

SUSTAINABILITY REPORT

تقرير الاستدامة



5th Edition
Empowering Tomorrow

Empowering Tomorrow





Sustainability Report

5th Edition 2021

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About This Report

This report covers the main sustainability activities of Housing Bank in the Hashemite Kingdom of Jordan during the period from January 1 to December 31, 2021, and it provides in some instances information about our operations at the level of Housing Bank Group.

We issued this report since we believe that the only way to achieve our growth goal is to assist individuals and businesses in prospering and growing.

This report represents the 5th Sustainability Report issued by Housing Bank for Trade and Finance, and it was prepared in accordance with the basic level of the Global Reporting Initiative (GRI) guidelines, indicating the correctness of the locations of the materiality disclosures from (GRI 49-102-40 -102) across the report.

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

We are pleased to receive all your opinions and comments about our sustainability approach, performance, and any of the information contained in this report through the following email:

sustainability@hbtbf.com.jo

Chief Executive Officer's Statement

Dear Stakeholders,

I am pleased to present to you the 5th Sustainability Report of Housing Bank for Trade and Finance, reflecting our commitment and determination to develop our sustainable approach and community responsibility, and assuring our pursuit to establish long-term values for our customers, employees, and other stakeholders. We notice that awareness of sustainability issues is increasing as it becomes more important than ever from the perspective of businesses and customers.

Given our clear business model we continuously streamline our operations to be easily understandable and quickly implementable,

I think that we are on the right path towards the achievement of our strategic goals. When it comes to sustainability, we are highly ambitious as an organization, and our goal is to contribute to a prosperous economy, a fairer society, and a better environment for all of our stakeholders.

Believing that economic progress and social development go hand in hand, we are working on directing our goals, strategies, behaviors, and procedures to provide a long-term and sustainable value for us and our stakeholders and realize that we are working in a complicated and fast-growing business environment, and facing increasing rules, classifications, and standards, but we are proud of adopting a multi-faceted plan, including our approach to diversity, equality, and inclusion in our organization, our interactions with suppliers, products and services we provide to our customers, enhancement our partnership with several bodies and establishments to boost our influence on the society.

I think that Housing Bank is in a good position to address the numerous challenges facing the banking industry in general through recording good growth rates in several significant areas, with the highest figures in the banking sector.



In order to promote the transition towards sustainable ways of doing business with innovative technological solutions, the bank will continue to provide the latest electronic and digital applications within the best practices applicable globally, in addition to its continuous keeping pace with the new developments in the world of the banking industry and what modern technology provides in this field, which would maintain the bank's leading position and facilitate and improve the procedures followed to ensure that the best banking solutions are provided to customers where they coexist and with the best possible means, in a manner befitting the bank's advanced position in the Jordanian banking market.

In conclusion, I would like to express my gratitude to all our stakeholders who have consistently been engaged in supporting and empowering our sustainability practices, and I hope this report will have a permanent impact on the area of sustainability in all aspects of our business, guaranteeing the rights of the stakeholders and benefiting society.

Respectfully,

Ammar Al-Safadi

Chief Executive Officer

Housing Bank Shareholders 2021

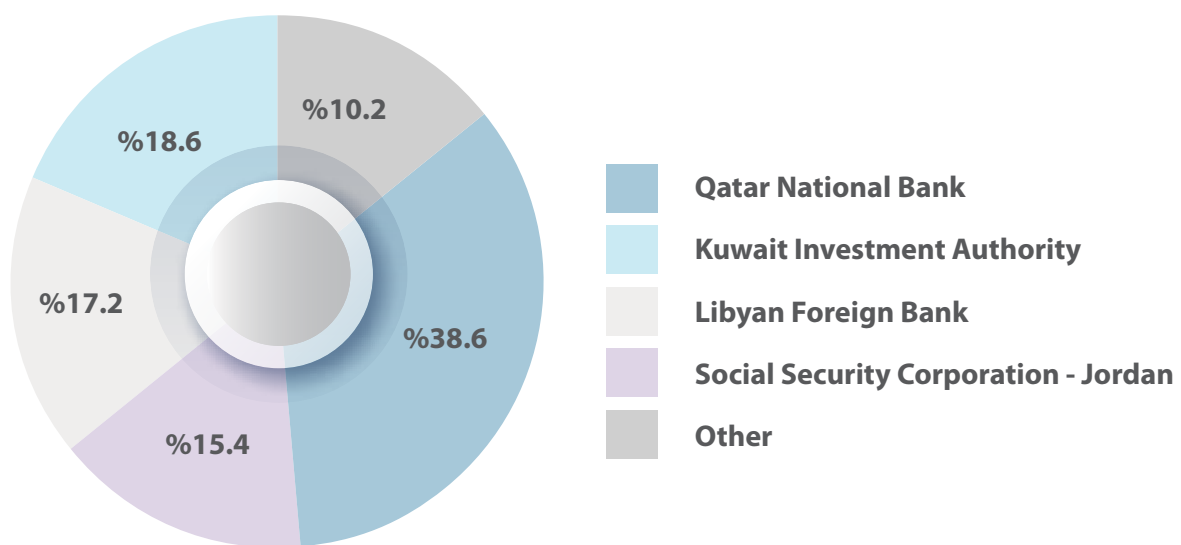
Housing Bank is a provider of integrated financial services, established in 1973 and operating in seven different regional and international markets. Our headquarters is located in Amman, Jordan, and the bank was established with a capital of JD315 million. We are at the forefront among Jordanian banks in several indicators.

the bank's business was divided into the following main segments:

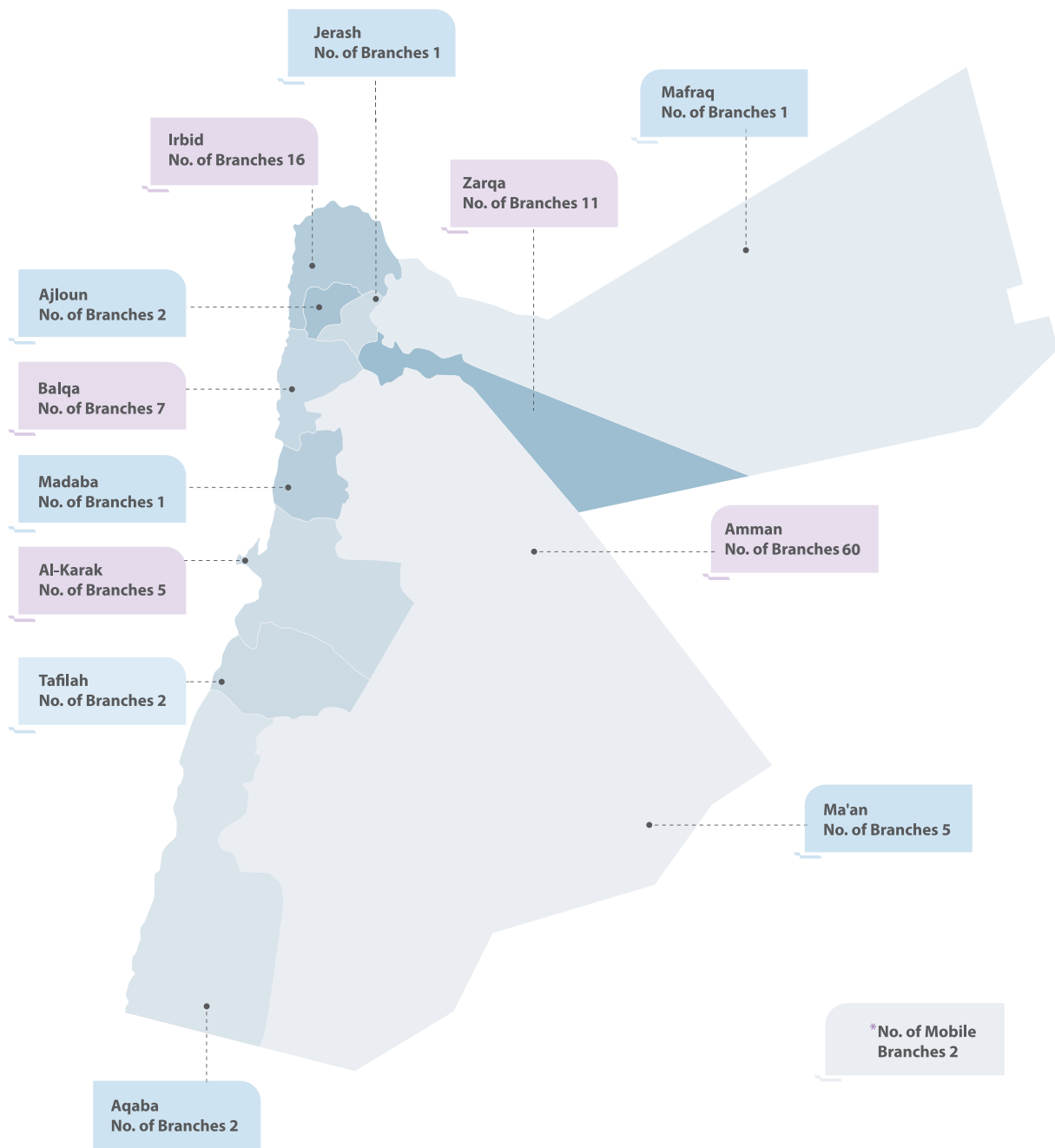
- Retail banking services.
- Corporate banking services.
- Treasury.
- Corporate finance.

We seek to provide our customers with innovative and effective solutions in terms of costs with a focus on strengthening digitalization.

Housing Bank Shareholders



Our Branches



In addition to the presence of the bank in a number of countries



Bahrain
No. of Branches 1



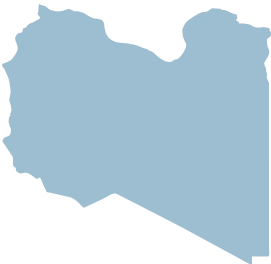
Palestine
No. of Branches 15



Algeria
No. of Branches 7



Syria
No. of Branches 31



Libya
representative office



UK
No. of Branches 1



Iraq
representative office



UAE
representative office

Financial Performance of the Group

Assets



8.2 Billion JOD

Customer Deposits



5.2 Billion JOD

Credit Facilities



4.4 Billion JOD

Credit Facilities



1.2 Billion JOD

Profit before Tax



163.1 Million JOD

Profit after Tax



110.1 Million JOD

For more information about the financial performance of the bank during 2021, please see the 2021 Annual Report of the Bank by clicking the below link:

<https://hbtbf.com/uploads/2022/06/annual-report-en-2021.pdf>

Major Milestones of Performance and Achievement



16.5
Average Hours of
Training per
Employee



2,859
Employees



587,000
Retail and
Corporate Customers



59.8%
Recycled Paper



35.8%
Female of
Labor Force



34.5% Youth of
Labor Force



98%
Spending on Local
Suppliers of
Total Purchases



Support of 289
Local Suppliers



115
Branches



26.5%
Increase of
Transactions Number
through Iskan Mobile



22.6 million
Total Number of
Customers'
Transactions



214
Number of ATMs

Our Commitment to Sustainability

Since its establishment in 1973, the Housing Bank's annual reports have included a presentation of the governance practices and financial performance.

Since 2010, the bank has published annual reports on social responsibility, which primarily focused on community service initiatives in the Kingdom, and it has been issuing comprehensive reports on sustainability since 2017 to ensure its commitment to transparent disclosure of sustainability practices of relevance to our stakeholders, comprehensively covering aspects of environmental, social, and corporate governance.

