



Sustainability Report 2017



بنك الإسكان للتجارة والتمويل
The Housing Bank for Trade & Finance





1st Sustainability Report 2017

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About This Report

This report has been prepared in accordance with the GRI Standards: Core option. The GRI content index and the GRI Materiality Disclosures Service Mark – indicating the correctness of the locations of the materiality disclosures from GRI102-40 to 102-49 – are included in **Appendix C** of this report.

This report highlights the Bank's achievements and performance on sustainability issues, including social, economic and environmental dimensions.

This report aims to provide the essential information to key stakeholders of the Bank, including: customers, shareholders, employees, regulatory and supervisory bodies, society and suppliers.

The information and data provided in this report cover the Bank's activities, particularly in Jordan.

Housing Bank is committed to issuing a report about the most important issues of concern to stakeholders regarding sustainability. We invite you to contact us via the following channels:



<https://www.facebook.com/TheHousingBank>



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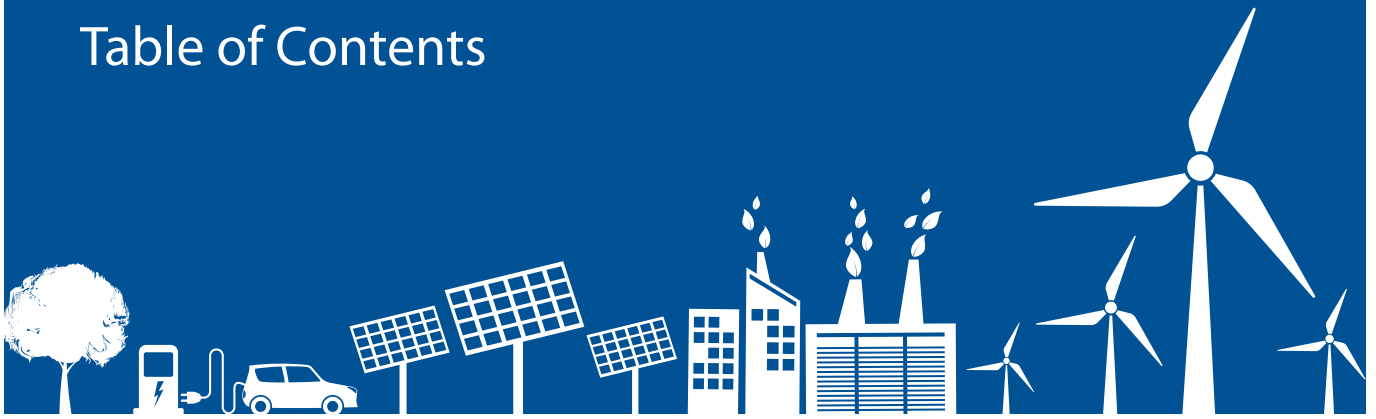


<https://www.linkedin.com/company/housing-bank-for-trade-and-finance>



<http://www.youtube.com/user/thehousingbank>

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Chief Executive Officer's Statement



Dear Stakeholders,

I am pleased to present you with HBTF's first Sustainability Report, which highlights the Bank's key achievements across social, economic and environmental fields for 2017, along with the Bank's contributions in these fields in Jordan in accordance with the Global Reporting Initiative (GRI).

We at The Housing Bank, recognize the importance of adopting a sustainable approach, believing that our responsibility is not only to achieve financial success, but also to instill and solidify the culture and concepts of sustainability in all our businesses and for the benefit of all our stakeholders.

Sustainability at HBTF encompasses six pillars: Effective Governance and Risk Management, Responsible Banking Services, Talent Development, Creating a Positive Social Impact, Serving Customers for a Better Financial Future, along with Innovation and Digital Excellence. These pillars form the compass that directs our plans, and are the foundations that support our objectives, achievements and maintain our leading position.

The Bank is committed to applying the standards of governance and compliance in all branches and departments in order to safeguard the interests of our shareholders, customers, employees and all other stakeholders. We are constantly reviewing and improving our corporate governance principles and frameworks to ensure compliance with international and local practices.

On that basis, the Bank applies a set of policies and procedures that relate to transparency, integrity, and zero tolerance for any form of corruption and bribery or for any breaches of the Code of Professional Conduct and Work Ethics.

Being a leader in the Jordanian banking sector, The Housing Bank is now providing finance to the largest customer base in the Kingdom, through the largest network of branches throughout the country, with a focus on providing products and services that suit customers' requirements at the highest levels of quality.

We are proud of the diversity and equal opportunities offered to our workforce, who feel they are part of one family. We have more than 2,400 qualified and professional employees in Jordan. We protect their rights, provide them with career development opportunities, ensure their engagement and constantly communicate with them. We encourage the participation of women in many processes and positions, as they now constitute 39% of the workforce.

As part of our environmental responsibility for the creation of a positive social impact, we have endeavoured to achieve higher efficiency in the use of energy, water and other natural resources. In 2017, the Bank decreased consumption of electricity by 9%, water consumption by 10% and emissions of greenhouse gases by 9%, in addition to recycling 40% of the paper used in the Bank.

As part of our social contributions, we have continued to support and sponsor many social, humanitarian and charitable activities, as well as educational, health and environmental activities.

We have also worked to support local suppliers through the inclusion of local companies on the Bank-approved list of suppliers, where currently, the majority of total procurements are sourced from local suppliers.

Keeping well informed of the latest technological innovations have been on top of our list of priorities, innovations that will help us meet our customers' needs and their expectations of a unique banking experience. This resulted in the provision of integrated and comprehensive solutions that ensure that services provided to customers are of the highest quality.

While I am proud of our achievements in sustainability, I look forward to further efforts in the coming years; I invite stakeholders to provide us with their views, comments and ideas regarding this report.

Ihab Saadi
Chief Executive Officer





About The Housing Bank

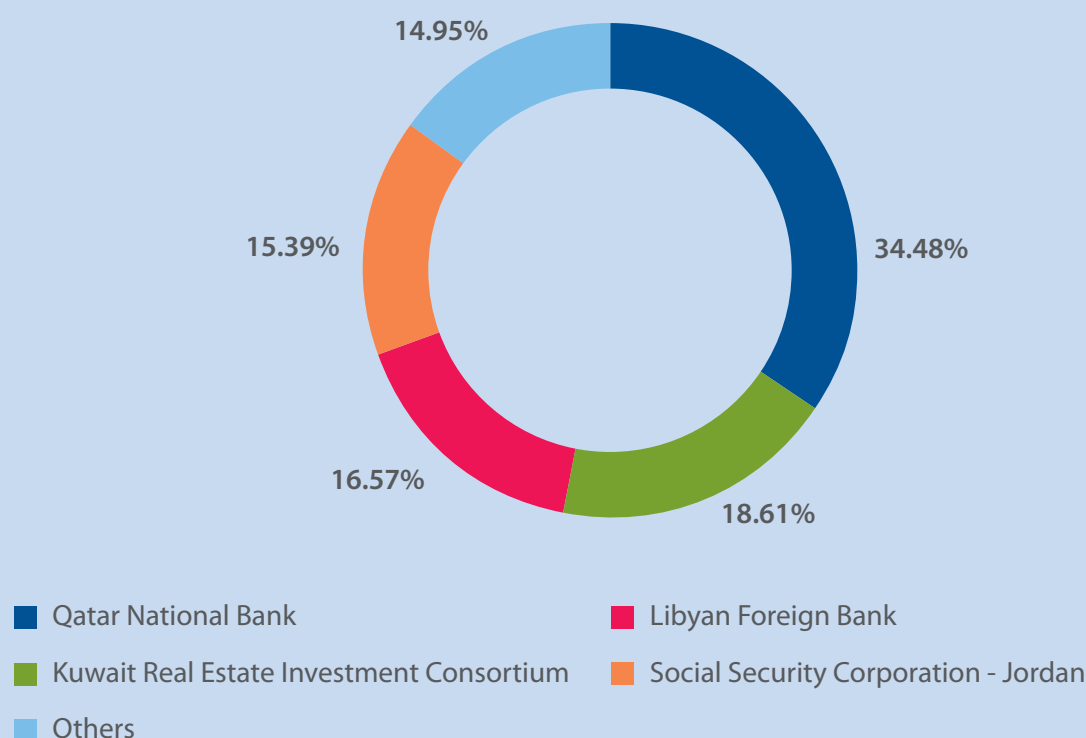
Housing Bank for Trade and Finance was founded in 1973 as a Jordanian public shareholding limited company, headquartered in the capital, Amman. The Bank started its business as a Bank specialising in the field of housing finance. In 1997, twenty-four years after its inception, the Bank began a new phase of operations, transitioning into a comprehensive commercial bank. Since then, the Bank has offered all financial and banking products and services to individuals, institutions and companies.

The Bank has a hundred and thirty branches throughout the Hashemite Kingdom of Jordan -- fifteen branches in Palestine and one branch in Bahrain, as well as three subsidiaries in Algeria, Syria and Britain, and two subsidiaries in Jordan, in addition to representative offices in Iraq, UAE and Libya.






















Housing Bank in Jordan is at the forefront of a number of indicators, the most important of which are: total equity, savings accounts, the number of branches, the number of ATMs, and the number of customers.

Housing Bank is considered one of the best Arab banks, as some of its distinguished stakeholders are governments, investment and banking foundations and companies, as well as Jordanian and Arab investors. This confirms that the Bank has become one of the solid channels and bridges helping with the flow of Arab investments into Jordan, reflecting the well-established fact that Jordan is a safe strategic depth for Arab investments and a successful model for joint Arab investment.

Housing Bank Shareholders Structure



Major Performance and Achievements Milestones

655 Thousand Individual and Corporate Customers 	84% Customer Satisfaction 	130 Number of Branches 
229 Number of ATMs 	Two Mobile Bus Branches to serve customers in remote and disadvantaged areas 	6 ATM Mobile Vans that provide banking services, at areas not covered by banking services throughout the Kingdom 
20.3 million Total Customer Transactions 	More than JOD 7 million Value of Savings Account Prizes 	Implementation of Iris Recognition Technology 
2426 Number of Employees 	73% Employees Satisfaction 	5.7% Employee Turnover Rate 
39% Women in the Workforce 	51% Youth Employment 	78 Average training hours per employee 
200 Number of Trainee Students at the Bank 	9% Reduction in Electricity Consumption 	10.4% Reduction in Water Consumption 
40.1% Recycled Paper 	99% Procurement from Local Suppliers 	Implementation of Global Operations Anti-Money Laundering (GoAML) 

Awards

The Bank has won numerous awards from regional and international institutions for its achievements in the areas of quality of products, banking services and innovation. These are areas of great importance to the Bank's business and sustainability approach. The following is a list of awards given to the Bank during the year 2017:

The Best Bank Award in the Customer Service Field

Housing Bank won the Best Customer Service Bank in Jordan for 2017 by the International Finance Awards, which is specialised in the financial and banking sector.

The Best Trademark Award in Jordan

Housing Bank was awarded the Best Trademark in Jordan for 2017 by the World Union of Arab Bankers.

Award for the Best Bank in the Innovation Field

Housing Bank was awarded the Most Innovative Bank in Jordan Award for 2017 by The Banker Middle East.

Award of the Arab World's Leading Bank in the Development of Banking

Housing Bank was awarded the Innovation and Excellence Award for 2017 from the Union of Arab Banks.

The Best Co-Branded Credit Card in Jordan

Housing Bank was awarded "The Best Co-Branded Credit Card" for the second year in a row, for the Visa Card with Qatar Airways, awarded by the Emerging Markets Payments EMP.

STP Excellence Award for Outgoing Payments

The Bank was awarded the STP Excellence Award for Outgoing Payments awarded by Commerzbank.





Our Commitment to Sustainability

Housing Bank follows a new path that involves integrating sustainability considerations into its core disclosures and key business practices, which, in turn, enhances its banking business, builds successful business relationships and aligns with the Bank's values and mission. The Bank recognises the importance of this approach in reducing risk and promoting innovative products and services, sustainable growth, improving customer satisfaction, reducing environmental impacts in general, enhancing the Bank's position, increasing its trademark and meeting stakeholder expectations, as Housing Bank strives to integrate sustainability into its day-to-day operations.

Our Reporting and Disclosure Journey

Since its inception and over the past 45 years, the Bank has been keen to cover the governance practices and financial performance in its annual reports. In 2014, Housing Bank began to publish the annual social responsibility reports which concentrated principally on the societal initiatives in Jordan. Today we are issuing the first Housing Bank Sustainability Report for 2017, which represents a new approach to expanding the Bank Disclosures, which address social, environmental and economic impacts and issues that are of interest to stakeholders.

Our Approach to Sustainability Management

Sustainability is an opportunity to use our skills, experience and relationships to bring positive change to individuals, society and the environment. Building trust through transparency and efficiency is vital to achieving this objective. In 2017, the Bank identified six pillars of sustainability that are key areas of focus to support the Bank's sustainable development. In this report, we demonstrate our activity, performance and initiatives in each of these areas, in detail.



