

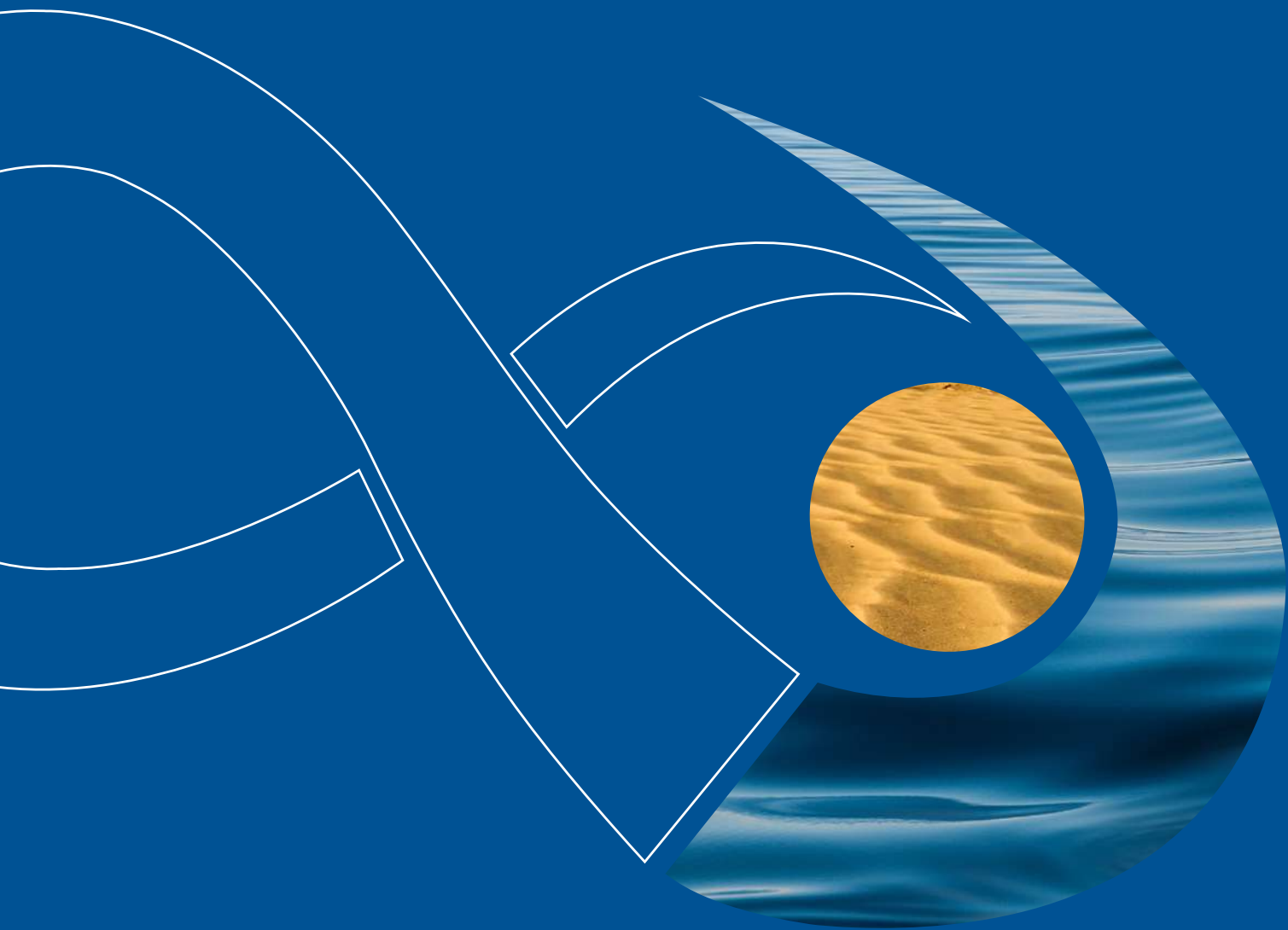


SUSTAINABILITY REPORT



Towards Enduring Sustainability Day by Day







My bank for life

Sustainability Report 2022

Empowering Tomorrow

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About This Report

This report addresses the main sustainability activities covering the environmental, social, and governance aspects (ESG) of the Housing Bank in the Hashemite Kingdom of Jordan during the period from 1st January to 31st December 2022 while providing information on operations across the Housing Bank Group in some instances.

This report was developed in accordance with the basic standards of the Global Reporting Initiative (GRI), during the period from 1st January to 31st December 2022.

For more details, please see Appendix (C) “GRI Content Index”.

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

sustainability@hbtf.com.jo



Chief Executive Officer's Statement

Dear Stakeholders,

I am pleased to present to you the 2022 Sustainability Report of Housing Bank titled "Empowering Tomorrow." This year, we are proud of the progress we made in entrenching sustainability as an integral part of our culture and operations, and we will continue to deliver on our promises to achieve responsible and sustainable growth, all while sharing our success with the local community. This report reflects our commitment and pursuit of sustainability by strengthening our relationships with our customers, employees, and other stakeholders. We

consider our shared collaborations a key pillar for supporting our transition toward a sustainable society.

For many years now, the concept of sustainability has been a critical part of our approach, whether through our long-term commitment to achieving national visions or by integrating sustainability into our strategic plans, believing that it is our duty to be a driving force for the good of communities where we operate.

Moreover, we continue to align our five key areas of sustainability with the UN Sustainable Development Goals (SDGs) and the Global Reporting Initiative (GRI).

Our five key areas of sustainability that have steered our work over the past years include:

1. Customer Service
2. Responsible Banking Services
3. Our Employees
4. Our Social Responsibility
5. Governance, Compliance, and Risk Management

We fully recognize the importance of diversity and equal opportunities for our workforce and the workplace, and we promote youth and women's participation in our workforce.

As part of our environmental responsibility and to support our efforts to improve our environmental footprint, we have been able to reduce our energy consumption and paper consumption, as well as increase the percentage of recycled paper in our total paper consumption.

In conclusion, I would like to express my gratitude to all our stakeholders who have been consistently engaged in supporting and empowering our sustainability practices, and I hope this report will be a valuable tool for them.

Sincerely,

Ammar Al-Safadi

Chief Executive Officer

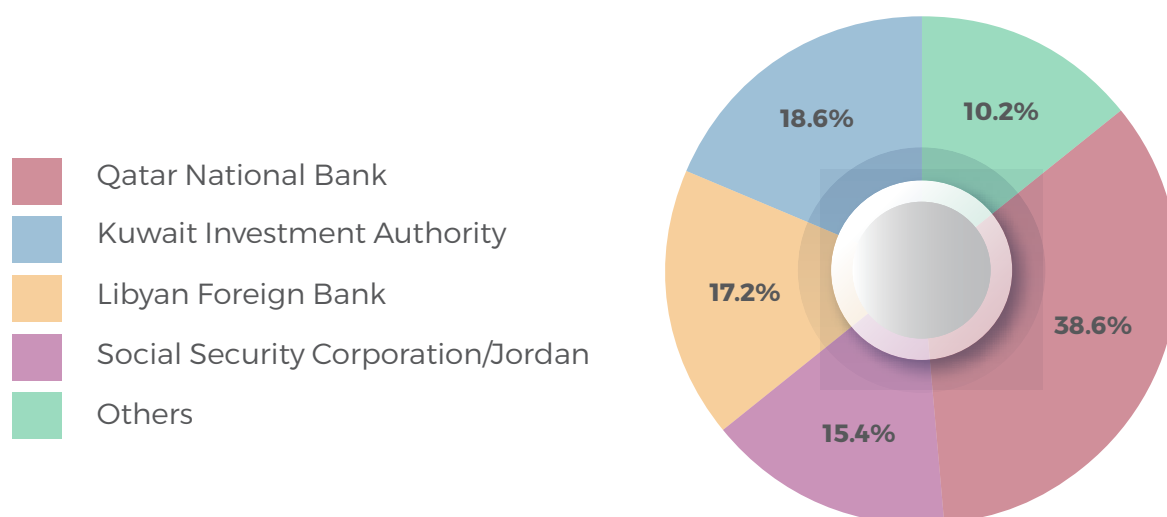
Housing Bank Shareholder Structure for 2022

The Housing Bank is a leading financial institution locally and regionally, providing integrated financial services since 1973. We operate in seven different regional and international markets. Our headquarters is located in Amman, Jordan, and the bank was established with a capital of JD 315 million. In several indicators, the bank is at the forefront among Jordanian and regional banks. The bank's business is structured into the following main segments:

- Retail
- Corporate
- Treasury
- Corporate Finance

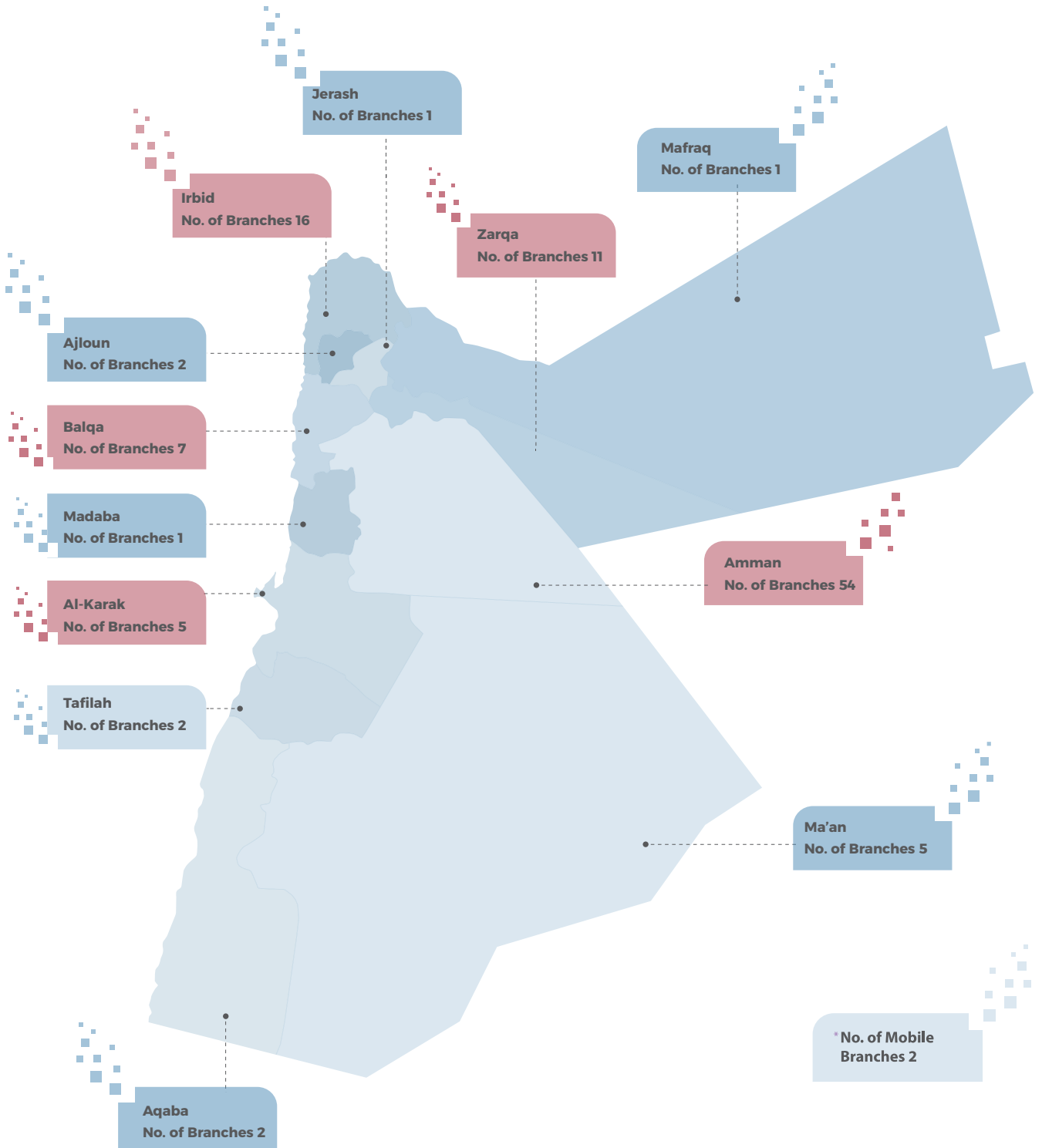
The bank continues to play a vital role in driving innovation and raising the bar for banking services in the Kingdom and other markets where we operate. This is achieved by continuing to invest in new customer-centered banking technology while maintaining an outstanding level of governance, risk management, and compliance.

