization expenses, laboratory fees, and all types of examinations for all Bank staff and their families, according to specific terms and conditions.
- Covering cancer treatment insurance for all Bank staff and their families through one of the King Hussein Cancer Foundation's programs.
- Conducting emergency building evacuation drills.
- Appointing liaison officers responsible for emergency evacuations as they occur.
- Providing a first aid team in the administration building responsible for providing the necessary assistance in case any employee needs it;
- Organizing sports activities and urging employees to participate in them to benefit their overall health.

With regard to maternity and paternity leave, our policy ensures that all our employees, in particular female employees, are allowed to take a leave of absence and then re-join the workforce. In 81 ,2020 male and 99 female employees took parental leave, respectively, and all returned to work after their leaves ended.

It is worth noting that in 2018, the Bank approved a 2-day paid paternity leave when a wife delivers a baby, in compliance with the Jordanian labor law.

Maternity and paternity leave

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|------|------|------|------|------|
| Total number of female employees who were entitled to maternity leave | 89 | 112 | 120 | 108 | 99 |
| Percentage of female employees who returned to work after maternity leave | %100 | %100 | %100 | %100 | %100 |
|  Total number of employees entitled to paternity leave | - | - | - | 84 | 81 |

3.5 Involving our employees

We realize at Housing Bank that achieving the goal of increasing the participation rate of our employees requires motivating them, standing beside them, and providing them with support and assistance. Therefore, we seek to support them during their work at the Bank by regularly informing them about the Bank's performance in the area of health, safety, environment, and social responsibility, along with operational and financial results and any other changes and developments.

We also seek to inspire our employees to think in creative ways by encouraging them to submit any suggestions that would improve and develop the work environment; this is done by allocating a special section on the website for that purpose. During 2020, we honored a number of our employees who contributed directly to the development of work through projects that were studied, implemented, and had a positive impact on the Bank's business, most notably: the Outstanding Branch Initiative, the Excellence in Customer Service Initiative, in addition to granting a Spot Bonus to employees with outstanding performance under certain terms and conditions in recognition of their exceptional efforts.

Internal Complaints Mechanisms

We have an internal formal grievance and complaint process to resolve employees' complaints related to work conditions, disciplinary actions, or unfair treatment by the management or colleagues. The employee can submit the complaint either verbally or in writing to the line manager. If the complaint is against their direct supervisor, the employee can communicate with their line manager or the director of Human Resources or can use the Internal Audit Department hotline. Accordingly, the complaint will be filed through the administrative hierarchy until a fair solution is reached. We have a policy for managing complaints related to professional misconduct, and we also have an internal arbitration committee that works to investigate any incidents of discrimination or harassment in the workplace, and the necessary measures are taken in light of the results of the investigation.

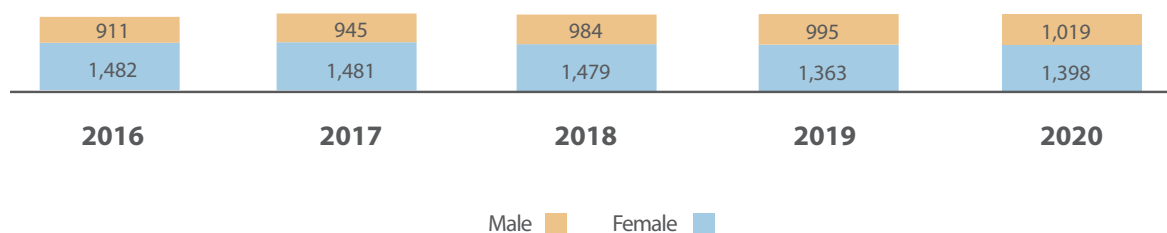
3.6 Our Diversity and Inclusion

The principle of diversity and inclusion is a strategic priority for us at Housing Bank, and we are always focused on integrating the principle of diversity into every aspect of our work, including all our departments, branches, and various work centers. When taking into account the needs of all our employees and applying the principle of inclusion, this awareness creates added value to the Bank.

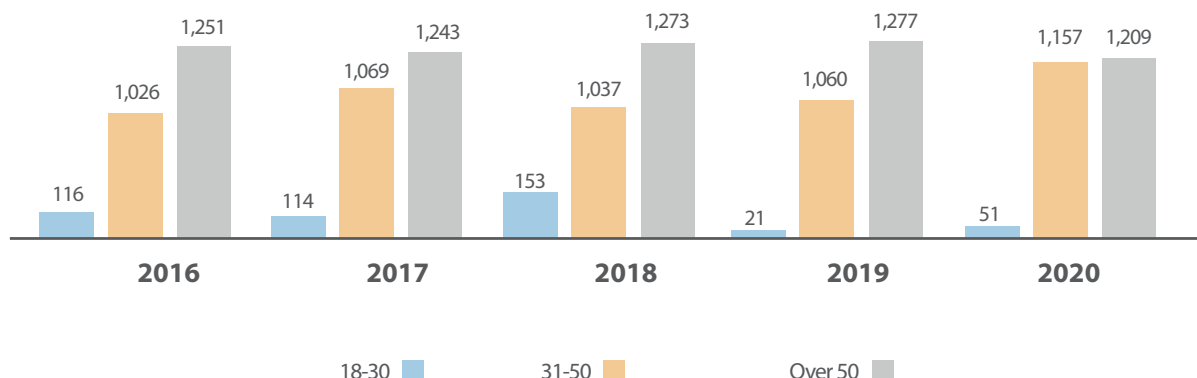
We are committed to maintaining a workplace free from all forms of unlawful and unfair discrimination based on gender, race, nationality, ethnic or national origin, marital status, age, disability, or religious beliefs, and we do not accept any form of discrimination, harassment, assault, or any other offensive actions for any reason in our work environment.

We also seek to ensure equality between employees and celebrate diversity within a framework of mutual respect and inclusion in the workplace, enhancing our ability to maintain and enhance our competitive advantage. Women represent 42.15% of our labor force, and we are working to devote all our energies to empower women and increase their participation in the labor force, as well as empower youth and increase their representation, as that group—between the ages of 30-18—represents 50% of our total labor force.