Housing Bank's Approach to Sustainability

In this year's report, we changed the way we display our sustainability practices and the bank's main areas of interest as follows:

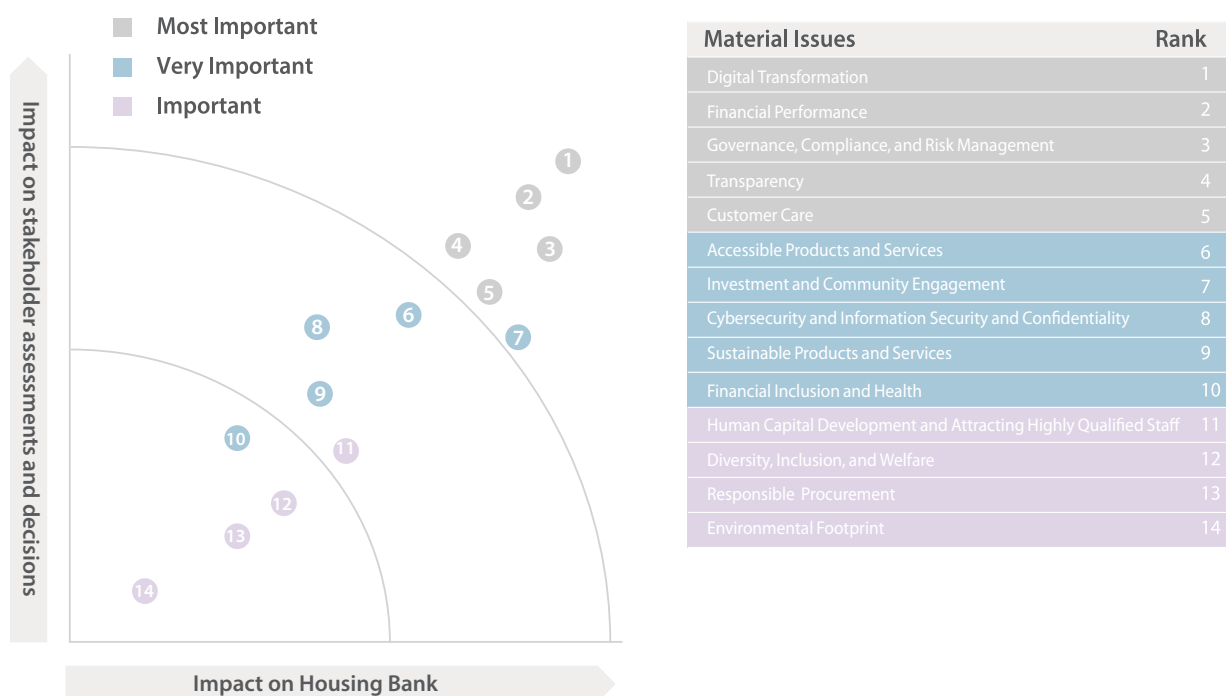


Material Issues

During the year, we conducted several initiatives with our key stakeholders to know their opinions about areas of environmental, social, and corporate governance that interest us the most, which will help us include environmental, social, and corporate governance issues within our strategy to face the challenges. In 2021, we determined 14 subjects regarded by the stakeholders as the most relevant to Housing Bank, and they cover the following main areas: enhancement of corporate governance practices, enhancement of business practices, taking care of customers and enriching their experience, paying attention to and taking care of employees, investment and social engagement, reducing our environmental footprint, and the 2021 Sustainability Report reflects the progress we made in these areas.

Analysis of issues of materiality is considered a part of our dialogue with stakeholders in compliance with Global Reporting Initiative (GRI) standards and provides us with valuable information to determine priorities, make a positive impact on society, reduce risks, decrease costs, and generate revenues.

Materiality Matrix- Housing Bank 2021



Stakeholder Engagement

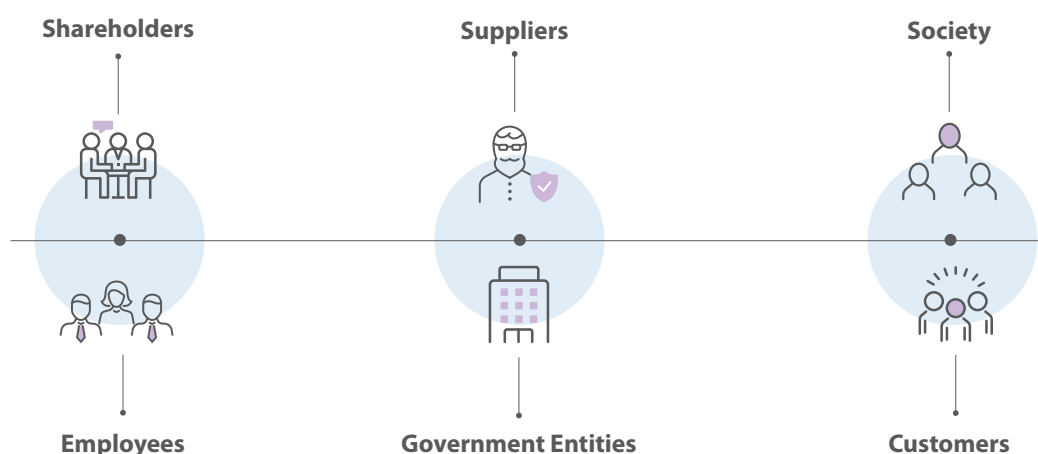
[GRI 40 -102]

We follow a framework promoting stakeholder engagement, and all our departments, business centers, and employees perform the tasks assigned to them to ensure effective and mutually beneficial relationships with stakeholders. Moreover, we adopt a comprehensive approach to dealing with our stakeholders to achieve a balance between their needs, interests, and expectations with our interests' over time.

To ensure and secure stakeholder engagement, we conduct an independent review of our current practice for engaging stakeholders within Housing Bank on an annual basis. This review identifies areas of opportunity and offers recommendations on how to proceed wisely and effectively in this industry. Given the decentralized nature of stakeholder engagement at Housing Bank, there is no single team that manages all relationships and inquiries from stakeholders, in the event that one of the stakeholders is dissatisfied with the service or assistance they receive from the point of contact we provide to them.

The following offers a brief review of our key stakeholders, the reasons for our communication and contact with them, and the ways we deal with them. For more information about the stakeholders and the methods we follow to engage and communicate with them, please see Appendix B.

Key Stakeholders of the Bank



Stakeholders	Communication Reason	Communication Channels
Customers	<ul style="list-style-type: none"> • Better understanding of the stakeholders' financial aspirations and needs. • Provision of appropriate advice, proactive financial solutions and added value services. • Ensuring maintenance of high levels of service which are expected by our customers who deserve that. • Informing them of the latest developments of our products. • ensuring accuracy and privacy the information of our customers. • Development and protection of their investments and wealth. • Ensuring easy accessibility to our banking services. • Receiving banking services with competitive prices. 	<ul style="list-style-type: none"> • Branches. • Customer care center. • Internet and mobile banking. • Different communication channels. • Different advertising and promotional campaigns. • Email messages. • Periodical questionnaires and surveys. • Receiving, analyzing, and handling complaints related to them.
Shareholders	<ul style="list-style-type: none"> • Providing current and future customers with relevant and timely information. • Management of shareholders' expectations and reputation risks. • Maintaining strong relationships commensurate with market developments. • Ensuring rational governance and deepening confidence of our shareholders and trademark. 	<ul style="list-style-type: none"> • Annual reports and sustainability reports. • The bank's website. • Annual meeting of the General Authority.
Employees	<ul style="list-style-type: none"> • Providing employees with strategic guidelines and keeping them informed of the bank's activities. • Ensuring that we remain the preferred choice as an employer providing safe, healthy, positive, and inspiring work environment. • Understanding and responding to our employees' needs and concerns. 	<ul style="list-style-type: none"> • Community service and volunteer work (Ataa Al Iskan Team). • Face-to-face and group meetings. • Annual employee satisfaction survey. • Receipt and follow-up on employee complaints. • Rewards and incentive programs. • Training and development.

Government Entities	<ul style="list-style-type: none"> • Building and enhancement of relationships with government authorities as a partner in sustainable development in the Kingdom or as a customer. • Provision of inputs in legislative development processes that will affect economy, our activities and operations. • Participation in economic growth and reduction of inequality and unemployment. • Maintaining open, honest, and transparent relationships and guaranteeing compliance with all legal and regulatory requirements. 	<ul style="list-style-type: none"> • Dealing with relevant ministries and regulatory authorities. • Periodic reports are submitted to the related government authorities. • Compliance with laws and regulations. • Support of national important initiatives.
Suppliers	<ul style="list-style-type: none"> • Obtaining required products and services to carry out our business. • Maintaining ideal presentation and timing for all our needs of goods and services necessary for our operations. • Encouragement of responsible practices throughout our supply chain. 	<ul style="list-style-type: none"> • Contracts. • Constant interaction with suppliers and contractors for purposes of purchasing. • Negotiations and individual meetings.
Society	<ul style="list-style-type: none"> • Establishment of partnerships facilitating our integrated sustainability activities. • Creation of awareness of our commitment and integrated initiatives in the area of sustainability. 	<ul style="list-style-type: none"> • Contribution to increasing the level of financial inclusion for all individuals of society. • Various media (visual, readable, and audible). • Social media networks • Annual reports and sustainability reports. • Community initiatives. • Support of environmental and social activities.

Helping the Society Face and Achieve Sustainable Development Goals



Our activities and investments contribute to several United Nations Sustainable Development Goals, and we have been working on analyzing the contribution of our business to Sustainable Development Goals and determining the goals most relevant to our activities, work, and strategy. Besides that, we are fully aware of the importance of maintaining conformity to these goals in the future, despite the fact that sustainable development goals are not binding on us.

The Sustainable Development Goals most relevant to Housing Bank's work during 2021:

	<p>We are committed to meeting our customers' needs, helping entrepreneurs establish their businesses, creating job opportunities, and strengthening the local economy.</p>
	<p>We are handling decreasing inequalities through enhancing the engagement of women and youth in our employment, and guaranteeing that they are fairly paid without discrimination, alongside assisting all our customers to achieve a transition to a sustainable economy.</p>
	<p>We strive to eliminate all forms of discrimination against women and girls everywhere, as well as all forms of violence and exploitation directed towards them, in addition to our efforts to promote the full and effective participation of women and equal opportunities for them to lead on an equal basis with men at all levels of decision-making in all our work.</p>
	<p>Working on increasing opportunities for small-scale industrial projects and any other projects to receive financial services and increasing efficiency of use of supplies and reliance on green and environmentally friendly industrial technologies and operations.</p>
	<p>We promote transparency and fighting corruption, support strong institutions for sustainable development, work on reinforcing sovereignty of law and ensuring equal opportunities, and seek to considerably limit illicit money flows, corruption, and all forms of bribery.</p>

Other Sustainable Development Goals affected by Housing Bank during 2021:





01

Customer Service



📍 Aqaba, Jordan

Housing Bank Customers

The number of our customers (depositors and borrowers) from Retail and Corporate reached about 587,215 customers in 2021, recording a growth rate of %2.5 in comparison with 2020, with %38.5 of them females, and we endeavor to take care of them and help them thrive and grow by understanding and addressing their multiple needs and desires and making banking services more accessible and secure while ensuring their privacy.

Housing Bank Customers Acquiring Loans

Our Retail loan portfolio recorded a growth in value during the year 2021 to reach 1.5 JD billion, %4.9. SMEs loan portfolios recorded growth to reach 154 JD million, %4.4, while the large Enterprises portfolio decreased to reach 1.6 JD billion.

Value of Loan Portfolio (JD Million) by Type of the Borrower

	Retail	SMEs	Large Enterprises
2017	1,379	149	1,820
2018	1,389	155	1,898
2019	1,414	134	1,822
2020	1,460	147.3	1,833
2021	1,532	153.5	1,593

The number of borrowers from large Enterprises grew to 585 Enterprises %3.9, and the number of borrowers from Retail customers and small and medium-sized company customers decreased during the year 2021 to reach about 96 thousand and 2.9 thousand borrowers, respectively.