Housing Bank Shareholder Structure for 2022



Our Branches

Housing Bank branches reached 109 at the end of 2022, distributed as follows:



The bank is also operating in several countries, as follows:



Syria

Number of Branches: 31



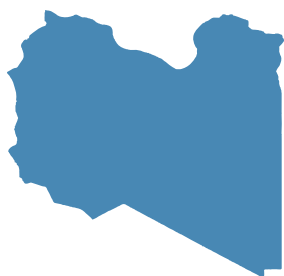
Bahrain

Number of Branches: 1



Palestine

Number of Branches: 15



Libya

Representative Office: 1



UK

Number of Branches: 1



Algeria

Number of Branches: 7



Iraq

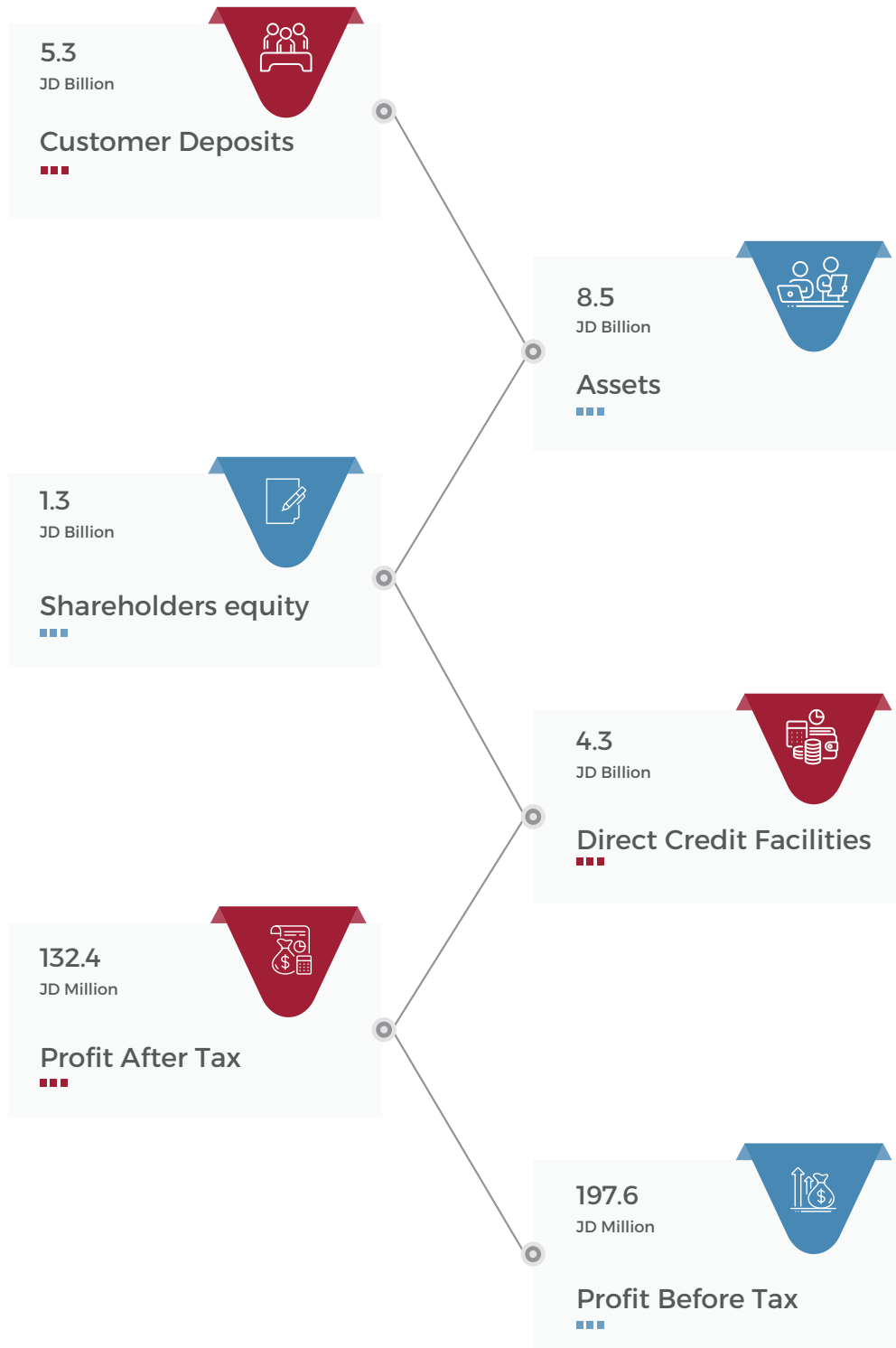
Representative Office: 1



UAE

Representative Office: 1

Financial Performance of the Group



For more information, please click on the 2022 Annual Report link.
<https://hbt.com/uploads/2023/07/english-annual-2022.pdf>

Major Milestones of Performance and Achievement

23.1%
Female Members of the
Board of Directors



613,000
Total Number of Customers



31%
Independent Members
of the Board of Directors



52
Average Hours of
Training per Employee



79%
% Recycled Paper



35.9%
% Female Workforce



36.1%
% youth (under 30 years)
in the Workforce



17.1%
% Transactions through Iskan Mobile



JD 1.1 Million
Community Investment



83%
Spending on Local Suppliers
of Total Purchases



JD 18.9 Million
Green Loans Volume



23.1
Million Transactions
Total Number of Customers Transactions



Our Commitment to Sustainability

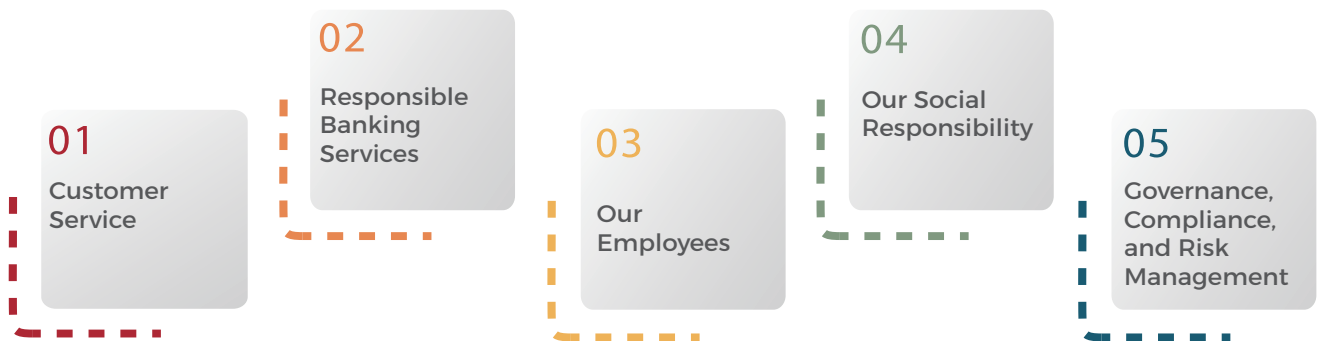
Since 2017, the Bank has been publishing annual reports on sustainability, disclosing a full range of sustainability-related issues. Prior to that, the Bank published annual reports on governance and financial performance, to which annual social responsibility reports were added. You can find previous Sustainability Reports on the Bank's website via the link:

<https://hbtf.com/en/sustainability-reports>

Housing Bank's Approach to Sustainability

We continuously strive to ensure integrating sustainability elements into our performance and reporting on them as appropriate. The Housing Bank's main areas of sustainability include:

Sustainability Framework at the Housing Bank

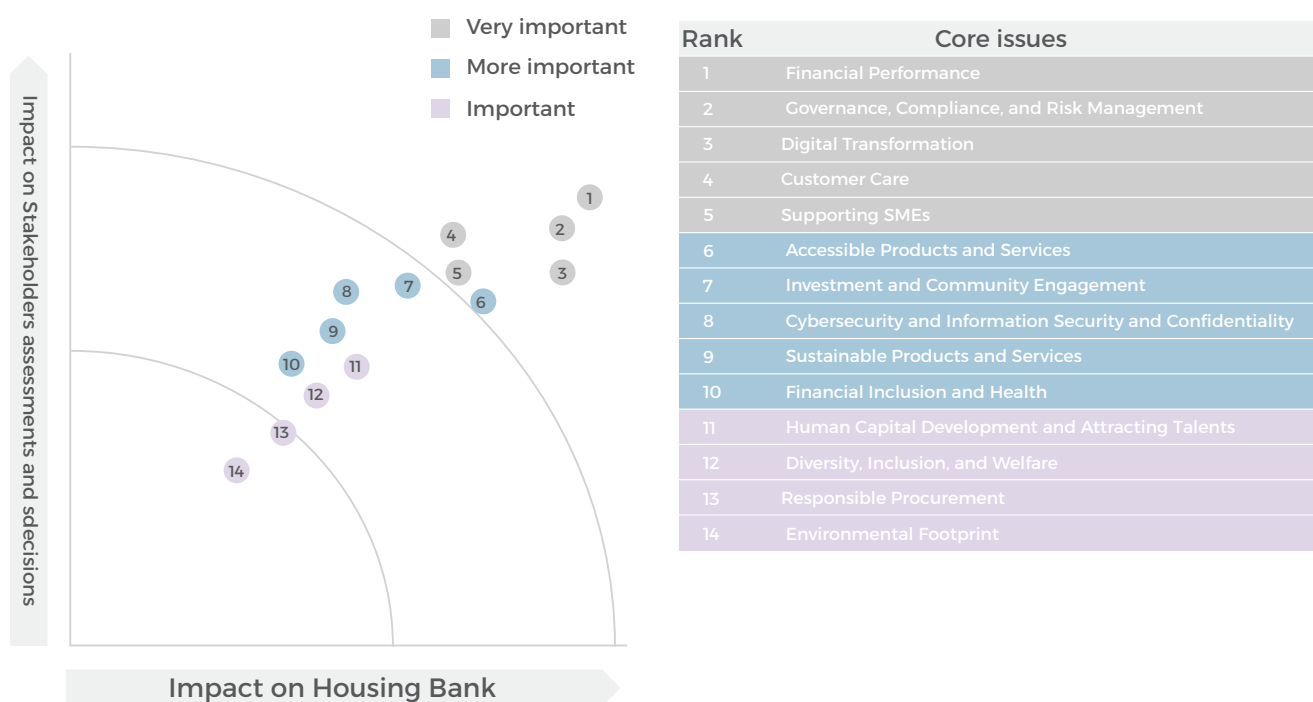


Material Issues

During the past five years of Sustainability Reports, we at the Housing Bank have conducted annual assessments of materiality and material issues and identified potential environmental, social, economic, and governance issues that affect our business and activities internally and externally. Thus, we prioritized, through this process, a shortlist of material issues that demonstrate our strategic direction.

Our 2022 Materiality Matrix included (14) material issues identified as the most significant to sustainability, covering our main areas: Customer Service, Responsible Banking Services, Our Employees, Social Responsibility, Governance, Compliance, and Risk Management.