Reporting on What Matters the Most

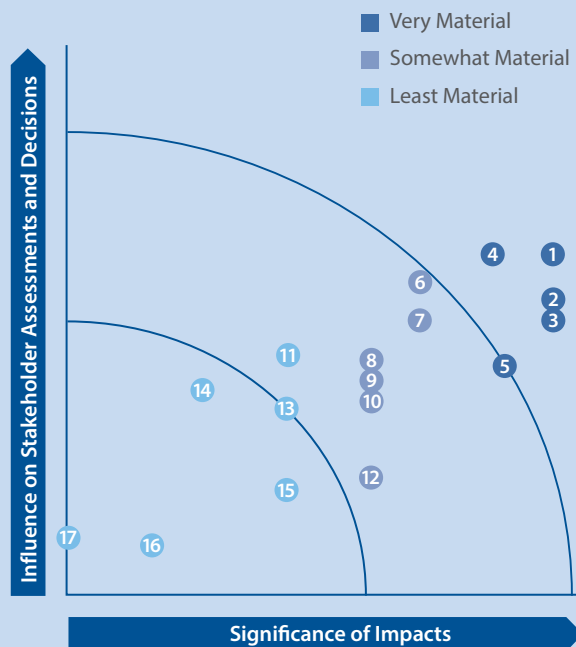
In 2017, Housing Bank conducted an assessment of the material issues by involving relevant stakeholders in the Bank and identifying key issues that are important to them and to the Bank itself.

The issues have been analyzed on the basis of a comprehensive list of matters that may affect our business or are of concern to stakeholders. The sources for this list include GRI Standards aspects, GRI G4 financial services sector disclosures, SASB disclosure topics for the financial sector, industry and sector benchmarks, and internal documents.

The Bank has selected seventeen key issues relating to sustainability for stakeholders for the year 2017, as per the matrix below:

Rank	Material Issues
1	Combating financial crimes
2	Financial performance
3	Governance, ethics and compliance
4	Transparent disclosure of performance
5	Customer experience and satisfaction
6	Financial stability and risk management
7	Customer privacy and data security
8	Investment, lending, sustainable products and services
9	Communicating with customers transparently and reliable marketing
10	Talent attraction, development and retention
11	Digital innovation
12	Financial integration and access to various banking services and financial literacy
13	Community investments
14	SME and entrepreneurship support
15	Diversity, inclusion and equal opportunities
16	Responsible and local procurement
17	Environmental Impact Management

Materiality Matrix



Listening to our Stakeholders

Promoting the engagement of stakeholders, both internal and external to the Bank, is considered one of the basis of the Bank's approach to sustainability. This participation assists the Bank in defining the stakeholders' priorities, understanding the Bank's broader impact and the challenges that the Bank faces in making its role more sustainable. The figure below shows the major stakeholder categories of Housing Bank. For more information on stakeholders and the Bank's ways of engaging and communicating with them, **please see Appendix B.**

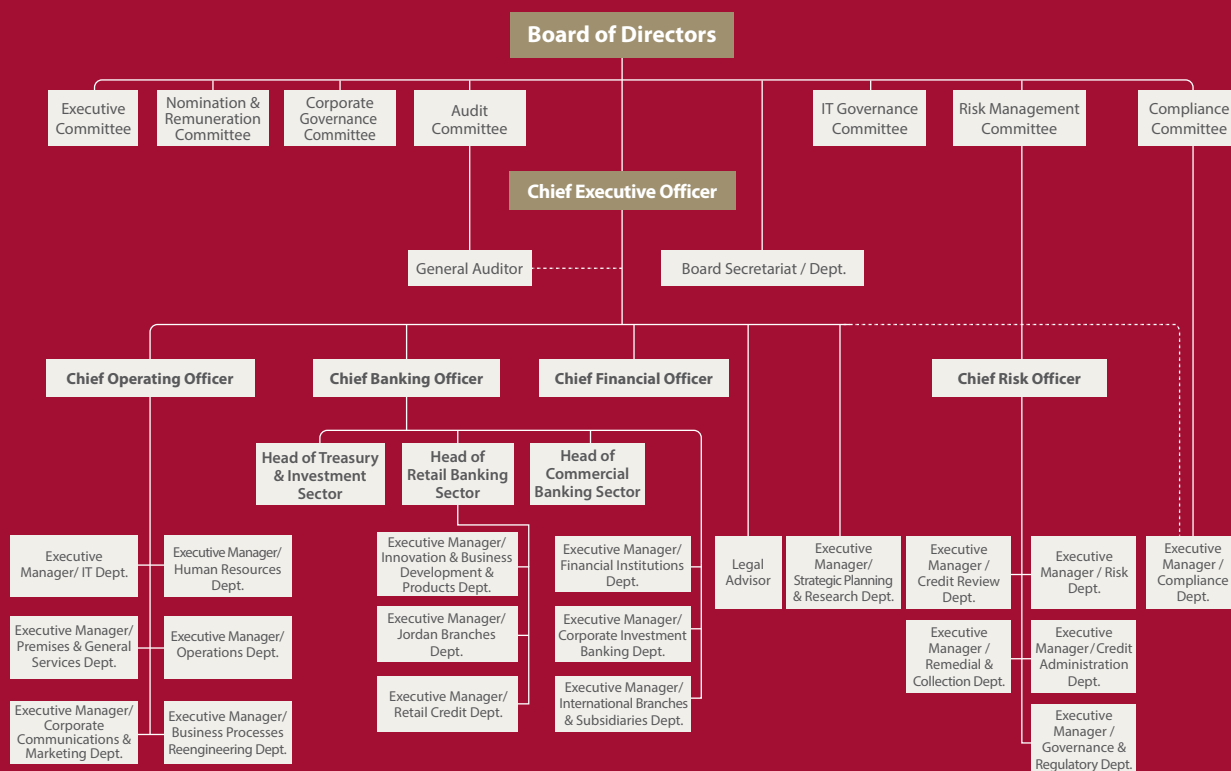




1 Effective Governance and Risk Management



1.1.2 Organisational Chart



1.2 Ethics and Compliance

Housing Bank relies on key pillars that are based on global standards to combat corruption and bribery in all of its operations. These policies, strategies and the code of ethics and professional conduct urge compliance on the best ethics of work, as the Bank has monitoring controls and clear procedures in this regard.

Housing Bank follows responsible banking practices that are distinguished by compliance with the highest ethical standards in all transactions and activities, taking measures that ensure the rights and loyalty of customers and employees.

1.2.1 Code of Ethics and Professional Conduct

Housing Bank is bound by the highest ethical standards and seeks to enhance the culture of transparency, sincerity and integrity, as the Code of Ethics and Professional Conduct was approved by the Board of Directors and circulated to all workers at the Bank. Staff can view such Code through the Bank's internal website. Every year, employees are required to submit a form in which they commit to abide by all the provisions of the Code.

The Code addresses a number of issues, including:

- The Board of Directors Responsibility
- Combating money laundering and terrorist financing.
- Duties
- Conflicts of interest and bribes
- Behavioural prohibitions
- Penalties
- General Provisions
- Compliance with laws and instructions
- Confidentiality of information, Banking and Information Security
- Protection of the Bank's Assets
- Employment of relatives
- Fair competition and antitrust
- Notifying Hotline
- Disclosure Policy of Employees

Response rate for signing a personal undertaking form in compliance with the Code of Professional Conduct

2014	2015	2016	2017
100%	100%	100%	100%

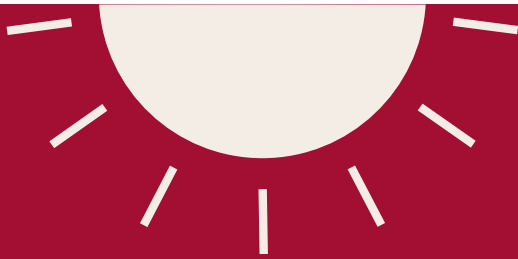
1.2.2 Compliance

A new organisational structure for the Compliance Department was approved in such a manner as to reflect professionalism in performance and best banking practices. In 2017, Housing Bank formed a Compliance Committee, emanating from the Board of Directors, which consists of three members of the Board, the majority of whom are independent members. This Committee conducts the tasks of supervision with respect to efficiency, effectiveness and independence of the compliance monitoring department, and takes the necessary measures to enhance the values of integrity and sound professional practices and conducts supervision and follow-up tasks to ensure compliance with the instructions of the various regulatory bodies.

Housing Bank pays major attention to the handling of customer complaints in order to achieve a high level of customer satisfaction. The Customer's Complaints Unit conducts, through its qualified and trained staff, the investigation and analysis of, and the responses to, all customer complaints. In 2017, the Department handled 218 complaints in respect to different aspects, such as E-services, rates of interest, commission, fees, professional behaviour, credit cards, money transfers, contracts and conditions, in accordance with the policies and procedures approved by the Bank in this respect.

To emphasize the importance of compliance with legal and organisational requirements, the Bank raises awareness and offers training courses to its employees on the principles of compliance. In 2017, Housing Bank held nineteen sessions on compliance, and the number of employees who attended training sessions in the field of compliance, combating money laundering and terrorism financing reached 908 for male and female employees.





Compliance Training

	2014	2015	2016	2017
The number of employees who received training for the field of compliance, combating money laundering and terrorism financing.	105	214	943	908
Number of Training Courses	10	16	22	19

Sponsorship of “Code of Conduct and Integrity System: Means to combat corruption”

In 2017, Housing Bank sponsored the Jordanian Strategies Forum “Code of Conduct and Integrity System: Means to combat corruption”, which aims to assist Jordanian companies to build a system of behavior and integrity in such a manner as to promote positive values, rules of transparency, and the methodology of good governance in society.

1.3 Risk Management

Recognising the importance of managing the various risks involved in its business activities, the Bank’s Risk Management Committee has continued its work in line with the direction of the Board of Directors, the Executive Management, and local and international legislation and laws.

The risk management framework at Housing Bank adopts a model of three lines of defence for managing risk, which are:

- The First Line of Defence - represents the business departments, the processes and the support departments, namely, the “owners” of the risk.
- The Second Line of Defence - represents the two independent departments of compliance and risk management, which report independently to the Compliance and Risk Management Committees, emanating from the Board of Directors. They assist the first line of defence in managing the risk of their activities and in complying with local and international laws and regulations.
- The Third Line of Defence - represents the Internal Audit Department, which is responsible for ensuring that the risk management framework is implemented and shared with the Audit Committee of the Board of Directors, with a view of ensuring the effectiveness of the Bank’s controls.

This model applies at all levels of the Bank, and all lines of defence are independent of each other. Through the use of various methods, approaches and measurement tools, including a mixture of quantitative and qualitative methods, the Risk Department determines, measures, evaluates and handles any substantive risks that the Bank may be exposed to. This aims at keeping the risk to the acceptable levels, and in such a manner that allows the Bank to face challenges more efficiently, in order to sustain the optimal balance between risk and revenues in a way that is consistent with the strategic objectives and the requirements of the regulatory bodies and international standards.



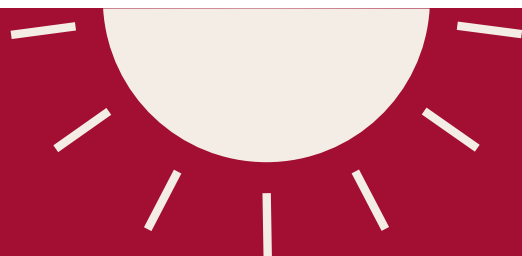
Housing Bank always conducts internal assessments of the capital adequacy in accordance with the risks framework and the approach of the Bank, as the capital adequacy percentage reached 17.1% in 2017, as compared with 17% in 2016, fulfilling and exceeding the ratios required by the Central Bank of Jordan and the capital adequacy requirements (Basel III).

The Bank depends on basic pillars that are based on international standards and guidelines in the assessment of risk relating to corruption through the existence of the necessary policies and strategies that urge our commitment to the Code of Ethics and Professional Conduct, and the presence of clear working procedures, adequate and appropriate controls regarding the size and complexity of the Bank's activities and operations for an efficient regulatory environment, periodic risk assessment, appropriate analysis of control activities, exchange of information and liaison with stakeholders. The risk assessment process for corruption involves the following actions:

- Clearly define objectives to identify and assess risks related to their achievement.
- Identify the risks facing the Bank in its pursuit of achieving and analyzing objectives, as a basis for determining how they are managed.
- Consider the possibility of fraud when assessing the risks associated with achieving objectives, through the identification of fraud indicators and control of the motives and opportunities that allow the existence of fraud and follow-up with corrective actions.
- Identify and evaluate the variables that can impact the internal monitoring system, including changes in the external environment and/or in the work pattern and/or in leadership.

In compliance with the Global Standards of Financial Reporting IFRS9 issued by the International Accounting Standard Board (IASB), in 2014, the Bank launched the project of conformity with this standard. At the beginning of 2017, most of the project development stages were completed in cooperation with a specialised consulting company. This project included the development of necessary policies for conformity with the standard, identifying the basics and standards used in the classification of customers and verification of the validity and reliability of customer risk rating systems applicable in the Bank, and developing a system for calculating expected credit losses.





In order to spread the risk culture among employees, due to its importance for mitigating risk exposure, the Bank prepared several courses in 2017 to raise awareness among its employees, and distributed relevant educational materials relating to risk on the Bank's internal website.

Risks identified for 2017	The Bank's Response
Strategic risk	<p>The key risks have been identified and defined, in accordance with the main risk matrix, along with the mechanism through which response is made and the risk volume is mitigated, as the Bank has an integrated system to control, supervise and manage risk and institutional governance. This aims to assist the Bank in achieving its strategic objectives by ensuring the interests of all parties are met.</p> <p>This system includes the organisational structure of the Bank, the Board of Directors role and its monitoring committees, such as the Risk Committee, Audit Committee, Executive Management role, the Monitoring Departments role (risks, audit, compliance, finance, legal), and the policies of monitoring and internal control, as well as the policies of risk management, the self-evaluation of controls and risk systems, along with the manuals of the policies, procedures and regulation of employees' affairs.</p>
Reputational risk	
Risk related to changes in the organisation of the institution	
Risk related to the Bank's conduct and decisions	
Information security risk and cyber security	
Risk related to system crash or failure and the occurrence of crises and natural disasters	
Legal risk and risk related to non-compliance with regulatory and legislative entities.	
Risk of money laundering, penalties and terrorism financing	
Risk of external attribution	
Fraud risk	
Material violations of assets	
Individuals Risk	
Geopolitical risk	
Credit Risk	
Liquidity Risk	
Market Risk	
Interest rate risk in the Bank's portfolio	

It is worth mentioning that the Bank's 2017 annual report includes information on the strategy, approach and structure of risk management at the Bank.