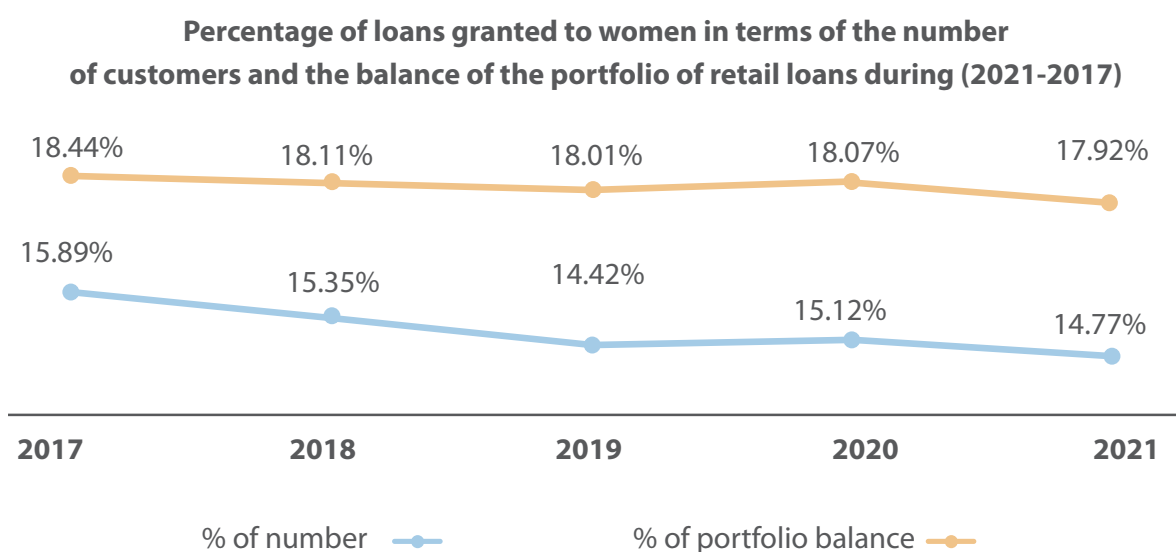
Number of Customers Acquiring Loans by Type of the Borrower

	Retail	SMEs	Large Enterprises
2017	108,477	3,285	424
2018	108,178	3,037	432
2019	103,512	2,610	559
2020	98,992	2,941	563
2021	95,951	2,852	585

Bridging the Gender Gap

Integrating sustainable financing practices into our retail banking business requires constant monitoring of our sustainability practices, and also requires changes aiming at ensuring customer bonding, segmentation, and growth on the credit side. In the past, the global banking system was more inclined to prefer men as borrowers, and today we find that this gap is decreasing in developed economies, but it is still growing in developing economies, as families led by women often resort to borrowing from non-bank entities (other individuals) due to cultural and financial literacy barriers. Today, the percentage of female borrowers of the total number of retail borrowers in the bank is 18.5%, whereas the percentage of loans granted to them is 15.9% of the total retail loans in 2021.

While men continue to represent a much larger proportion of our total lending volume than women, we are proud to report that the annual growth in terms of customer numbers and lending volume for both genders has been almost equal. Percentage of loans granted to women in terms of the number of customers and loan value during (2021-2017).



Simplification of Digital Services

Our digital services generate values in terms of environmental governance and different economic, social, and institutional aspects for our customers and businesses, and we aim through these services at achieving the following:

1. Easier and quick access to financial services for young people, who usually prefer using digital services more than other segments of people.
2. Safer and easier access to financial services for the elderly.
3. The provision of access to the service for women reflects their roles in leading their families.
4. Decreasing the time required for a customer to obtain credit and increasing the professional competence of credit employees.
5. Reducing costs of the operation of branches through encouraging internet banking.
6. Adoption of economic solutions reducing paper consumption.
7. The promotion of financial and banking culture among young people will considerably affect their financial literacy.

We recognize the significance of updating our backend and ensuring effective control of our existing and new digital services, and we have worked to refresh the relevant business and credit policies.

Digital Transformation

The financial sector plays an important role in the enhancement and continuity of economic growth, and banks must quickly adapt to their customers' needs, national priorities, and global trends, so we sought to invest strategically in digital transformation initiatives, data analysis, and "Machine Learning", with keeping a focus on our main activities. In today's business world, "Big Data" and digital tools play an increasingly pivotal role in trading operations, therefore, we integrated digital thinking into all aspects of our organization, not only in aspects of the provision of services and products but also in the methods we follow to manage the risks and capital.

In recent years, we made great strides toward digital transformation in different areas of our business and were able to realize quick and drastic changes in our customers' behaviors and preferences for digital services. Our digital platforms offer our service as the main channel through which the customer can receive all banking services without the need to visit a branch.

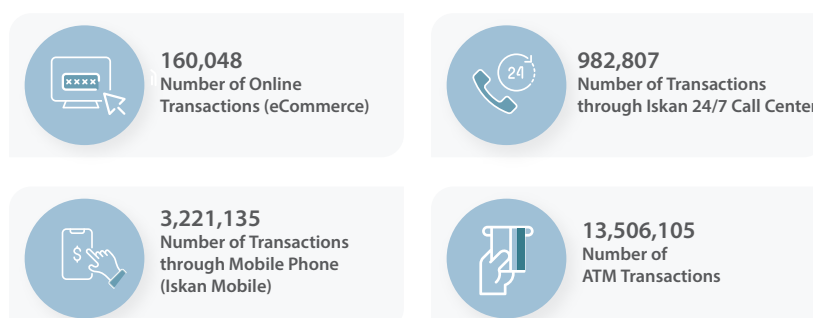
Targeting more continuous improvement, we increased our investment in banking technology, since technology enables both banks and customers to interact through the existing local retail outlets remotely and safely. This helps us make a transition to relying more on operational centralization to increase efficiency and reduce costs of provided services, and we are diligently working on expanding our digital infrastructure to meet the ever-changing digitalization requirements.

Our plan for digital transformation is driven by our aim of revolutionizing not only our customers' dealings with banks, but also their daily life dealings, and our digital solutions provide great value by enhancing customers' experience, reducing costs, and increasing the safety of financial operations.

We seek to provide high-level, widely available, and easily accessible services as far as we can through our diverse digital channels, provide all our customers with outstanding experiences, and maintain open channels with them to respond to their desires and needs.

During 2021, our digital channels delivered an outstanding performance, which indicates their success and our customers' growing dependence on these channels in their daily transactions on one hand and shows the bank's strenuous efforts to simplify and facilitate the use of these channels on the other hand.

Performance of Our Digital Channels



	2017	2018	2019	2020	2021
Number of Online Transactions (eCommerce)	149,890	99,518	104,601	122,633	160,048
Number of Transactions through Mobile Phone (Iskan Mobile)	987,486	1,377,134	1,985,218	2,546,403	3,221,135
Number of Transactions through Iskan 7/24 Call Center	218,577	288,686	300,452	412,309	982,807
Number of ATM Transactions	11,273,955	11,578,748	11,634,802	11,600,673	13,506,105

*Number of transactions represents the number of financial transactions; excluding Iskan 24/7 call center transactions, which represent incoming calls.

My Bank for Life... Bank of the Future

We seek to build the bank of the future through adaptation to customers' expectations and banking business developments, and using the best resources, including systems and human and financial resources, focusing on the following:

1. Services Digitalization: enhancement of capacities of our digital channels, placing them at the service of our customers, and providing our customers with a digital experience.
2. Centralization of Operation: focusing on our customers and simplifying their journey with the bank, we reduced the burdens of the operations and transferred them to the management to direct efforts of our branches to transform them into advanced points of sale to market our products and services.
3. AI-Based Automation of Transactions: automation of transactions depending on robot technology and artificial intelligence to increase effectiveness and efficiency in developing the bank's performance, as the banking robot performs all daily and routine banking transactions efficiently, accurately, and quickly, giving more time for the human element to work on the creative aspect, develop products living up to or exceeding our customers' aspirations, and primarily focus on the level of the services provided to them.

Our Branches

During 2021, we were able to maintain our leadership of the Jordanian banking sector in the index of the size of the banking branch network, which stood at 115 branches and offices by the end of 2021 and includes two mobile branches , Supported by 214 ATMs.

Number of Transactions through Branches

	2017	2018	2019	2020	2021
Number of Transactions through Branches	7,671,210	7,322,580	6,919,462	5,798,918	4,701,450

Enhancement of Customer Experience

We worked on improving our interactions with our customers through our different business units, which enabled the enhancement of goals aiming at providing an outstanding customer experience, and the development of our digital services on different levels contributed to maintaining the bank's reputation as a leading trademark and a benchmark of digital banking services in the Kingdom that enables customers to control their financial decisions and transactions in the world of ever-available self-service. We are still working on exploring recent banking technologies to be able to raise the level of our customers' participation and make it more consistent and personalized.

We are keen on maintaining open channels of communication to receive the observations, opinions, and complaints of our customers to understand their growing needs and aspirations and develop our services and products through our diverse channels, which are:

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

In 2021, we did a customer satisfaction study and a mystery shopper study that showed many positive indicators in terms of services provided, including that the rate of easiness of dealing with the bank was 86.8%. According to the Mystery Shopper Study, our branches' overall performance rate reached 83.5%.





02

Responsible Banking Services

📍 Wadi Al-Mujib, Jordan

At Housing Bank, we aim to provide a better life for our customers, and to financially empower the communities in which we work, by providing services and products designed in a way that everyone can access fairly, transparently, and without discrimination and also benefit from them with ease. The provision of the highest standards of care and service to our customers is one of our most important priorities.

Responsible Finance

We have always worked on aligning our business strategy with individuals' needs and society goals and contribution thereto in line with Sustainable Development Goals, and seek to make all our future business, products, and services supportive of a sustainable future, and achieve our long-term commercial goals. We are fully aware of our joint responsibility for shaping and securing our future and the future of the communities where we work.

We are aware that Sustainable Development Goals are to be achieved by governments, but they rely on specific and clear objectives, and banks can significantly contribute to their achievement. By doing so, we will be consistent with the needs of society, customers, and different stakeholders.

We aim at accelerating economic growth in the Kingdom and seek to do so sustainably and comprehensively through our assistance in providing job opportunities and making positive social, economic, and environmental effects, and we pursue generating value for our customers, employees, and other stakeholders.

Green Loans

In recent years, the green loan market has gained global momentum, which has led many investors and lenders to strive to reduce environmental, social, and corporate governance risks in their investments, and in line with these national and international efforts, we have worked to provide green finance solutions to finance the transition to a green economy and direct our clients to use the sources of alternative energy and sustainable business activities.

The green loans we provide to our clients constitute credit facilities to support their economic growth through environmentally targeted projects and practices, or projects with demonstrable positive environmental impacts, so we have provided the necessary support for this type of lending with grants of more than 15 JD million for these projects during 2021.

Total "Green" Loans* (JD)



Our Commitment to Financial Inclusion

Financial inclusion is all about leaving no one behind, i.e., all individuals and SMEs must have the choice to access banking products and services such as opening accounts, making banking transactions, making payments, obtaining credit, digital services, and insurance through different easily accessible channels such as ATMs, internet banking, bank branches, and mobile banking, and they have to be designed to cater for needs of all users.

The comprehensive and healthy financial system is regarded as beneficial for all segments of society, as it enables all people to access vital financial services more easily and flexibly, encourages entrepreneurship, and helps banks diversify their customers, services, and products and enhance their trademark and reputation. Also, financial inclusion enables individuals to make better financial plans.

We, at Housing Bank, exerted more efforts to boost financial inclusion in the Kingdom as we think that financial integration of all society groups is essential and important to our efforts towards integration of sustainability in our business. During 2021, we continued our investment to determine new methods to serve all groups of our customers and develop innovative products and services to meet the needs of financially excluded individuals or areas lacking banking services through continuity of opening the Basic Account, which is a current account with special terms and advantages for individuals who do not have banking accounts. There is more information about our business in this area available in the present section, in the overview of the Basic Account we provide.

During the year, we participated in the national savings initiative "Save to Thrive", which was launched by the Central Bank of Jordan on the occasion of International Savings Day, and attended workshops on creating awareness of the importance of saving among women, school students, and young people, and improvement of the saving system through cooperation with official financial institutions, including the sector of banks operating in the Kingdom and electronic payment service providers, in addition to the relevant governmental and non-governmental institutions.

