

# ARAB BANK SUSTAINABILITY REPORT

ADDRESSING THE  
SUSTAINABILITY  
CHALLENGES

20  
19

البنك العربي  
ARAB BANK



Success is a journey

## ABOUT THIS REPORT

This report illustrates how we bring our sustainability commitment to life through our activities; it provides information about our social, environmental and governance achievements and commitments until December 31, 2019. We have focused our reporting on issues that we thought are of greatest importance to our stakeholders, based on our Materiality Assessment we conducted this year (outlined on page 12).

With this year's report, we are celebrating a decade of our sustainability reporting through issuing our tenth annual sustainability report. This report has been prepared in accordance with the GRI Standards: Comprehensive option. For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

A comprehensive overview of our impact and engagement is covered in the different chapters of this report, highlighting our activities in Jordan, the main operating market of Arab Bank PLC. In some cases, Arab Bank Group and PLC data are used in place of Jordan-specific data in line with our reporting policies. In this report, we have also included an in-depth reporting showing the bank's response to the Sustainability Development Goals (SDGs).

GRI Disclosures 102-45

## IN THIS REPORT

ABOUT THIS REPORT	1
A MESSAGE FROM OUR CEO	2
ARAB BANK AT A GLANCE	3
SUSTAINABILITY AT ARAB BANK	8
DESIGNING FOR THE DIGITAL FUTURE	14
SUPPORTING OUR CUSTOMERS IN ACHIEVING THEIR AMBITIONS	19
RESPONSIBLE FINANCING	24
EMPLOYEE EMPOWERMENT	31
TRANSPARENT REPORTING	36
SYSTEM OPTIMIZATION	43
COMMUNITY COOPERATION	48
PERFORMANCE METRICS	66
APPENDICES	72

## A MESSAGE FROM OUR CEO

**Dear stakeholders,**

Welcome to the Arab Bank 2019 sustainability report, the tenth consecutive annual report of its kind published by the bank. Contained within this report is the culmination of a decade long journey to ensure that our bank not only lives up to its shareholders economic expectations, but also wider economic, social and environmental responsibilities and expectations of a broader group of stakeholders.

We recognize our responsibility to be a positive driving force in the communities that we operate in. As such, we are dedicated to achieving sustainable goals, with a focus on helping our clients succeed, providing opportunities for our employees to excel, investing in our communities, driving positive environmental and social impact, and embracing financial innovation towards a more sustainable future.

We have made good progress during the year across each of these focus areas. On the social level, this year we celebrated the tenth anniversary of our multidimensional Corporate Social Responsibility (CSR) program, "Together". Through a decade of engaging our employees, customers and partner NGOs we have impacted the lives of over 1,220,000 individuals across the Kingdom and enabled our employees to deliver over 24,600 volunteering hours through over 6,700 volunteering opportunities.

In 2019, our community investment budget reached USD 24.9 million, representing 3.2% of our pre-tax profits. This included direct charitable donations, sponsorships, and our initiatives and programs implemented through the Abdul Hameed Shoman Foundation.

Great progress has been made to minimize the environmental impact of our operations. We are proud to



report that from March 1st 2019, around 94% of the bank's electricity consumption in Jordan is now sourced from renewable projects. This has resulted in a 75% reduction in our GHG emissions, compared to 2018. We have also continued to finance critical infrastructure projects that support environmental conservation and the expansion of clean energy production across Jordan. Since 2012, our green infrastructure investments are contributing over 1,352 MW of total annual renewable energy added to the Jordanian grid, eliminating approximately 905,000 tons of CO<sub>2</sub>e.

During 2019, we continued the execution of our digital innovation strategy, focusing on exploring, accelerating, and scaling-up innovations that will help continually improve the customer experience. The bank also concluded the second round of our Intrapreneur program, which has enabled our employees to present innovative FinTech ideas, providing them with the guidance and support to transform those ideas into real life banking products and services.

These are some of the top-level highlights and achievements from the past 12 months. Contained within the following pages you will find more information on our approach to a wide range of economic, social and environmental topics as well as our performance on critical KPI's. We hope that through reading this report you can see that the bank is serious about creating long-term value for all of our stakeholders, we have been for the last decade, and we shall continue to be for the decades to come.