1.3.1 Information Security

The Risk Department monitors the application of the policies of information security through the procedures approved by the Information Security Centre; this is to ensure protection of information at the Bank, ensure the security of information confidentiality and integrity, submit monitoring reports on the conformity with policies of information security, and to spread the culture of awareness of information security and the risks thereto.

The Bank periodically reviews the policies and procedures to reflect the internal and external variables and to ensure the commitment of all the entities concerned thereto, in addition to conducting sessions and awareness workshops on information security and methods of analysis, fraud risk assessments, and further assessments of all projects and new systems related to information security.

In 2017, the Bank was keen to be committed to the best practices and standards with respect to information security, and it sought to raise the level of cyber security through the establishment of a centre specialised in the management of cyber security and the confrontation with cyber-attacks. The Bank is committed to complying with the international standard PCI DSS, through applying the security controls necessary for issued cards of all types, through the use of programs and tools that provide continuous protection of the assets of the Bank.

Housing Bank has a number of policies in relation to information security, which are:

- Privacy Policy
- Information Security Policy
- Information security accidents management
- Policies of internal and external security vulnerabilities examination and ethical penetration
- Assets Management and Notation Policies
- Access Control Policies

1.4 Auditing and Monitoring Processes

The internal audit process at the Bank aims to enhance and protect the institutional values, activate the consultative and contributing role, raise the audit efficiency level, enhance the concept of risk-based audit and be committed to the laws, instructions and best practices.

The Audit Committee adopts a risk-based approach (RBA), as all the processes and activities at the Bank are subject to the internal audit scope, in accordance with the degree of their risk exposure, in such a manner as to ensure full conformity with the requirements of the regulators and the international audit standards governing the internal audit committee, since the security and safety procedures are reviewed in accordance with the internal standards and procedures applied at the Bank. In case the Bank adopts an international framework or standards in the aspect of social responsibility or creates policies and procedures supporting sustainability, they shall be included and governed by the community audit, and their risks shall be evaluated and added within the scope of audit tasks.

In view of the importance of the internal audit role as an independent entity distinguished by subjectivity in providing consultative and confirmatory services to the Bank to assist in achieving the Bank's objectives and offering added value to the development and improvement of the institutional control processes and risk management, the Bank continuously improves the internal monitoring system in a manner that enhances the defense lines at the Bank. In 2017, a project was adopted to develop the internal audit activity, concentrating on three main axes (People, Methodology, Tools and executing the following:

- Transformation to a mature level of the internal audit department based on the evaluation model (Internal Audit Capability Model) issued by the Institute of Internal Audit (IIA), from the first level (Initial) and the second level (Infrastructure) to the third level (Integrated) and fourth level (Managed) - which are out of an overall five levels.
- Transformation from the traditional method based on an evaluation of the extent of conformity of the work centres with the procedures and instructions (Policing & Compliance Approach) to the method of (Risk-Based Approach) and (Process-Based Approach), in line with leading practices in internal auditing.
- Amendment of the internal audit role in order to provide Advisory & Insight services beside the confirmatory services.
- Determination of the internal audit competencies framework - Competency Framework; note that 50% of the vocational staff at the Department are holders of professional certificates.
- Starting to use data analytics in all stages of the audit process, from the preparation of the annual audit plan to the planning and execution process of audit tasks and follow-up of the corrective procedures as well as the submission of the reports to the Audit Committee of the Board of Directors.





2 Responsible Banking



2. Responsible Banking

Housing Bank is committed to providing and developing responsible banking products and services that achieve a strong financial performance based on responsible lending and investment principles, in such a manner as to contribute to the achievement of environmental and social sustainability, through the financing of national projects in general and eco-friendly projects in particular, in addition to the projects and programs that protect water and energy resources.

2.1 Group Financial Performance

Housing Bank group succeeded in supporting its financial situation and enhancing the capacity of utilization of resources, despite the fact that the Kingdom is still being affected by the instability and crises in its neighboring countries, which confirms the Bank's continued positive contribution to the national economy.

One of the indications of the Bank's performance strength in 2017 is the sustainable growth of its business and its success in enhancing its financial strength, as total assets increased by 4.1% compared to the previous year, having reached JOD 8.1 billion by the end of 2017. Another indicator of performance strength is the increase in customers' trust in dealing with the Bank, which was reflected by the increase of the customers' deposits by 3.2%, reaching JOD 5.8 billion, as well as the 4.1% increase in total direct credit facilities portfolio, which reached JOD 4.5 billion. The capital base was met, as the total equity reached JOD 1.1 billion and was increased by 5.3%.

In 2017, the Bank achieved pre-tax profits amounting to JOD 180 million, and the profits after tax reached JOD 125.2 million. If the non-recurring profits from the Bank's operating activity were excluded, pre-tax profits would have grown by 5% in 2017.

Total Assets JOD 8.1 billion	Increased by 4.1%
Custmers' Deposits JOD 5.8 billion	Increased by 3.2%
Total Credit Facilities JOD 4.5 billion	Increased by 4.1%
Total Equity JOD 1.1 billion	Increased by 5.3%
Capital Adequacy Ratio 17.1%	
Net Loans to Deposits Ratio 72.2%	





2.2 Responsible Finance and Investment

On the basis of its commitment to its responsibilities for achieving and supporting the sustainable economic, environmental and social development in the Hashemite Kingdom of Jordan, in 2017, Housing Bank enhanced its positive role in supporting responsible growth through safe and sustainable financing, and through the support of small and medium-sized enterprises and through responsible investment.

Responsible financing at Housing Bank is based on the risk assessment of potential lenders and potential project investments, taking into consideration factors such as: the application of the rule of "Know Your Customer", and good institutional governance, a strong financial performance, and economic projects and sectors with promising futures.

Housing Bank is looking for suitable financing and investment opportunities, such as financing renewable energy technologies, industrial development projects that foster employment and trade opportunities, supporting small and medium-sized enterprises, and encouraging local entrepreneurs to start new businesses.

The Bank is committed to refraining from financing any activities prohibited under the provisions of the law and international conventions, as well as projects which may have negative social or economic impacts on society or the environment.

Housing Bank has undertaken several projects during the year of 2017, addressing environmental, social and governmental factors, the most important of which are:

Supporting SMEs

Contribute to the establishment of the largest private equity fund in Jordan that aims to support the small and medium-sized enterprises and assume the economic role in promoting social reforms at the national level.

Supporting infrastructure projects

Contribute to the establishment of the Saudi Investment Fund, which aims to invest in infrastructure projects in cooperation with the government, which helps implement these projects, in order to achieve sustainable development by fostering the economy and creating jobs and thus improving society, in addition to the possibility of investing in alternative energy projects, which would promote environmental responsibility.

Financial inclusion

Keeping up with the government direction toward technological development, and implementing the e-Government platform, through investing in companies whose purpose is to facilitate e-payment and (Financial Inclusion), in order to raise the service sector, ease the burden on citizens and enhance social development.

Supporting and activating the local capital market

Supporting and activating the local capital market and starting to activate the institutional investment role (Institutional Investor) that has an impact on the improvement of market efficiency, increased investor confidence and increased trading volumes on the Amman Stock Exchange, as the volume of the Bank's investments in the Amman Stock Exchange has started by expanding the coverage of market companies, using scientific principles and methodologies prepared by the Bank's Research and Financial Analysis Department.

Cooperation with the competent entities to develop the local capital market and contribute to the development of laws and regulations with respect to the mutual investment fund and setting basics to activate the re-purchase agreement (Repo) among banks, ensuring the attraction of foreign direct investment.

2.2.1 Supporting our Customers in Addressing Environmental Risks

Housing Bank has always sought to help its customers achieve their environmental goals, providing products and services that support investments in renewable energy and environmentally friendly projects.

Green Loans

Green loans for private projects that provide environmental benefits for sustainable development have witnessed significant growth over the years 2015-2017, bringing total loans to about JOD 2.7 million by the end of 2017 - more than triple of the total amount in 2016. This confirms the Bank's commitment to implement measures related to environmental improvement and sustainable development through loans to its customers.

Total "Green" loans (JOD)				
	2014	2015	2016	2017
Total value of the "green" assets: Renewable energy, energy efficiency, green buildings, sustainable waste management, clean transport, sustainable water management, adaptation to climate change and Carbon Sequestration Techniques	-	78,539	807,007	2,688,619

Financing Renewable Energy Projects for the Household Sector

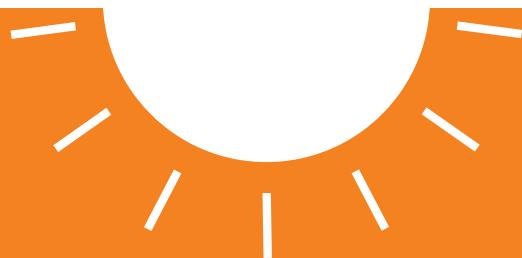
In order to enhance cooperation in the field of financing renewable energy projects, Housing Bank signed an agreement with the Renewable Energy and Energy Conservation Fund in 2017. Under this agreement, the Bank shall be able to grant concessional loans for renewable energy projects, as the Fund shall be bound to pay the interest resulting from these loans on behalf of the beneficiaries of such programs.

The program seeks to expand the umbrella of targeted customers to include customers of the domestic sector and small and medium-sized enterprises for the purpose of installing solar cells or solar heaters, which will positively affect the environment and reduce the total consumption bill in the Kingdom.

2.2.2 Supporting and Developing Micro-Finance Programs for Emerging Small Businesses

Housing Bank aims to expand employment opportunities and contribute to the advancement of economic development by stimulating its role as a responsible financial institution and providing loans to establish micro-enterprises and raise the efficiency of its production.





Loans to Emerging Small Businesses

The Bank continues to work under the Agreement of Loan Risk Guarantee for small enterprises signed with the Jordan Loan Guarantee Corporation, under which the Corporation gives the Bank the necessary coverage of the risks of loans granted by Housing Bank and the financial institutions to small enterprises, as the signing of the agreement came under the belief that the Bank should support the emerging small business sector as one of the most vital and important sectors contributing to supporting the national economy and advancing development.

Mid-term Industrial Financing Program

A program designated to providing suitable financing to the industrial sector, renewable energy sector, tourism sector, agricultural sector and the information technology sector through the Central Bank of Jordan, through directly financing a percentage of up to 100%, as the program gives preferential interest rates lower by about 0.75% for loans granted for projects outside the capital, compared to projects within the capital.

Monetary value of products and services designed to achieve specific social benefit				
	2014	2015	2016	2017
Mid-term Industrial Loans	0	1,529,415	3,562,209	4,598,526

2.2.3 Accessibility to Basic Financial Products

Housing Bank provides a number of products to support low-income individuals; the most important ones are the subsidized housing loan program, supported by Good Houses for Good Living, and the Installment Program.

Good Houses for Good Living

The subsidized housing loan program, which is based on the provision of financing to low-income customers at government-subsidized interest rates, provides that the government will pay part of the interest.

Installment Program

A program that offers the possibility of installments, through personal loans or interest-free credit cards, for customers whose incomes are transferred to the Bank, and who are not able to purchase their personal and household needs.

The monetary value of products and services designated to achieve a particular social benefit	2014	2015	2016	2017
* Decent Housing for Decent Living	40,384,348	41,493,287	41,305,912	40,563,467
**Program of Installment "Advances"	813,244	566,401	403,727	473,071

(*) The figures included above represent the balance of loans granted within 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 customer commitments compared to their incomes.

2.3 Financial Inclusion

As a responsible financial institution, Housing Bank recognises the importance of the role through which it can achieve financial inclusion, awareness and enlightenment of its customers to enhance the building of their financial capacity and support them towards participation in the economy and local community. The efforts of Housing Bank in financial inclusion are:

- Establishing specialised credit centres, which are geographically spread to cover all the less fortunate governorates, to finance small and medium-sized enterprises in the banking sector.
- Holding programs and internal and external courses in order to have some staff members who are specialized in financing small and medium-sized enterprises, in order to enhance the capacities and cope with the recent developments in the mechanisms of financing such projects.
- The strategic partnership with the USAID to hold cultural seminars to target customers in the tourism sector relating to the preparation mechanisms and analysis of financial data and preparation of the necessary documents for submitting an application for getting the necessary financing for the execution of their business.
- Recommending educational courses to customers about e-channels and the mechanism of their use in order to obtain financial services.
- Assigning specialised teams at the Bank's branches to receive customers and educate them on the mechanism of using e-channels.

Housing Bank seeks to make its services and products accessible to all customers, wherever they are located, to meet their various financial needs. The Bank initiated two mobile bus branches and six mobile ATMs to provide the customers with banking services in some of the areas of the Kingdom with no banking services.

Since 1993, the Bank has been educating children, through the establishment of a special branch for them, in order to instil saving habits, develop awareness and culture among future builders, in addition to organizing many leisure and cultural activities for "children customers".