In addition, we offer many products such as the Subsidized Housing Loan Program (Good Houses for a Good Living) and the Installment Program.

Monetary Value of the Products and Services Designed to Achieve a Specific Social Benefit (JOD)*

	2017	2018	2019	2020	2021
Good House	40,563,467	39,707,220	38,203,616	36,836,881	35,104,789
Program of Installment "Advances" **	473,071	414,227	363,428	351,410	355,536
Basic Bank Account***	N. A	N. A	897,965	227,270	655,501
(*) The figures above represent the balances of loans granted for each product. (**) The decrease in the size of the purchase installment program is due to the direct installment offers from the companies, in addition to its relevance with customers' commitments compared to their incomes. (***) The application for the basic bank account was started in 2019.					

Financial Inclusion

	2017	2018	2019	2020	2021
Percentage of New Accounts of Individuals Having Bank Accounts for the First Time	8.8	8.0	8.2	6.9	9.5
Percentage of New Accounts Holding Credit Cards for the First Time	34.2	42.8	55.6	45.5	46.7
Percentage of Total Local Loans for Underprivileged or Less Fortunate Business Sectors*	29.3	29.5	29.9	30.4	30.5
* The above ratios represent the loans granted within the North and South regions for SMEs and retail loan portfolios.					

We worked on enhancing digital financial inclusion and overcoming barriers to the provision of basic financial literacy to current and potential customers through suitable products meeting their needs, considering their economic resources, and finding efficient means of reaching them via effective marketing messages.

Supporting SMEs

SMEs are pivotal to local economic growth, and the bank supported them through loans backed by the Central Bank of Jordan and several international bodies.

At the end of 2021, the number of loans specified to SMEs increased by 4.4%, in comparison with 2020, and we are committed to assisting SMEs with building their sustainable business by providing a package of services and offers specially for them, besides our continuous participation in financing programs of different SMEs to contribute to stimulating various business.

Monetary Value of SMEs Financing Programs (JOD)

	2017	2018	2019	2020	2021
Central Bank Programs	9,468,115	8,198,923	8,120,067	6,706,813	9,297,366
Medium-Term Industrial Advances	4,598,526	10,015,379	12,250,691	35,970,588	51,929,518
Emerging Small Business Loans Agreement	248,273	333,525	837,701	937,709	1,937,871
The National Program to Combat COVID-19 Pandemic	-	-	-	29,484,408	27,734,055

Women In Business

We are aware of the important role of financial products and services specially designed to empower women socially and economically. When women are able to reach banking products and services of borrowing and saving instruments, they can make informed financial and investment decisions, boost the flexibility of their business, reduce their susceptibility to environmental shocks, and increase their incomes, which is reflected by the increase in our loans granted to women over the past years.

Support for Customers with Special Needs

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

New Website:

We worked on building a new website providing the largest possible number of people with easy accessibility and use, and fulfilling the conditions of Web Content Accessibility Guidelines (WCAG) and guidelines of the World Wide Web Consortium (W3C) to make the web content easier to reach by customers with disabilities, as well as those who cannot use mouses or pointers, as this web site is easily usable by people depending on assistive technologies such as screen readers and voice chat program.

Accessibility to our new website has the following advantages:

- Strong color contrasts.
- Flexible webpage design (size changeability according to device width).
- Title readability by screen readers.
- The possibility of webpage font size increase and decrease.

Our Branches:

We provided ramps and slopes for customers with special needs in many of our branches, and separate offices to offer them services.

ATMs:

We enabled customers with disabilities to access and easily use ATMs without any difficulty or complexity as follows:

- We set up ATMs with a high enough level to be suitable for customers with disabilities.
- We provided ATMs with Braille keypads or raised numbers.
- We provided ATMs with voice services.

Combatting Financial Crimes

We believe in the seriousness and strength of our role in curbing financial crimes, which have grave social and economic consequences and seek to make an anti-crime financial system.

Commitment to reducing financial crimes supports our approach to enabling sustainable business by guaranteeing that we do not only seek to eradicate criminal and immoral commercial practices but also focus on ensuring the best possible outcomes for our customers in line with rules and regulations applicable to the markets where we operate our business.

To fulfill our responsibilities, we largely invested in enhancing our capacities for detection, deterrence, and reporting of financial crimes.

Reducing Environmental Impacts

As an expression of our leading role in the economy of the Kingdom, we seriously seek to reduce our negative environmental footprint and create long-term value through rationalization of water consumption and use of other resources, in addition to waste reduction and preservation of natural resources.

We seek to be an environmentally friendly bank playing a pivotal role in the promotion of national efforts for achieving green growth, so we designed the new Head Office building in Shmeisani to meet the standards of the gold level of Leadership in Energy and Environmental Design rating system (LEED Principles).

Efficient Use of Resources

Energy Consumption

The bank's energy consumption during 2021 witnessed a reduction of about 9% to reach about 77.78 thousand GJs, which assures the effectiveness of our efforts to improve our environmental footprint.

In terms of direct energy (which results from fuel consumption for heating, generators, and employee transportation), the bank's consumption during 2021 witnessed a decrease of 39% to reach 143 thousand liters, since there were no cases of electrical failure requiring the operation of the generators.

As for indirect energy (which results from the consumption of electricity), the bank's consumption thereof during 2021 decreased by 5.5%.

Total Consumption of Electric Energy (GJ)

	2017	2018	2019	2020	2021
Total Consumption of Electric Energy (GJ)	57,503	54,894	65,255	84,581	77,780
Direct Consumption of Electric Energy (GJ)	3,726	3,488	7,422	9,472	5,780
Indirect Consumption of Energy (GJ)	53,777	51,460	72,677	75,109	72,000

Direct Consumption of Energy

	2017	2018	2019	2020	2021
Total Gasoline Consumption (liters)	16,401	21,370	20,563	10,931	13,738
Total Diesel Consumption (liters) (Vehicles + Generators)	82,928	72,362	164,076	24,906	130,044
Total Fuel Consumption (liters)	99,329	93,733	184,639	235,637	143,782

Indirect Consumption of Electric Energy


	2017	2018	2019	2020	2021
Total Electricity Consumption (kWh)	14,938,000	14,294,496	18,126,327	20,863,624	20,000,000
Consumption of Electric Energy (GJ)	53,777	51,460	65,255	75,109	72,000
Energy Intensity (GJ / Employee)	22.2	21	28	31.1	25.2

* In 2019, the operation of the new Head Office building in Shmeisani began, which led to an increase in energy consumption.

Greenhouse Gas Emissions

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

Total bank's greenhouse gas emissions decreased by 5.5% in 2021 to reach 15,941 tons, and the intensity of greenhouse gas emissions per employee decreased to 5.6 tons/employee due to a decrease in direct energy consumption.



Greenhouse Gas Emissions (CO² eq.)

	2017	2018	2019	2020	2021
Direct Greenhouse Gas (GHG) Emissions (Scope 1) (CO ² eq.) "ton"	261.3	244.6	488.8	628.8	381.4
Indirect Greenhouse Gas (GHG) Emissions (Scope 2) (CO ² eq.) "ton"	11,622.30	11,121.10	14,104.30	16,231.9	15,560
Total Greenhouse Gas Emissions (CO ² eq.) "ton"	11,883.60	11,365.70	14,591.10	16,860.7	15,941.4
The intensity of Greenhouse Gas Emissions per Employee "ton"	4.9	4.6	6.2	7.0	5.6

Water Consumption

We make great efforts towards managing our water consumption in the Head Office building and all our branches, and we encourage all our employees to pay attention to their water consumption. Through a periodic maintenance program, we ensure that no amount of water is wasted, and we monitor consumption bills to notice any changes that occur in consumption and determine the reasons therefor. During 2021, the total water consumption in the bank recorded 36,604 m³, and the increase in the total water consumption is attributed to the return of the employees to work full time at their offices, in addition to the operation of new administration buildings that were not used before, considering that the rate of water consumption per employee decreased by 0.97m³.

Total Water Consumption (m³/employee)

2017	14.9
2018	16.5
2019	16.64
2020	13.77
2021	12.80

Total Water Consumption (m³)

2017	36,055
2018	33,241
2019	39,239
2020	33,292
2021	36,604

Paper Consumption Reduction

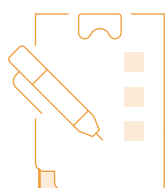
Paper consumption reduction is one of our environmental goals aligned with our vision toward digitalization, and we worked on the transformation of many of our internal operations to electronic operations and encouraged the adoption of innovative ideas and technologies in all of the main administration branches and buildings. In view of the increase of the number of our employees during 2021, besides that pre-pandemic conditions were restored, which resulted in an increase of 11.9% in comparison with last year, but we are still using several instruments and implementing strategies contributing to decreasing our paper consumption as follows:

- Creating awareness of the activation of smart double-sided printing.
- Continuity of creating awareness of printing among employees to improve printing quality and decrease errors.
- Replacement of photocopiers and printing with smart devices reduce energy consumption and use less amount of ink.

In order to promote supporting the sector of education and all efforts aiming at meeting requirements of the successful and progressive educational process and improving its outputs and quality, we participated in the Green Footprints initiative for paper recycling stemmed from Princess Alia Foundation, whereby our damaged paper will be recycled and replaced by new paper to be distributed among state-run schools in the Kingdom for free.

It is worth mentioning that the bank has been participating in this initiative since 2018, enhancing its community responsibility and desire to support state-run schools as a national duty performed by the bank's senior and executive management over the past years.

Moreover, our constant adoption of innovative solutions resulted in the customers' transformation to digital banking services, which enhance the integration of green culture through reliance on electronic data and digital transactions.



Paper Consumption

	2017	2018	2019	2020	2021
Total Paper Consumption (kg)	306,282	280,983	213,876	216,321	242,009
Total Recycled Paper (kg)	122,932	129,565	140,402	126,662	144,702
Ratio of Recycled Paper to Total Paper Consumption	40.1%	46.1%	65.6%	58.60%	59.80%

Total Recycled Paper Percentage



Recycling of Immovable Assets and Materials

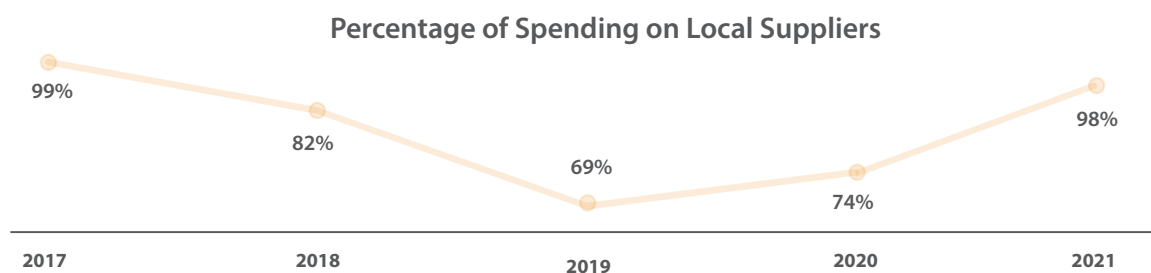
Our team of specialists extends the lifecycle of elements to be treated as scraps through the classification of salvaged fixed assets and materials and giving them as in-kind compensation to several non-profit associations and foundations, besides replacement of all kinds of wet batteries, provided that contracting with the suppliers will be on the basis of taking old batteries and damaging them in official ways.

Sustainable Domestic Procurement

We attach the utmost importance to responsible purchase and supply and apply a fair, sustainable, and moral approach to our supply chain. We understand, as a major foundation with a wide-scope supply chain, our procurement selections have social and environmental impacts (actual or potential), and the methods enabling us to make a difference in the communities we are working in include seeking to create a balanced and sustainable economy enabling all people to participate therein, and we also pursue to engage local suppliers in our supply chain.