**Nemeh Sabbagh**  
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Nemeh Sabbagh', written over a light blue circular background.



**ARAB BANK  
AT A GLANCE**

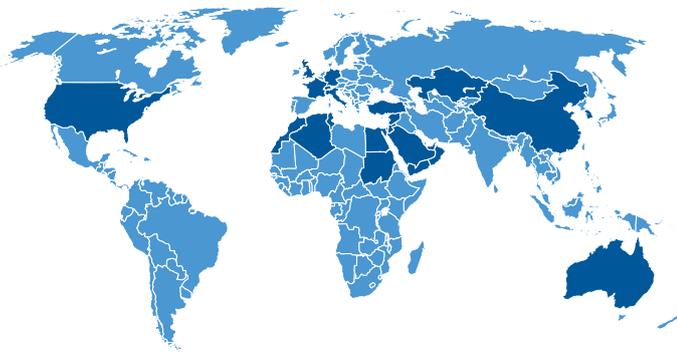
## Arab Bank at a Glance

### Our Global Presence

Established in 1930, Arab Bank, headquartered in Amman, Jordan, has one of the largest global Arab banking networks with over 600 branches spanning across five continents.

**5**  
continents  
**+600**  
branches

#### ■ Presence Countries



## PRODUCTS AND SERVICES

### Consumer Banking

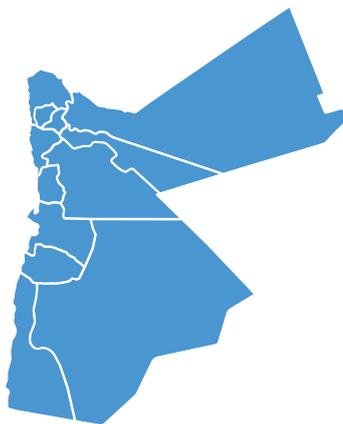
Focused on offering customers with an extensive range of feature-rich value propositions through its vast branch network and integrated digital banking services, both locally and regionally, providing a comprehensive range of programs that are specifically designed to cater to the needs of a diverse customer base.

### Corporate and Institutional Banking

Manages the Group's corporate and institutional client base, providing access to a full range of financial solutions through an extensive branch network and digital channels.

### Treasury

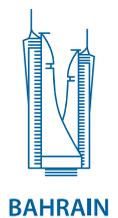
Manages the Bank's liquidity and market risks, and provides expert advice and dealing services to Arab Bank's customers globally.



**47.3%**  
of the total Arab Bank PLC workforce is located in Jordan

**80**  
branches across Jordan (including the Head Office)

### Arab Bank Presence in Key Financial Markets and Centers





Spotlight

## Expand Our Global Reach

### ARAB BANK OPENS A NEW BRANCH IN SHANGHAI

As part of Arab Bank's strategy to expand its network in fast growing global markets, the bank has opened its new branch in Shanghai, China, in a move to strengthen the bank's footprint in the Chinese market. The opening of the new branch comes after Arab Bank obtained the approval from China Banking and Insurance Regulatory Commission (CBIRC) to upgrade its representative office in Shanghai into a fully operational branch, reinforcing its Asian presence, which also covers Singapore and South Korea. Arab Bank was one of the first Arab banking institutions to have a footprint in Asia in line with the bank's strategy to expand its network.