Financial Inclusion	2014	2015	2016	2017
Percentage of New Accounts of Persons Holding Banking Accounts for the First Time*	14.4	9.6	8.8	8.8
Percentage of New Accounts Holding Credit Cards for the First Time**	38.6	46.2	35.6	34.2
Percentage of Total Local for Underprivileged or Less Fortunate Business Sectors***	28.5	28.6	28.5	29.3
Percentage of Loans Granted from Deposits	30.2	32.7	37.8	38.5
Percentage of Bad Loans in the Domestic Lending ****	2.1	2.1	2.2	2.2

*The number of customers dropped in 2014 as a result of the application of the new banking system.

** The increase in cards in 2015 and 2016 is due to the launch of the pre-approved cards campaign

*** The above ratios represent loans granted within the North and South regions of the small companies and retail credit portfolios

**** Ratio of non-performing loans within retail credit portfolio

Children's Branch

The bank believes in the need to continue implementing the pioneering and unique experience launched by the Bank as the first bank to establish a branch for children, located at the Haya Cultural Centre, in order to consolidate the meaning of saving and to develop the awareness and culture of banking in children, through banking transactions trainings in an easy and relaxed manner that contributes to raising children's awareness and expanding their horizons.





2.4 Combating Financial Crimes

Housing Bank is committed to high ethical standards. Its anti-money laundering, bribery and anti-corruption policies aim to ensure that risks identified by the Bank are appropriately mitigated. The Bank has the regulatory systems necessary to monitor and control suspicious transactions and to take the necessary measures, in addition to the training of the various staff in this respect.

The transactions, processes and activities of Housing Bank for Trade and Finance are governed by the provisions of the Combating Money Laundering and Terrorism Financing Law No. (46/2007), and the instructions of the Central Bank of Jordan for Combating Money Laundering and Terrorism Financing processes No. (51/2010), in addition to the laws and regulations relating to the combat of money laundering and the financing of terrorism issued by other countries in which the Bank is located, in the event that these laws or regulations are more stringent than those of the home country (Jordan). The Bank's anti-money laundering and terrorist financing policy apply to the various branches, centres and departments of the Bank and its subsidiaries and affiliates, and in the various countries in which the Bank operates.

The Bank examines about 350 to 400 daily alerts issued through the combatting money laundering system on transactions carried out through customer accounts according to certain parameters. It is worth mentioning that, in 2017, the system of GoAML was applied. GoAML is a system for automating the process of suspicious transactions alerts using a standardized and approved version, where such notifications are submitted to the combatting money laundering and financing of terrorism department.

Housing Bank Financial Crime Risk Policies:

- **Bribery:** Code of Professional Conduct and Work Ethics
- **Corruption:** Policy for dealing with fraud
- **Money Laundering:** Combatting money laundering and financing of terrorism.

2.5 Reducing Environmental Impacts

The Bank believes in the importance of its responsibilities for the protection of the environment and the restriction of its impact. Therefore, it has taken practical and efficient procedures, by decreasing expenses, as a part of the Bank's commitment to sustainable practices to address environmental risks, on the one hand, and to unleash possibilities and opportunities for growth and progress, on the other.

As an outstanding financial institution, the impact of the activities of Housing Bank on the environment are limited, as they are represented in the consumption of paper, water, energy and the production of greenhouse gas emissions.

Housing Bank is committed to promoting a sustainable environment, confirmed by the fact that it is a Platinum member of the Jordan Green Building Council, which aims to expand and increase the green building environment in Jordan and encourage the adoption of green solutions and practices in the planning, design and development of buildings and cities, enabling individuals to have a healthy and sustainable environment. The Bank intends to renew this membership in 2018.

2.5.1 Energy Consumption

The Bank's total direct power consumption results from heating fuel and staff transportation, while the Bank's total indirect power consumption results from electricity consumption.

In terms of direct energy, the Bank's consumption during 2017 witnessed an increase of 18%. This increase is attributed to the increase in the number of branches by four during the first quarter of 2017 and the expansion of areas covered by the six ATMs, and the two mobile branches with large-capacity engines. As to the indirect energy, the consumption of the Bank has been decreased by 9% in 2017.

In this framework, the Bank has taken many steps and procedures in all its utilities (departments and branches) in order to enhance the efficient use of energy and decrease costs. Some of these procedures are:

- Using air-conditioning equipped with the Inverter technique to save the electric energy consumption.
- Replacing the lighting bulbs at the branches and buildings of the Bank with the (LED) bulbs.
- Instructing all the employees of the Bank to set the temperature on the thermostat of the air conditioners at 24 °C for energy savings.

Energy Consumption				
	2014	2015	2016	2017
Total Consumption of Petrol (Liters)	10,465	7,513	14,018	16,401
Total Consumption of Diesel (Liters) (Vehicles + Generators)	40,055	26,397	70,054	82,928
Total Consumption of Electricity (kWh)	18,576,000	14,497,000	16,414,000	14,938,000
Consumption of Electric Energy (GJ)	66,873.6	52,189.2	59,090.4	53,776.8
Energy Density (GJ/Employee)	29.6	22.1	24.7	22.2

2.5.2 Greenhouse Gas Emissions

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

The total greenhouse gas emissions witnessed a decrease of 8.5% in 2017, reaching 11,884 tons, and the intensity of greenhouse gas emissions of every employee reflected a 9.3% decrease.

Greenhouse gases emissions (carbon dioxide equivalents)				
	2014	2015	2016	2017
Direct greenhouse gas (GHG) emissions (Scope 1) (t CO ₂ eq.).	132.2	88.6	221.1	261.3
Indirect greenhouse gas emissions (Scope 2) (t CO ₂ eq.).	14,452.8	11,279.2	12,770.7	11,622.3
Total GHG emissions (t CO ₂ eq.).	14,585.0	11,367.8	12,991.8	11,883.6
Greenhouse gas emissions intensity for every employee (t).	6.5	4.8	5.4	4.9

Since we are working in Jordan, which is in a good position to benefit from the potential of solar energy given that the sun controls most of the year, solar energy plays an increasing role in meeting energy demand. Therefore, Housing Bank currently uses solar systems on a small scale. For example, the Bank has applied a solar energy system with a capacity of 20 Kw. The Bank is currently studying the application of solar cells to generate energy and feed the entire Bank buildings and branches in Jordan, with a capacity of 32 MW, to enhance environmental sustainability for Housing Bank.





2.5.3 Material Consumption

Paper purchases are one of the Bank's biggest environmental impacts. However, as the Bank's increasing digitization trend continues to transform its operations into digital forms, reducing the use of paper and limiting the reliance on paper documents down to a paperless environment will help reduce spending on such materials.

Although the Bank has seen a rise in the number of banking transactions that have been implemented during 2017, paper consumption has nevertheless remained almost at the same level as in 2016.



Paper Reduction Initiatives

- Automation of the policies and procedures system reduced the processing of paper-based transactions and resolutions.
- Automating certain banking transactions, through electronic programs and systems.
- Transforming paper forms used at the Bank into electronic forms.
- Adopting the electronic signature to reduce the use of paper approvals.
- Studying amendment of the Loan Origination System (LOS) for persons to allow adding documents and open sales opportunities after closure so as to be able to make copies of the necessary files for the loans (active file) on the system instead of maintaining paper copies.
- Application of Sharepoint system to automate the transmission of paper-based correspondence, whether within or between branches and departments through the system, rather than on paper.
- Selling / Donating damaged paper to institutions or companies specializing in the recycling of paper.
- Encourage cash withdrawals through ATMs, which reduces the use of paper and cost, as constitute about 74% of total withdrawals.

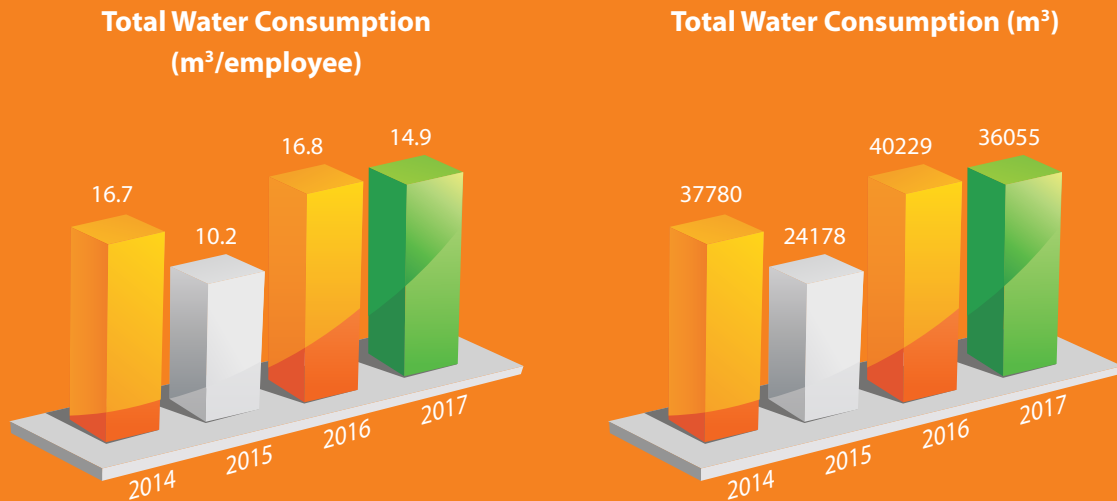
It is worth noting that the Bank purchases recycled A4 paper from a country of origin with environmental certification.

Paper Consumption				
	2014	2015	2016	2017
Total Paper Consumption (kg)	301,576	295,149	304,154	306,282
Total Recycled Paper (kg)	223,955	148,830	136,900	122,932

On the other hand, and as part of the strategy of Device Management, the Bank recycles or donates computer devices, in addition to other old and unused stock or equipment, though still in good condition, for the benefit of institutions or charities. The Bank also replaces old liquid batteries, of all kinds, where providers are contracted on the basis of taking old batteries and destroying them by official means.

2.5.4 Water Consumption

Effective water management has always been a critical issue in Jordan, as the country suffers from scarcity of water resources. As a responsible national institution, Housing Bank is making great efforts to conserve water. The 10.4% decrease in 2017 was the result of the Bank's implementation of water saving initiatives, including focusing on the rationalization of consumption, enhancing awareness, installation of water flow pumps, the maintenance of leak holes in the plumbing systems.



Water Consumption				
	2014	2015	2016	2017
Total water consumption (m³)	37,780	24,178	40,229	36,055
Total water consumption for every employee (m³)	16.7	10.2	16.8	14.9

2.5.5 New Sustainable Headquarters

Housing Bank is currently building a new headquarters in the Shmeisani area, in the capital, Amman, with a modern design that respects the guidelines for sustainable design. The new headquarters, which is expected to be open by the end of 2018, will provide a modern and advanced working environment to provide the best customer service.

The new building area is approximately 78,000 square meters, distributed for the accommodation of 1,200 employees. The Headquarters design provides the Bank with the flexibility and operational efficiency required. The design also features smart facades, with flexible interior systems that allow the Bank to absorb industrial and technological developments without undergoing extensive renovations.

The building is planned to include sustainable elements such as landscape and special constructions that help conserve water and provide shade from the sun. The seven-story complex will house state-of-the-art offices with state-of-the-art technology to provide the best customer service, as well as another four underground floors that will provide service facilities and parking areas.



3 Developing Talent



3. Developing Talent

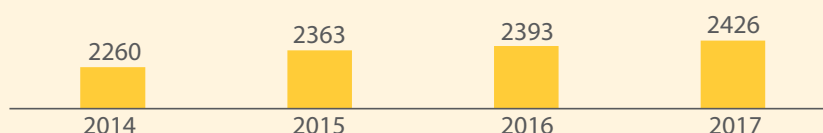
Housing Bank focuses on investing in its human capital and works to provide a satisfactory, safe and healthy work environment that protects the rights of employees, provides them with fair and competitive salaries, encourages them to do their best, develops their professional and personal skills and enables them to communicate and interact with each other, so as to assist in achieving the strategic objectives of the Bank.

The Bank is keen to position the right person in the right place, based on the experience and skills that he/she enjoys. The Bank also seeks to increase the employment opportunities of Jordanian citizens, both women and men, because this reflects positively on both the Hashemite Kingdom of Jordan and the Bank.

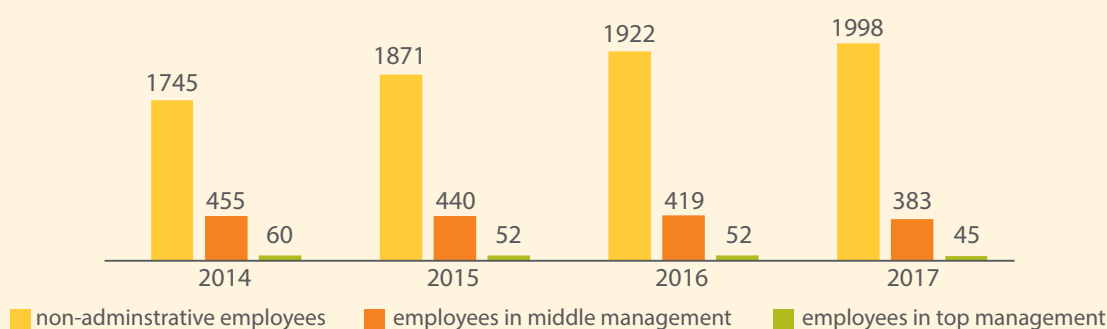
3.1 Our Employees

At the end of 2017, the total number of employees at Housing Bank Jordan reached 2426, representing more than 10% of the total number of employees in the Jordanian banking sector. Over the past four years, as a result of the Bank's outstanding performance, the Bank has significantly increased its staff to meet the increasing demands of the Bank.