About 96.7% of our suppliers are local, and 98% of the procurement budget was spent with local suppliers. Further, we established long-term relationships with many of our suppliers. We are proud that the bank continues to provide a sustainable source of economic prosperity and job opportunities and encourages suppliers to integrate sustainable practices and corporate responsibility into their operations.

Local Procurement					
	2017	2018	2019	2020	2021
Total Number of Participating Suppliers	219	262	285	289	299
Total Number of Participating Local Suppliers	214	257	262	285	289
Total Purchase Spending in JOD	1,386,762	20,666,320	13,376,576	6,945,698	5,449,503
Total Purchase Spending on Local Suppliers in JOD	1,250,061	17,016,048	9,166,805	5,152,706	5,353,010
Percentage of Spending on Local Suppliers	99%	82%	69%	74%	98%





A close-up photograph of several green olives hanging from a branch, with olive leaves visible in the background. The image is partially obscured by a white diagonal shape and yellow geometric shapes.

03

Our Employees

📍 Ajloun, Jordan

We dedicate our efforts to enhancing the development and engagement of our human resources. Our commitment to doing so is reflected through our programs to attract, develop, engage, and retain efficient and diligent employees, and we work on the enhancement of diversity and inclusion, and take necessary measures to ensure the health, safety, and wellbeing of our employees, as we consider their health and safety one of our priorities, and believe that healthy people tend to be happier and more participative and productive.

Given the fast changes that markets witnessed, our business faced unprecedented challenges that required quick adaptation. So, our employees bore their responsibility to our stakeholders and performed their work with peerless diligence and professionalism. Because of all of our employees, we were able to face challenges, grow, and continue to be a reliable partner for our customers.

We are committed to developing a diverse and comprehensive workforce encouraging creativity, ensuring the sustainability of our business, and preserving our leading position in the market. We respect all our employees and appreciate their capabilities regardless of their races, genders, religions, ages, and different abilities without leaving anyone behind.

Creating an Ideal Work Environment

We work seriously on creating a healthy, positive, and moral work environment—an environment empowering our employees and benefiting them and our organization—and we seek to build a gender-balanced workplace and provide equal opportunities to people with disabilities.

Our approach to managing our employees revolves around several major pillars:

- **Talents Management**, through attracting, developing, and retaining them to serve our future objectives and plans.
- **Diversity and Inclusion**, through creating a preferred work environment reflecting society, being comprehensive, and providing equal opportunities to people of both genders and people with disabilities.
- **Health, Safety, and Well-Being of Our Employees**, through inspiring and enabling our employees to build a healthier and more prosperous future for themselves and their families, besides creating a healthy work environment.
- **Engagement of Our Employees**, through our commitment to being an organization where employees are mutually trustfully and fairly treated, and our employees of all administrative levels should feel committed to our goals, values, and principles.
- **Organizational Design and Change Management**, through consolidating and supporting the values of our culture using regularly updated policies to be communicated through constant training of our employees.
- **Empowerment of Our Employees**, through providing a package of advantages special for our employees to support their social and economic stability.

Our Employees

At the end of 2021, the number of employees working in the Hashemite Kingdom of Jordan reached 1,834 male employees and 1025 female employees, out of them %1.15 are senior managers, 18.32% are middle managers, and 4.16% are employees with special needs.

	2017	2018	2019	2020	2021
Total Number of Employees	2,426	2,463	2,358	2,417	2,859
Number of Employees by Category					
Non-Administrative	1,998	1,974	1,960	1,972	2,302
Middle Management	383	458	367	409	524
Senior Management	45	31	31	36	33
Number of Employees by Type of Employment					
Permanent Contract	2,424	2,463	2,358	2,417	2,859
Temporary Contract	2	N.A	N.A	N.A	N.A

Organizational Design and Change Management

We regard the development of our employees as a ceaseless practice, so we manage and enhance our goals and values among all employees and provide them with the support and directions they need to ensure cultural consistency everywhere we operate. Our goals and values rely on the same ideas we follow to develop our products and services, "fairness, honesty, and interest" in individuals, families, and communities.

During 2021, we were very keen on giving our employees the right to develop their skills through organizing 280 remote training courses which were attended by 2,675 male and female employees. The most important courses included:

The future of digital HR.	Enviro-social governance.	International Commercial Terms 2020 (Incoterms).	Team building activities.
Digital marketing strategy.	A training course on sustainability.	Detection of forgery of signatures and documents.	Combating money laundering and terrorism financing.
Definition of FATCA law.	Information security and cybersecurity.	Credit analysis for bankers.	Etiquette for dealing with people with disabilities.
The strategy of digital transformation.	Regional Finance Conference 2021.	Customer relationship management (CRM).	

Total Training Expenses (JOD)



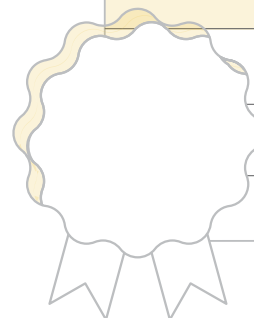
Enrollment in Programs of Study for Academic and Professional Certificates

(Number of Participants)



	2017	2018	2019	2020	2021
Enrollment in Academic Certificate Study Programs	2	3	2	3	2
Enrollment in Specific Banking Industry Professional Certificate Study Programs	8	11	48	49	83

Training (Hours)



	2017	2018	2019	2020	2021
Average Hours of Training per Employee	78.4	24.1	22.6	12.34	16.5
Male	81.1	25.0	23.8	12.04	17
Female	74.2	17.7	20.5	12.36	15.5
Employees between 18 and 30 Years Old	109.1	15.8	18.3	12.1	16.6
Employees between 31 and 50 Years Old	57.0	8.1	14.5	12.5	16.5
Employees over 51 Years Old	34.0	1.3	8.7	5.17	13.3

Training Programs (Number of Participants)



	2017	2018	2019	2020	2021
Training Programs Held at the Bank's Training Center	2,270	999	1,433	872	796
Training Programs Held in Cooperation with Specialized Local Training Institutes	165	265	200	22	676
External Training Courses Held in Arab and Foreign Countries	37	17	16	1	7
Number of Participants in Internal Seminars	1,128	650	750	0	1834
Number of Participants in eLearning Courses	N.A	N.A	2,733	2,463	13,606

Health, Safety, and Well-Being of Our Employees

We are keen on the prediction and mitigation of workplace health risks, attach the utmost importance to the health, safety, and well-being of our employees, and support employees when and after suffering from injuries and diseases. During 2021, we had not had any occupational injury accidents.

Parental Leave

Parents are entitled to a paid three-day leave after the delivery of their children. In 2021, 111 employees were entitled to parental leave.

Regarding maternity leave, our policy ensures that all mothers have the opportunity to enjoy a 70-day leave and then rejoin the workforce. In 2021, 125 female employees were entitled to maternity leave. It is worth noting that all our employees returned to work after their parental leaves.

Paternity Leave

	2017	2018	2019	2020	2021
Total Number of Female Employees Who Had Maternity Leave	112	120	108	99	125
Percentage of Female Employees Who Returned to Work after Maternity Leave	100%	100%	100%	100%	100%
 Total Number of Employees Who Had Paternity Leave	-	-	94	81	111

Engagement of Our Employees

We work cooperatively with our employees to make them contribute to our business success, as we adopt a vision ensuring mutually trustful and fair treatment of our employees, so they can feel attached to our goals, principles, and values. Furthermore, we aim at providing a safe, healthy, contemporary, and flexible work environment by participating in our open and inclusive approach, and we also seek to inspire our employees to think in creative ways by encouraging them to submit any suggestions that would improve and develop the work environment.

We have formal internal procedures for grievances and complaints in order to resolve any grievance from an employee that is related to work conditions, discipline, or unfair treatment by the administration or a colleague, and the employee can submit their complaint either verbally or in writing to the line manager. If the complaint is related to the supervisor themselves, the employee can communicate with their line manager or the Head of the Human Resources Department or can use the hotline of the Internal Audit Department, and the complaint is filed through the administrative hierarchy until an equitable solution is reached. We have a policy for managing complaints related to professional misconduct including verbal abuse, physical abuse, exclusion or isolation, and the deliberate withholding of information crucial to the performance of work, and the necessary measures are taken in light of the results of the investigation.

Empowerment of Our Employees

We provide our employees with several advantages supporting their social and economic stability, and we are proud that the bank is a favorite employer in Jordan, as we continuously work on increasing our employees' satisfaction and retaining them, and evaluate our reward plans on a yearly basis, considering market volatility and external developments. Our reward system relies on just and transparent principles designed to enhance the culture of motivation, and the most important advantages we offer include:

- Healthcare and insurance.
- Employee housing loans.
- Social insurance.
- Employee personal loans.

Our Diversity and Inclusion

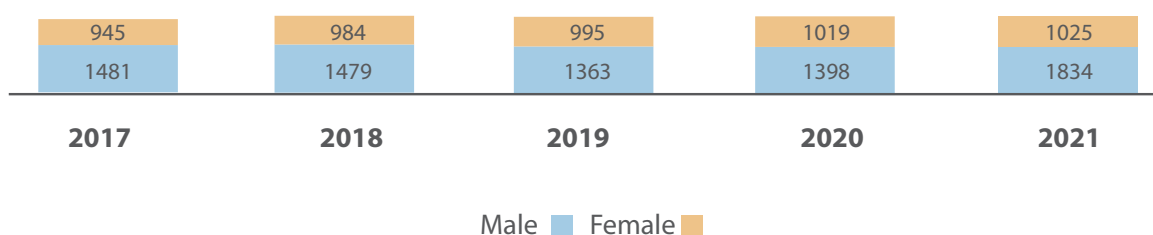
Our approach revolves around creating a better work environment by reinforcing our diverse culture embracing the differences of our employees and reflecting our society in a better way. Our human capital represents the backbone ensuring the sustainable performance of our business. As an individual-driven organization, we boast our ability to retain talented and diligent employees and think that it is necessary to develop, take care of, and encourage high-performing individuals who can enhance the culture of professional commitment.

We are committed to maintaining a workplace free from all forms of unlawful and unfair discrimination based on gender, race, marital status, age, or disability, and we do not accept

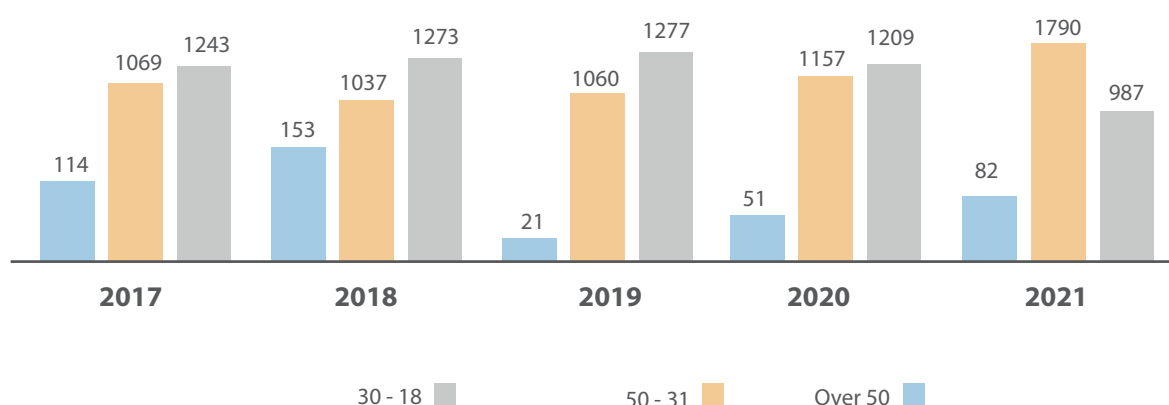
any form of discrimination, harassment, assault, or any other offensive actions for any reason in our work environment. We always encourage our employees to report any suspected financial crime, including crimes of money laundering, bribery, and corruption, besides breaches of the code of professional conduct.