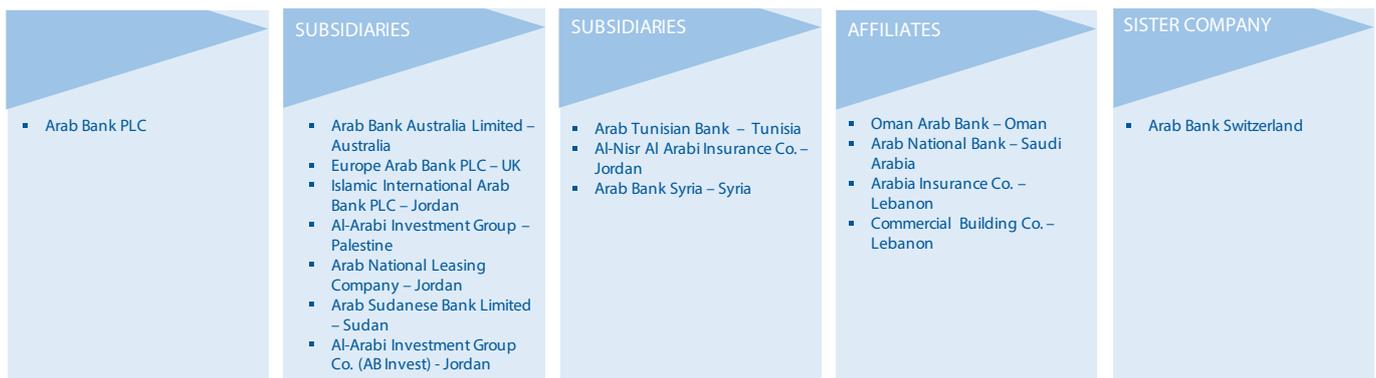


## Arab Bank Group

The bank's group is comprised of Arab Bank Public Shareholding Company (PLC) and its sister company (Arab Bank Switzerland), in addition to subsidiary and affiliate companies. Arab Bank PLC has branches in Algeria, Bahrain,

Egypt, Lebanon, Morocco, Palestine, Qatar, South Korea (Representative Office), Singapore, UAE, USA (New York Agency), Yemen, Kazakhstan (Representative Office), China and Jordan.

### ARAB BANK GROUP



## Achievements in Numbers

Arab Bank Group closed 2019 with solid results reporting a net income after tax of USD 846.5 million as compared to USD 820.5 million in 2018, recording a growth of 3.2%. Net income before tax grew to reach USD 1.15 billion as compared to USD 1.12 billion in 2018, while the Group's equity grew to reach USD 9.102 billion with a return on equity of 9.3%.

The Group's net operating income grew by 5% driven by growth in interest and fee income. Credit facilities grew by 1.2% to reach USD 26.1 billion while customer deposits increased by 6%, or by almost USD 2 billion, to reach USD

36.2 billion. Revenues grew by 4.6% to reach USD 2.23 billion, and total expenses recorded a decrease of 3% from 2018.

In view of the solid results, the Board of Directors recommended to the shareholders the distribution of 30% cash dividends for the financial year 2019, making a total dividend payout of over USD 270 million.

However, in light of the COVID-19 crisis, the Central Bank of Jordan issued circular no. 1/1/4693 on April 9th, 2020, instructing all Jordanian banks to postpone the distribution of dividends to their shareholders for the year 2019.

**USD 846.5 m**

NET INCOME AFTER TAX

**5% increase**

IN NET OPERATING INCOME

**USD 9.1 b**

GROUP'S EQUITY

**9.3%**

RETURN ON EQUITY

**72.1%**

LOAN-TO-DEPOSIT RATIO

**16.2%**

CAPITAL ADEQUACY RATIO

## Awards and Recognitions

### Euromoney Magazine

- The Middle East's Best Bank
- Jordan's Best Bank

### Emea Finance Magazine

- Corporate Social Responsibility Program in the Middle East
- Best Trade Finance Services in the Middle East
- Best Local Bank – Jordan

### Union of Arab Banks

- The Best Digital Bank in the Middle East

### Global Trade Review

- Leader in Trade for Jordan/Best Trade Finance Bank in Jordan

### Global Finance Magazine

- Best Bank in the Middle East
- Best Trade Finance Provider in the Middle East
- Best Bank in Jordan
- Best Trade Finance Provider in Jordan
- Best Online Cash Management in Jordan
- Best Trade Finance Services in Jordan
- Best Consumer Digital Bank in Jordan
- Best Mobile Banking App in Jordan
- Best in Social Media Marketing and Services in Jordan
- The Safest Bank in Jordan
- Best Foreign Exchange Provider
- Best Private Bank
- Best Treasury & Cash Management Bank and Provider

### Asiamoney Magazine

- Jordan's Best Bank for Asia

### The Banker – Published By The Financial Times

- Bank of the Year

### World Union of Arab Bankers

- Best Bank for Banking Services Quality

**Awards and Recognitions 2019**

## Global Sustainability Recognition

Arab Bank has also been recognized locally and globally for adopting an effective approach towards sustainability that considers local stakeholders' needs, while following global standards and guidelines. This success is due to the bank's comprehensive strategy and positive impact on the community.