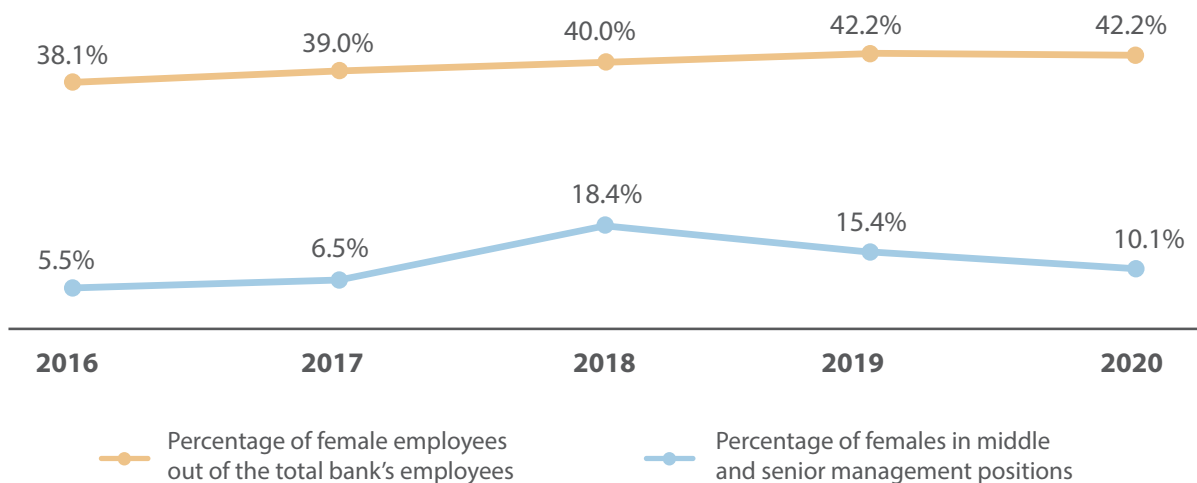
Labor force by gender



Labor force by age group



Female participation in the labor force



3.7 Attracting and retaining employees

At Housing Bank, we work to attract, motivate, develop, and retain our best talents, and we aim to become the job seekers' employer of choice in the Kingdom. Therefore, we offer our employees the opportunity to be part of a diverse and effective team, along with offering major opportunities for growth and development and provide rewards and competitive advantages that are on par with the Jordanian banking sector as a whole. In addition to continuous participation in job fairs and its sponsorship—despite the various organizing agencies such as recruitment companies, universities, or the Ministry of Labor—the goal is to attract the best talent and hire recent graduates with outstanding educational achievement from local, Arab, and international universities and institutions as well as onboarding the best experienced, qualified individuals available in the labor market. We work hard to strengthen relations with universities through the Bank's request for periodic statements about graduates in order to attract outstanding students from specialized areas of banking.

In 2020, Housing Bank focused on recruiting women and youth employees. The percentage of women employed reached about 27.8% of the total number of new employees, while the employment rate of young people between 30-18 years old was about 43%.

Employment

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|------|------|------|------|------|
| Total number of new hires | 220 | 177 | 202 | 235 | 230 |
| Number of new hires by gender: | | | | | |
| Males | 122 | 99 | 123 | 134 | 166 |
| Females | 98 | 78 | 79 | 101 | 64 |
| New hire employees between 18 and 30 years old | 202 | 166 | 180 | 182 | 99 |
| New hire employees between 31 and 50 years old | 15 | 10 | 20 | 50 | 113 |
| New hire employees over 51 years old | 3 | 1 | 2 | 3 | 18 |

As for the job turnover rate, it reached 7.7% at the end of 2020 compared to 4.31% at the end of 2019, which is a positive indicator for measuring the Bank's success in maintaining its employees on the one hand and employee satisfaction on the other hand.

Job turnover by age group and gender

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|--------|--------|--------|--------|--------|
| Total turnover rate | 6.70% | 5.70% | 7.30% | 14.25% | 7.99% |
| Male | 7.40% | 6.10% | 8.90% | 18.50% | 10.15% |
| Female | 5.50% | 5.10% | 4.50% | 8.90% | 4.12% |
| Turnover rate for employees between 18 and 30 years old | 7.20% | 5.40% | 5.10% | 4.90% | 3.88% |
| Turnover rate for employees between 31 and 50 years old | 4.70% | 4.00% | 6.90% | 12% | 9.90% |
| Turnover rate for employees over 50 years old | 19.00% | 24.60% | 31.60% | 87.90% | 62.74% |



Our Social Impact



Tafila Wind Farm

04



At Housing Bank, we are distinguished as a socially active institution, not only through our banking services and products but also through our constant commitment to serving our society in various fields. We believe in the importance of contributing to providing support and care to many sectors to achieve a positive impact on various groups and segments of society. This ensures social stability, contributes to realizing sustainable development, advances the development process, and creates long-term strategic partnerships.

Contribution to achieving sustainable development goals



- We contribute to eradicating poverty by strengthening our community activity and our partnership with various civil society institutions.



- We seek to eliminate hunger and ensure that everyone gets secured and nutritious food by strengthening our community activity and our partnership with various civil society institutions.



- We seek to maintain the health and safety of the community by providing financial and in-kind support to many medical authorities.
- We contribute to raising the level of community awareness in the Kingdom.



- We seek to achieve the greatest impact of educational outcomes for the benefit of society as a whole by adopting a number of non-profit educational institutions with the aim of providing scholarships to students.



- We seek to promote equality by treating all our employees and customers equally without discrimination for any reason, nor do we accept any form of harassment or other offensive actions.

At Housing Bank, we pursue a policy of social responsibility in which the main objectives are to consolidate the Bank's efforts exerted in social responsibility programs that include specific and deliberate axes that positively benefit society, enhance community affiliation, instill the concept of giving and sustainable development, achieve the Bank's goals, values, and community position as a supporter and promoter of sustainable development and instilling the values of volunteering and humanitarian work among employees and developing their entrepreneurial spirit. During 2016-2020, our community contribution in Jordan reached over JD 7 million, and for 2020, the Bank's community contribution reached JD 3.7 million.