Women represent 35.8% of our labor force, and we are working to devote all our energies to empowering women and raising their participation in the labor force, as well as to empowering the youth group and increasing their representation, as the youth group between the ages of 18-30 represents 34.5% of our total labor force.

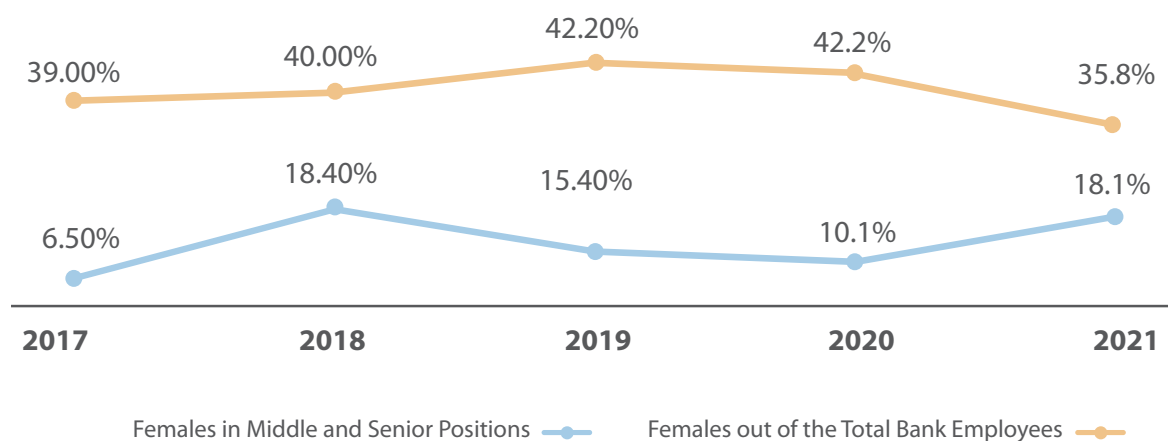
Labor Force by Gender



Labor Force by Age Group



Female Participation in the Labor Force



Attracting and Retaining Employees

We are keen on improving and enriching the services provided to our customers to support the achievement of our strategic goals by attracting qualified, talented, and efficient employees. During the year, we work on increasing the number of our highly efficient employees and attracting the most qualified employees to meet the actual needs of different departments and centers in terms of human resources. We also continuously work on retaining these employees and enhancing their ability to develop themselves, besides providing opportunities for movement and promotion of internal employees and the selection of distinguished and qualified employees relying on bases of transparent and professional competition, in addition to establishing the bank's reputation as a favorite workplace for young employees, fresh graduates, or experienced professionals' employer of choice.

We also provide equal opportunities for appropriate jobs and professional development and seek to ensure equal opportunities for all, irrespective of gender, religion, age, and marital status, so pursue attracting and retaining the best employees in line with our business strategy, goals, and values to be able to achieve our strategic goals.

We promote the bank's trademark as one of the best employers in the Kingdom through participation in employment fairs and presence on social media websites and press news as a part of our process of attracting talents.

In 2021, we worked on recruiting women and youth employees. The percentage of women's employment reached about 32.4% of the total number of new employees, while the employment rate of young people between 18-30 years old was about 70%.

Employment

	2017	2018	2019	2020	2021
Total Number of New Employees Hired	177	202	235	230	117
Number of New Employees Hired					
Male	99	123	134	166	79
Female	78	79	101	64	38
Employees between 18 and 30 Years Old	166	180	182	99	82
Employees between 31 and 50 Years Old	10	20	50	113	34
Employees over 51 Years Old	1	2	3	18	1

As for the job turnover rate, it reached %4.13 in 2021 compared to 7.99% last year, which is a positive indicator for measuring the bank's success in maintaining its employees on the one hand and employee satisfaction on the other hand.

Job Turnover by Age Group and Gender

	2017	2018	2019	2020	2021
General Turnover Rate	5.7%	7.3%	14.25%	7.99%	4.13%
Male	6.1%	8.9%	18.5%	10.15%	3.48%
Female	5.1%	4.5%	8.9%	4.12%	4.39%
Employees between 18 and 30 Years Old	5.4%	5.1%	4.9%	3.88%	6.18%
Employees between 31 and 50 Years Old	4.0%	6.9%	12%	9.90%	2.4%
Employees over 51 Years Old	24.6%	31.6%	87.9%	62.74%	6.09%



04

Social Responsibility

📍 Dead Sea, Jordan

We are still committed to our social responsibility through the adoption of a strategy including several sectors, most notably: education, health, community service, entrepreneurship/youth, and sports, besides our activities supporting internal social responsibility and corporate happiness in line with Sustainable Development Goals of the United Nations. Our Social responsibility activities cover sectors determined in the annual social responsibility strategy and whose budget is determined annually according to the bank's policies and procedures, considering that they can be changed from year to year as the case may be.

During 2017-2021, our community contribution in Jordan reached over 7 JD million, or 1.03% of pre-tax profit for the same period.

During 2021, we adopted a range of sectors to be at the top of our priorities for their direct impact on society, as well as a range of strategic partnerships with major social service institutions. Through the application of our strategy, we seek to ensure efficient use of the allocated budget to reach as many beneficiaries as possible.

The most important sectors the bank adopted in the field of social responsibility in 2021 included:

Education Sector

As part of the implementation of our social responsibility programs, we continued supporting and assisting several initiatives and institutions which are concerned with education, as a number of educational grants were provided by several institutions, including Promise Welfare Society, Elia Nuqul Foundation, Bunayat Centre for Special Education/Young Muslim Women Association, King's Academy School, and Aloun Humanitarian Club.

In celebration of the national achievements made over one hundred years in the history of Jordan and building on it, we sponsored an educational initiative through the donation of 270 tablets with one-year internet subscriptions to students of a number of public schools in the Kingdom in coordination with the higher committee of celebrations of Jordan's Centennial, and in cooperation with the Ministry of Education.

We also sponsored the reception for new students at Al Hussein Technical University—one of the initiatives of the Crown Prince Foundation on the occasion of the start of the -2021 2022 school year.



Health Sector

During 2021, we worked to renew the strategic partnership agreement with King Hussein Cancer Foundation to support several programs aiming at empowering the foundation, besides supporting and helping a number of associations concerned with the health sector, Jarash Governmental Hospital, and Jordanian associations for health insurance.

Community Service Sector

We believe in the importance of supporting associations and non-profit organizations with humanitarian and noble goals, we renewed the strategic partnership agreement with Tkiyet Um Ali, besides supporting several associations and foundations operating in the community service sector, such as SOS Children's Villages, the Jordanian Hashemite Fund, Dar Abu Abdullah for charitable and development work, Promise Welfare Society, and many others.

Entrepreneurship

We renewed our strategic partnership with Jordan River Foundation and provided support for its programs, and (3) of Jordan River Foundation's programs benefited from this support, namely: Child and Family Protection Program and 110 Helpline, Community Empowerment Program - Job Networking Axis, besides productive projects/handicrafts and Al Karma Kitchen. We also supported Princess Taghrid Institute for Development & Training to open a special center in the Safawi-Mafraq area to empower, train, and qualify women through developing handicrafts such as knitting and tailoring, food industries, cosmetics production by holding training courses and workshops teaching main life skills besides professional and vocational skills to boost their productivity and obtain job opportunities to increase their family's income.

Conferences and Festivals

During 2021, we sponsored several conferences and festivals, most notably the thirty-fifth edition of the Jerash Festival for Culture and Arts, the Jordanian Association for Health Insurance conference entitled “Towards Comprehensive Health Coverage in Jordan”, World Social Media Forum, and American Chamber of Commerce events.

Internal Social Responsibility and Corporate Happiness

In line with the bank’s vision and its belief in its human capital, we worked to enhance internal communication by creating a work environment that is engaging, creativity-motivating, and consistent with our values and strategic goals and implemented several activities in the field of corporate happiness aiming at realizing the definition of happiness at work environment and establishing positive values as basic values, which have positively affected employees by motivating them and raise their morale.

The most important initiative we implemented during the year included giving gifts to female employees on Mother’s Day, honoring the oldest employees on the occasion of the International Women’s Day, and holding an interactive event with “Mr. Coins” to communicate with the bank’s employees and creating a positive atmosphere.

Moreover, we organized a week-long interactive event to raise awareness of breast cancer and prostate cancer in cooperation with King Hussein Cancer Foundation out of interest in employees' health and safety and to enhance communication through health awareness raising and education.





05

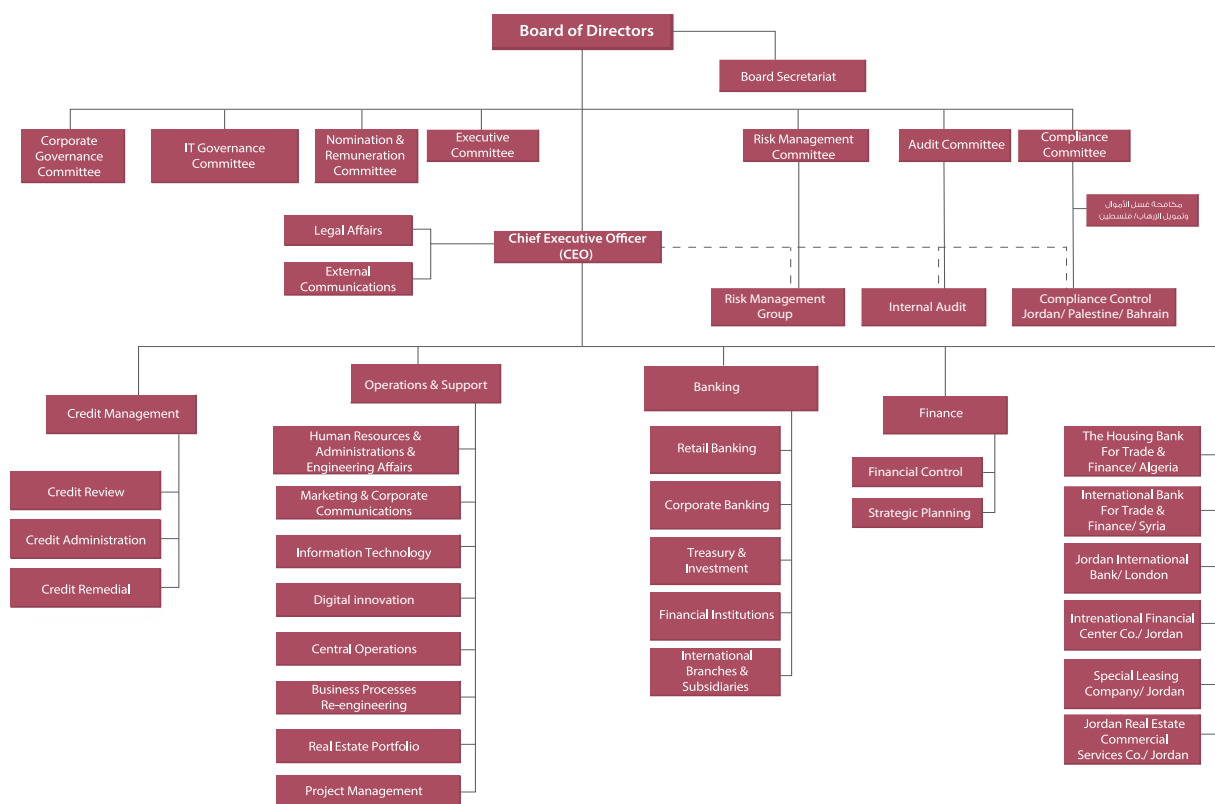
Governance, Compliance and Risk Management

📍 Wadi Rum, Jordan

We have a firm belief that the bank's success is largely attributed to our strict commitment to good governance, which enables us to a wide range of long-term sustainable value for all our stakeholders, internal policies, risk restrictions, and manuals were made to ensure coverage and good management of all business aspects, including risk management, compliance, auditing, rewards, evaluation, ethics and code of conduct, and the specialized subcommittees of the Board of Directors assist the Board members with the responsibilities and duties they have to fulfill in this regard.