**S&P/Hawkamah Pan Arab ESG Index** - The S&P/Hawkamah ESG Pan Arab Index includes the top 50 Pan Arab companies based on their performance on almost 200 Environmental, Social and Governance (ESG) metrics.

Arab Bank is the only Jordanian organization ranked among the top 10 performers in the Arab world, reflecting the great progress in its ESG performance throughout the years and the significant steps it took in its ESG journey. During 2019, we were ranked at the sixth level in this year's re-calibrated index.

**Best Corporate Responsibility Program in the Middle East** - EMEA Finance Magazine, headquartered in London, has awarded Arab Bank "Middle East's Best Corporate Social Responsibility Program 2019". The award was presented in recognition of the bank's corporate social responsibility achievements and commitment to its sustainability strategy.



# SUSTAINABILITY AT ARAB BANK

Stemming from the growing social, economic and environmental challenges at the local, regional, and global levels, along with our belief in the financial sector's ability to address these challenges, we realize the importance of adopting a holistic sustainability approach that is well integrated into our daily operations. This approach is based on a comprehensive engagement with our stakeholders to enable us to identify their needs and expectations, and align them with our business case for sustainability, thereby shaping an approach that ensures value for all stakeholders.

# TOWARDS A BETTER FUTURE FOR EVERYONE: ARAB BANK'S SUSTAINABILITY STRATEGY

Our sustainability strategy, illustrated through our sustainability framework, is built on 'our values' that underpin 'our foundation' of stable and principled banking practices and institutional approach. It revolves around integrating sustainability concept into our core business operations.

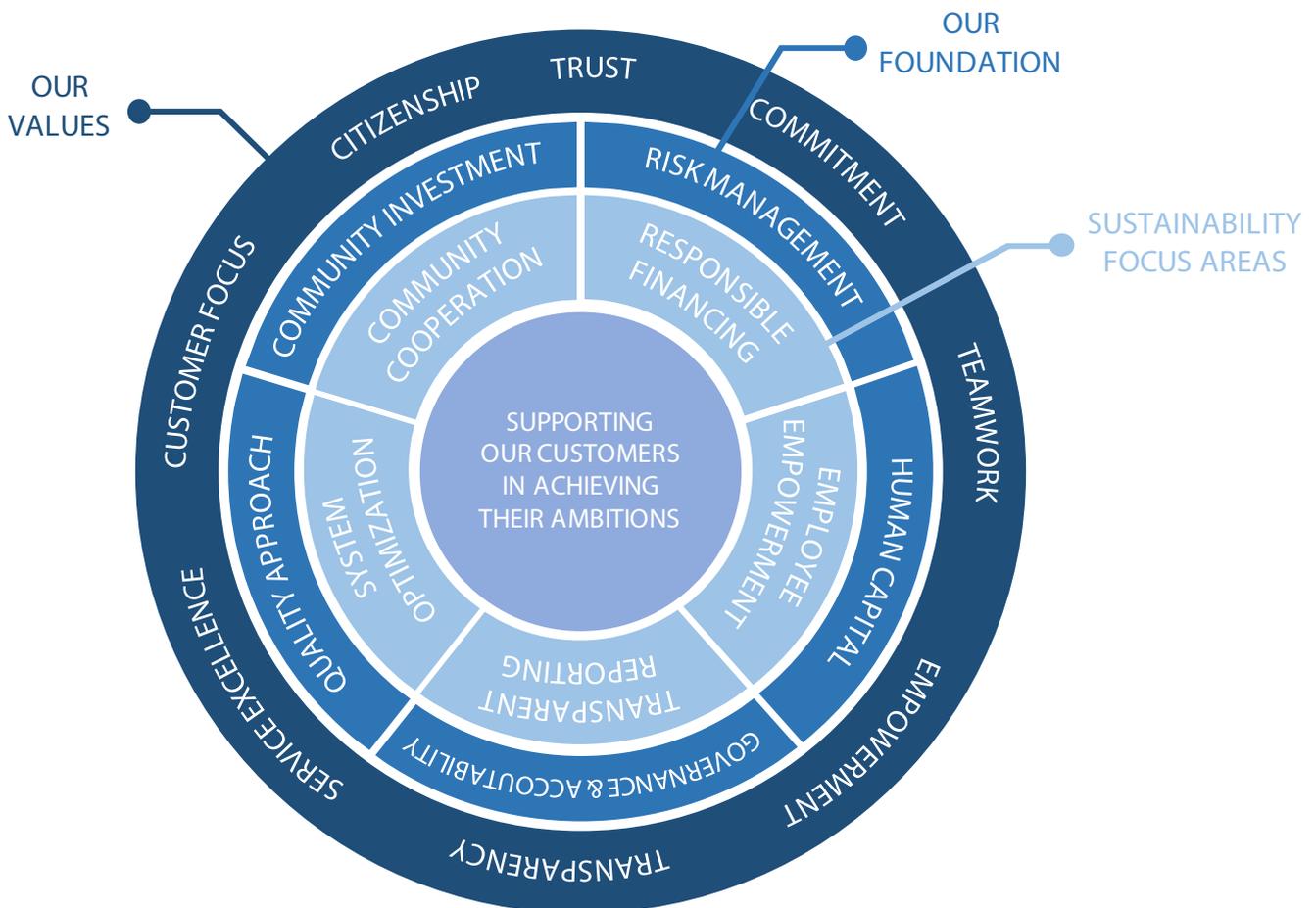
This sustainability strategy helps us adopt effective and immediate actions to contribute positively to the community and create value for our stakeholders to address the growing socio-economic and environmental challenges of today and tomorrow.