During 2020, Housing Bank adopted a range of sectors to be at the top of our priorities for their direct impact on society in the short and long term. They are summarized as follows: education sector, health sector, leadership and youth sector, and community service sector, as well as a range of strategic partnerships with major social service institutions.

We have also adapted our social responsibility plan and strategy by responding effectively to support national institutions in facing the repercussions of the COVID-19 pandemic and its significant effect on the national economy and many sectors. This matter made us double the social responsibility budget and direct most of our spending to provide the necessary support to the Jordanian Ministry of Health and the Himmat Watan Fund to face the repercussions of the crisis. However, this did not deter us from implementing our strategy and continuing to support the sectors that were identified during the current year. This was represented by the support of:

Health Sector

The health sector has occupied an important place in our social responsibility plan by believing in the importance of health and its impact on various segments of society—"Society is fine if it's healthy." During 2020, we supported the King Hussein Cancer Foundation through a strategic partnership where we supported the Foundation's programs throughout the year.

These prominent programs include the October Breast Cancer Awareness Campaign, the breast cancer awareness media competition, the Siwar Volunteering Program, and others).



Also, the main management building was lit up with blue color to support cancer patients on the observance of the World Cancer Day on the 4th of February 2020, and we have participated in the official Landmark Report 2020 that includes prominent countries participating in the World Cancer Day Celebration campaign.

Based on our national duty and our continued concern to exercise our community role and support government efforts in confronting the COVID-19 virus, limiting its spread, preserving the health and safety of citizens, and supporting the groups most affected by this pandemic. We have provided donations that amounted to JD 3.1 million to the Himmat Watan Fund and the Ministry of Health while also assisting the country in combating the pandemic.

In addition, Housing Bank employees donated JD 500,000 from their salaries to the Himmat Watan Fund to support the efforts to combat the COVID-19 virus and limit its adverse effects. This reflects their high patriotism and awareness of the magnitude of their great responsibility towards the nation and its various institutions. The Bank continued supporting the health sector by donating a mild-care room at Al Bashir Hospital as part of Himmetna Association's initiative, besides establishing a physiotherapy room for pregnant women in cooperation with the National Center for Women's Healthcare in Al Tafila.

Community Service Sector:

We have consistently supported the institutions that serve the community because we believe in the need to collaborate in this area in order to benefit the whole society. The Bank's Social Activity Committee supported Tkiyet Um Ali and donated JD 16.6 thousand to "Yawmiyethom Alena" initiative, which was launched through charities alliance on Naua platform - one of the initiatives of the Crown Prince's Foundation, the Greater Amman Municipality, Villages' Children Association (SOS), Jordan River Foundation that is the Productive Projects program (Handicrafts and Al Karamah Kitchen), Child Protection Program, Family and Children's Helpline Program 110, Clothing Bank Charity, the National Centre for Agricultural Studies and Research, and the Iraqi Fraternity Association.

Moreover, a group of women working in productive projects was supported through the "Bilforon" app by organizing an event in the bank on the International Women's Day prior to the COVID-19 outbreak, with the aim of enabling women to market their products in the bank.



Education Sector:

Believing that education is a shared national responsibility, we were keen to provide adequate support to this sector. We never lose sight of the importance of supporting the education sector, which is the cornerstone of societal development and empowerment. We have supported and built partnerships with many institutions that provide educational grants at different levels and age groups, most notably: Elia Nuqul Foundation, My Scholarship Fund, Al Bnayat Center for special education - Young Muslim Women Association, King's Academy, and other institutions concerned with education, reaffirming our belief in the importance of offering the higher education opportunity to the largest number of students, qualifying them to the labor market.

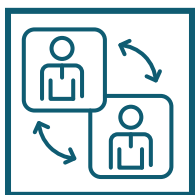
Our desire is to support the activities and programs organized by schools and universities on various occasions, apart from our constant focus on spreading a culture of banking by participating in programs launched by the Central Bank in this regard.

Community Service Sector:

We have always provided the necessary support to institutions that serve society because of our belief in the need for concerted efforts in this area for the good of society as a whole. We have supported the First Pioneers' Association / Circassians' council in Amman, Tkiyet Um Ali Association for Voluntary and Charitable Work, SOS Children's Villages, Jordan River Foundation, Greater Amman Municipality/ Park Abdoun, National Agricultural Research Center, and Jordanian Iraqi Amity Assembly.

Entrepreneurship and Youth Sector:

We believe that youths are the builders of tomorrow and the pillars of the future, and we strive to adopt and support youth and entrepreneurship programs and institutions. Therefore, this year we endorsed Al-Salt SC, King Hussein Foundation/The Jubilee School.



Customer Service for a Better Financial Future



Wadi Rum

05

The number of retail and corporate customers (depositors and borrowers) was about 573,000 customers in 2020. We strive to take care of them and help them thrive and grow by understanding and addressing their multiple needs and desires in addition to making banking services more accessible and secure, all while ensuring their privacy.

Contribution to achieving sustainable development goals

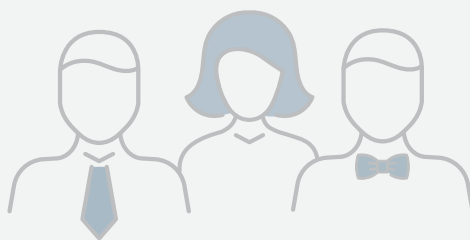


- We seek to promote equality by treating all our employees and customers equally without discrimination for any reason, nor do we accept any form of harassment or other offensive actions.