Governance

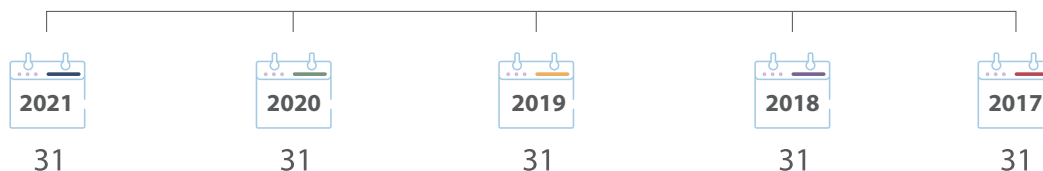
At Housing Bank, we are committed to the highest standards of governance. We realize that solid corporate governance is essential to the continuity and prosperity of the business. We have adopted the best practices followed in the field of governance, and constantly reviewed the bank's governance framework to ensure conformity to instructions of Jordanian Companies Law, the Corporate Governance Instructions issued by the Jordan Securities Commission, the Banking Governance Instructions issued by the Central Bank of Jordan, and other relevant regulations and instructions applied locally and internationally.



For more details about the bank's approach and policy in respect of governance and a summary of duties and responsibilities of the bank's Board of Directors and committees emanating therefrom, please see the Corporate Governance Manual published at the following link:

<https://hbtfc.com/uploads/07/2021/hbtf-corporate-governance-manual1-.pdf>

Board of Directors



Breakdown by Gender			Breakdown by Age Group			
	Male	Female	Under 30 Years Old	50-30 Years Old	Over 50 Years Old	
2017	12	1	0	5	8	
2018	12	1	0	4	9	
2019	10	3	0	6	7	
2020	9	3	0	6	6	
2021	10	3	0	5	8	

The bank's Board of Directors works with seven subcommittees concerned with different areas as follows:

Board of Directors



Ethics and Compliance

We commit to the highest levels of ethical and legal behavior that align with local and international standards and practices. Integrity is one of our core values that is deeply rooted in our culture. All our employees are fully aware of their responsibilities to maintain an ethical work environment by indicating any misconduct and acting accordingly.

To the best of the bank's knowledge, no incidents of bribery, discrimination, disrespect for the rights of citizens, or forced labor among our employees were reported during 2021. We adhere to providing a work environment that is free from inappropriate behavior, discrimination, or harassment based on race, color, religion, gender, or any other factor.

Code of Ethics and Professional Conduct

We have a strong training course to ensure that all our employees clearly understand our policy and expectations regarding ethical conduct principles and practices, information security, and customer protection, besides professional capacities and skills, and general knowledge. All employees receive the Employee Manual and the Code of Ethics and Professional Conduct, and all of them must sign a commitment stating that they are aware of the content of the Code. The Code is reviewed on an annual basis, and all employees can view it easily through our internal website.

Response Rate for Signing a Personal Commitment Form to Abide by the Code of Professional Conduct

2017	2018	2019	2020	2021
100%	100%	100%	100%	100%

Compliance

At Housing Bank, we adopt an effective compliance system to identify and manage the requirements of compliance with the various laws and regulations to which the bank is subject. We have a compliance culture that is based on a proactive risk management approach, and we are fully committed to conducting our banking activities in accordance with all the applicable laws and regulations in the Kingdom concerning the banking sector since our system of compliance contributes to the enhancement of the bank's reputation and protection of our customers.

We have detailed and clear work procedures regarding supervisory compliance and combatting money laundering and terrorism financing and compliance with international sanctions, including all roles required from all professional levels in the bank.

Further, we adopt policies ensuring dealing with our customers fairly and transparently through policies and a separate unit for customer complaints to submit periodic reports to the compliance committee emanating from the Board of Directors. During 2021, the Customer Complaint Handling Unit received (1,989) complaints in different areas, including: (contracts and terms of transactions, work environment, prices, interest rates, commissions and charges, professional conduct, electronic services, bank cards, transfers, marketing of services, and products, guarantee and guarantors, and credit inquiries), and the unit examined and analyzed all complaints and informed the customers of the results of their examination and classification in the bank's records as (accepted or rejected) and actions taken in respect thereof.

We also issue periodic message alerts in the areas of supervisory compliance, combatting money laundering and terrorism financing, and compliance with international sanctions to enhance the employees' understanding of compliance and the best banking practices in this regard.

During 2021, we continued to provide training programs for all employees at all levels on the best practices related to anti-money laundering, counter-terrorism financing, and compliance with international sanctions to raise awareness of regulations and procedures. A total of 5 classroom courses were held in the field of compliance and anti-money laundering and counter-terrorism financing, attended by 79 employees, in addition to providing 5,085 employees with training in the same field through eLearning across 6 sessions.

Compliance Training

	2017	2018	2019	2020	2021
Number of Employees Who Have Received Training in Compliance and Combating Money Laundering and Terrorist Financing Operations (Classroom)	908	350	610	106	79
Number of Sessions	19	23	21	7	5
Number of Employees Who Have Received Training in Compliance and Combating Money Laundering and Terrorist Financing Operations (eLearning)	N. A	N. A	2,015	2,536	5,085
Number of Sessions	N. A	N. A	2	6	6

Risk Management

The bank is committed to adopting the best practices in the field of risk management, including determination, analysis, prediction, and management of risks in a manner mitigating their impacts and ensuring keeping them within acceptable levels, which enables the bank to face the challenges more efficiently and effectively to achieve an optimal balance between risks and revenue. The bank has a framework for risk management aimed at developing a comprehensive definition of risk management on the level of all activities and operations efficiently and effectively, which helps create a suitable supervisory environment and take the right decisions, considering the extent of existing and potential risks to which the bank could be subject, and also includes activities, instruments, methods, and the structure of governance ensuring a clear understanding of all types of risks the bank's business and operations could face and which were identified within the adopted main risk matrix, including developing measures appropriate for handling them. Additionally, the bank continuously determines, measures, monitors, and manages the main risks it faces within acceptable and bearable levels. Regular reports are submitted to the bank's Board of Directors on any surpass of these limits along with the corrective actions necessary for remedying such surpass.

The risk management group continued to develop and improve the instruments and means used in the bank's management of risks, including several aspects such as risks of credit, risks of the operation, risks of the market and liquidity, and cybersecurity risks, and they target enhancement of the mechanism of monitoring and management of these risks and taking the corrective actions necessary for mitigating the potential negative impacts of these risks.

The risk management group is also keen on regularly reviewing all its policies, methodologies, and frameworks and keeping up with developments of legislations on risk management, which aim at compliance with instructions of supervisory authorities and best banking practices, and development of working methods, besides alignment of the risk management group's strategic goals with the bank's strategic goals.

As the risk management group is committed to spreading the risk management culture among the bank's employees, workshops were held during 2022 to create awareness of operational risks and combatting fraud in the area of information security, and to raise awareness of security policies and measures through awareness-raising messages sent to the bank's employees and customers via different communication and social media.

Cyber Security and Data Security

We, at Housing Bank, ensure the protection of our customers' privacy and personal data as carefully as possible to gain their confidence and loyalty. Therefore, we took several safety and privacy precautions to protect our customers and facilitate transactions via different platforms: the internet, mobile phones, and ATMs.

We seek to find a flexible and reliable cyber environment and enhance capabilities of information security and cybersecurity, including human resources, technology, and operations for facing information security and cybersecurity risks, preserve information in a safe environment throughout its different lifecycle stages starting from its creation, treatment, storage, until destroying it, cooperate with the competent authorities to identify and manage information security and cybersecurity risks and set restrictions necessary for mitigating their impact to be within the acceptable risk level, build a participatory system to raise the level of readiness for responding to cybersecurity incidents, address information security and cybersecurity risks, reduce their effects to the level acceptable by the bank, and raise awareness of information security and cybersecurity among our employees and customers.

During 2021, we did not record any case of data breach or loss, and we are working on using information security risk assessments to ensure that the bank monitors, identifies, and handles important security issues on an ongoing basis. Through our information security center, many message alerts are sent to our staff regarding cybersecurity and information security, and workshops are held to raise our employees' awareness of the most important risks and threats and the appropriate methods of responding to them and enhance their ability to protect the bank's information ensuring its confidentiality.



06

Appendices



📍 Dana Biosphere Reserve, Jordan

Appendix (A): Report Scope and Boundaries

(GRI 46 -102)

Report Scope and Boundaries	Data and disclosures referred to herein are related to all main operations and procedures that fall within the scope of work of Housing Bank in Jordan, unless otherwise stated. The report does not include any data related to joint ventures and contractors unless otherwise stated. The report includes current initiatives launched by the bank during the previous years.
Content Identification Process	<p>In line with the reporting guidelines developed by the Global Reporting Initiative (GRI), Housing Bank uses four steps to evaluate material issues, which are:</p> <ol style="list-style-type: none"> 1) Defining relevant topics. 2) Defining priority topics according to the influence of the company and stakeholders and their impacts. 3) Checking and identifying topic priorities through review and evaluation. 4) Reviewing content on an annual basis. Initial evaluations included disclosure issues from Disclosure topics of the Global Reporting Initiative (GRI), and then the list was merged with the 14 topics that were raised in the framework of the material issues on page 14.
Reports Submission Cycle	The performance data referred to in the report covers the period from January 1 to December 31,2021.
Guarantees	This report has not been subject to external audit and confirmation.

Appendix (B): Stakeholders' Engagement Map

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

Stakeholders	Stakeholder Priorities	Communication Channels	Housing Bank Response
Customers: The bank customers include about 587 thousand retail banking customers (depositors and borrowers) in addition to more than 3000 SMEs and more than 500 large enterprises that use corporate banking services, treasury, and investment.	<ul style="list-style-type: none"> • Excellent and accessible service. • Innovative services. • Keeping abreast of the latest services and new offers. • Transparency, clarity, and easy access to services and product information that suits their needs. • Information security and data protection. • Use of safe and easy banking e-services. • Competitive prices and fees. • Experience in financial planning. 	<ul style="list-style-type: none"> • Branches. • Customer care center. • Internet and mobile banking. • Website. • Social media networks. • Annual customer satisfaction survey. 	<ul style="list-style-type: none"> • Direct dialog with customers in in-person meetings at our branches or on social media and other digital contact points such as Facebook and Twitter. • Instant card printing machines across main branches.
Shareholders: The success and growth of Housing Bank depend on its ability to attract national and international investments. The bank's shareholders offer necessary capital for sustainable growth as well as provide advice at the strategic level. We are committed to realizing long-term sustainable revenues for investors in a developing group of different markets.	<ul style="list-style-type: none"> • Robust financial performance. • Increase in price and share profits. • Investment in growth, innovation, diversified products, and new markets. • Analysis and management of dynamic risks. • Transparency and disclosure. • Positive trademark. 	<ul style="list-style-type: none"> • Board meetings. • Annual reports and sustainability reports. • General Assembly meetings. 	<ul style="list-style-type: none"> • Annual and quarterly reports. • Net income growth.