Consequently, we have identified our 'sustainability

advantage' in integrating social and environmental aspects, in addition to the economic and ethical perspectives within our business strategy and daily operations. This represents our sustainability focus areas including: responsible financing, employee empowerment, transparent reporting, system optimization and community cooperation.

For each of the sustainability focus areas, a clear strategic objective was established to drive our sustainability effort in this respective area, thus optimizing our economic, environmental and social impacts and aligning the business conduct with our sustainability strategic approach.

GRI Disclosures: 102-44





## ADHERING TO INTERNATIONAL STANDARDS

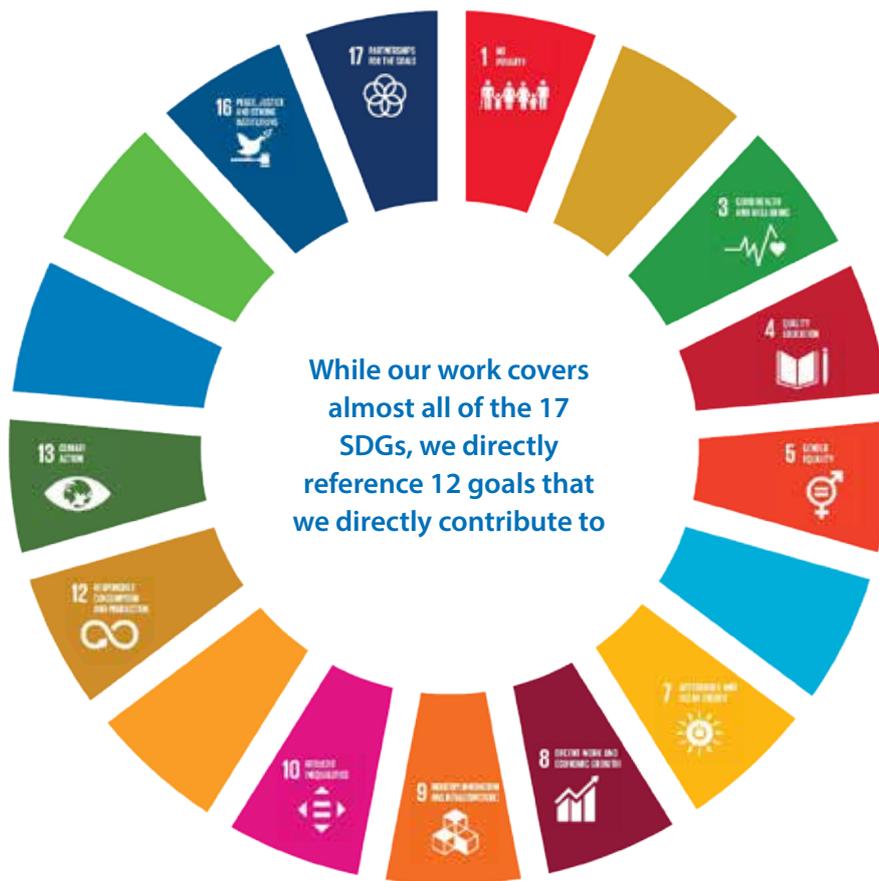
Our strategic objectives ensure that our business activities add value not only to the bottom-line, but also to people, communities and the planet. Thus, our comprehensive sustainability strategy is aligned with a number of global standards that support our national development agenda, including the UN Global Compact (UNGC) principles, the Sustainable Development Goals (SDGs), and ISO 26000 Social Responsibility Standards.