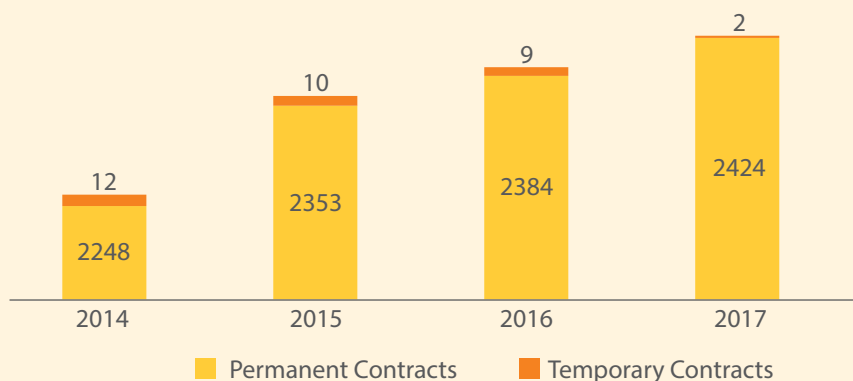
Total Number of Employees

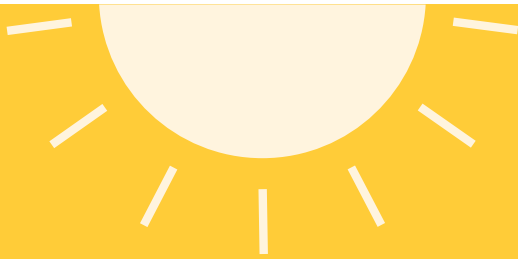


Total Number of Employees Classified by Category



Total Number of Employees Classified by Type of Employment





3.2 Training and Development

As part of the Bank's ongoing efforts to develop and differentiate its staff, the Bank is continuously supporting the training and development of its staff through a range of leading training programs to enhance their potential to meet customer needs and support them in achieving their career objectives.

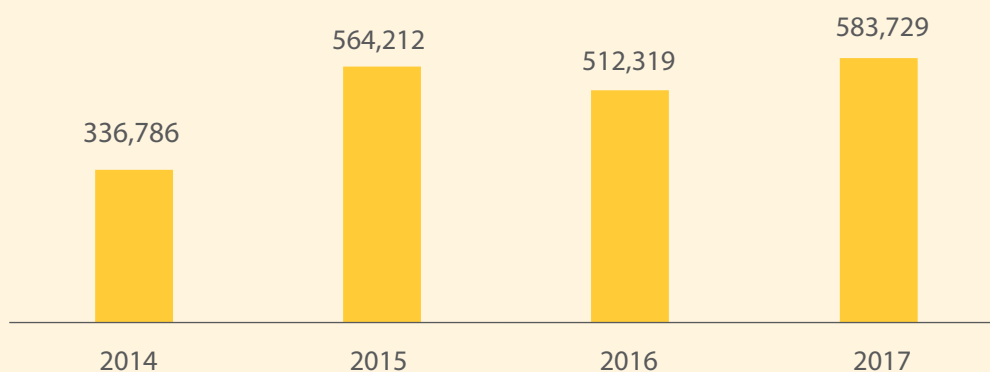
The Bank conducts regular annual reviews for the performance and career development for all employees, where the Bank seeks, through this process, to identify training needs for each employee.

The Bank depends on theoretical and practical training to prepare and qualify employees and raise their professional performance levels to enable them to carry out various banking activities by providing training opportunities in various fields of banking; financial, investment and administrative work; in addition to attending conferences, seminars and specialised forums. Programs and training courses have resulted in nearly 78 hours of training for every employee during 2017.

The Bank also provides training courses to enhance knowledge of environmental and social issues, such as the annual CSR conference, the design and installation of solar energy systems, renewable energy alternatives and others, to develop key staff members who are aware of the importance of the environment and community development.

In 2017, the Bank also enhanced the culture of learning by continuing to send a number of employees, annually, to obtain academic and professional certificates from leading institutes, universities and national and international training centres, according to the principles adopted by the Bank for this purpose.

Total Investment in Training (JOD)



Training (Hours)				
	2014	2015	2016	2017
Average hours of training per employee	33.7	174.7	101.3	78.4
Males	33.2	193.1	113.6	81.1
Females	34.6	143.5	81.2	74.2
Employees aged between 18 and 30 years	102.0	227.4	153.0	109.1
Employees aged between 31 and 50 years	54.7	201.0	95.7	57.0
Employees aged 51 years and above	22.1	38.3	14.0	34.0

Enrolment programs for academic and professional degrees (number of participants)				
	2014	2015	2016	2017
Enrolment for the study of academic certificates	11	11	7	2
Enrolment to study professional certifications in different areas of work at the Bank.	16	15	15	8

Training programs (number of participants)				
	2014	2015	2016	2017
Training programs held in the Bank's Training Centre	2738	1013	1012	2270
Training programs held in cooperation with specialised national training institutes.	461	513	298	165
External training courses held in Arab and foreign countries.	52	48	29	37
Number of participants in internal seminars	1719	574	802	1128

Housing Bank's Training and Development Centre

- The Housing Bank Training and Development Centre has offered and conducted a set of training courses and programs in 2017, the most important of which were:
- Training programs for new employees/tellers, orientation of customer service staff and qualifying the branch managers, training program for staff on Electronic Banking Channels, Customer Centre staff program, EDGE.
- Holding a series of behavioural courses at the bank level, such as customer service excellence, emotional intelligence, creative and constructive thinking and coordination and cooperation with others.
- Holding a set of specialised courses in work fields of branches and departments, the most important of which are: Detecting counterfeiting and forgery, deposits and banking; combatting Anti-Money Laundering and Terrorist Financing; Trade Exchange; advanced skills in financial analysis and prediction of financial failure; and the infrastructure of information technology library.
- Holding the innovative banking solutions forum to enhance competitive banking: Opportunities and challenges in addition to the first forum to enhance leadership and administrative capabilities of those in supervisory positions.
- Maintaining work with Talent Management.

8105 training opportunities for Bank Staff



400 training opportunities in English language instruction

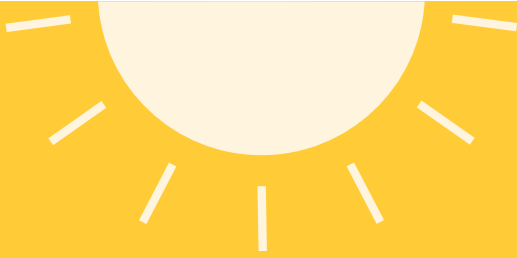
3.3 Competitive Privileges of Employees

The Bank is proud to provide a distinguished set of privileges and bonuses to its employees, without discrimination between males and females, as the Bank's salaries are lucrative and competitive compared to other employees in the Jordanian banking sector. Believing in the importance of maintaining a strong salary scale, the Bank annually studies employee salary improvements.

The Bank has an incentive-based compensation policy that focuses on motivating outstanding performance by allotting around 5% of the profit after tax deduction to be distributed using a special system, which calculates the incentives based on productivity and competencies.

The Bank is also proud to provide a special health insurance program to its staff and their families, with very good financial ceilings. The Bank also has a wide network of doctors, pharmacies, hospitals and health centres accredited and known throughout the Kingdom.



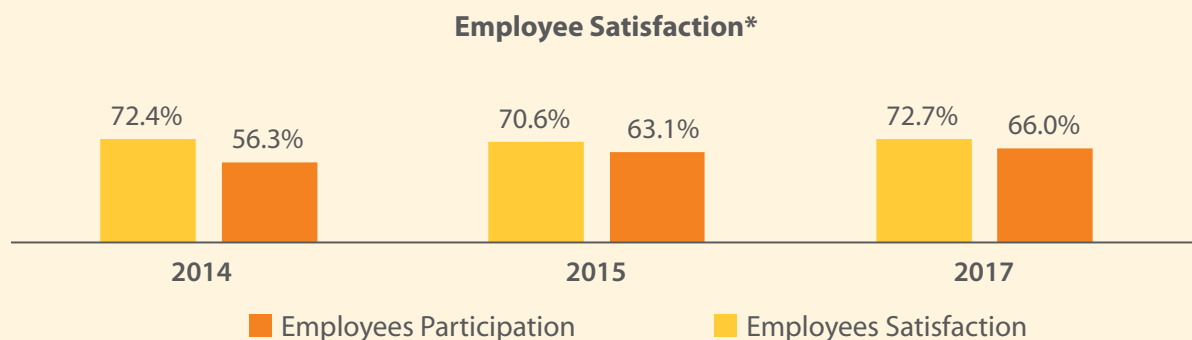


3.4 Employee Engagement

Housing Bank recognises the importance of engaging employees to enhance communication and active participation, so as to increase their satisfaction with work, increase their productivity, performance, and reduce turnover. Housing Bank seeks to maintain an open dialogue and transparent communication channels with all its employees, understanding and responding to their needs on issues of importance to its staff.

The Bank investigates employee satisfaction through an annual survey, which assesses their opinions on various aspects of the business, to enhance the positive aspects, on the one hand, and to identify the obstacles and negative aspects, if any, and try to address them, on the other hand, in order to improve performance and productivity. The Bank urges staff to provide their views with honesty and transparency, as the results will be integrated into the HR Department's work plans to address the challenges posed by the survey.

In 2017, the employees' participation rate to the satisfaction survey was 66%. This result is considered a high percentage compared with the participation rates in some banks in the region, which attests to the superior rate of employee engagement and satisfaction at the Bank, including all positions, categories, and management levels.



* The Bank did not distribute a questionnaire in 2016, due to its focus on restructuring salaries and benefits for employees, in order to satisfy employees.

Housing Bank aims to inspire its employees to think creatively and encourages any suggestions they may have to improve and develop the Bank's working environment through the Suggestion Box. The Bank rewards any suggestions that have been successfully implemented to improve its operations or reduce costs.

Other initiatives implemented to engage employees:

- Organizing periodic group trips (internal and external) through the Bank Social Activity Committee.
- Hosting lunch parties at the end of the year.
- Hosting Ramadan Iftar during the holy month of Ramadan
- Conducting tournaments and annual sports activities.

Internal Grievance Mechanism

Housing Bank provides a number of complaints mechanisms through which the employee can submit complaints related to work, which the Bank processes as quickly as possible. The employee could report complaints through the hotline, which secures the confidentiality of data of the person reporting, or directly through HR and/or an Auditing Department employee. The Bank has a policy for managing complaints of professional misconduct.

Additionally, the Bank has an internal arbitration committee to investigate any discrimination or harassment incidents in the workplace. Necessary procedures are taken according to results of the investigation.

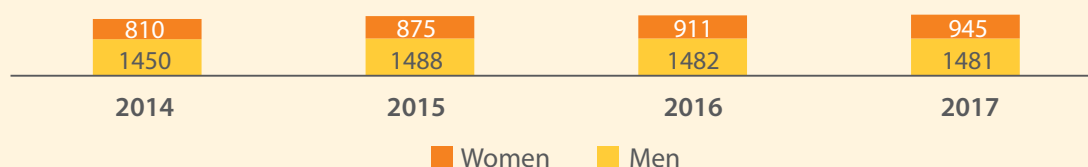
3.5 Diversity and Equal Opportunities

Diversity and equal opportunities are important matters in the work environment of Housing Bank. The Bank is keen to provide an environment that welcomes, respects and appreciates differences, as these are transformed into diverse experiences and benefits, and Housing Bank embraces the principles of diversity, integration and equal opportunities in all of its workplaces (Branches and Departments) from the top to the bottom of the career ladder, so as to provide a better working place for everyone. The Bank realizes that different points of view help improve work, generate a spirit of innovation and enhance the Bank's reputation as a preferred choice for employees.

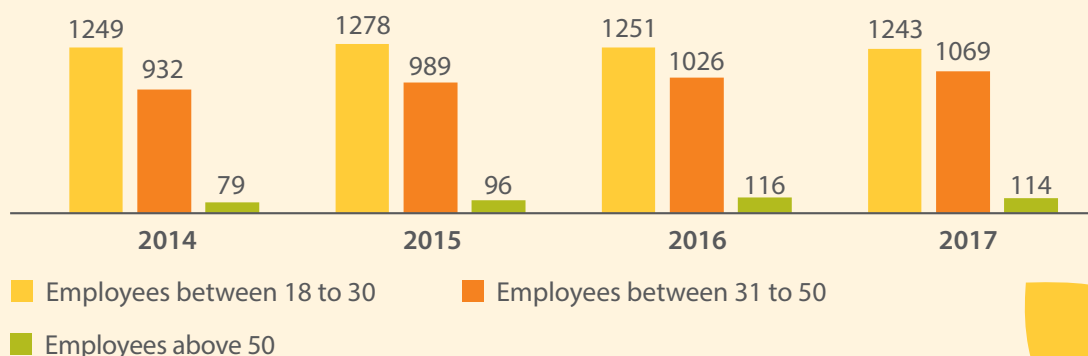
Housing Bank treats all employees equally, without consideration of race, religion, gender, disability, social status, age or otherwise. The Bank does not tolerate any kind of discrimination, harassment, teasing or any other offensive deeds, for any reason whatsoever.

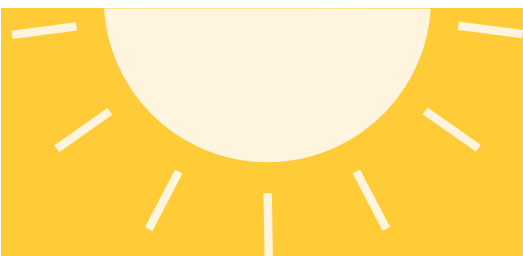
In 2017, young people between the ages of 18 to 30 constituted 51% of the total workforce in the Housing Bank. The Bank also seeks to recruit more females, where female employees in the Bank constitute 39% of the Bank's staff, representing a slight improvement in the Bank's performance as compared with 2016.