Materiality Matrix



Aligning our Material Issues with the SDGs

Material Issues	Aligning our Material Issues with the United Nations SDGs
Sustainable Financial Performance	
Governance, Compliance, and Risk Management	
Digital Transformation	 
Customer Care	
Supporting SMEs	
Accessible Products and Services	 
Investment and Community Engagement	   
Cybersecurity and Information Security and Confidentiality	
Sustainable Products and Services	 
Financial Inclusion and Health	 
Human Capital Development and Attracting Talents	 
Diversity, Inclusion, and Welfare	   
Responsible Procurement	 
Environmental Footprint	 

Stakeholder Engagement

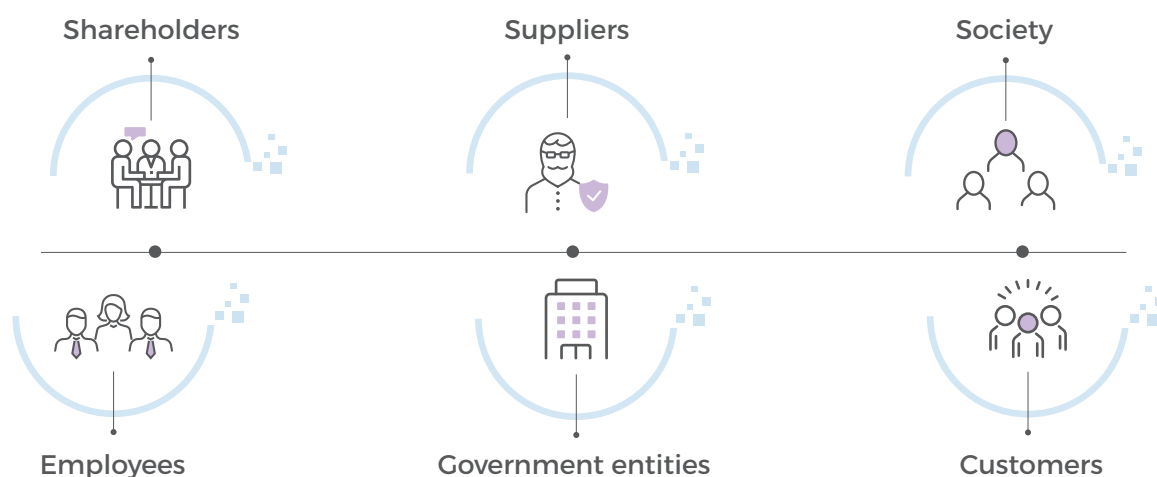
[GRI 2-29]

We recognize that engagement with our stakeholders is critical to the success of our business. Thus, we conduct an independent annual review of our current practice for engaging stakeholders within the Housing Bank. This review identifies prevailing opportunities and offers recommendations on how to proceed wisely and effectively in this industry. Given the decentralized nature of stakeholder engagement at the Housing Bank, there is no single team that manages all relationships with stakeholders and responds to their inquiries in case they are dissatisfied with the service or assistance they receive from the point of contact at the Bank. The figure below shows our main stakeholders:

Key Stakeholders of the Housing Bank

Through regular and open communication, we learn what matters to our stakeholders. For more information about our stakeholders and our methods of engaging and communicating with them, please see [Appendix B](#).

Below is a brief overview of our communication and engagement methods with our key



Stakeholders	Communication Channels	Needs and Expectations
Customers	Branches. Customer Care Center. Internet and Mobile Banking. Various Communication Channels. Various Advertising and Promotional Campaigns. Email Messages. Periodical Questionnaires & Surveys. Receiving, Analysing, and Addressing Complaints.	Digital Channels. Exceptional Customer Experience. Competitive Products.
Shareholders	Annual Reports and Sustainability Reports. The Bank's Website Annual General Assembly Meeting.	Sustainable Financial Performance. Transparent and Open Communication. Profit Distribution.
Employees	Community Service and Volunteering (Ataa Al Iskan Team). Face-to-Face and Group Meetings. Annual Employee Satisfaction Survey. Receipt and Follow-Up on Employee Complaints. Reward and Incentive Programs. Training and Development.	Competitive Rewards. Developing Professional Competencies. Fair and Equal Opportunities.
Government Entities	Dealing with Relevant Ministries and Regulators. Periodic Reports Submitted to Government Entities. Compliance with Laws and Regulations. Support Initiatives of Interest at the National Level.	Strong Risk Management and Governance. Compliance with all Legal and Regulatory Requirements.
Suppliers	Contracts. Constant Interaction with Suppliers and Contractors for Procurement Purposes. Negotiation and Individual Meetings.	Fair and Transparent Referral Process. Payments on Schedule.
Society	Contribute to Increasing the Financial Inclusion of all Society Members. Various Media (Visual, Audio, and Written Media). Social Media Network. Annual Reports and Sustainability Reports. Community Initiatives Supporting Environmental and Social Activities.	Provide a Positive Contribution to Society. Create Job Opportunities.

Helping the Society Achieve Sustainable Development Goals

We are fully aware that supporting the SDGs is a global commitment to the United Nations to eradicate poverty, protect our planet, and ensure that all people enjoy peace and prosperity. The SDGs lays global pillars for joint actions by governments, institutions, civil society, and individuals to achieve sustainable development and bring about positive change in the world.

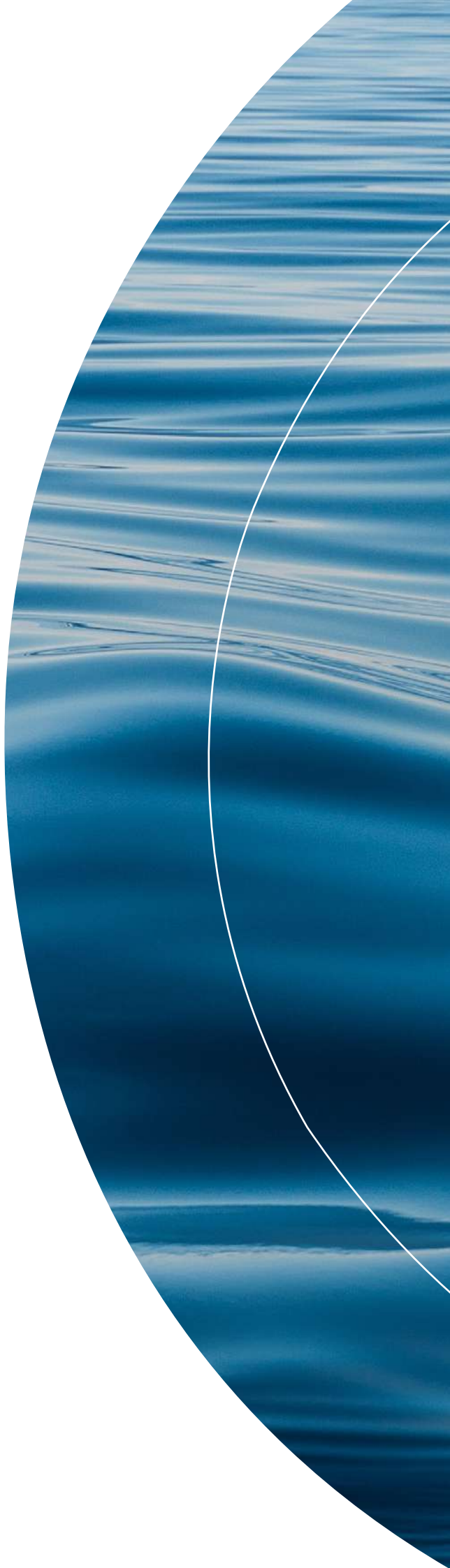
Despite the fact that sustainable development goals (SDGs) are not binding to us, we continuously strive to align with these goals. The following are the most relevant goals to our business, on which we believe we have the greatest impact.

The Most Relevant SDGs to the Housing Bank's Work in 2022:

 <p>5 GENDER EQUALITY</p>	<p>We strive to promote diversity, equality, and inclusion in our workforce and support women's access to banking services, as well as support initiatives aimed at empowering women.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>We seek to create fair jobs in our business, help entrepreneurs create their businesses, create job opportunities, and strengthen local economies.</p>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>We are committed to increasing SMEs' access to banking services.</p>
 <p>10 REDUCED INEQUALITIES</p>	<p>We are working on decreasing inequalities by enhancing the participation of women and youth in our workforce and guaranteeing they are fairly paid without discrimination.</p>
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>We promote transparency, fighting corruption, supporting strong institutions for sustainable development, upholding and strengthening the rule of law, and ensuring equal opportunities. We also seek to considerably limit all forms of corruption and bribery.</p>

01

Customer Service





Housing Bank Customers

We are focused on maintaining our customer base, striving to help them thrive and grow. The number of our customers, depositors, and borrowers from (Retail and Corporates) reached about 613,000 customers, 38% of whom are females.

Housing Bank Customers Acquiring Loans

The size of our retail loan portfolio reached JD 1,658 million in value by the end of 2022, with a growth rate of 8.2%. Also, the size of our SME loan portfolio reached JD 186.1 million, marking a growth rate of 21% as a result of the recovery of economic activity in the banking sector. Moreover, the size of the Large Enterprise portfolio reached JD 1,732 million, with a growth rate of 8.7%.

Value of Loan Portfolio (JD Million) by Type of Borrower					
	2018	2019	2020	2021	2022
Individuals	1,389	1,414	1,460	1,532	1,658
SMEs	155	134	147.3	153.8	186.1
Large Enterprise	1,898	1,822	1,833	1,593	1,732

The number of borrowers from retail customers reached about 98,000 customers, with a growth rate of 1.9%, while the number of borrowers from SMEs customers reached 2,893 customers, with a growth rate of 1.4%. Meanwhile, the number of borrowers from Large Enterprises reached 625 customers, marking a growth rate of 6.8%.

Number of Customers Acquiring Loans by Type of Borrower					
	2018	2019	2020	2021	2022
Individuals	108,187	103,512	98,922	95,951	97,778
SMEs	3,037	2,610	2,941	2,852	2,893
Large Enterprise	432	559	563	585	625

Improving Youth Funding

The number of young borrowers under the age of 30 constituted 6.5% of the total number of borrowers, while in terms of value, the volume of facilities granted to young customers under the age of 30 constituted 3.6% of the total number of borrowers.

Bridging the Gender Gap

Integrating sustainable financing practices into our retail banking business requires constant monitoring of our sustainability practices. It also requires changes aimed at ensuring customer bonding, segmentation, and growth on the credit side.

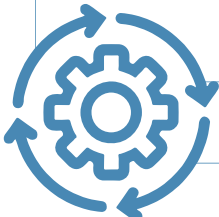
The percentage of female borrowers of the total number of retail customers constituted 19%, while the percentage of loans granted to them constituted 16.1% of the total loan portfolio of retail customers in 2022.

Digital Transformation

We seek to provide premium, widely available, and easily accessible services as far as we can through our various digital channels. We also aspire to provide all our customers with an outstanding experience and maintain open channels with them to respond to their desires and needs constantly.

Performance of Our Digital Channels in 2022:

Performance of Our Digital Channels		2018	2019	2020	2021	2022
Number of Transactions through Mobile Phone (Iskan Mobile)		1,377,134	1,985,218	2,546,403	3,221,135	3,964,068
Number of Online Transactions (E-Commerce)		99,518	104,601	122,633	160,048	91,631
Number of Transactions through Iskan 7/24 Call Center		288,686	300,452	412,309	982,807	704,221
Number of ATM Transactions		11,578,748	11,634,802	11,600,673	13,506,105	14,472,837
Total		13,344,086	14,025,073	14,682,018	17,870,095	19,232,757



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

Our Branches

In 2022, we managed to maintain our leading position in the Jordanian banking sector in terms of the size of our banking branch network, which stood at 109 branches, including a mobile branch and a specialized branch for kids.

Number of Transactions through Branches					
	2018	2019	2020	2021	2022
Number of Transactions through Branches	7,322,580	6,919,462	5,798,918	4,701,450	3,891,459

Enhancement of Customer Experience

Providing an excellent customer experience is one of the key pillars of our strategy. To achieve this, we are continuing to invest in cutting-edge technologies as well as digital solutions and analytics to be able to engage our customers further and make them more consistent and personalized.

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

- The Bank's Website.
- Social Media Platforms.
- Customer Care and Services Center.
- Iskan 24/7 Call Center.
- Complaint Department (Department of Compliance).

In 2022, our customer satisfaction survey and mystery shopper study showed many positive indicators in terms of services provided, including:

- The customer survey revealed that overall satisfaction with the bank reached 83.6%, marking an improvement of 2.6 percentage points compared to the 2021 survey.
- According to the mystery shopper study, the overall performance of our branches was 86.3%, showing an improvement of 2.8 percentage points compared to the 2021 survey.
- According to the mystery shopper study regarding the call center, the overall performance rate of the center reached 92.6% compared to 83.5%, as reported in the mystery shopper study in 2021, with an improvement in the overall performance by 8.5 percentage points.

It is noteworthy that our mystery shopper study had a different approach this time. This year, our branch evaluation has become based on the evaluation of all teller staff, customer service, and main customer service, with 690 visits to 690 employees. This study is the most comprehensive ever since the bank started conducting this study, as it included all branch employees and all employees in other work centers, namely "Iskan Plus", in addition to the call center, the small companies center, the employees of e-channels, the direct sales center, and the "Edge Center." Moreover, the rate of satisfaction and recommending the bank services to others reached 8.7 compared to an average of 7.7 during the second phase of the 2021 study.