We have also been reporting on sustainability using the Global Reporting Initiative (GRI) framework since 2010. For the past four years, we aligned our reports with the GRI sustainability reporting standards, the first international sustainability reporting standards.

## ARAB BANK AND THE SUSTAINABLE DEVELOPMENT GOALS

As one of the biggest banks in Jordan, and based on our global presence, Arab Bank has a significant role to play in contributing to the Sustainable Development Goals (SDGs). Since 2017, we have been connecting our reporting to the SDGs, a 17 global goals set by the United Nations General Assembly in 2015 and a core part of the 2030 agenda for sustainable development.

In this report, we outline in more details how our activities and sustainability approach relates and contributes to the SDGs. While our work covers almost all of the SDGs, we directly reference only those where we can describe specific contribution to.



**PAGE**  
14, 20, 23, 28, 29, 30, 33, 50



**PAGE**  
23, 29, 33, 34, 47, 50



**PAGE**  
23, 29, 33, 50



**PAGE**  
30, 32, 50



**PAGE**  
26, 46



**PAGE**  
20, 28, 47, 50



**PAGE**  
14, 20, 25, 26, 28, 29



**PAGE**  
14, 20, 23, 28, 29, 50



**PAGE**  
14, 29



**PAGE**  
26, 29, 46



**PAGE**  
41



**PAGE**  
42

## ENGAGING OUR STAKEHOLDERS

We are committed to engaging regularly with our stakeholders as a way to understand their needs and ambitions that are core to our sustainability objectives. This enables us to respond to their expectations and priorities and use it as a cornerstone to our strategy.

To better understand our stakeholders' expectations, we regularly map their needs with the support of our Sustainability Champions\* to capture our methods of engagement, identify priority issues for both the bank and the stakeholders, and track our response to these issues. The results guide our efforts in fulfilling the stakeholders' needs through the strategic objectives and initiatives we implement.

GRI Disclosures: 102-40 ,102-42 ,102-43 ,102-44

### ENGAGING OUR STAKEHOLDERS



#### CUSTOMERS

- Service & Communication Channels
- Feedback Methods
- Regular Annual Reports
- Media



#### SHAREHOLDERS

- Annual General Assembly
- Financial and Non-Financial Reports



#### GOVERNMENT

- Regulatory Reporting and Audits
- Regulatory Review
- Regulations



#### COMMUNITY

- Social and Digital Media
- Regular Annual Reports
- Media
- CSR Activities & Initiatives



#### SUPPLIERS

- Meetings
- Contracts



#### THE ENVIRONMENT

- Engaging with Clients & Borrowers on ESG Issues
- Engaging with Environmental NGOs
- Sustainability Reports