5.1 Housing Bank Customers Acquiring Loans

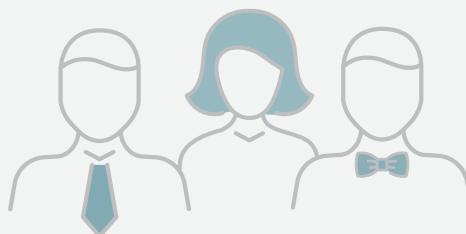
The loans portfolio of retail, SMEs, and large companies recorded a growth in value by 3.3%, 9.9%, and 0.6%, respectively during 2020.

Number of customers acquiring loans



| | Individuals | SMEs | Large companies |
|-------------|-------------|-------|-----------------|
| 2016 | 103,993 | 3,227 | 423 |
| 2017 | 108,477 | 3,285 | 424 |
| 2018 | 108,187 | 3,037 | 432 |
| 2019 | 103,512 | 6,610 | 559 |
| 2020 | 98,922 | 2,941 | 563 |

Value of loan portfolio (Million JD)



| | Individuals | SMEs | Large companies |
|-------------|-------------|-------|-----------------|
| 2016 | 1,295 | 157 | 1,659 |
| 2017 | 1,379 | 149 | 1,820 |
| 2018 | 1,389 | 155 | 1,898 |
| 2019 | 1,414 | 134 | 1,822 |
| 2020 | 1,460 | 147.3 | 1,833 |

5.2 Our Branch Network

During 2020, we were able to maintain our leadership of the Jordanian banking sector in terms of the index of the size of the banking branch network, which stood at 118 branches by the end of 2020, including two mobile branches and a specialized branch for children. This is in addition to leading the index on the size of the ATM network with 215 ATMs at the end of 2020; five of them are mobile ATMs that provide banking services to our customers in unserved areas in some regions of the Kingdom.

5.3 Various Accessible Services

At Housing Bank, we make an effort to provide services to our customers through traditional and electronic distribution channels that are accessible as much as possible. We have 118 branches throughout the Kingdom and 215 ATMs. To enable customers to access our services anywhere at any time, even beyond official working times, we have invested heavily in digital mobile solutions, and we seek to realize the best possible banking experience for all our customers and maintain open channels with them in order to respond to their desires and needs.

Housing Bank's 2020 Banking Transaction Channels Performance



11.6 Million

ATM transactions with a reduction of 0.3%



123,000

Online transactions with a growth of 17.2%



5.8 Million

Branch transactions with a reduction of 16.2%



2.6 Million

Transactions via Iskan Mobile with a growth of 28.3%



412,000

Transactions via Iskan 7/24* Call Center with a growth of 37.2%

* Number of transactions represents the number of financial transactions, excluding Iskan 24/7 Call Center transactions, which represents incoming calls.

Number of transactions through different distribution channels

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|------------|------------|------------|------------|------------|
| Number of online transactions (E-Commerce) | 124,590 | 149,890 | 99,518 | 104,601 | 122,633 |
| Number of transactions through mobile phone (Iskan Mobile) | 469,373 | 987,486 | 1,377,134 | 1,985,218 | 2,546,403 |
| Number of transactions through Iskan 24/7 Call Center | 41,189 | 218,577 | 288,686 | 300,452 | 412,309 |
| Number of transactions through ATMs | 10,950,800 | 11,273,955 | 11,578,748 | 11,634,802 | 11,600,673 |
| Number of transactions through branches | 7,475,261 | 7,671,210 | 7,322,580 | 6,919,462 | 5,798,918 |

5.4 Establishing Permanent and Balanced Relationships with Our Customers

At Housing Bank, we have a clear vision of being the preferred bank for shareholders, customers, employees, and society. To achieve this, we have adopted a customer-centric principle, and we have worked to maximize our diverse resources, invest in new growth opportunities, and create opportunities for our customers. We recognize that our customer today is more sophisticated than before and that consumer needs, desires, level of privacy, and safety required thereby are different. Therefore, we have worked to provide an integrated and comprehensive package of services that addresses all of our customers' practical needs, and we have worked to improve our customers' banking experience. During 2020, we carried out several important updates to our services to strengthen our relationships with current and potential customers.

5.5 Customer Satisfaction

At Housing Bank, we strive to provide the best possible banking experience to our retail and corporate customers, and we provide easy and appropriate services to all customers through our regular communication with our customers and the service performance evaluation provided thereto. We use the results to identify and make necessary improvements, enhance the quality of services we provide our customers and enable them to conduct their banking operations easily and smoothly.

We are focused on maintaining open channels of communication to receive the observations, opinions, and complaints of our customers to understand their growing needs and aspirations and develop our services and products through five channels for receiving these observations, opinions, and complaints:

- Website
- Social Media Networks
- Customer Care and Service Center
- ISKAN 24/7 Call Center
- Complaints Department (Department of Compliance)

During 2020, through hiring consulting firms specialized in conducting surveys, we continued preparing studies to assess the level of service provided to our customers, such as the customer satisfaction study and the mystery shopper study. In addition, several tests were conducted to assess the level of employees' knowledge about the Bank's products and services, in addition to communicating directly with the Bank's customers, identifying the most significant constraints facing them, examining their causes, and submitting periodic daily and weekly reports.

A customer satisfaction study for 2020, which included 7,000 customers, showed many positive indicators in terms of services provided. The Bank's customer satisfaction rate was 80.2% compared to 78% for the bank customer satisfaction in Jordan. According to the Mystery Shopper Study, our branches' overall performance rate reached 76.8%.

Mystery Shopper

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-------|-------|-------|-------|-------|-------|-------|
| Mystery shopper study for Jordan branches | 78.5% | 65.4% | 72.0% | 85.5% | 89.1% | 85.4% | 76.8% |
| Mystery shopper study for ISKAN 7/24 Call Center | 88.2% | 68.0% | 77.5% | 92.7% | 96.1% | 89.6% | 84.4% |



5.6 Customer Loyalty Rewards

At Housing Bank, we are committed to rewarding bank customers for their loyalty while we work to introduce the Iskan Coins program, which is dedicated to debit and credit card holders in which the cardholders is automatically involved. Iskan Coins are counted when using debit and credit cards to carry out online procurement transactions and in shops inside and outside Jordan, depending on the type of card. This is in addition to preparing for the launch of Iskan Gain, which will include immediate and specific discounts reserved for debit and credit card holders. Also, the Bank has continued to offer a number of bonus and award programs in 2020, namely:

- Savings account reward system, which was introduced in 1977;
- Time Deposit with Awards product, which allows owners of new deposit accounts to obtain a competitive interest as well as an opportunity to win weekly cash awards.