02

Responsible Banking





We aim to empower the communities with which we work and help create job opportunities by providing services and products designed to meet community needs while ensuring they are accessible fairly, transparently, and without discrimination.

Responsible Finance

In line with our ambitions to provide loans to sustainable projects, we strive to continuously improve the integration of environmental and social standards into our credit policy to reduce the risks associated with these issues and minimize the potential impacts of these projects. We aim to drive growth in the Kingdom and yield positive social, economic, and environmental impacts that serve our customers, employees, and other stakeholders.

We also ensure aligning our business strategy with the SDGs, and seek to make all our future business, products, and services supportive of a sustainable future, while also achieving our long-term commercial goals.

Green Loans

To help our customers reduce environmental, social, and governance risks, we have worked to deliver more environmentally-conscious green financing solutions that drive the transition towards a green economy and direct our customers' shift towards alternative energy sources and sustainable business activities, eventually yielding tangible positive impacts to the environment. During 2022, we provided the necessary support for this type of lending by granting around JD 19 million for these projects.

Total "Green" Loans (JD)					
	2018	2019	2020	2021	2022
Total Value of "Green" Assets: Renewable energy, energy efficiency, green real estate/ efficient buildings, sustainable waste management, clean transport, sustainable water management, climate change adaptation, and decarbonization technologies	3,319,843	8,980,734	290,780	15,012,000	18,908,600

Our Commitment to Financial Inclusion

The Housing Bank has always been a strong supporter of financial inclusion by harnessing our long banking experience, knowledge, and technological development for the sake of providing the best financial solutions to the local community through a diverse network of branches and ATMs distributed across the country.

We are fully aware that an inclusive and healthy financial system is significant and beneficial for all, as individuals have greater freedom to access diverse financial services. Such a financial ecosystem also enables better financial planning and encourages entrepreneurship while driving banks to improve their reputation and brand. During the year 2022, we continued investing to identify new methods to serve all our customer segments and develop innovative products and services to meet the needs of individuals who are financially excluded or areas that lack banking services. We participated in many workshops held to spread awareness of savings among women, school students, and youth, in addition to providing a number of other products such as the Subsidized Housing Loan Program (Good Housing for a Good Living) and the Installment Program.

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

	2018	2019	2020	2021	2022
Good House	39,707,220	38,203,616	36,836,881	35,104,789	33,608,516
Program of Installment (Advances)**	414,227	363,428	351,410	355,536	319,470
Basic Bank Account***	-	897,965	227,270	655,501	437,127

(*) 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 direct installment offers from companies, in addition to its relevance with customers' commitments compared to their incomes.

(***) The application for the basic bank account was launched in 2019.

Financial Inclusion

	2018	2019	2020	2021	2022
Percentage of New Accounts of Individuals Having Bank Accounts for the First Time	8.0	8.2	6.9	9.5	6.5
Percentage of New Accounts Holding Credit Cards for the First Time	42.8	55.6	45.5	46.7	47.1
Percentage of Total Local Loans for Underprivileged or Less Fortunate Business Sectors*	29.5	29.9	30.4	30.5	30.2

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

Supporting SMEs

SMEs are globally recognized as one of the key drivers of economic activity and growth, job creation, and a source of innovation. At Housing Bank, we are committed to promoting the empowerment of entrepreneurs and supporting the needs of SMEs through a dedicated corporate banking team. We are proud of having a solid customer base for these companies and remain focused on improving efficiency and creating digital awareness within the SMEs sector.

Towards the end of 2022, loans granted for SMEs grew by 21% YoY compared to 2021. Additionally, we continue to fund the programs of various SMEs projects in order to support reviving various businesses, as shown in the table below:

Monetary Value of SMEs Financing Programs (JDs)					
	2018	2019	2020	2021	2022
Central Bank Programs	8,198,923	8,120,067	6,706,813	9,297,366	11,819,252
Medium-Term Industrial Advances	10,015,379	12,250,691	35,970,588	51,929,518	51,850,328
Startups & Small Business Loan Agreements	333,525	837,701	937,709	1,937,871	4,901,886
The National Program to Combat COVID-19 Pandemic	-	-	29,484,408	27,734,055	43,163,329

Women in Business

During the year, we have sought to increase women's participation in business. This is reflected by the percentage of individual women debtors of the total number of debtors. Believing in the significant role our products and services play in empowering women economically and socially, as well as increasing their effectiveness, empowering them to make independent financial and investment decisions, improving the flexibility of their businesses, and raising their incomes.

Support for Customers with Special Needs

At Housing Bank, we are committed to providing outstanding services to all of our clients, which includes the provision of services for customers with special needs without discrimination. Our employees are committed to facilitating the banking experience for them.

We also designed products and services to meet most of their needs, in line with the provisions of Financial Consumer Protection Instruction for Customers with Disabilities issued by CBJ. The following are procedures taken by us to ensure that.

Many of our branches are equipped with the necessary designs for wheelchair accessibility by providing ramps and slopes tailored for our customers with disabilities. In addition, we dedicated separate spaces to offer them services, through the following:

- Setting up ATMs with voice command functions for customers that need voice-powered monitors.
- Designing ATMS to be wheelchair-friendly though placing them at a suitable height.
- Providing ATMs with Braille keyboards or raised numbers, especially for customers with visual impairments.
- Designing our website in a way that supports individuals who make use of assistive technologies, such as screen readers and voice chats. In addition to supporting those unable to use mice or pointing devices.

Combating Financial Crimes

We believe in our significant and serious role in combating financial crimes, which have grave social and economic consequences, and seek to make an anti-crime financial system. Our approach is to enable sustainable businesses; while not only ensuring the eradication of criminal and immoral practices but also focusing on providing our customers with the best possible outcomes in line with laws and regulations applicable in the markets in which we operate.

To fulfill those responsibilities, we invested heavily in increasing efforts related to financial crime detection, prevention, and reporting.

Reducing the Environmental Impacts of Our Operations

At Housing Bank, we understand the importance of conserving our environment, which is achieved through proceeding with consumption reduction, supporting recycling programs, and conservation of energy in our offices and branches.

Moreover, we seek to support national efforts to improve our environmental footprint. We designed the new administrative headquarters in the Shmeisani area in accordance with LEED Principles.

Resource Efficiency

Energy Consumption

During 2022, energy consumption (direct and indirect) at the Bank slightly increased by 0.7% to 78 thousand GJ. This is due to the establishment of a new data site during the second half of the year, followed by its phased operation. In addition, the former administration building in Al Abdali was reset and reoperated in the Q4 of 2022.

With regard to direct energy (which is produced by fuel consumption of heaters, generators, and transportation), the Bank's consumption went down by 23.7% to 109.6kL in 2022, as no power outage occurred that would require using generators.

As for indirect energy (which is produced by electricity consumption), the Bank's consumption saw an increase of 3.5% in 2022.

Total Energy Consumption (GJ)					
Year	2018	2019	2020	2021	2022
Total Energy Consumption (GJ)	54,894	72,677	84,581	77,780	78,306.4
Total Direct Energy Consumption (GJ)	3,488	7,422	9,472	5,780	3,751.4
Indirect Energy Consumption (GJ)	51,460	65,255	75,109	72,000	74,555
Direct Energy Consumption					
Total Gasoline Consumption (L)	21,370	20,563	10,731	13,738	16,273
Total Diesel Consumption (L) (vehicles + generators)	72,362	164,076	224,906	130,044	93,419
Total Fuel Consumption (L)	93,732	184,639	235,637	143,782	109,692
Indirect Energy Consumption					
Total Electricity Consumption (kWh)	14,294,496	18,126,327	20,863,624	20,000,000	20,709,606
Energy Consumption from Electricity (GJ)	51,460	65,255	75,109	72,000	74,555
Energy Density (GJ/employee)	21	28	31.1	25.2	26

Greenhouse Gas Emissions

Greenhouse gas emissions include Scope 1 Emissions (direct emissions arising from the usage of generators and transport vehicles with diesel and gasoline) and Scope 2 Emissions (indirect emissions arising from the consumption of energy coming into the Bank from Jordan Electric Power Company).

In 2022, total GHG emissions grew by 2.9% to 16.4K tonnes, while GHG emissions per employee slightly increased to 5.7 tonne/employee.



GHG Emissions (CO ₂ equivalents)					
	2018	2019	2020	2021	2022
Direct GHG Emissions (Scope 1) (CO ₂ equivalents) "tonne"	244.6	488.8	628.8	381.4	289.1
Indirect GHG Emissions (Scope 2) (CO ₂ equivalents) "tonne"	11,121.10	14,102.30	16,231.90	15,560	16,112.1
Total GHG Emissions (CO ₂ equivalents) "tonne"	11,365.70	14,591.10	16,860.7	15,941.4	16,401.2
GHG Emissions Density per Employee "tonne"	4.6	6.2	7.0	5.6	5.7

Water Consumption

We exert considerable efforts towards managing our water consumption wherever we operate, administrative buildings, and branches alike. We also promote water-saving to our employees, as the Kingdom is considered to be one of the world's most water-scarce countries.

By deploying a regular maintenance program, we are trying to minimize water wastage. Additionally, we follow up on any changes to water consumption levels, as well as identify reasons behind those changes, and proactively address them.

During 2022, our water consumption levels reached approximately 37k m³, while consumption per employee stood at 12.9 m³.

Water Consumption					
	2018	2019	2020	2021	2022
Total Water Consumption (m ³)	33,241	39,239	33,292	36,604	37,037
Total Water Consumption per Employee (m ³)	13.5	16.64	13.77	12.80	12.89

Paper Consumption Reduction

We understand that paper consumption reduction is our way to a paperless ecosystem, which is the environmentally and operationally sustainable option. In order to reduce paper consumption across the bank and create a paperless work environment, we adopted a strict approach to paper consumption reduction. Moreover, we continued working on digitalizing many of our internal operations, as well as promoting innovative ideas and technologies.

Seeking to support the education sector and all efforts to provide the education process with success factors and different methods to improve its quality and outcomes, we participated in the PAF's Green Footprints Initiative for paper recycling, which entails recycling and replacing paper, to be distributed to public schools in need in the Kingdom for free. The amount of material from photographic A4 paper donated to PAF so far reached (3097) ream for the year 2022.

Paper Consumption					
	2018	2019	2020	2021	2022
Total Paper Consumption (kg)	280,983	213,876	216,321	242,009	237,110
Total Recycled Paper (kg)	129,565	140,402	126,662	144,702	187,247
The ratio of Recycled Paper to Total Paper Consumption	46.10%	65.60%	58.60%	59.80%	78.97%

Fixed Assets and Material Recycling

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

Sustainable Domestic Procurement

Like many other institutions operating in today's economy, we at Housing Bank comprehend the responsibilities we must fulfill regarding sustainable, environment-friendly procurement policies and practices. Throughout the years, we concentrated our efforts on working with local suppliers, with the aim of limiting our carbon footprint, as well as supporting local companies. We are planning to follow these practices for years to come.

In that regard, 87.8% of our suppliers are local. In addition, 83% of our procurement budget was spent with local suppliers. We established long-term relationships with many of our suppliers, where we encourage them to integrate sustainable practices and corporate social responsibility into their operations.

Local Procurement					
	2018	2019	2020	2021	2022
Total Number of Participating Suppliers	262	285	289	299	377
Total Number of Participating Local Suppliers	257	262	285	289	331
Total Purchase Spending in JD	20,666,320	13,376,576	6,945,698	5,449,503	15,387,924
Total Purchase Spending on Local Suppliers in JD	17,016,048	9,166,805	5,152,706	5,353,010	12,840,845
Percentage of Spending on Local Suppliers	82%	69%	74%	98%	83%



03

Our Employees





Creating an Ideal Work Environment

We spare no effort to create a healthy, positive, and ethical work environment. One that empowers our employees and proves beneficial to them and the Bank as a whole. As such, we seek to establish a gender-balanced workplace and provide equal opportunities to people with disabilities.