#### EMPLOYEES

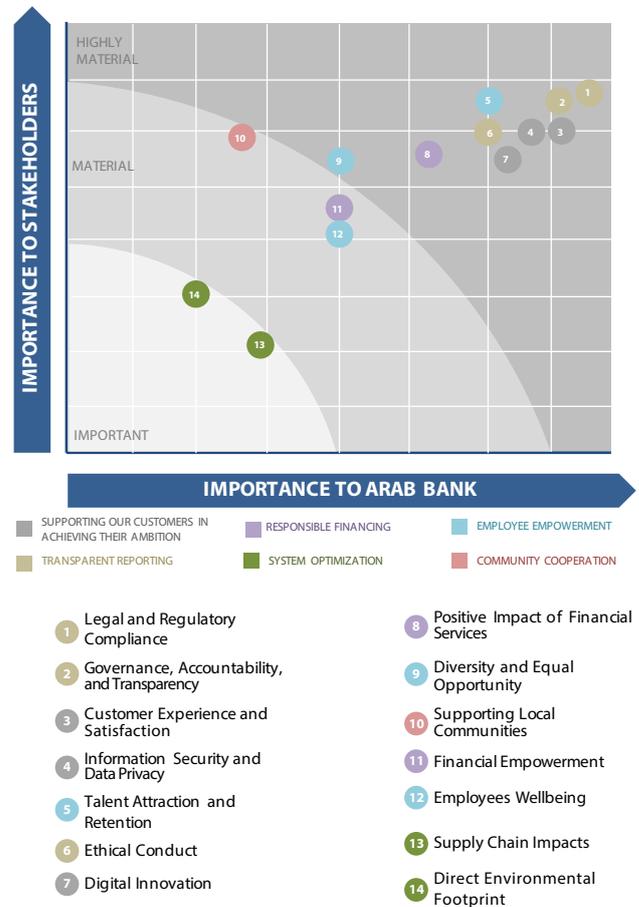
- Internal Communication Channels
- Volunteering Activities

## FOCUSING ON WHAT MATTERS

Our sustainability efforts and priorities across our operations are informed by the wider social and environmental aspects around us. We use the materiality assessment process to identify topics that are important to our stakeholders and are strategically significant to our business. Establishing prioritization among the sustainability topics enriches our understanding of our stakeholders' needs and focuses our strategic priorities.

In 2019, our assessment revealed the same issues and priorities compared to 2018; a list of 14 material sustainability issues are presented in our Materiality Matrix below. A full explanation of our materiality approach and boundaries of the material issues can be found in Appendix B.

GRI Disclosures: 102-44 ,102-46 ,102-47 ,102-49



\* Sustainability Champions are employees from different divisions that work closely with the bank's sustainability department to ensure the implementation of the sustainability strategy within their respective divisions.



**DIGITAL  
INNOVATION**

# DESIGNING FOR THE DIGITAL FUTURE

## Digital Innovation

It is difficult to imagine a world without the internet or mobile devices. They have become core elements of our lifestyle and have brought a high degree of disruption to virtually every area of business. This is changing the way services are delivered and consumed, challenging traditional business models across virtually every industrial sector.

The financial services industry is no exception; new digital technologies are in the process of reshaping the value proposition of existing financial products and services. We continue to see the rise of new business models and emerging technologies, with new entrants to the market and increased collaboration and partnering between Fintech startups and the established banks.

At Arab Bank, we see digital innovation as a way to enable us to modernize infrastructure and create new and innovative service experiences for our customers that meets their needs and lifestyles in order to remain relevant for the generations to come. To achieve this objective, a collaboration between us and an external Fintech ecosystem was needed to be able to develop innovative solutions for Arab Bank customers. Thus, we have shaped our approach to innovation and product development through a business model that explores, accelerates, and scales-up innovation.

## SDGs ALIGNMENT

Arab Bank's work on the field of digital innovation aligns with the **SDG 1** and **SDG 9** through using innovation to help advance financial inclusion by expanding the financial services to the unbanked and support innovation and entrepreneurship, especially among the youth. It also aligns with **SDG 10** and **SDG 12** by providing the platform to develop innovative products and services that incentivize sustainable living and create more efficient and effective operating and distribution models for new markets that extend financial inclusion.