5.7 Social Media Channels with Customers

Using all possible means, we seek to reach our customers, answer their questions, allow them to comment, and keep them informed of all the services and products that we offer. This allows our customers to communicate with us 24 hours a day through our social media accounts.



Innovation and digital transformation



Azraq Wetlands Reserve

06

Over the past few years, we have worked at Housing Bank to adopt a clear strategy and approach towards digital transformation, believing that digital innovation development is the path that will lead us to increased efficiency and productivity. We have invested heavily in various channels and technologies to integrate our banking services easily and smoothly into the daily lives of our customers. We are proud to be one of the leading banks in the Kingdom in this field and one of the largest users of digital services.

Contribution to achieving sustainable development goals



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

- We seek to improve the services provided to our customers by employing the best innovative technologies in the industry.
- We seek to improve our customers' banking experience, enabling them to conduct their business easily and support their growth.

Some of the most visible manifestations of our digital transformation during 2020 are as follows:

Digital branch of self-services (Iskan Engage)

The Bank launched its Self-Service Digital Branch (Iskan Engage) in the Shmeisani Head Office building to provide its customers with interactive digital banking services that enable them to complete all their banking transactions instantly, easily, safely, and to enrich their banking experience. The branch provides a number of interactive devices that enable customers to identify numerous banking products and services as well as financial management methods. It also enables them to interact with qualitative and illustrative content on how to make use of the Bank's various banking channels through Smart Screens, available in the form of Interactive Pods and Digital Tables.

The digital branch enables customers to communicate with one of the Bank's customer service officials and discuss all their banking needs remotely using visual communication channels without the need to visit the branch. The branch also allows customers to use their Safety Deposit Box in a modern and innovative automated way through fingerprint and magnetic cards, which enables them to have access to their valued property at any time (24/7) with ease and privacy.

New look of the Iskan mobile app

During 2020, the Bank launched the new look of “Iskan Mobile” application to allow customers, users of Android and iOS smartphones, an easy, fast, safe, and sophisticated banking experience.

With its new look, the app provides an innovative banking platform that ensures smooth and secure interaction between customers and the Bank effectively and efficiently. It has the advantage of being an integrated smartphone banking app through which the Bank provides a sophisticated banking dimension that meets all customers’ desires and needs and accompanies the latest technological developments. It enables the Bank’s customers to constantly communicate with their accounts and conduct banking transactions easily at any time while providing the highest degrees of protection and confidentiality.

Through the app, customers will be able to use an easy and flexible user interface and an integrated banking experience with the ability to access the app using a biometric fingerprint. It also makes it possible to take advantage of a new and exclusive set of banking services and establishes a sophisticated and flexible technical base that can accommodate and keep up with all the Bank’s future updates and services, along with developing the app and increasing the digital banking services provided through it in future phases.

Iskan V-Card

During the year, the Bank launched the Mastercard Digital Pre-Paid Card (Iskan V-Card)—the first of its kind in the region—through the Iskan mobile app, automatically and immediately, which facilitates customers’ transactions and saves them time and effort. The launch of the service is aimed at enabling customers to use the card easily, pay with amounts of money suitable to their needs and deactivate or reactivate it. It also allows easy automatic card data retrieval and conducts purchases via websites without having to visit any Bank branch. The card has the benefits of a platinum card, such as travel insurance coverage and discounts on flights and hotels when booking using the card.

The card provides the highest level of protection and security through the online procurement protection service, which sends the customer a one-time verification code (one-time password) on their cell phone number that is registered with the Bank when using the card on websites engaged in the service.

Contactless Cards

During 2020, the Bank developed bank credit and debit cards for all categories and provided them to its customers through contactless technology in pursuit of its approach to provide modern, customer-friendly banking solutions. The cards have a distinctive modern design bearing the image of the new Bank building in Shmeisani and reflect the digital and sophisticated nature of the services provided by the Bank.

The Bank has expanded the scope of contactless cards, as it took the initiative to launch them two years ago to cover all categories of cards issued by the Bank with an attractive modern design.

The contactless payment feature, through Near Field Communication (NFC) technology, enables customers to make payments for their purchases by simply swiping the card on Point of Sale (POS) devices equipped with this feature. Purchase amounts are deducted directly from the card without customers entering a PIN (Personal Identification Number) within their designated limits. The new contactless credit and debit cards also enjoy the highest protection and security standards.

Contactless technology is considered one of the latest digital payment technologies, as it is used to speed up electronic payments for moderate-value purchases, with a daily limit of JD 150, with 3 transactions, and a maximum of JD 50 per transaction. If the customer wishes to exceed these limits, they must enter their password.

The debit and credit cards provided by Housing Bank are characterized by the provision of a range of value-added services to their holders, including the benefits of the Advanced Rewards Program "ISKAN COINS," which can be replaced by multiple rewards that are proportionate with their needs, in addition to other card benefits that include special discounts and installment programs.

Easy Tawfeer Service

Easy Tawfeer is one of the innovative savings solutions offered by Housing Bank to its customers with the aim of enhancing the experience of automatic saving and encouraging the customer to save for the future in an innovative way. The service automatically retains the remaining balance of purchase transactions made through debit cards (POS transactions). This is done by transferring the approximation value that the customer has selected in advance in proportion to the purchase amount to their saving account. The service enables the customer to view the account statement to identify all transactions that have been rounded up and the account to which the transfer was made so that the customer is kept informed of all their saving activities.

Banking Robot System (Iskan Robot)

As a reflection of our vision towards digital transformation, we have launched an Iskan Robot system so that the bulk of traditional banking processes is automated. This allows enough time for human capital to work on the innovative side, developing products that would meet the expectations of customers, if not exceeding them, and focusing primarily on the level of service offered.