At Housing Bank, we devote our efforts to fostering our employees' development and engagement. This commitment is fulfilled through our program, which aims to attract, develop, engage, and retain competent, committed employees. We also focus on promoting diversity and inclusion, as well as taking necessary measures to ensure the safety and well-being of our employees.

Our Diversity and Inclusion

Our purpose is to foster a diverse, inclusive workforce. We believe that achieving this would provide equal opportunities for everyone to contribute and grow. At the end of 2022, we have 2875 employees working in Jordan; out of them, 3.93% are people with disabilities.

	2018	2019	2020	2021	2022
Total Number of Employees					
	2,463	2,358	2,417	2,859	2,875
Number of Employees by Category					
Non-Administrative	1,974	1,960	1,972	2,302	2,250
Middle Management	458	367	409	524	591
Senior Management	31	31	36	33	34
Number of Employees by Type of Employment					
Permanent Contract	2,463	2,358	2,417	2,859	2,875
Temporary Contract	-	-	-	-	-

Gender Diversity

At Housing Bank, our workforce is diverse, with 35.9% of female employees. We understand the significance and strength diversity offers at the workplace, and we also believe in respecting each other's differences. In an effort to ensure fostering such a diverse and unique environment, we do not tolerate discrimination, bullying, harassment, or abusive behaviors in any way, shape, or form. We also stand against discrimination based on traits related to gender, marital status, ethnicity, nationality, or religion. Our commitment to equality has, and will always be, the key component of our business model.

Labor Force by Gender					
	2018	2019	2020	2021	2022
Male	1479	1363	1398	1834	1842
Female	984	995	1019	1025	1033
Female Participation in the Labour Force					
Total Female Employees in the Bank	40.0%	42.2%	42.2%	35.8%	35.9%
Females in Middle and Senior Positions	18.4%	15.4%	10.1%	18.1%	25.3%
Ratio of Wages by Gender (Average Ratio of Male Employees' Wages to Average Female Employees' Wages)	NA	NA	NA	122.4%	123.5%

Age Diversity

We aim to enable the youth and promote their representation. As such, the representation of youth aged 18-30 amounts to 36.14% of our total labor force. The figure below outlines our labor force, broken down into three age groups as follows:

Labor Force by Age Group					
	2018	2019	2020	2021	2022
18-30	1273	1277	1,209	987	1039
31-50	1037	1060	1,157	1790	1725
Over 50	153	21	51	82	111

Talent Management

We believe in the impact of our employees' competence, commitment, and behavior on customer satisfaction and loyalty. We also understand that these aspects affect the quality of provided services, response level to environmental changes, degree of adapting to technological advances, and our competitiveness. Therefore, our policies, programs, and practices are set towards talent management in an effort to ensure attracting, developing, and retaining high-skilled employees. Besides, our efforts also focus on achieving our long-term strategic objectives.

Talent Acquisition

Housing Bank is proud to be one of the major talent-acquiring brands. We owe this to a number of elements that clearly tell our story, such as:

- Our success and rich heritage. Once you join our team, you become an integral member of our family.
- Our professional excellence and extensive expertise. Once you join our team, you will work with a selection of distinguished professionals across various fields.
- Fast learning and development. Once you join our team, we guarantee you a culture of advanced learning.

Employment

We are committed to attracting the talents and competencies of experienced individuals and fresh graduates. In 2022, the percentage of female employees reached around 34.5% of total new employees, whereas the percentage of employed youth aged 18-30 rose to 68.5%.

Employment					
	2018	2019	2020	2021	2022
Total Number of New Employees Hired	202	235	230	117	200
Number of New Employees Hired					
Male	123	134	166	79	131
Female	79	101	64	38	69
Employees between 18-30 Years Old	180	182	99	82	137
Employees between 31-50 Years Old	20	50	113	34	63
Employees over 51 Years Old	2	3	18	1	---

Retaining Talent

We seek to foster and retain our talents through effective communication across the workplace, whether at the administrating office or the branches. We also use exit interviews as opportunities to understand the reasons behind employees' resignations in an effort to follow up on them and provide solutions and alternatives wherever possible. In addition, we facilitate internal transfer between different departments.

Job Turnover

Job Turnover by Age Group and Gender					
	2018	2019	2020	2021	2022
General Turnover Rate	7.3%	14.25%	7.99%	4.13%	7.12%
Male	8.9%	18.5%	10.15%	3.48%	7.70%
Female	4.5%	8.9%	4.12%	4.39%	6.38%
Employees between 18-30 Years Old	5.1%	4.9%	3.88%	6.18%	9.14%
Employees between 31-50 Years Old	6.9%	12%	9.90%	2.4%	5.50%
Employees over 51 Years Old	31.6%	87.9%	62.74%	6.09%	16.21%

Organizational Design & Change Management

The development of our employees is the basis of our efforts at Housing Bank. As such, we invest heavily towards turning the bank into a distinguished space for learning by providing specialized programs at the bank's Training and Development Center or through our different local and global centers.

In 2022, 370 training courses were held for 1938 employees. The most important of which included the following:

- Change Management
- Customer Service Excellency
- Customer Service Role Plays
- Design Thinking & Coaching Skills
- Digital Banking - Risk Management & Regulations
- Organizational Leadership
- Positive Thinking & Developing a Task Tracking System
- Syndicated Lending Techniques
- Sell Like a Pro/Sales
- Leadership Skills Development
- Team Building Activities

Training Expenses					
	2018	2019	2020	2021	2022
Total Training Expenses (JD)	281,233	234,390	258,500	277,446	416,220

Academic and Professional Certificates Enrollment Programs (# of Participants)					
	2018	2019	2020	2021	2022
Enrollment in Academic Certificate Study Programs	3	2	3	2	2
Enrollment in Various Banking Industry Professional Certificate Study Programs	11	48	49	83	104

Training (Hours)					
	2018	2019	2020	2021	2022
Average Training Hours per Employee	24.1	22.6	12.34	16.5	52
Male	25.0	23.8	12.04	17	54
Female	17.7	20.5	12.36	15.5	46
Employees between 18-30 Years Old	15.8	18.3	12.1	16.6	57
Employees between 31-50 Years Old	8.1	14.5	12.5	16.5	48
Employees over 51 Years Old	1.3	8.7	5.17	13.3	32

Training Programs (Number of Participants)					
	2018	2019	2020	2021	2022
Training Programs Held at the Bank's Training Center	999	1,433	872	796	397
Training Programs Held in Cooperation with Specialized Local Training Institutes	265	200	22	676	1941
External Training Courses Held in Arab and Foreign Countries	17	16	1	7	20
Number of Participants in Internal Seminars	650	750	0	1834	1336
Number of Participants in E-learning Courses	NA	2733	2463	2633	2552

Health, Safety, and Well-Being of Our Employees

Our employees' health, safety, and well-being take precedence at the bank, as we aim to turn our workplace into a place of support for our staff, free of any injuries or diseases. We are proud of not having a single occupational injury or accident during 2022.

Parental Leave

In 2022, 153 of our employees were entitled to paternity leave, a paid three-day leave after the delivery of their children. Whereas 134 of our female employees were entitled to maternity leave, a 70-day leave was granted to ensure that the mother gets the chance to enjoy her time before getting back to work. It is worth noting that all our employees returned to work after their paternal leaves.

Paternity Leave					
	2018	2019	2020	2021	2022
Total Number of Female Employees Who Had Maternity Leave	120	108	99	125	134
% of Female Employees who Returned to Work after Maternity Leave	100%	100%	100%	100%	100%
Total Number of Employees Who Had Paternity Leave	-	84	81	111	153

Employees Engagement

We work in collaboration with our employees to contribute to our business success, as we adopt a vision ensuring mutually trusted and fair treatment of our employees so they feel attached to our objectives, principles, and values. Additionally, we seek to provide a safe, healthy, contemporary, and flexible work environment which promotes openness and inclusion. Our goal is to inspire our employees to adopt creative thinking by encouraging them to make recommendations that would improve and develop the work environment.

We set in place internal procedures for grievances and complaints in order to resolve any grievance related to work conditions, discipline, or unfair treatment by the administration or a colleague. Moreover, we have an internal policy for complaints related to professional misconduct, including verbal abuse, physical abuse, exclusion or isolation, or deliberate withholding of information critical to the performance of work. Based on this, necessary actions are taken in light of the result of the investigation.

Employees Empowerment

We provide our employees with several advantages supporting their social and economic stability, in addition to increasing their satisfaction and loyalty. Hence, we assess our reward plans annually to consider market volatility and external developments. Our reward system is based on fair, transparent standards tailored to foster a culture of motivation. The following are some of the most relevant advantages provided to our employees:

- Healthcare and Insurance
- Housing Loans for Employees
- Social Insurance
- Personal Loans for Employees

Performance & Reward Management

The purpose of our vision is to maintain a responsible, performance-based reward policy in line with our employees' and shareholders' short, medium, and long-term interests. In this regard, we seek to reach a proper balance between our shareholders' expectations and ensure competitive rewards for our employees.

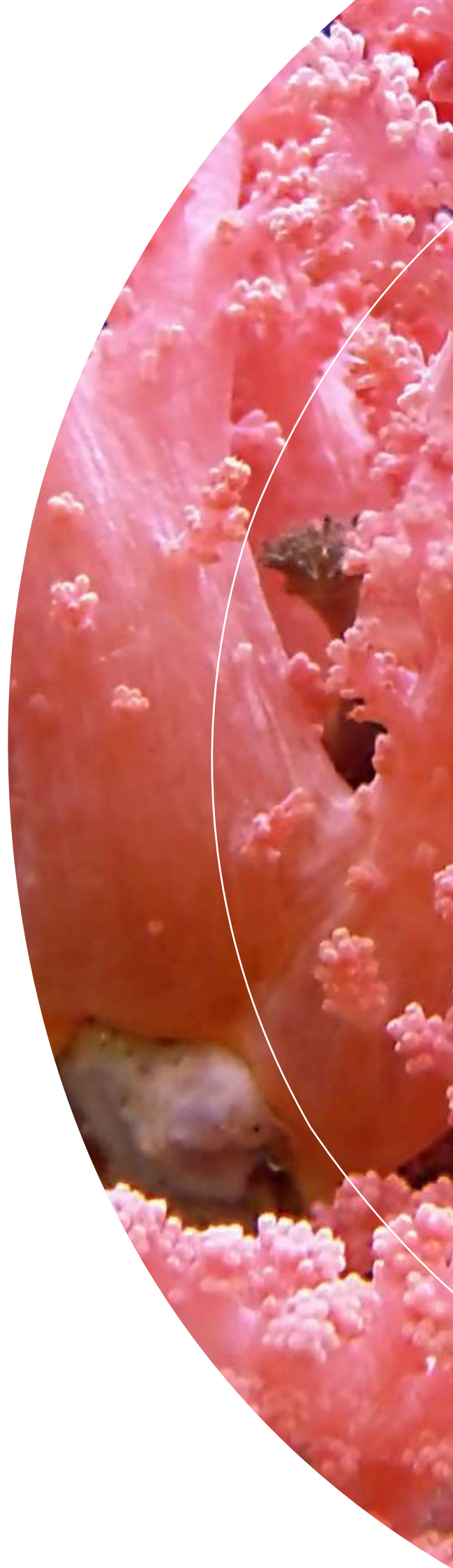
A percentage of the net profit attributable to the Bank's shareholders, excluding taxes, is approved. It is determined annually by the board to be distributed among the entitled employees as an incentive. This incentive is based on the Bank's financial situation and is not considered to be mandatory. The standards of annual compensation incentives are set by the Nominations & Reward Committee, which is formed and approved by the board.

The incentives system is based on an effective performance evaluation system that aims at:

- Rewarding those who excel in performance and productivity and motivating them to continuously exert more effort.
- Following up on employee performance to identify training needs and planning for methods to improve performance.
- Assisting in necessary decision-making related to leveraging human resources by assigning the right employee to the right job.
- Documenting and maintaining the results of the performance evaluation in the employees' database.

04

Our Social Responsibility





Social Responsibility

At the Housing Bank, we are committed to supporting the development of local communities where we operate. Therefore, we seek to provide a wide range of social responsibility programs that include initiatives across different areas. We do this in accordance with a clear and comprehensive strategy that is aligned with the bank's objectives and visions. We also implement activities related to internal social responsibility and corporate happiness in line with UN SDGs. During 2018-2020, our community contributions in Jordan exceeded JD 7.4 million, which represents 1.06% of the bank's profits during that timeframe, excluding taxes.