Workforce According to Gender

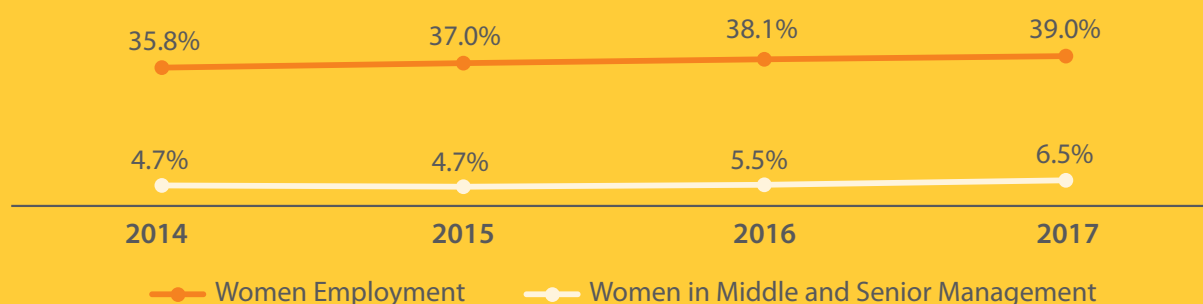


Workforce According to Age





Women Participation in Workforce



3.6 Safe, Healthy, Stable Work Environment

Housing Bank seeks to provide a safe, healthy and happy work environment that achieves the highest levels of satisfaction. Maintaining the health and safety of all staff is considered one of the Bank's highest priorities. To this end, the Bank is committed to maintaining a healthy and safe environment, including good lighting and ventilation inside different buildings of the Bank.

For the safety of staff, the Bank is issuing circulars that include awareness messages and general advice, when needed. The Bank covers cancer insurance for all its employees, via one of the King Hussein Cancer Foundation programs.

In addition to the foregoing, the Bank is supporting female employees to balance motherhood responsibilities and their jobs by granting 70 days of maternity leave. In 2017, 112 female employees took maternity leave and returned to work after the leave. This means that the percentage of return to work is 100%, which confirms, by evidence, that the Bank secures a balanced life for its staff.

Maternity Leave				
	2014	2015	2016	2017
The total number of employees who have the right to maternity leave	80	77	89	112
Percentage of employees returned to work after maternity leave	100%	100%	100%	100%

3.7 Employee Recruitment and Retention

Housing Bank seeks to be an Employer of Choice for those who seek job opportunities within the banking sector; therefore, the Bank implemented the following initiatives:

- Participating and sponsorship of job fairs held by the leading companies in the field of employment, academia, or the Ministry of Labour to recruit the most qualified candidates.
- Recruiting distinguished recent graduates from universities - local, Arab and international institutes - and recruiting the best qualified professionals with expertise in the labour market.
- Providing a modern and advanced employment window through the Bank's website so that those wishing to work in the Bank would be able to submit their applications.
- Updating and developing the Bank page on LinkedIn, a social media site which is mainly used as a professional communication network, and publishing circulars about required jobs.
- Enhancing relations with the official universities, through the Bank's request for periodic reports on their graduates, in order to attract outstanding students in specializations related to the Bank's work.

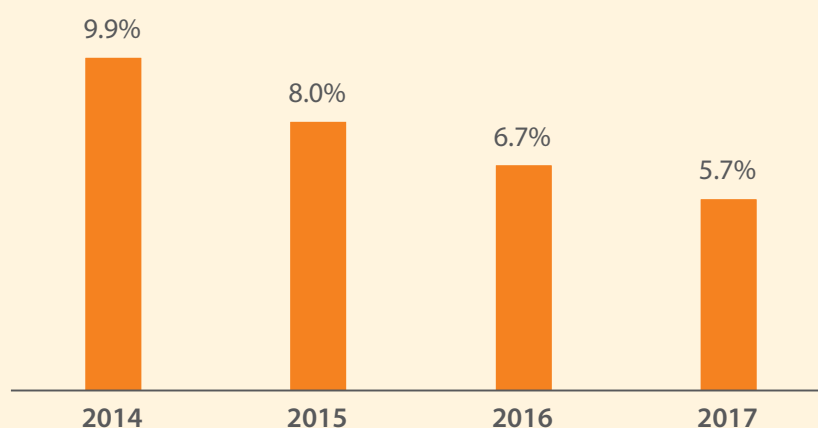
In 2017, the Bank focused on the recruitment of women and youth. The recruitment percentage of women is about 44% of the total number of new employees, whereas the recruitment percentage of youth aged between 18-30 was about 94%.

Recruitment				
	2014	2015	2016	2017
Number of newly recruited employees	286	259	220	177
Males	176	143	122	99
Females	110	116	98	78
Employees aged between 18 and 30 years	275	253	202	166
Employees aged between 31 and 50 years	11	6	15	10
Employees aged 51 years and above	0	0	3	1

The turnover rate took a positive curve, as it dropped from 9.9% in 2014 to 5.7% in 2017-- a positive index by which to measure the Bank's success regarding retention of its employees, on the one hand, and employee satisfaction, on the other hand.

Turnover by age and gender				
	2014	2015	2016	2017
Males	9.5%	8.4%	7.4%	6.1%
Females	10.6%	7.4%	5.5%	5.1%
Employees aged between 18 and 30 years	11.0%	3.6%	7.2%	5.4%
Employees aged between 31 and 50 years	8.0%	1.8%	4.7%	4.0%
Employees aged 51 years and above	13.9%	1.0%	19.0%	24.6%

Employee Turnover Rate





4 Helping Create a Positive Social Impact

4. Helping Create a Positive Social Impact

Housing Bank plays an effective role in creating a positive social impact, which contributes to the social and economic development of local societies, creates shared values and strengthens society as a whole.

4.1 Investment in Our Local Community

Over the past 45 years, Housing Bank has been an integral part of Jordanian society. The Bank has been able to serve the cases of its society and enhance its community responsibilities towards individuals and community institutions through its support and sponsorship of many social, humanitarian, charitable, educational, health and environmental activities, as well as support of economic meetings and conferences. Institutions and associations, supported and sponsored by the Housing Bank, have increased to more than 100 institutions and associations during 2017, to reach the targeted groups.

Over the last four years, the Bank's social contribution in Jordan has exceeded JOD 9 million, or 2.3% of the Bank's profits after tax.



Voluntary, Charity and Social Activities

The Bank has contributed to the support of a number of institutions that deal with voluntary, charitable and social activities, including:

- Jordan River Foundation (JRF)
- Tkiyet Um Ali
- SOS Children's Villages.
- Zein Al Sharaf Association for the Care of Orphans.
- The Jordanian Hashemite Fund
- Al-Aman Fund for the Future of Orphans

The Bank also contributed to supporting and sponsoring traffic awareness activities and road safety initiatives that contribute to the success of the national strategy to reduce traffic accidents and promote traffic awareness among the various segments of society.

As a result of the Bank's commitment to its social responsibility towards our armed forces and security agencies, and the Bank's firm belief in its role in our homeland security and expressing its gratitude to the martyrs who sacrificed their lives for the protection of the homeland, the Housing Bank has supported the Fund for the families of the mothers of the martyrs.





Health Initiatives

The Bank has participated in many activities to support healthcare and assistance institutions and bodies concerned with medical and healthcare, such as: King Hussein Cancer Centre Foundation, Jordan Medical Aid for Palestinians, Cerebral Palsy Foundation, in addition to regular blood donation campaigns in cooperation with the Blood Bank and support of healthcare conferences.



Education Initiatives

The Bank has sponsored many activities and programs organized by schools and universities on various occasions and presented annual scholarships to distinguished students, including the Nuqul Educational Foundation and the Princess Sumaya University Scholarship.

It is worth noting that the Bank is training 200 students annually, so as to equip them with the necessary skills in banking and financial businesses.



Culture and Art Initiatives

The Bank has contributed to supporting the cultural, intellectual and artistic activities in the Kingdom because it believes that culture is an important criterion for measuring the development of nations and peoples and is a vital tool in building minds capable of participating in the development and prosperity of the nation at all levels. Examples include the Royal Society of Fine Arts, Jerash Festival, Haya Cultural Centre, Zaha Cultural Centre, Spring Festival, and Ramadan Festival (Boulevard).



Sports Initiatives

Housing Bank demonstrates its interest in the sports sector through its continuous support of various sports teams of all ages and categories, contributing to the development of the sports sector in the community. The Bank participates through the five-a-side football team in many local tournaments, in addition to sponsoring many sporting events for school students.





Initiatives to Support Economic Forums and Conferences

Housing Bank supports public economic conferences and conferences held by the universities, and participates in the work of these conferences through the presentation of specialised working papers and the preparation of an integrated suite for the various services of the Bank.

The Bank also contributes actively to public economic conferences and meetings held to discuss economic, investment and financial issues, in order to enhance national capacities in these fields.

The Bank's contribution to supporting these activities is not limited to providing financial and logistical support, but the Bank often participates in working papers presented at these conferences by experts and specialists from the Bank's employees, in addition to its active participation in the committees emanating from these conferences.



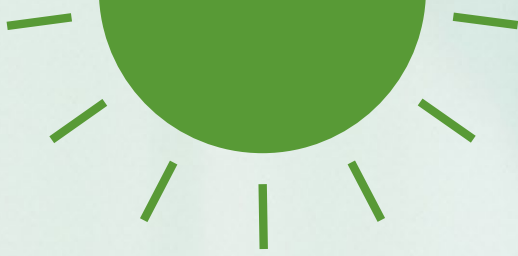
4.2 Local Procurement

The nature of the Bank's business as a financial institution includes most of the procurement expenditure on office devices, computers, softwares and stationery tools. However, the Bank realizes the impact of procurement expenditures to support the development and growth of local businesses within the supply chain (supplies). The Housing Bank is taking extensive measures to support local suppliers and positively impact the growth of the local economy and job creation.

In 2017, total procurement expenditures on local suppliers amounted to 99% of the total procurement expenditure, supporting 214 local suppliers through its network.

Local Procurement				
	2014	2015	2016	2017
Total number of enrolled suppliers	198	203	205	219
Total number of enrolled local suppliers	193	198	200	214
Total procurement expenditure (JOD)	7,760,251	10,713,673	8,555,811	11,386,762
Total procurement expenditure on local suppliers (JOD)	7,587,519	8,860,746	8,226,783	11,250,061
Expenditure on local suppliers	98%	83%	96%	99%





5 Serving Customers for a Better Financial Future

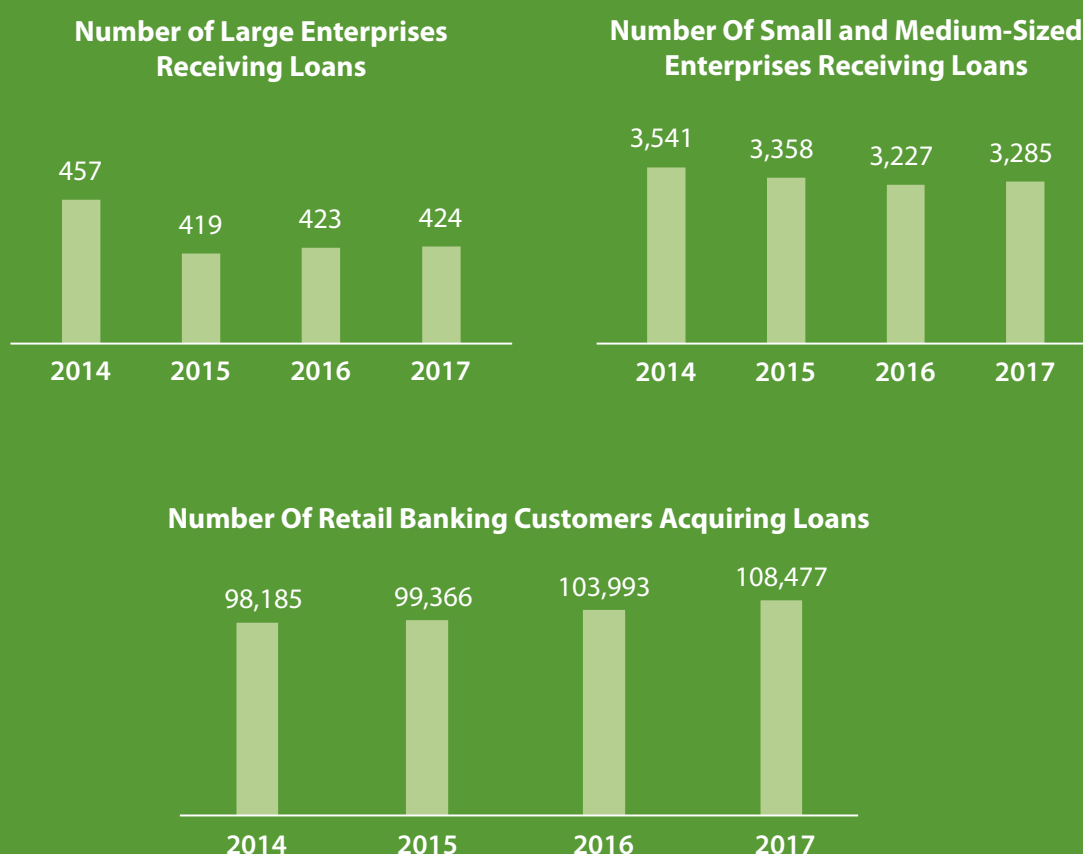


5. Serving Customers for a Better Financial Future

Housing Bank has the largest customer base of the Jordanian banking sector, where the number of its customers (depositors and borrowers) from individuals and companies was approximately 655,000 in 2017. With this broad base of customers, Housing Bank places top priority on care, helping customers to thrive and grow, meeting their multiple needs and desires, and making their banking services easier while ensuring their privacy.