The banking robot system is one of the most modern banking systems used in many global and regional banks. It is based on the concept that much of the traditional day-to-day work of bank employees will be automatically performed without human intervention, which is called “Robotic Process Automation.” The Iskan Robot performs the daily routine banking operations efficiently, accurately, and quickly, allowing more time for employees to serve customers and create banking solutions and services that meet their needs and achieve their aspirations.

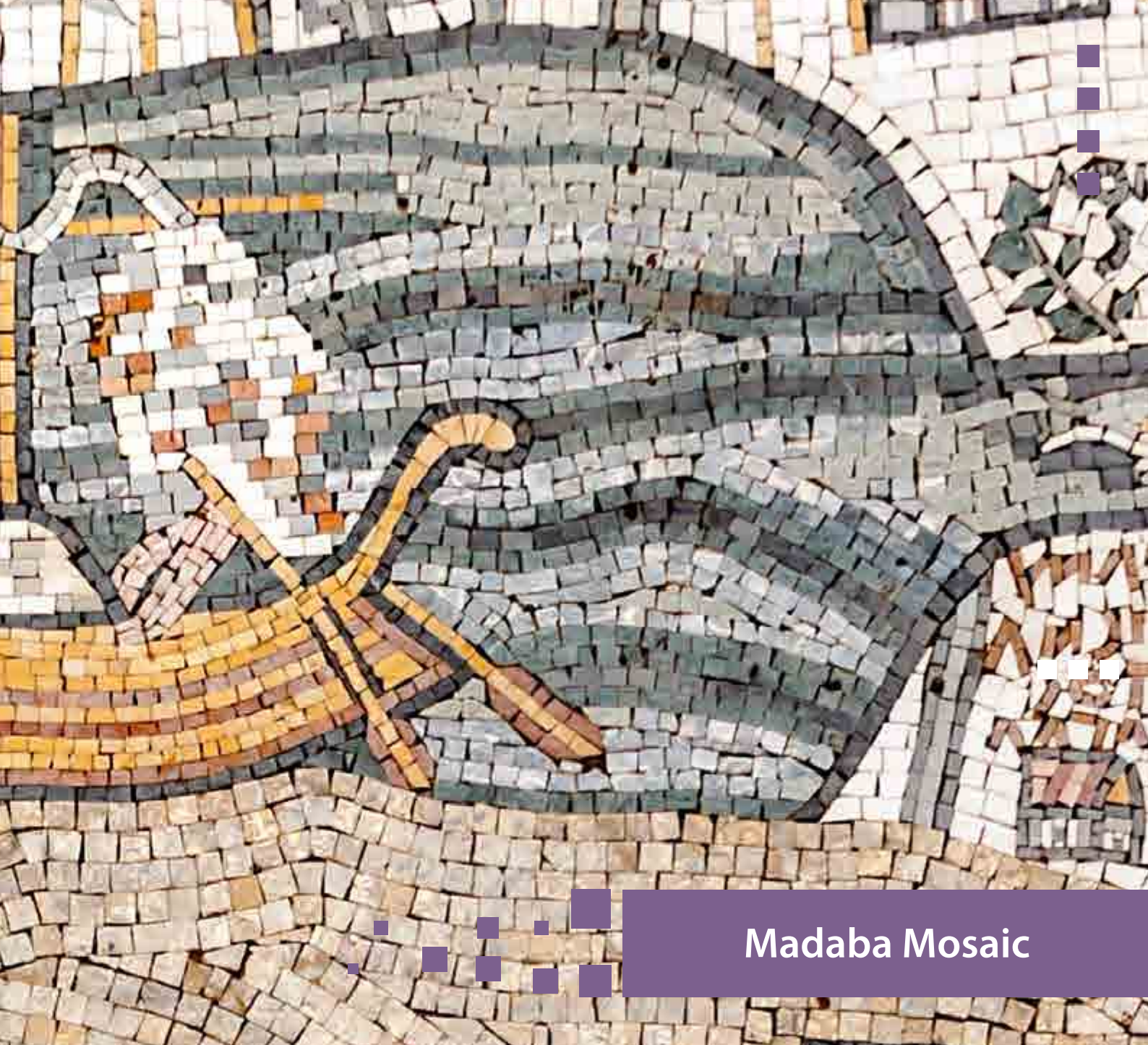
Modern ATMs

In order to provide our Housing Bank customers with the best technical and innovative solutions and enrich their banking experience, we updated 185 of our ATMs and replaced them with modern and sophisticated ATMs equipped with state-of-the-art technology in 2020.

This step will enable Housing Bank customers and all ATM users to obtain a set of new and distinct services quickly, easily, and without needing to visit branches. These ATMs have the advantage of being modern devices with multi-touch screens that support “touchless” technology, as well as support short-term communications and QR code services. They also support teller services via fingerprint and will allow bank customers to benefit from a range of new services such as instant cash deposit, instant check deposit, and others.



Appendices



Madaba Mosaic

07



Appendix (A): Report Scope and Boundaries

(GRI 102-46) (GRI 102-50)

| | |
|--------------------------------|--|
| Report's Scope and Boundaries | Data and disclosures referred to herein are related to all main operations and procedures that fall within the scope of Housing Bank's business in Jordan, unless otherwise stated. The report does not include any data related to joint ventures and contractors, unless otherwise specified. The report includes current initiatives launched by the Bank over the past years. |
| Content Identification Process | In line with the reporting guidelines developed by the Global Reporting Initiative (GRI), Housing Bank uses four steps to evaluate material issues, which are: 1) Identify relevant issues; 2) Identify relevant issues; 3) Identify relevant issues; 4) Annual review of content. Initial assessments on disclosure issues included disclosure of GRI. The list was then merged into the 15 issues that were put forward under the issues on page 11. |
| Reports Submission Cycle | The performance data referred to in the report covers the period from January 1 to December, 31, 2020, . |
| Guarantees | This report has not been audited or assured by a third party. |