In 2022, we continued adopting a wide range of sectors to be among our top priorities, given their direct impact on society, in addition to establishing strategic partnerships with major social service institutions. Through the implementation of our strategy, we seek to ensure efficient use of the allocated budget in a way that would reach as many beneficiaries as possible.

Below are some of the top sectors we adopted in the field of social responsibility in 2022:

Education

Believing in the importance of education, we concentrated our efforts over the past years on supporting this sector. In 2022, we provided students of Al Hussein Technical University, one of the Crown Prince Foundation's initiatives, with scholarships covering the tuition fees of bachelor's students studying certain majors such as cybersecurity, data science, AI, and computer science. We also provided scholarships through Jordan Media Institute, as well as sponsoring the education of a number of students through Al-Awn Humanitarian Aid Club, Promise Welfare Association, Elia Nuqul Foundation, and Minhati Organization in line with our commitment to the sustainability principle in this sector.

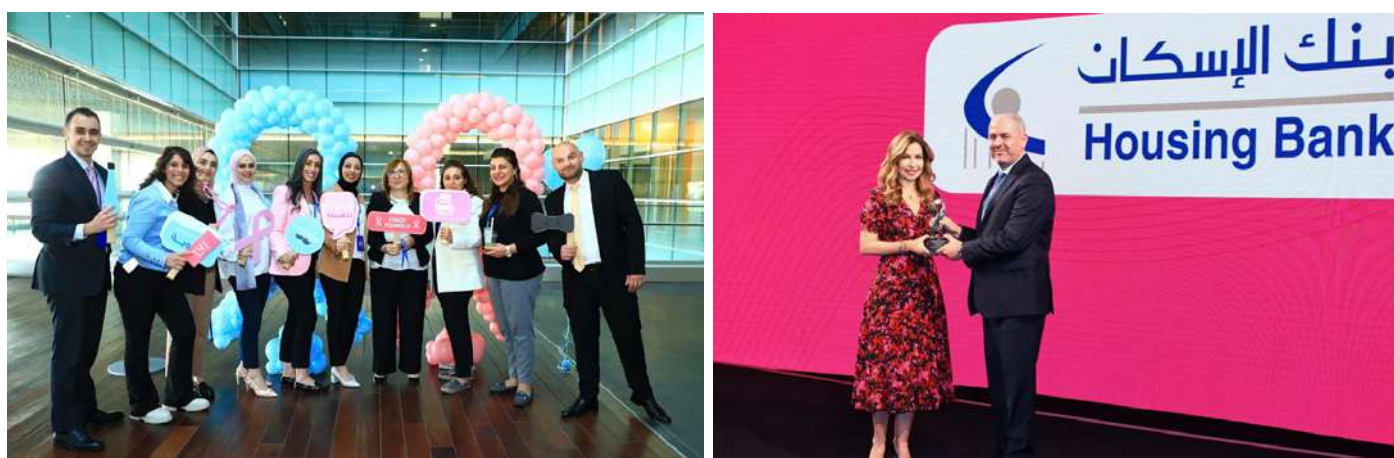
During 2022, we particularly focused on supporting education for students without family support through the provision of scholarships by the Al-Aman Fund for the Future of Orphans. We also supported vocational education in Sakeena Charity Fund for Social Support.

In recognition of our efforts in supporting the education sector, Mu'tah University honored the bank for its sponsorship of the Mu'tah Award for Leadership and Innovation.

Health

Our strategic partnership with King Hussein Cancer Foundation was renewed this year, and we continued our support of the Breast Cancer Awareness Competition, along with the various activities of the Siwar Al Hussein voluntary program. Moreover, the bank contributed to October and November's campaigns for breast and lung cancer awareness, as well as celebrating with the patients of King Hussein Cancer Center on Mother's Day. We also organized an awareness event for our employees in conjunction with October and November's campaigns.

In addition, we supported and assisted a number of health sector organizations in Jordan, including Himmetna Charitable Association, through supporting the rehabilitation of Princess Basma Medical Center in Al Muhajirin/Ras Al-Ain.



Community Service

We continued to support a number of partners in the community service field, including Tkiyet Um Ali and the "Al-Bir Wa Al-Ehsan" Campaign organized by the Jordanian Hashemite Fund for Human Development, part of its support to non-profit institutions and organizations with humanitarian goals. We also supported many key players in the community service sector, such as the Jordan Hashemite Charity Organization as part of the "Eid Clothing" initiative on the occasion of Eid Al-Adha, along with supporting the project of Dar Ne'meh for women empowerment and creating job opportunities provision in Jarash governorate through Princess Taghrid Institute for Development & Training. We further supported the Ministry of Social Development in distributing food parcels for those in need and assisted "Waqf Thareed" in its endeavors to feed wayfarers and combat hunger. We also renewed our annual sponsorship of a house in SOS Children's Village-Jordan.

Moreover, we renewed our strategic partnership with Jordan River Foundation by supporting a number of its projects and programs, including its children protection program and helpline 110, the youth empowerment project in technology and innovation, and the community empowerment program given the role of such programs and their direct impact on community service and development.

People with Special Needs

We have prioritized supporting persons with disabilities at Housing Bank, believing in our social and ethical role towards this society segment that is equally significant as other segments. This was manifested in supporting the Bunayat Center for Special Education, which educates and empowers children with disabilities and autism. We further supported Al-Diya Charitable Association in assisting persons with visual impairment, along with Al-Amal Charitable Association, which is the only organization to support persons with disabilities in Southern Aghwar District (South Valley).

Environment

Believing in the utmost importance of preserving the environment and considering this to be one of the pillars of sustainability practices at the bank, our efforts to support Abdoun Park continued this year. In addition, we renewed our agreement with Princess Alia Foundation to support Green Footprints Initiative for paper recycling that relies on our donations. Under this initiative, second-hand papers are recycled and replaced by new papers to be distributed to state-run schools in the Kingdom for free. Moreover, we support the Arab Group for the Protection of Nature (APN) in the project “The Green Caravan,” which is aimed at the afforestation of agricultural lands for disadvantaged farmers, seeking to provide them with a source of income. This project also aims to increase the green landscape in the country and combat desertification.



Conferences and Festivals

We have sponsored a number of conferences, festivals, and events across various sectors, most notably the 36th edition of the Jerash Festival for Culture and Arts. We also sponsored the prominent economic event “Global Policy Forum”, as well as the International Healthcare Travel Forum 2022, and the conference organized by the Jordan Association for Medical Insurance (JAMI) under the title “Economic Modernization Vision: The Healthcare Sector”. We also sponsored the conference on the Business and Financial Investment Economic Conference, the Arab Architects Awards Festival, and the 15th International Conference on the History and Archaeology of Jordan (ICHAJ 15), amongst many other forums organized by the Jordan Strategy Forum (JSF) and the American Chamber of Commerce in Jordan.

We have also sponsored the World Cup dome, “The Mondial at the Park” which was the official World Cup 2022 dome, in cooperation with Qatar Embassy in Jordan, set up at King Hussein Business Park.



Iskan Giving

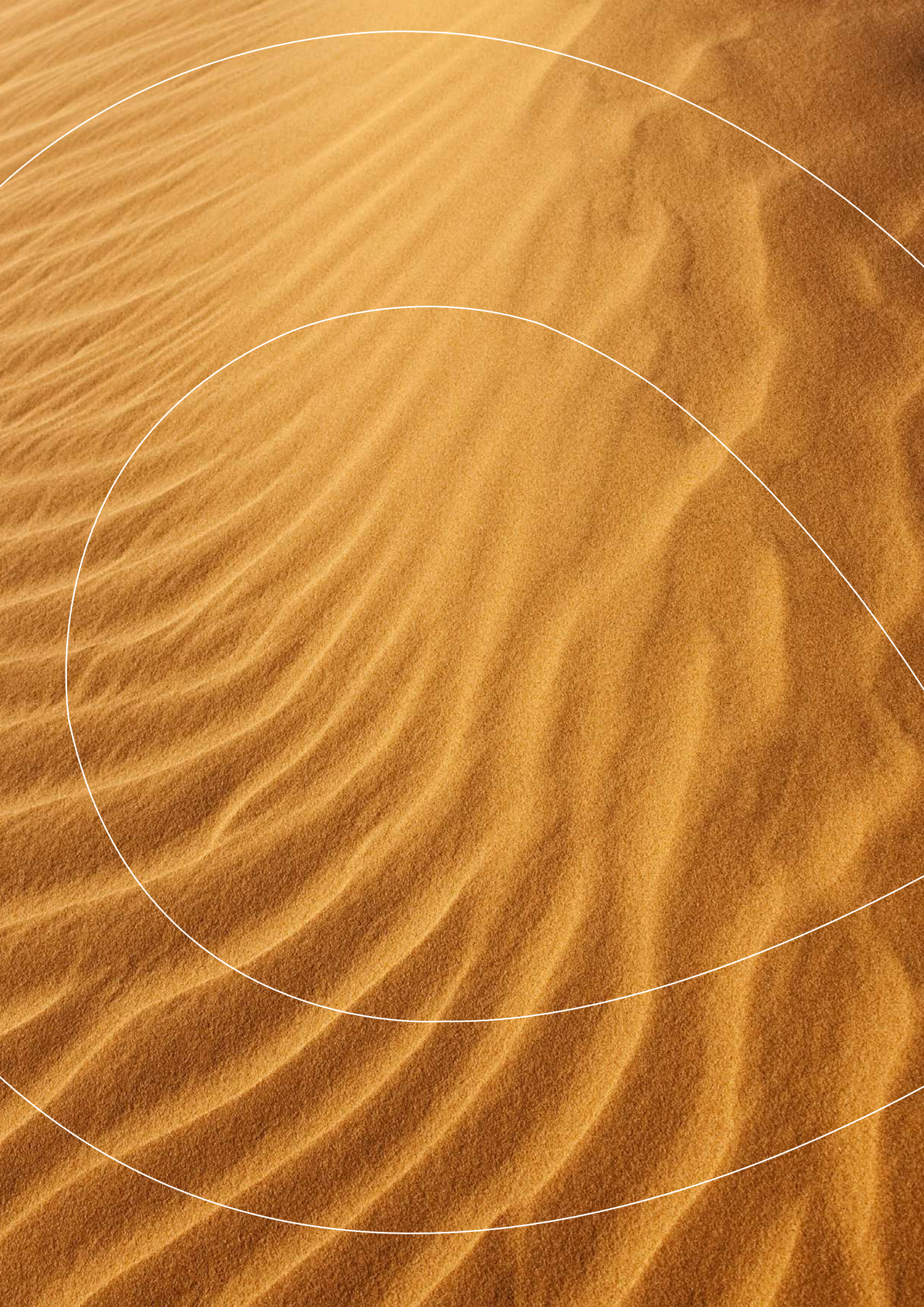
In 2022, we awarded “Iskan Giving” team in recognition of its role in the implementation of our several volunteering initiatives and activities to serve the community, including planting 2,000 producing trees in Northern Jordan Valley, that we donated to the Green Caravan Program, one of the programs under the Arab Group for the Protection of Nature. We have also participated in Tkiyet Um Ali volunteering programs during Ramadan, including distributing charity food parcels to beneficiaries, in addition to assisting in charity banquets. We have also organized a campaign for our employees to donate blood titled “Generosity Is in Your Blood” in cooperation with the Blood Bank Directorate at the Ministry of Health and under the supervision of a specialized medical staff.



05

Governance, Compliance and Risk Management





We firmly believe that our success as a Bank is largely attributed to our strong commitment to sound governance, which enables us to establish a long-term sustainable value for all of our stakeholders. In fact, several internal policies, risk controls, and manuals were developed to ensure covering all the business aspects and guarantee their management properly. This wide range of business aspects includes risk management, compliance, auditing, remuneration, assessment, ethics, and code of conduct. Meanwhile, the specialized sub-committees under the Board of Directors help the Board members in fulfilling their mandates.

Governance

We are confident that the principles and practices of sound corporate governance are key pillars to maintain the stakeholders' confidence as well as enhance our business growth and sustainability. The Bank's Board of Directors is committed to the adoption of corporate governance principles and guidelines as well as leading best practices and standards in this field through the governance framework we apply in the Bank. This framework is regularly reviewed to ensure alignment with the relevant regulations and guidelines applied nationally and internationally.