5.1 The Housing Bank Customers Acquiring Loans

Housing Bank is committed to providing help to its customers for the achievement of their objectives, as the success of its customers determines its own success. In 2017, the Bank witnessed good growth in its customer base, with 4.3% for consumer banking customers and 4.7% for small enterprise customers, while the number of small and medium-sized customers and customers of large companies maintained the same level as that of 2016.



Value of loan portfolio (JOD million)				
	2014	2015	2016	2017
Individuals	997	1,114	1,295	1,379
Small and medium-sized companies	131	146	157	149
Large companies	862	1,421	1,659	1,820



5.2 Enhancement of the Local Banking Network

In 2017, the Bank opened four new branches in several vital locations inside the Kingdom, maintaining its leading position in the Kingdom with regard to numbers of branches, totaling 130 branches, with a market share of 15%, as part of the strategy approved by the bank to enhance its local branches network for reaching its customers in different areas. It is worth mentioning that the branch network includes two mobile bus branches and a branch for children, which are the first branches of their kind in Jordan.

As part of enhancing the ATM network, the total number of ATMs operating was 229 by the end of 2017 distributed in strategic sites all around the Kingdom. Thus, the Bank keeps its leading position in the Jordanian banking market, with a market share of 14%. Moreover, the Bank has worked to enhance the usage of ATMs, which offer direct cash deposit services, and machines operate with iris recognition, with no need to use cards, as well as six mobile ATMs that provide banking services to areas not covered throughout the Kingdom.



5.3 Various Attainable Services

The Bank is committed to providing diverse services, providing the best possible banking experience to all its customers and maintaining open channels to meet the needs and growing expectations of its customers in accordance with the highest international standards. The Bank has a number of channels that make it easier for customers to access its services and products at any time; these are as follows:

• Traditional Distribution Channels

- Branches network: 130 branches, including two mobile bus branches
- ATM network: 229 machines, including six mobile ATM vans

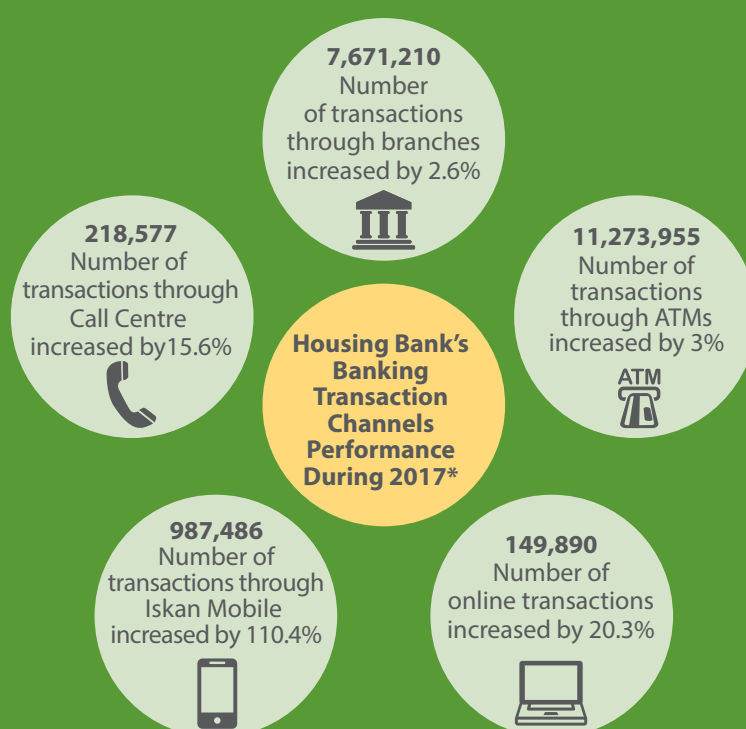
• Electronic Distribution Channels

- Iskan Online
- Iskan Mobile
- Iskan SMS
- Call Centre

It is worth noting that the Bank is keen to provide its services during the evening, enabling customers to complete their banking transactions comfortably and easily. In 2017, the working hours in some branches were extended from Saturday to Thursday. These branches are: Al-Wehdat, Tareq, New Zarqa and Sweileh.

The Bank offers its evening banking services through its seven branches located in the shopping centres 'Malls' in order to enable shoppers and visitors to these malls to complete their various banking transactions. These branches are: City Mall, Abdali Mall, Park Plaza, Taj Mall, Galleria Mall, Shuwaikh Mall / Aqaba, and Irbid Mall.

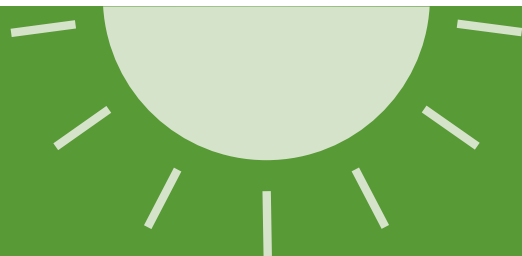
Working hours in these seven branches extend to include all days of the week, including "Fridays, Saturdays, public holidays and official feasts". The public service period extends from 10:00 a.m to 10:00 p.m, excluding Fridays, where transactions start at 2:00 p.m.



*Number of transactions represents the number of financial transactions, excluding the Bank Call Centre transactions, which represent incoming calls.

Number of transactions through different distribution channels				
	2014	2015	2016	2017
Number of online transactions (E-Commerce)	95,477	107,762	124,590	149,890
Number of transactions through mobile phones (Iskan Mobile)	103,754	153,733	469,373	987,486
Number of transactions through Call Centre	-	-	189,041	218,577
Number of transactions through ATMs	10,037,222	10,782,065	10,950,800	11,273,955
Number of transactions through branches	6,843,910	7,564,750	7,475,261	7,671,210





5.4 Establishing Permanent and Balanced Relationships with Our Customers

Through daily interactions with customers, the Housing Bank recognises its ability to help customers reach their goals, and the Bank looks forward to adding real value to its customers' lives by providing fair transactions, specialised assistance, guidance and advice.

The Bank seeks to fully understand its customers' needs and aspirations, before providing any service or product to them, and is committed to ensuring customers get all the information they need to make decisions about their financial resources.

In 2017, Housing Bank organized a seminar on payment mechanisms applied by the Bank through its electronic channels to its corporate customers, operated by "E- Fawateercom". During the seminar, payment mechanisms were explained and illustrated in detail, with the participation of the major bank customers, as well as officials and experts of the Central Bank of Jordan, Income & Sales Tax Department, Jordan Customs and Social Security Corporation.

The Bank has enhanced its relations with its current customers and built new business relations with targeted customers, by means of monthly field visits by its Area Managers.

5.5 Customer Satisfaction

Housing Bank seeks to provide the best banking experience possible to its customers and is keen to maintain open channels of communication to receive feedback, views and complaints of customers, to understand their needs and growing aspirations and to be able to develop its products and services. Thus, the Bank provides four channels to receive such feedback, opinions and complaints, which are:

- Electronic Website.
- Customer Care Centre (Call Centre)
- Social Media Networks.
- Complaints Section (Compliance Department)

The Bank takes prompt procedures to deal with inquiries and complaints of customers to provide them with the best service and to show appreciation to its customers. During 2017, the Bank handled 218 complaints in respect to different aspects. Reports were raised to High Management, Board of Directors, Central Bank of Jordan, including the procedures of complaints processing. The Bank will continue to examine any non-compliance cases and use them to reduce the possibility of their recurrence in the future.

In order to ascertain the level of satisfaction of the Bank's customers with its various products and services, the Bank continued to prepare studies in 2017 to assess the level of services offered to customers, such as the Mystery Shopper and the customer satisfaction survey, through the use of specialised consulting firms to conduct opinion surveys. Many questionnaires were compiled to assess employees' knowledge of the Bank's products and services, in addition to direct communication with the Bank's customers, identifying the main obstacles facing them, studying the reasons, submitting daily and weekly reports on a regular basis, and working to solve them through cooperation between the concerned departments in the Bank. This contributed to the development and improvement of the level of service provided, and the relationship between the Bank and its customers.

Customer satisfaction in 2017 was about 83.5%, which is higher than the 2014, 2015 and 2016 levels of satisfaction.

Customer Satisfaction	2015	2016	2017
Customer Satisfaction in General	83.2%	83.1%	83.5%
Satisfaction with the performance of Bank employees	87%	84.4%	85.6%
Satisfaction with deposit and withdrawal procedures	85%	88.4%	88.3%
Satisfaction with Personal Loan Services	77%	80.0%	81.3%
Satisfaction with Credit Card Services	90%	79.0%	80.1%
Satisfaction with online banking services (Iskan Online)	79%	78.0%	82.6%
Satisfaction with ATMs	93%	84.0%	89.2%
Satisfaction with the Iskan Mobile application on smart phones	72%	78.2%	83.6%

According to the mystery shoppers study, the public performance rate of the Housing Bank reached 85.5%, compared to 82% for the Jordanian banking sector.

Mystery Shopper	2014	2015	2016	2017
Mystery Shopper Study	78.5%	65.4%	72%	85.5%

To ensure the quality of the service, the Bank has developed a new indicator to measure the prompt response to incoming calls to Call Centre, with a ratio of 85% of the total calls received during standard time (90 seconds). At the end of 2017, the Bank recorded 87%, as it exceeded the target by 2%.

5.6 Rewards for Customer Loyalty

Housing Bank is committed to rewarding customers for their loyalty and trust in its innovative services and products, as the bank provides several programs, including various awards and prizes, the most important of which are:

- Savings Account Prizes System adopted by the Bank since 1977. On the 40th anniversary of the inauguration of this Prizes System, the Bank launched the "nothing is far away...your dream is at hand" campaign as prizes awarded by the Bank exceeded JOD 7 million, while the grand prize for the campaign at the end of the year was worth 1,250,000 Dinars.
- "Fixed Deposit Accounts with Prizes"; the first of its kind in the Jordanian banking sector, allowing new fixed deposit account holders to obtain competitive interest rates and have a chance to win weekly cash prizes. The higher the deposit balance, the greater the chances for depositors to win.
- Rewards Program of credit card holders Loyalty Program, which enables its holders to gather points for using the card on every local or international purchase transaction and then redeem such points with a cash reward deposited in the card's account, or as an in-kind reward from some well-known restaurants and shops.

5.7 Communication Channels with Customers

In order to communicate with its broad customer base and deal with them clearly and transparently, the Bank enables customers to communicate with it through large-scale social networking sites, the most important of which are: Facebook, Twitter, Instagram, LinkedIn and YouTube.

Through these sites, the Bank aims to communicate effectively and continuously with customers and the public by responding to inquiries, comments and keeping them constantly informed about all the services and products provided by the Bank and to enhance the Bank's image.

5.8 Operational Excellence

The privacy of customers and the security and confidentiality of their information and data are of particular importance to the Housing Bank. The Bank is careful to avoid any loss or disclosure of such information and data. Within this framework, the Bank obtained the following certificates:

- Certificate of ISO 9001 in relation to international quality
- Certificate of ISO 22301 in relation to business continuity.
- Certificate of compliance with the requirements of the Universal Card Board PCI DSS.
- Certificate of ISO 27001 in relation to information security management.



6 Innovation and Digital Excellence



6. Innovation and Digital Excellence

The Housing Bank believes that the future of its banking services is based on its ability to work with sufficient flexibility and skill required in the field of digital technology. In 2017, the Bank made great strides in this direction, providing integrated and comprehensive solutions that ensure the best and most efficient services to users. In addition, the Bank enables customers to complete their different banking transactions faster and more securely, as follows:

6.1 The Use of Digital Technology to Improve Customer Experience

As part of its plan to provide customers with the best banking experience, the Bank has developed electronic banking channels. In line with the latest developments in banking technology, the Bank has developed the banking channels through the "Iskan Online" portal and the "Iskan Mobile" application, in addition to "Iskan SMS" and the "Call Centre".

As a result of the improvements made by the bank on its e-banking channels to increase the efficiency of its use, these channels witnessed a remarkable development in 2017, which was reflected in the growth of the banking transactions performed through such channels.

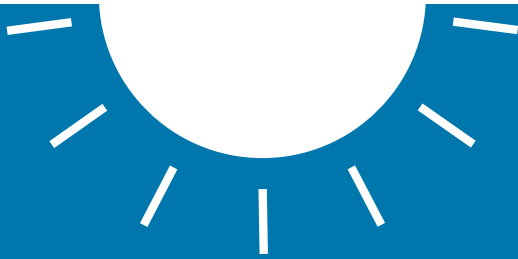
Electronic Bill Display and Payment

The Bank has launched an online bill display and payment service, "E- Fawateercom", through Iskan Online, which is based on allowing the Bank's customers to review and pay service bills and government and private payments, through the E-Fawateercom service. This service is also available through branches, ATMs and Iskan Mobile.

Payment service of installments through the 'E- Fawateercom system'

Customers who have credit facilities from the Housing Bank can pay their installments through any site that offers E- Fawateercom service, by connecting with the system (HBTF as a biller), which is available at all Jordanian banks operating in the Kingdom, in addition to the Jordanian post office branches, Customer Service Centre at the branches of Carrefour and Safeway, without the need to check the branches of the bank for payment of installments.