Appendix (B): Stakeholders' Engagement Map

(GRI 102- 40) (GRI 102- 42) (GRI 102- 43) (GRI 102- 44)

| Stakeholders | Stakeholder Priorities | Communication Channels | Housing Bank's Response |
|--|--|---|--|
| Customers The Bank customers include about 573,000 retail banking customers (depositors and borrowers) in addition to more than 3,000 SMEs and more than 400 large companies that use corporate banking services, treasury and investment. | <ul style="list-style-type: none"> • Excellent and accessible service • Innovative services • Keeping abreast of the latest services and new offers • Transparency, clarity, and easy access to service and product information that suits their needs • Information security and data protection • Use of safe and easy banking e-services • Competitive prices and fees • Experience in financial planning | <ul style="list-style-type: none"> • Branches • Customer Care Center • Online and mobile banking services • Website • Social media networks • Annual customer satisfaction survey | <ul style="list-style-type: none"> • Direct dialog with customers in in-person meetings in our branches or on social media and other digital contact points such as Facebook and Twitter • Instant card printing machines across main branches |

| | | | |
|--|---|---|--|
| <p>Shareholders</p> <p>The success and growth of Housing Bank depend on its ability to attract national and international investments. The Bank's shareholders offer necessary capital for sustainable growth as well as provide advice at the strategic level. We are committed to realizing long-term sustainable revenues to investors in a developing group of different markets.</p> | <ul style="list-style-type: none"> • Robust financial performance • Increase of price and share profits • Investment in growth, innovation, diversified products, and new markets • Analysis and management of dynamic risks • Transparency and disclosure • Positive trademark | <ul style="list-style-type: none"> • Board meetings • Annual and quarterly reports • Administrative summaries • General Assembly meetings | <ul style="list-style-type: none"> • Annual and quarterly reports • Net income growth |
| <p>Employees</p> <p>Our labor force includes 2,417 employees in Jordan.</p> | <ul style="list-style-type: none"> • Several channels shared with the Bank • Job security and satisfaction • Competitive salaries and privileges for employees • Development, growth, and skills development opportunities • Consistent and attractive work environment • Health and safety | <ul style="list-style-type: none"> • Annual survey on employees' involvement • Open meetings • Holistic training and development that offer various and full improvement opportunities • Insurance coverage for all employees • Communication channels with the management • Equity and equal opportunities • Rewards • HR Policy • Appreciation and moral and material awards • Workshops • Internal publications and circulars | <ul style="list-style-type: none"> • Personal development programs • Career progression and job options • Awareness sessions on the Bank's policies and procedures • Health campaigns because we take care of our employees by following a healthy lifestyle inside and outside the Bank • Succession plans |

| | | | |
|---|---|--|---|
| Regulatory and control authorities (Central Bank of Jordan, Jordan Securities Commission, Companies Control Department, etc.) | <ul style="list-style-type: none"> • Compliance with all legal and regulatory requirements • Customer protection • Alignment with the national vision | <ul style="list-style-type: none"> • Laws and regulations • Monthly reports submitted to control authorities • Regulatory reviews • Code of Ethics | <ul style="list-style-type: none"> • Audit and Compliance Department reports on legal requirements. • Monthly reports submitted to control authorities |
| Society We seek to empower economic, social, and community development throughout the network | <ul style="list-style-type: none"> • Job creation • Enrichment of local human resources • Small and medium projects development • Financial education • Financial merger • Environmental care | <ul style="list-style-type: none"> • Activities of social responsibility and voluntary campaigns • Products designed for students and children • Social media networks • Annual reports • Capacity development programs | <ul style="list-style-type: none"> • Mobile branches • Mobile money wallet, electronic cash card • Short- and long-term trainings, on-the-job training and professional awareness programs |
| Suppliers (We involve more than 285 suppliers and contractors to support our operations) | <ul style="list-style-type: none"> • Invitation to bidding in a transparent and fair manner • New job opportunities • Open communication channels | <ul style="list-style-type: none"> • Tenders and bids • Contracts and agreements | <ul style="list-style-type: none"> • Preservation of fair and competitive selection • Preservation of cooperative relations of shared interests |

Appendix (C): GRI Content Index

(GRI 102-54} (GRI 102-55)



This report was prepared according to the GRI standards: core option. The table below serves as the GRI content index. For the core disclosure service, GRI has confirmed the validity of the content index and the disclosures of core indicators 102-40 to 102-49. This service was performed on the Arabic version of the report.

| GRI Standard | Disclosure | Page number(s), URL(s) and/or direct answers |
|-----------------------------------|---|--|
| GRI 101: Foundation 2016 | | |
| General Disclosures | | |
| Organizational profile | | |
| GRI 102: General Disclosures 2016 | 102-1 Name of the organization | The Housing Bank for Trade & Finance |
| | 102-2 Activities, brands, products, and services | 6 |
| | 102-3 Location of headquarters | Amman, Jordan |
| | 102-4 Location of operations | The Hashemite Kingdom of Jordan, Palestine, Algeria, Syria, Bahrain, UK, Iraq, UAE and Libya. |
| | 102-5 Ownership and legal form | 6 |
| | 102-6 Markets served | The Bank has 118 branches across the Hashemite Kingdom of Jordan, 15 branches in Palestine, 1 branch in Bahrain, 3 subsidiary banks in Algeria, Syria and UK, 2 subsidiary companies in Jordan, and representative offices in Iraq, UAE and Libya. |
| | 102-7 Scale of the organization | 6-8 |
| | 102-8 Information on employees and other workers | 38 |
| | 102-9 Supply chain | 34-35 |
| | 102-10 Significant changes to the organization and its supply chain | There were no significant changes during the reporting period. |
| | 102-11 Precautionary Principle or approach | 22-23 |
| | 102-12 External initiatives | 13,30,34,48-51 |
| | 102-13 Membership of associations | Jordan Green Building Council, Injaz Association, Edama Association, Arab Thought Forum, Jordan Strategy Forum, Trade Union of Workers in Banks. |
| Strategy | | |
| GRI 102: General Disclosures 2016 | 102-14 Statement from senior decision-maker | 4-5 |