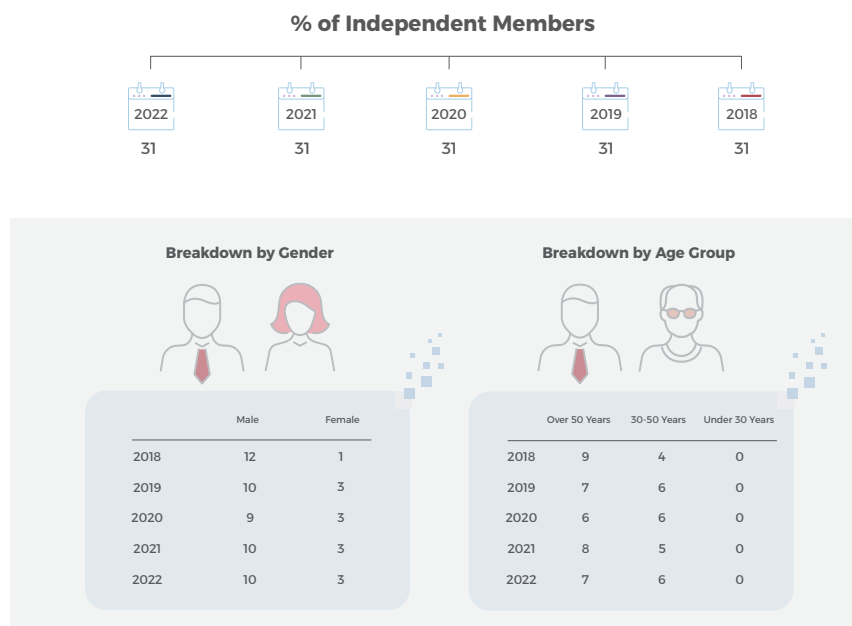
The Board of Directors consists of 13 members, including three women, i.e., 23% of the total number of members. All members have diverse experiences and balanced skill sets that enhance the board's capability to optimally realize the roles and responsibilities under its mandates.

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

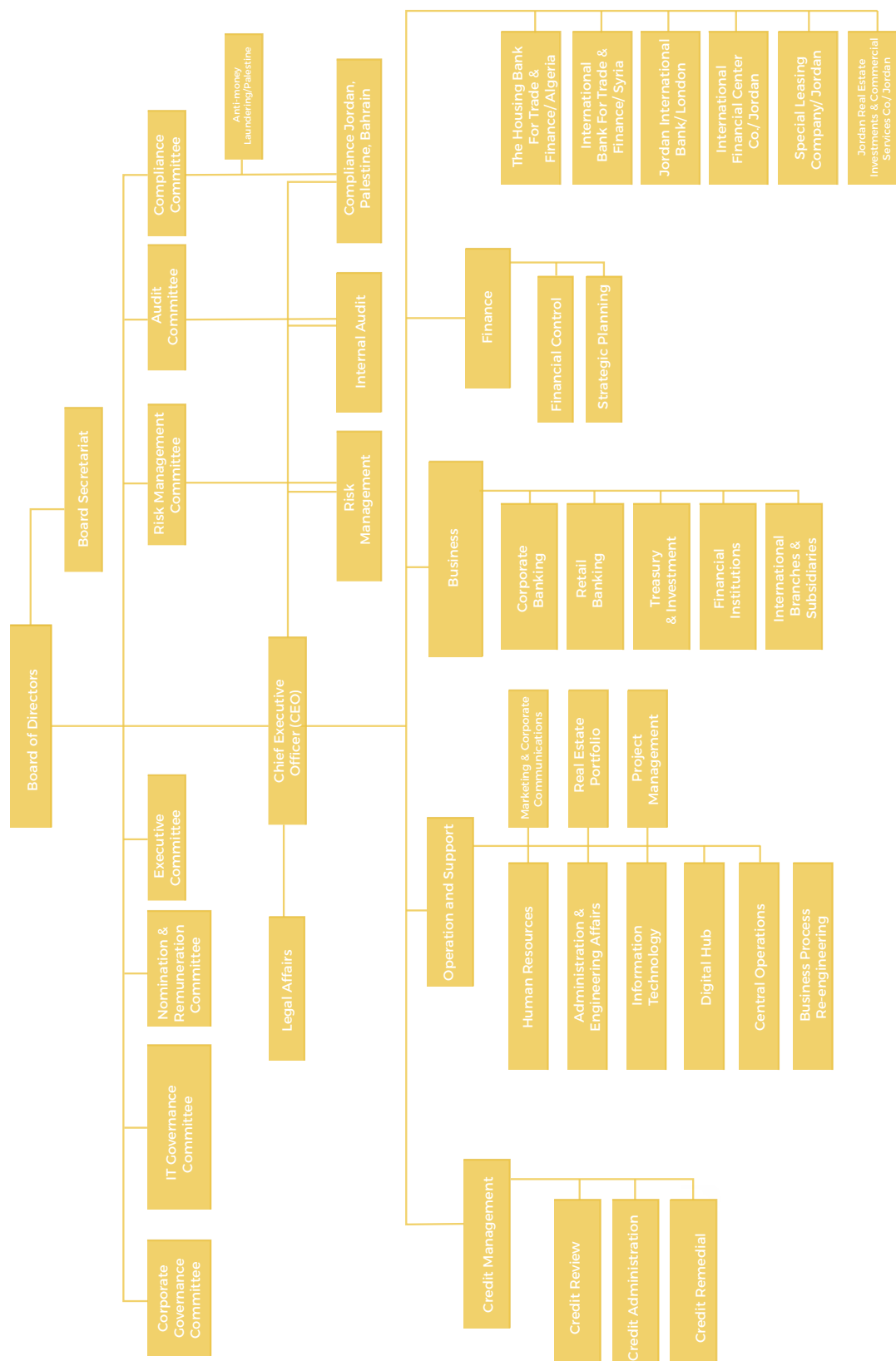
<https://hbtf.com/uploads/202107//dlyl-alhakmyt-almwssyt-lbnk-alaskan-2.pdf>

For more information, our annual report for 2022 can be found at the following link:

<https://hbtf.com/uploads/202304//annual-report-ar-2022.pdf>



The Bank's Organizational Structure



Ethics & Compliance

We are committed to the highest levels of work ethics in line with the applicable local and global standards and practices. Integrity is one of our main core values that is deeply rooted in our culture. All our employees are fully aware of their responsibility to maintain an ethical work environment by identifying any misconduct and acting accordingly.

No incidents of bribery, discrimination, disrespect for citizens' rights, or forced labor were reported by our employees during 2022. We are committed to providing a work environment that is free of inappropriate conduct, discrimination, or harassment on the basis of race, color, religion, gender, or other factors.

Code of Ethics & Professional Conduct

Employees' handbooks, along with the code of conduct, are provided to our employees to refer to for daily professional guidance. The code of conduct covers all applicable laws and regulations, as well as the highest standards of work ethics that our employees should comply with in their daily activities.

All employees have easy access to the code through our internal website. Additionally, all employees shall sign a commitment stating that they have read the code, which is reviewed on a yearly basis.

Response Rate to Signing a Personal Pledge Form to Adhere to The Professional Code of Conduct				
2018	2019	2020	2021	2022
100%	100%	100%	100%	%100

Compliance

At Housing Bank, we are fully committed to conducting all our banking activities in accordance with all laws, regulations, and systems related to banking that are in force in the Kingdom. This is to ensure maintaining the Bank's reputation and the protection of our customers, as we have a detailed and clear work procedure related to regulatory compliance, anti-money laundering, and counter-terrorist financing, in addition to compliance with international penalty codes. Such procedures must be conducted at all functional levels at the Bank.

As for dealing with our customers fairly and transparently, the Customer Complaints Handling Unit received (2485) complaints during the year 2022 in various areas, including: (contracts and terms of transactions, work environment, interest rates, commissions and fees, professional conduct, electronic services, bank cards, transfers, marketing services and products, guarantees and guarantors, credit inquiries, and accounts). The unit has examined and analyzed all these

complaints and informed the customers of the results of such examination and the complaint classification in the Bank's records as (accepted or rejected), in addition to stating the actions taken in respect thereof. The results of examining complaints showed that only (550) complaints were considered valid.

Speaking of awareness, we have continued to issue periodic awareness messages and alerts in the areas of regulatory compliance, anti-money laundering, counter-terrorist financing, and compliance with international sanctions in order to enhance the employees' understanding of compliance and foster the best banking practices in this respect.

In terms of training, we have continued to provide all our employees with training on anti-money laundering, counter-terrorist financing, and compliance with international sanctions. In fact, 17 classroom courses were held in the field of compliance, anti-money laundering, and counter-terrorist financing for a total of 265 employees, in addition to holding 24 online courses through e-learning platforms for 2326 employees.

Compliance Training					
	2018	2019	2020	2021	2022
Number of employees who have received training in compliance and combating money laundering and terrorist financing operations (Classroom)	350	610	106	79	265
Number of Sessions	23	21	7	5	17
Number of employees who have received training in compliance and combating money laundering and terrorist financing operations (E-Learning)	-	2,015	2,536	5085	2326
Number of Sessions	-	2	6	6	24

Risk Management

At Housing Bank, we are committed to adopting best practices in the field of risk management to ensure identifying, analyzing, forecasting, and managing risks so as to mitigate their effects. We are particularly keen on keeping risks within acceptable levels, enabling the Bank to face challenges more efficiently and effectively to reach the optimal balance between risks and returns.

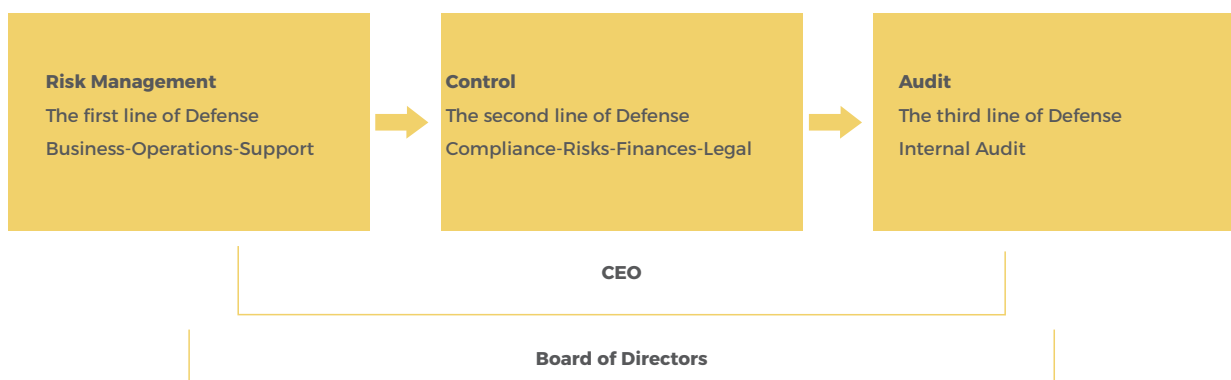
We worked on updating the Enterprise Risk Profile, which included a methodology for identifying and evaluating the risks that the Bank may face in terms of potentiality and impact, in addition to defining and classifying all types of risks and the regulatory controls for each type of these risks. The main risk profile was linked to the risk acceptance document. It was updated as it was completely reformulated and comprehensively developed so that it included many modifications, including the work of Risk Articulation for all types of risks identified within the (Enterprise Risk Profile) and defining the Bank's perspective of these risks in addition to linking them to acceptable risk levels (Risk Appetite/Risk Tolerance), reformulating the different risk acceptance

indicators and adding new levels for each indicator (Optimal, Min, Max Level).