6.2 Leadership in Digital Innovation

In line with the latest developments in banking technology in 2017, the Housing Bank continued to develop its electronic, multi-digital and enhanced self-service to customers, 24 hours a day, without interruption, through the application of Iris Recognition, in order to reduce fraud, impersonation, identity fraud and to provide greater security, convenience and speed when conducting banking transactions. This allows customers to perform many banking transactions within certain branches and ATMs without having to provide proof of identity or use an ATM card, confirming the Bank's eagerness to use the latest information technology in banking in general.

"Mobile Bus Branch" and "Mobile ATMs"

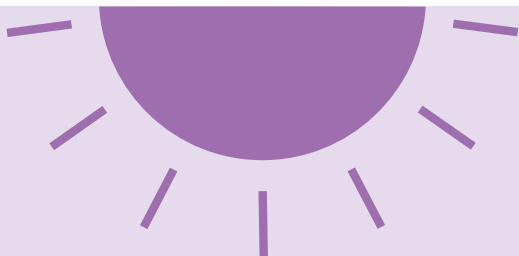
Within the framework of the Bank's internal branching strategy for reaching customers at various locations and pursuing the Bank's management to provide banking services and products to existing and potential customers as possible, in all regions of the Kingdom, the Bank has, for the first time in Jordan, managed to operate "mobile bus branches" (2 buses), which were provided with the latest decorations, office equipment and automated systems that are compatible with advanced banking.

It is worth mentioning that the "two mobile branches" operate on weekdays, including holidays and feasts, from 8 am to 6 pm. The operation initiative of these branches is a realistic interpretation of the Bank's strategy to reach customers wherever they are, and to provide them with efficient services and banking products to meet their needs and expectations.

The Bank's management hopes that this will enhance the Bank's local presence and deepen its role in the economic and social development process throughout the Kingdom. The network of branches throughout the Kingdom will remain a permanent attraction for maintaining existing customers and attracting more targeted customers.

It is notable in this field that the Bank has operated six Mobile ATM vans in all regions of the Kingdom, providing ATM service to customers in all regions not supported with branches or ATMs, so as to enable the Bank's customers to access ATM services easily.





7 Annexes

7. Annexes

Annex A: The Report Scope and Boundaries

The Report Scope and Boundaries

The data and disclosures in this report are related to all the basic processes and procedures that fall within the scope of the Housing Bank's business in Jordan, unless otherwise stated. It does not contain any data relating to joint ventures and contractors, unless otherwise specified. The report includes ongoing initiatives launched by the Bank over the past years.

Content Selection Process

In line with the reporting guidelines developed by the Global Reporting Initiative, the Housing Bank uses four steps to assess the material issues: 1) Identify relevant issues. 2) Identify priority issues, depending on the impact for the company and stakeholders and the consequences thereof. 3) Verification of priority issues and identification through review and assessment. 4) Annual Review of content. Initial assessments on disclosure issues included disclosure of (GRI), and then the list was merged into the 17 issues that were put forward under the issues on page 11.

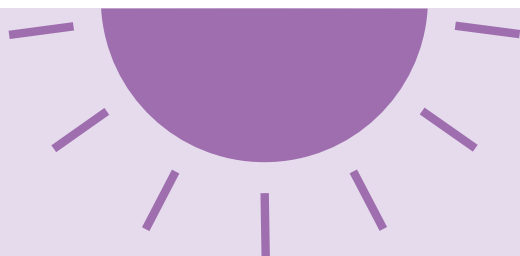
Reporting Cycle

Performance data mentioned in the report covers the period from 1st of January to 31th of December.

External Assurance

The report has not been externally audited or assured.





(GRI 102- 42)

(GRI 102- 43)

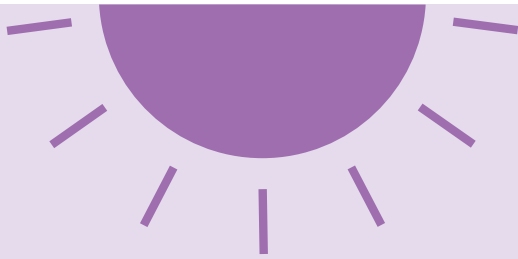
(GRI 102- 44)

Annex B: Stakeholders' Engagement Map

Stakeholders	Stakeholders' Priorities	Communication Channels	Housing Bank Response
Customers The Bank's customers are about 696,400 customers, for individuals (depositors and borrowers), in addition to more than 3,000 small and medium-sized enterprises and 424 large corporates that use the banking services for companies, treasury and investment	<ul style="list-style-type: none"> • Excellent and easy service access • Innovative Services • Keeping in touch with the latest services and new offers • Transparency, clarity and easy access of information, in relation to services and products that match their needs • Information Security and data protection • Using safe and easy electronic banking services • Competitive fees and prices • Experience in financial planning 	<ul style="list-style-type: none"> • Branches • Customer Care Centre • Banking services through the Internet and mobile phone • Website • Social media channels. • Annual customer satisfaction questionnaires 	<ul style="list-style-type: none"> • Direct dialogue with customers in personal meetings, in our branches, through social media and other contact points, such as Facebook and Twitter • Printing machines of instant card printing machines through main branches
Stockholders Success and growth of the Housing Bank depends on its ability to attract investment at the local and international levels. The Housing Bank's stockholders provide necessary funds for sustainable growth and they provide consultation at the strategic level. We are committed to delivering sustainable long-term revenues to investors in a growing range of diversified markets	<ul style="list-style-type: none"> • Strong Financial Performance • Increase of shares price and profits • Investment in growth, innovation, diverse products and new markets • Dynamic Risk Analysis and Management • Transparency and disclosure • Positive Trademark 	<ul style="list-style-type: none"> • Board of Directors meetings • Annual and quarterly reports • Administrative Summaries • Meetings of the General Assembly 	<ul style="list-style-type: none"> • Annual and quarterly reports • Net income growth

Employees Our labour force includes more than 2,400 employees in Jordan.	<ul style="list-style-type: none"> • Multiple engagement channels with the Bank • Security and job satisfaction • Competitive salaries and privileges for employees • Opportunities for development, growth and skills development • Harmonious and attractive work environment • Health and Safety 	<ul style="list-style-type: none"> • Annual questionnaire about engagement of employees • Open Meetings • Comprehensive training and development that provide several opportunities for overall improvement • Insurance coverage for all employees • Communication channels with management • Fairness and equal opportunities • Rewards • Human Resources Policy • Evaluation, moral and material rewards • Workshops • Internal publications and circulars 	<ul style="list-style-type: none"> • Individual Development Programs • Career progression and career choices • Awareness-raising sessions on bank policies and procedures • Health Campaigns, because we care about our employees, through following a healthy lifestyle inside and outside the Bank • Employees replacement plans
Regulatory and Supervisory Bodies (Central Bank of Jordan, Securities Commission, Companies Control Department.)	<ul style="list-style-type: none"> • Compliance with all legal and regulatory requirements • Customer protection • Consistency with the national vision 	<ul style="list-style-type: none"> • Regulation and Laws • Monthly reports submitted to supervisory bodies • Supervisory reviews • Code of Conduct 	<ul style="list-style-type: none"> • Reports of Audit and Compliance Departments with respect to legal requirements • Monthly reports submitted to supervisory bodies
Society We seek to enable socio-economic development across our network	<ul style="list-style-type: none"> • Creating job opportunities • Enrichment of local human resources • Development of small and medium projects • Financial Education • Financial Inclusion • Environmental Care 	<ul style="list-style-type: none"> • Community responsibility activities 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 portfolio, electronic cash card • Short and long-term training, on-the-job training and professional awareness programs
Suppliers and Business Partners (We involve more than 200 suppliers and contractors to support our operations)	<ul style="list-style-type: none"> • Invitation to bid with full transparency and fairness • New job opportunity • Open Communication Channels 	<ul style="list-style-type: none"> • Tenders and bids • Contracts and agreements 	<ul style="list-style-type: none"> • Keeping a fair and competitive choice • Maintaining cooperative relations, with common interests





Annex C: GRI Standards Content Index

This report has been prepared in accordance with the GRI Standards: Core option.

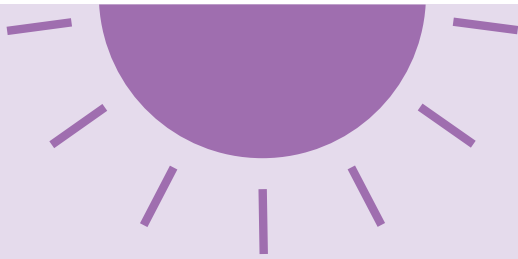


GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	Organizational Profile	
	102-1 Name of the organization	Housing Bank for Trade and Finance
	102-2 Activities, brands, products, and services	7
	102-3 Location of headquarters	7
	102-4 Location of operations	7
	102-5 Ownership and legal form	7
	102-6 Markets served	7
	102-7 Scale of the organization	7, 21
	102-8 Information on employees and other workers	31
	102-9 Supply chain	41
	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	15-18
	102-12 External initiatives	47
	102-13 Membership of associations	22, 26
	Strategy	
	102-14 Statement from senior decision-maker	4 - 5
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	https://www.hbtf.com/ar/VisionandMission

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	Governance	
	102-18 Governance structure	13 - 15
	Stakeholder engagement	
	102-40 List of stakeholder groups	11
	102-41 Collective bargaining agreements	Currently, there are no data on the percentage of total employees covered by collective bargaining agreements. However, such information will be included in subsequent reports.
	102-42 Identifying and selecting stakeholders	11, 54 - 55
	102-43 Approach to stakeholder engagement	54 - 55
	102-44 Key topics and concerns raised	54 - 55
	Reporting practice	
	102-45 Entities included in the consolidated financial statements	Financial statements include the activities of Housing Bank. No other entity is included.
	102-46 Defining report content and topic Boundaries	53
	102-47 List of material topics	11
	102-48 Restatements of information	None
	102-49 Changes in reporting	None
	102-50 Reporting period	53
	102-51 Date of most recent report	2017 Sustainability Report
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	Mohammad Melhim, mmelhim@hbtbf.com.jo
	102-54 Claims of reporting in accordance with the GRI Standards	56
	102-55 GRI content index	56-61
	102-56 External assurance	Housing Bank does not seek external assurance for its sustainability report.

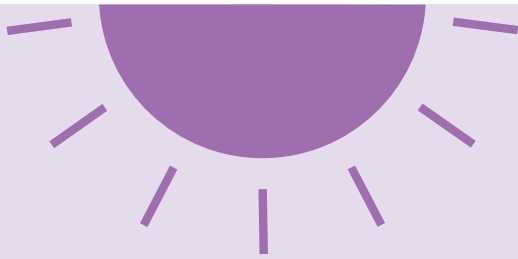




GRI Standard	Disclosure	Page number(s) and/or URL(s)
Material Topics		
GRI 200 Economic Standard Series		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	21
	103-2 The management approach and its components	21
	103-3 Evaluation of the management approach	21
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	21
	201-2 Financial implications and other risks and opportunities due to climate change	33
	201-4 Financial assistance received from government	No financial assistance is given by the government.
Indirect Economic Impacts		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	22
	103-2 The management approach and its components	22
	103-3 Evaluation of the management approach	22
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	22
Procurement Practices		
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
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	41
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	14-16
	103-2 The management approach and its components	14-16
	103-3 Evaluation of the management approach	14-16

GRI Standard	Disclosure	Page number(s) and/or URL(s)
Material Topics		
GRI 200 Economic Standard Series		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	14-16
	205-2 Communication and training about anti-corruption policies and procedures	15
	205-3 Confirmed incidents of corruption and actions taken	There were no confirmed incidents of corruption with employees and business partners. There were no public legal cases regarding corruption brought against the organisation or its employees during the reporting period.
GRI 300 Environmental Standards Series		
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-27
	103-2 The management approach and its components	27
	103-3 Evaluation of the management approach	27
GRI 302: Energy 2016	302-1 Energy consumption within the organization	27
	302-2 Energy consumption outside of the organization	27
	302-3 Energy intensity	27
Water		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	29
	103-2 The management approach and its components	29
	103-3 Evaluation of the management approach	29
GRI 303: Water 2016	303-1 Water withdrawal by source	29
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-27
	103-2 The management approach and its components	27
	103-3 Evaluation of the management approach	27
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	27
	305-2 Energy indirect (Scope 2) GHG emissions	27
	305-4 GHG emissions intensity	27
	305-5 Reduction of GHG emissions	27





GRI Standard	Disclosure	Page number(s) and/or URL(s)
Material Topics		
GRI 400 Social Standards Series		
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	36-37
	103-2 The management approach and its components	36-37
	103-3 Evaluation of the management approach	36-37
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	36-37
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	36-37
	401-3 Parental leave	36-37
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	36
	103-2 The management approach and its components	36
	103-3 Evaluation of the management approach	36
GRI 403: Occupational Health and Safety	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	36
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	32-33
	103-2 The management approach and its components	32-33
	103-3 Evaluation of the management approach	32-33
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	32-33
	404-2 Programs for upgrading employee skills and transition assistance programs	32-33
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	35
	103-2 The management approach and its components	35
	103-3 Evaluation of the management approach	35
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	35

GRI Standard	Disclosure	Page number(s) and/or URL(s)
Material Topics		
GRI 400 Social Standards Series		
Non-discrimination		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	35
	103-2 The management approach and its components	35
	103-3 Evaluation of the management approach	35
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no incidents of discrimination during 2017.
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	39
	103-2 The management approach and its components	39
	103-3 Evaluation of the management approach	39
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	39-41
Customer Privacy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	47
	103-2 The management approach and its components	47
	103-3 Evaluation of the management approach	47
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2017, there were no complaints concerning breaches of customer privacy or loss of data.



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