<p>Employees:</p> <p>Our labor force includes approximately 2859 employees in Jordan.</p>	<ul style="list-style-type: none"> • Several channels shared with the bank. • Job security and satisfaction. • Competitive salaries and privileges for employees. • Development, growth, and skill development opportunities • Consistent and attractive work environment. • Health and safety. 	<ul style="list-style-type: none"> • Annual employee satisfaction survey. • Open meetings. • Insurance coverage for all employees. • Communication channels with the management. • Equity and equal opportunities. • HR policy. • Rewards and incentive programs. • Training and development. 	<ul style="list-style-type: none"> • Personal development programs. • Career progression and job options. • Awareness sessions on the bank's policies and procedures. • Health campaigns, because we take care of our employees by following a healthy lifestyle inside and outside the bank. • Succession plans.
<p>Regulatory and Control Authorities:</p> <p>(Central Bank of Jordan, Jordan Securities Commission, Companies Control Department, etc.).</p>	<ul style="list-style-type: none"> • Compliance with all legal and regulatory requirements. • Customer protection. • Alignment with the national vision. 	<ul style="list-style-type: none"> • Regulations and laws. • Periodic reports are submitted to government authorities. • Regulatory reviews. • Code of ethics. 	<ul style="list-style-type: none"> • The Audit and Compliance Department reports on legal requirements. • Monthly reports are submitted to control authorities.
<p>Society:</p> <p>We seek to empower economic, social, and community development throughout the network.</p>	<ul style="list-style-type: none"> • Job creation. • Enrichment of local human resources. • Small and medium project development. • Financial education. • Financial merger. • Environmental care. 	<ul style="list-style-type: none"> • Activities of social responsibility and voluntary campaigns. • Products designed for students and children. • Social media networks. • Annual reports. • Capacity development programs. 	<ul style="list-style-type: none"> • Mobile branches. • Mobile money wallet, and electronic cash card. • Short—and long-term—training, on-the-job training, and professional awareness programs.
<p>Suppliers:</p> <p>(We engage more than 250 suppliers and contractors to support our operations).</p>	<ul style="list-style-type: none"> • Invitation to bidding transparently and fairly. • New job opportunities. • Open communication channels. 	<ul style="list-style-type: none"> • Tenders and bids. • Contracts and agreements. 	<ul style="list-style-type: none"> • Preservation of fair and competitive selection. • Preservation of cooperative relations of shared interests.

Appendix (C): GRI Content Index



This report was prepared according to the standards of Global Reporting Initiatives (GRI): main option. The table below is a reference to the GRI contents in this report. As for material disclosures service, GRI assured the accuracy of the content index of GRI standards and material aspect disclosures in 40-102 to 49-102, which are in line with the relevant parts in the report body. This service was applied to the Arabic version of the report.

GRI Standard	Disclosure	Page and/or Link Number
GRI 101: Foundation 2016		
General Standard Disclosures		
Institutional File		
GRI 102: General Standard Disclosures 2016	102-1 Name of the organization	Housing Bank for Trade and Finance
	102-2 Activities, brands, products, and services	8
	102-3 Location of headquarters	Amman, Jordan
	102-4 Location of operations	The Hashemite Kingdom of Jordan, Palestine, Bahrain, Algeria, Syria, UK, Iraq, UAE and Libya.
	102-5 Ownership and legal form	8
	102-6 Markets served	The Bank has 115 branches across the Hashemite Kingdom of Jordan, 15 branches in Palestine, 1 branch in Bahrain, three subsidiary banks in Algeria, Syria and UK, 2 subsidiary companies in Jordan, and representative offices in Iraq, UAE and Libya
	102-7 Scale of the organization	12-8
	102-8 Information on employees and other workers	43
	102-9 Supply chain	39-38
	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	63-32
	102-12 External initiatives	18-19, 34, 52-54
	102-13 Membership in associations	Jordan Green Building Council, Injaz Association, Edama Association, Arab Thought Forum, Jordan Strategy Forum, Trade Union of Workers in Banks.
Strategy		
GRI 102: General Standard Disclosures 2016	102-14 Statement from senior decision-maker	7-6
	102-15 Key impacts, risks, and opportunities	Stakeholder Engagement, Appendix B

Ethics and integrity		
GRI 102: General Standard Disclosures 2016	102-16 Values, principles, standards, and norms of behavior	https://www.hbtf.com/ar/VisionandMission
Governance		
GRI 102: General Standard Disclosures 2016	102-18 Governance structure	58-59
Stakeholders Engagement		
GRI 102: General Standard Disclosures 2016	102-40 List of stakeholder groups	15-17,67-68
	102-41 Collective bargaining agreements	The bank abides by the laws and instructions in force in the Kingdom, with regard to collective bargaining agreements, and the bank does not currently have any information in this regard. Such information will be included in subsequent reports.
	102-42 Identifying and selecting stakeholders	68-67 , 15
	102-43 Approach to stakeholder engagement	68-67 ,17 -15
	102-44 Key topics and concerns raised	68-67
Reports Submission Practice		
GRI 102: General Standard Disclosures 2016	102-45 Entities included in the consolidated financial statements	The financial statements include the activities of Housing Bank and do not include any other entity.
	102-46 Defining report content and topic boundaries	66
	102-47 List of material topics	14
	102-48 Restatements of information	There was no reformulation of information during this period.
	102-49 Changes in reporting	There were no material adjustments during this period.
	102-50 Reporting period	66
	102-51 Date of the most recent report	Sustainability Report 2020.
	102-52 Reporting cycle	Annual.
	102-53 Contact point for questions regarding the report	Sustainability@hbtf.com.jo
	102-54 Claims of reporting in accordance with the GRI Standards	69
	102-55 GRI Content Index	69
	102-56 External assurance	Housing Bank does not require external guarantees when preparing the sustainability report.

GRI Standard	Disclosure	Page number(s) and/or e-Links
Material Topics		
GRI 200 Economic Standards Table		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	30
	103-2 The management approach and its components	30
	103-3 Evaluation of the management approach	30
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	12
	201-4 Financial assistance received from the government	The government did not provide any financial assistance to the institution.
Indirect Economic Impacts		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	53-52
	103-2 The management approach and its components	53-52
	103-3 Evaluation of the management approach	55-52
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	55-52
	203-2 Significant indirect economic impacts	55-52
Procurement Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	38
	103-2 Management approach and its components	39-38
	103-3 Evaluation of the management approach	39-38
GRI 204: Procurement Practices 2016	204-1 The proportion of spending on local suppliers	39

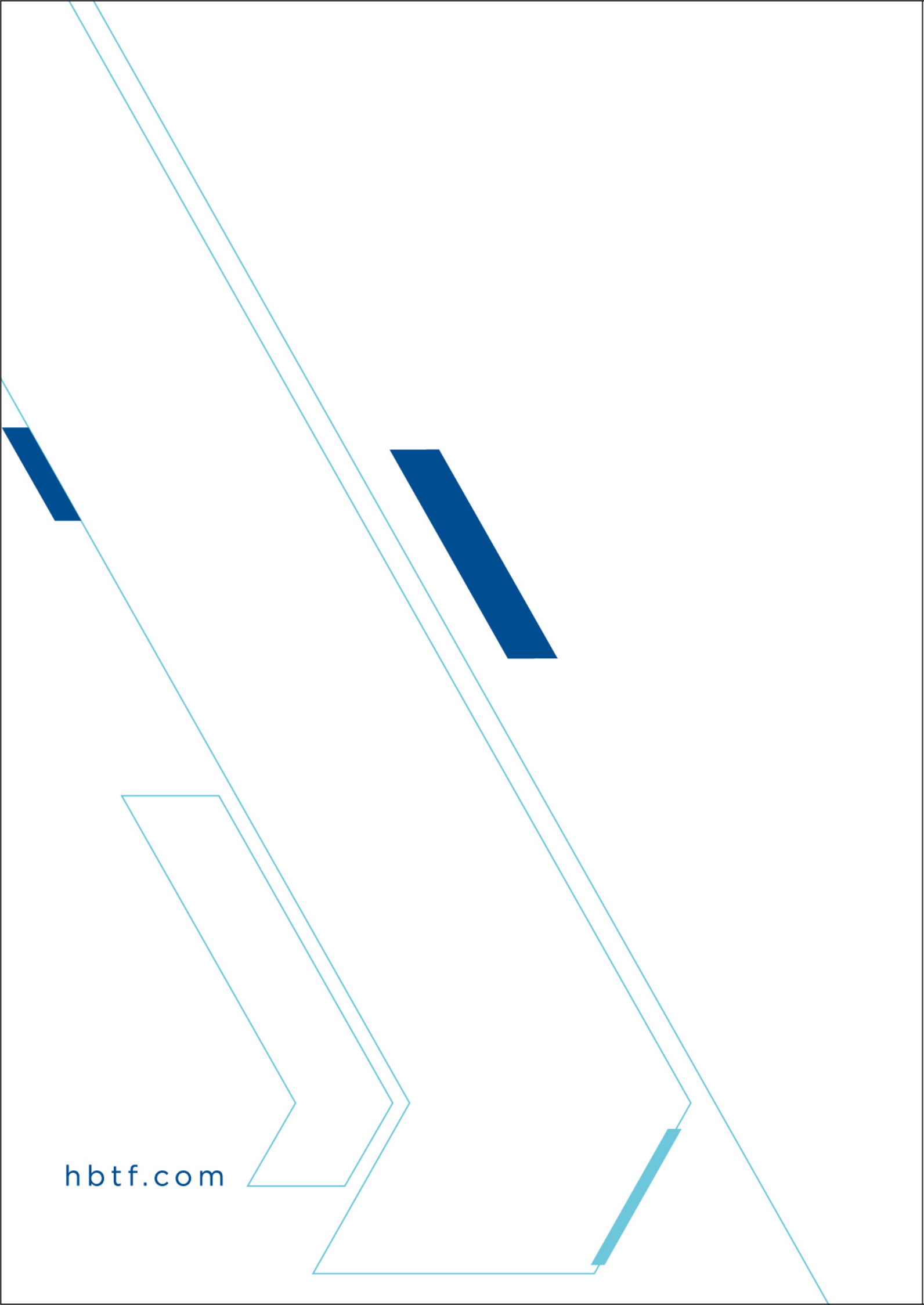
Combating Corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	34,60-61
	103-2 Management approach and its components	34,60-61
	103-3 Evaluation of the management approach	60-61
GRI 205: Combating Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	61
	205-3 Confirmed incidents of corruption and actions taken	There were no confirmed cases of corruption, and no legal cases were filed that related to corruption against Housing Bank or any of its employees during the reporting period.
GRI 300 Economic Standards Table		
Materials		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	38-34
	103-2 Management approach and its components	38-34
	103-3 Evaluation of the management approach	35-34
GRI 301: Materials 2016	301-1 Materials used by weight or volume	38-37
	301-2 Recycled input materials used	38

Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	35-34
	103-2 Management approach and its components	35-34
	103-3 Evaluation of the management approach	35-34
GRI 302: Energy 2016	302-1 Energy consumption within the organization	35
	302-2 Energy consumption outside of the organization	35
	302-3 Energy density	35
Water & Effluent		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	36,34
	103-2 Management approach and its components	36,34
	103-3 Evaluation of the management approach	36
GRI 303: Water and Effluents 2016	303-5 Water consumption	37-36

Emissions		
GRI 103: Management Approach 2016	103-1	
	Explanation of the material topic and its boundaries	36,34
	103-3	
	Evaluation of the management approach	36,34
GRI 305: Emissions 2016	305-1	
	Direct (Scope 1) GHG emissions	36,34
	305-2 Energy indirect (Scope 2) GHG emissions	36
	103-2	
	Management approach and its components	36
	305-4	
	GHG emissions intensity	36
GRI 400 Social Standards Table		
Employment		
GRI 103: Management Approach 2016	103-1	
	Explanation of the material topic and its boundaries	48,43
	103-2	
	Management approach and its components	48,43
	103-3	
	Evaluation of the management approach	48,43
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	48
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	N/A
	401-3 Parental leave	45

Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	44-43
	103-2 Management approach and its components	44-43
	103-3 Evaluation of the management approach	44-43
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	44
	404-2 Programs for upgrading employee skills and transition assistance programs	44
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	47-46
	103-2 Management approach and its components	47-46
	103-3 Evaluation of the management approach	47-46
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of the management board and employees	47

Non-Discrimination		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	47-46
	103-2 Management approach and its components	47-46
	103-3 Evaluation of the management approach	47-46
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no incidents of discrimination during 2021.
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	52
	103-2 Management approach and its components	52
	103-3 Evaluation of the management approach	52
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	55-52
Customer Privacy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	63
	103-2 Management approach and its components	63
	103-3 Evaluation of the management approach	63
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	There are no complaints regarding customer privacy breaches or reports of customer data loss.



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