Key institutional risks facing the Bank are credit risks, reputational risks, strategic risks, operational and anti-fraud risks, market and liquidity risks, interest rate risks, cybersecurity risks, information security, business continuity, and risks related to ESG (Environmental, Social, and Governance), where these risks are monitored using systems, methodologies, and measurement tools. Various methods that include a mixture of quantitative and qualitative methods in monitoring and measuring risks so that the impact of these risks on the Bank’s capital adequacy ratio was included and measured through the Internal Capital Adequacy Assessment Process (ICAAP) and in accordance with the instructions of the regulatory entities and approved policies. The Risk Management Group has linked administratively to the CEO and functionally to the Risk Management Committee emanating from the Board of Directors. The following figure shows the organizational structure of the Risk Management Group:



In addition to defining the responsibilities of the various departments of the Bank in terms of identifying, managing, and controlling the various risks facing the Bank, three levels of control (Three Lines of Defence) were identified, and the role of each control level was defined, as shown in the figure below:



Cybersecurity and Data Security

The Department of Information Security and Cybersecurity is a fundamental pillar for the Bank's database and information of its customers. We are, therefore, implementing security policies and procedures that ensure the availability, confidentiality, and integrity of information, as well as the protection of information, data, hardware, and software in the Bank. Monitoring reports on compliance with the information security policies are also submitted regularly to ensure reviewing our policies and procedures periodically to reflect internal and external changes. This also ensures the compliance of all stakeholders with these applicable policies, along with providing compliance training and holding workshops for employees with the aim of educating them about information security and methods of analyzing and assessing fraud risks, in addition to informing them of sound security practices to avoid any potential threats.

The Bank is always keen on adhering to the best practices and international standards related to information security and raising the maturity of its cybersecurity to address cyberattacks. We aim to create a flexible and reliable cyber environment and enhance information security and cybersecurity capabilities, including human resources, technology, and operations to face information security risks and cybersecurity, in addition to maintaining our information within a secure environment throughout the various stages of its life cycle, starting from its creation, followed by its transmission, processing, and storage, and ending with its destruction.

In 2022, we did not record any case of data breach or loss, and we are working on using information security risk assessments with the aim of ensuring that the Bank monitors, identifies, and addresses key security issues on an ongoing basis. Through our Information Security Center, many alert messages are sent to our team regarding information security.

06

Appendices





Appendix (A): Report Scope and Boundaries

(GRI 2-3)

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. It also includes the current initiatives launched by the bank over the past years.
Content Identification Process	In line with the Global Reporting Initiative (GRI) reporting guidelines, Housing Bank uses four steps to evaluate material issues, which are: 1) Defining relevant topics. 2) Defining priority topics according to the influence and impact of the company and its stakeholders. 3) Checking and prioritizing topics through review and evaluation. 4) Reviewing content on an annual basis. The initial evaluations included disclosure issues from the Global Reporting Initiative (GRI) disclosure topics, and then the list was merged with the 14 topics raised under the material matters on page 11.
Report Submission Cycle	The performance data included in the report covers the period from 1 st January to 31 st December 2022.
Guarantees	This report has not been subject to external audit and confirmation.

Appendix (B): Stakeholders' Engagement Map

(GRI 2-29)

Stakeholders	Stakeholder Priorities	Communication Channels	Housing Bank Response
<p>Customers</p> <p>The Bank's customers include around 613,000 depositors and borrowers.</p>	<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 information on services and products that suit their needs • Information security and data protection • Use of safe and easy e-banking 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 dialogue with customers and 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.
<p>Shareholders</p> <p>The success and growth of the Housing Bank depend on its ability to attract investments locally and internationally. The Bank's shareholders offer the necessary capital for sustainable growth and advice at the strategic level. We are committed to realizing sustainable, long-term revenues for investors in a growing and diversified range of markets.</p>	<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 disclosures • Positive brand 	<ul style="list-style-type: none"> • Board Meetings • Annual and Sustainability Reports. • General Assembly Meetings 	<ul style="list-style-type: none"> • Annual and quarterly reports • Net income growth
<p>Employees</p> <p>Our workforce includes 2,875 employees in Jordan.</p>	<ul style="list-style-type: none"> • Several channels were shared with the Bank • Job security and satisfaction • Competitive salaries and privileges for employees • Opportunities for development, growth, and skill development • 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"> • Individual 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 Oversight Authorities</p> <p>(The 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"> • Laws and Regulations • Periodic reports submitted to the oversight authorities • Regulatory reviews • Code of conduct 	<ul style="list-style-type: none"> • The Audit & Compliance Department reports on legal requirements • Monthly reports submitted to the oversight authorities
<p>Society</p> <p>We seek to empower economic, social, and community development throughout our network.</p>	<ul style="list-style-type: none"> • Job creation • Enrichment of local human resources • Development of small and medium projects • Financial education • Financial merger • Environmental care 	<ul style="list-style-type: none"> • Social responsibility activities and voluntary campaigns • Products designed for students and children • Social Media Networks • Annual Reports • Capacity development programs 	<ul style="list-style-type: none"> • Mobile Branches • Mobile money 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 377 suppliers and contractors to support our operations)</p>	<ul style="list-style-type: none"> • Invitation to bidding transparently and fairly • New jobs opportunities • Open communication channels 	<ul style="list-style-type: none"> • Tenders and bids • Contracts and agreements 	<ul style="list-style-type: none"> • Maintain fair and competitive selection • Maintain cooperative relations of shared interests

Appendix (C): GRI Content Index



CONTENT INDEX
ESSENTIALS SERVICE

2023

For Content Index Essentials Service, the Global Reporting Initiative (GRI) services indicate that the content index is clearly presented, in line with standards, and that disclosure references 2-1 to 2-5, 3-1 and 3-2 align with appropriate sections of the report.

Statement of Use		The Housing Bank for Trade and Finance has reported in accordance with the GRI Standards for the period from 1 st January 2022 to 31 st December 2022				
GRI 1 Used		GRI 1: Foundation 2021				
Applicable GRI Sector Standard(s)		Not Available				
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	Location/Answer	OMISSION			GRI SECTOR STANDARD REF. NO.
			Omitted Requirement(s)	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	5-7	The gray cells suggest that the reasons for the omission are either that the information is not authorized for disclosure or that there is no standard GRI sector reference number			
	2-2 Entities included in the organization's sustainability reporting	5-7				
	2-3 Reporting period, frequency, and contact point	1 st January to 31 st December 2022				
	2-4 Restatements of information	No information has been changed in the report				
	2-5 External assurance	This report has not been subject to external assurance				
	2-6 Activities, value chain, and other business relationships	www.hbtf.com				
	2-7 Employees	34				
	2-8 Workers who are not employees	36				
	2-9 Governance structure and composition	49				
	2-10 Nomination and selection of the highest governance body	48				
	2-11 Chair of the highest governance body	48				
	2-12 Role of the highest governance body in overseeing the management of impacts	48				

GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	48				
	2-14 Role of the highest governance body in sustainability reporting	The Board of Directors gave final approval				
	2-15 Conflicts of interest	50				
	2-16 Communication of critical concerns	51,52				
	2-17 Collective knowledge of the highest governance body	https://hbtf.com/en/board-of-director				
	2-18 Evaluation of the performance of the highest governance body	48				
	2-19 Remuneration policies	48				
	2-20 Process to determine the remuneration	48				
	2-21 Annual total compensation ratio	not disclosed	Confidentiality constraints			
	2-22 Statement on sustainable development strategy	4				
	2-23 Policy commitments	39,57				
	2-24 Embedding policy commitments	39,57				
	2-25 Processes to remediate negative impacts	51,52				
	2-26 Mechanisms for seeking advice and raising concerns	50				
	2-27 Compliance with laws and regulations	50,51				
	2-28 Membership associations	Jordan Green Building Council, INJAZ association, Edamah Association, Arab Thought Forum, Jordan Strategy Forum Trade Union of Workers in Banks				
	2-29 Approach to stakeholder engagement	57				
2-30 Collective bargaining agreements	executable					
Material Topics						
	1-3 identifying material issues process	11				
	2-3 list of material topics	11				

Financial Performance

GRI 3: Material Topics 2021	3-3 Management of material topics	8	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	8	
	201-4 Financial assistance received from the government	The government did not provide any Financial assistance to the institution.	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	42-45	
	203-2 Significant indirect economic impacts	42-45	

Governance, Compliance, and Risk Management

GRI 3: Material Topics 2021	3-3 Management of material topics	48-53	
GRI 205: Anti- corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	50	
	205-3 Confirmed incidents of corruption and actions taken	There are no confirmed incidents of corruption and there are no legal cases related to corruption against housing Bank or any of its employees during the reporting period.	

Investment and Community Engagement

GRI 3: Material Topics 2021	3-3 Management of material topics	42-45	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	42-45	
	413-2 Operations with significant actual and potential negative impacts on local communities	42-45	

Cybersecurity and Information Security and Confidentiality

GRI 3: Material Topics 2021	3-3 Management of material topics	53	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	53	

Human Capital Development and Attracting Talents

GRI 3: Material Topics 2021	3-3 Management of material topics	37-38	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	37-38	
	404-2 Programs for upgrading employee skills and transition assistance programs	37-38	

Diversity, Inclusion, and Welfare

GRI 3: Material Topics 2021	3-3 Management of material topics	34-35	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	34-35	

Responsible Procurement

GRI 3: Material Topics 2021	3-3 Management of material topics	30-31	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	30-31	

Environmental Footprint

GRI 3: Material Topics 2021	3-3 Management of material topics	28	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	28	
	302-2 Energy consumption outside of the organization	28	
	302-3 Energy intensity	28	

GRI 303: Water and Effluents 2018	303-5 Water consumption	29	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	29	
	305-2 Energy indirect (Scope 2) GHG emissions	29	
	305-4 GHG emissions intensity	29	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	30	
	306-2 Management of significant waste-related impacts	30	
	306-3 Waste generated	30	

Topics in the applicable GRI Sector Standards determined as not material

Digital Transformation

GRI 3: Material Topics 2021	3-3 Management of material topics	19	
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Customer Care

GRI 3: Material Topics 2021	3-3 Management of material topics	14	
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Supporting SMEs

GRI 3: Material Topics 2021	3-3 Management of material topics	26	
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Sustainable Products and Services

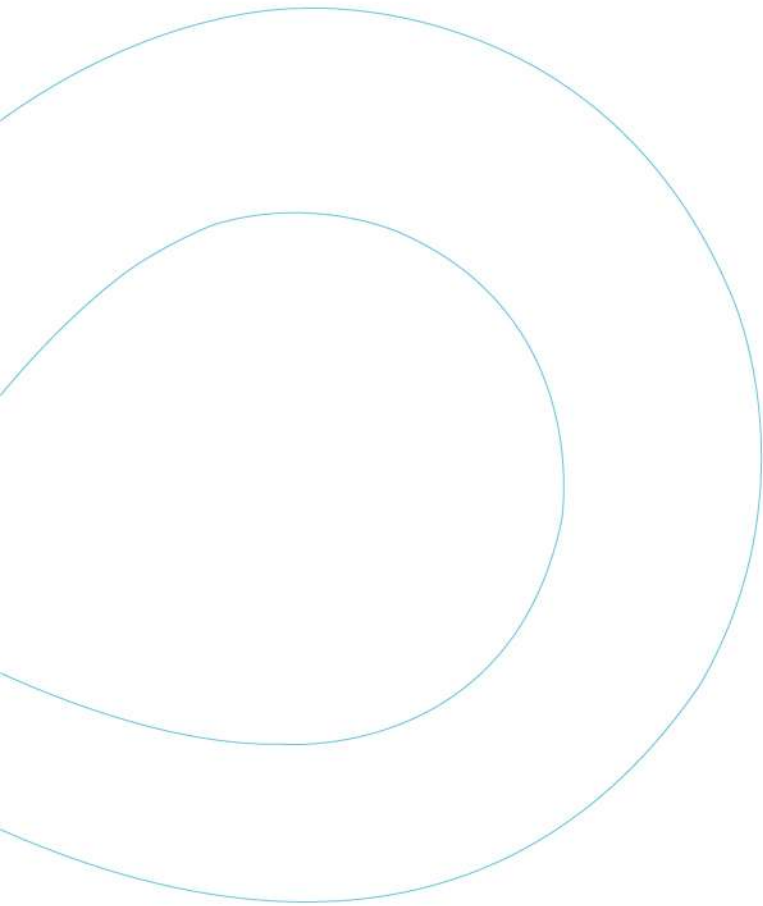
GRI 3: Material Topics 2021	3-3 Management of material topics	25	
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Financial Inclusion on Health

GRI 3: Material Topics 2021	3-3 Management of material topics	25	
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Accessible Products and Services

GRI 3: Material Topics 2021	3-3 Management of material topics	25,27	
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