| Ethics and integrity | | |
|-----------------------------------|---|---|
| GRI 102: General Disclosures 2016 | 102-16 Values, principles, standards, and norms of behavior | https://www.hbtf.com/ar/VisionandMission |
| | 102-17 Mechanisms for advice and concerns about ethics | 43 |
| Governance | | |
| GRI 102: General Disclosures 2016 | 102-18 Governance structure | 17-19 |
| | 102-22 Composition of the highest governance body and its committees | 18-19 |
| | 102-26 Role of highest governance body in setting purpose, values, and strategy | 18 |
| Stakeholder engagement | | |
| GRI 102: General Disclosures 2016 | 102-40 List of stakeholder groups | 12-13, 69-70 |
| | 102-41 Collective bargaining agreements | The Bank complies with the laws and regulations applied in Jordan, in relation to collective bargaining agreements. |
| | 102-42 Identifying and selecting stakeholders | 12, 69-70 |
| | 102-43 Approach to stakeholder engagement | 13, 69-70 |
| | 102-44 Key topics and concerns raised | 69-70 |
| Reporting practice | | |
| GRI 102: General Disclosures 2016 | 102-45 Entities included in the consolidated financial statements | The financial statements include the activities of the Housing Bank only, and do not include any other entity. |
| | 102-46 Defining report content and topic Boundaries | 68 |
| | 102-47 List of material topics | 11 |
| | 102-48 Restatements of information | There was no restatement of information during this period. |
| | 102-49 Changes in reporting | There were no changes during the reporting period. |
| | 102-50 Reporting period | 68 |
| | 102-51 Date of most recent report | Sustainability Report 2019 |
| | 102-52 Reporting cycle | Annual |
| | 102-53 Contact point for questions regarding the report | Sustainability@hbtf.com.jo |
| | 102-54 Claims of reporting in accordance with the GRI Standards | 72 |
| | 102-55 GRI content index | 72 |
| | 102-56 External assurance | Housing Bank does not require external guarantees when preparing the sustainability report |
| GRI 200 Economic Standard Series | | |
| Economic Performance | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 26 |
| | 103-2 The management approach and its components | 26 |
| | 103-3 Evaluation of the management approach | 26 |

| | | |
|---|--|---|
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | 8 |
| Indirect Economic Impacts | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 48-49 |
| | 103-2 The management approach and its components | 48-49 |
| | 103-3 Evaluation of the management approach | 48-49 |
| GRI 203: Indirect Economic Impacts 2016 | 203-2 Significant indirect economic impacts | 48-51 |
| Procurement Practices | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 34 |
| | 103-2 The management approach and its components | 34 |
| | 103-3 Evaluation of the management approach | 34-35 |
| GRI 204: Procurement Practices 2016 | 204-1 Proportion of spending on local suppliers | 35 |
| Anti-corruption | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 20-21, 29 |
| | 103-2 The management approach and its components | 20-21, 29 |
| | 103-3 Evaluation of the management approach | 20-21 |
| GRI 205: Anti- corruption 2016 | 205-2 Communication and training about anti-corruption policies and procedures | 21 |
| | 205-3 Confirmed incidents of corruption and actions taken | There was no confirmed cases of corruption and no legal claims relating to corruption against the Housing Bank or any of its employees during the reporting period. |
| GRI 300 Environmental Standards Series Materials | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 30, 33 |
| | 103-2 The management approach and its components | 30, 33 |
| | 103-3 Evaluation of the management approach | 33 |
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | 33 |
| | 301-2 Recycled input materials used | 33 |

| Energy | | |
|---|--|--------|
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 30 |
| | 103-2 The management approach and its components | 30 |
| | 103-3 Evaluation of the management approach | 30-31 |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | 31 |
| | 302-3 Energy intensity | 31 |
| | 302-4 Reduction of energy consumption | 31 |
| Water and Effluents | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 30, 32 |
| | 103-2 The management approach and its components | 30, 32 |
| | 103-3 Evaluation of the management approach | 32 |
| GRI 303: Water and Effluents 2018 | 303-5 Water consumption | 32 |
| Emissions | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 30, 32 |
| | 103-2 The management approach and its components | 30, 32 |
| | 103-3 Evaluation of the management approach | 30, 32 |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | 32 |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 32 |
| | 305-4 GHG emissions intensity | 32 |
| | 305-5 Reduction of GHG emissions | 32 |
| GRI 400 Social Standards Series | | |
| Employment | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 39, 45 |
| | 103-2 The management approach and its components | 39, 45 |
| | 103-3 Evaluation of the management approach | 39, 45 |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | 45 |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 41 |
| | 401-3 Parental leave | 42 |
| Occupational Health and Safety | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 41 |
| | 103-2 The management approach and its components | 41 |
| | 103-3 Evaluation of the management approach | 41 |

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| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | 41 |
| | 403-3 Occupational health services | 41, 42 |
| | 403-6 Promotion of worker health | 41, 42 |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 41, 42 |
| Training and Education | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 39-40 |
| | 103-2 The management approach and its components | 39-40 |
| | 103-3 Evaluation of the management approach | 39-40 |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | 40 |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | 41 |
| Diversity and Equal Opportunity | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 43 |
| | 103-2 The management approach and its components | 43 |
| | 103-3 Evaluation of the management approach | 43, 44 |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | 44 |
| Non-discrimination | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 43 |
| | 103-2 The management approach and its components | 43 |
| | 103-3 Evaluation of the management approach | 43 |
| GRI 406: Non-discrimination 2016 | 406-1 Incidents of discrimination and corrective actions taken | There were no incidents of discrimination during the reporting period. |
| Local Communities | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | 48-49 |
| | 103-2 The management approach and its components | 48-49 |
| | 103-3 Evaluation of the management approach | 48-49 |
| GRI 413: Local Communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | 49-51 |



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