End poverty in all its forms everywhere.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



Reduce inequality within and among countries.



Ensure sustainable consumption and production patterns.

## ARAB BANK DIGITAL INNOVATION STRATEGY



**IDEATE & VALIDATE**

Collaboration in fostering new ideas, prototype and experimentation

01

**ACCELERATE**

Accelerating integration of relevant Fintech innovation within Arab Bank

02

**SCALE-UP**

Invest directly in the next wave of innovative financial solutions

03

## AB INNOVATION HUB "iHub"

We foster innovation by encouraging our employees to submit innovative ideas. Our mission is to support and enable them with the tools and environment to validate their ideas.

We have established AB "iHub" as a dedicated co-creation space that allows our employees to connect with FinTech startups and foster new innovative ideas, prototypes and experiments together. It is also an awareness and education center to bring the staff up to speed with new technologies, debate use cases and reflect on how to exploit new technologies and wider ecosystem.

In addition to our employees, in 2019, we have expanded the bootcamps to include FinTech ideas from the startup ecosystem.

### iHub Approach

We believe that innovation starts from within and we are committed to embracing the future of digital innovation through our employees. Thus, we empower our employees to discover and build new solutions that will help enhance our value proposition to our customers.

**Discover** - We spark curiosity and awareness within our employees about new technologies through a series of talks held by industry experts. In 2019, we held 24 tech talks and workshops that were attended by 1,816 employees.

**Educate** - We educate our employees to bring them up to speed with new technologies and methodologies. **Experiment** - Under this element, the bank has launched the "Intrapreneur" program for our employees where they can submit ideas that help us succeed in the digital age, with the best pitches developed in a startup-style environment.

Through this program, employees are encouraged to submit their ideas, in which they are shortlisted and applicants undergo a series of innovation workshops that help refine their ideas and prepare for their pitches. Once the idea is developed, employees pitch to senior executives to receive support for their idea, including funding.

In 2019, the bank has concluded the second round of the "Intrapreneur" program, where five innovative ideas in the field of FinTech were selected from a wide range of ideas presented by Arab Bank staff in Jordan. This six-month round of the program included several phases. Arab Bank's staff in Jordan submitted more than 200 ideas, 17 of which were selected to participate in an 11-week workshop. The five winning ideas were selected to receive the support and guidance needed to launch these ideas as banking services and solutions. Cash prizes were given to the top three ideas.





## Arab Bank FinTech Bootcamp

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In 2019, Arab Bank has launched the first Fintech Bootcamp for Jordanian entrepreneurs with ideas within the Fintech industry. The bootcamp provided the entrepreneurs with access to mentors and key decision makers within Arab Bank to fine-tune their ideas to become enterprise ready.

The duration of the bootcamp was one month, which started out with a two-day workshop about “Value Proposition Design and Validation” followed by sessions on digital marketing and creating a pitch presentation. External and internal mentors were invited to participate in mentorship round tables to focus on guiding the startups in specific areas in which they require support. The program ended with a demo day event, which covered the pitching of seven startups in front of an audience of executive members from the bank, in addition to ecosystem partners (Venture Capital and Accelerators). The panel of expert judges selected 3 winning ideas whom received cash rewards ranging from USD 3,000 to USD 7,000 as a boost to the companies’ growth.

The winning ideas were:

**Quiqclaim** : a peer-to-peer settlement and investment platform, catering to the medical insurance industry, which has created a new streamline financing marketplace for health claims.

**Amwalcom**: a one-stop-shop to explore and apply for different financial product offerings (loans, credit cards, bank accounts) online for free. The platform also provides an opportunity for the bank to market their products to specific segment of users.

**Changecom**: a mobile application that encourages users to save by rounding up the spare change from each transaction, which is then automatically transferred to the savings account.



## AB ACCELERATOR

“AB Accelerator” is a focal point for innovation with a simple and practical role: accelerating integration of relevant FinTech innovation within Arab Bank.

“AB Accelerator” invests globally, with a focus on EMEA, in early-stage technology- startups, whose business model provides innovation that can disrupt or expand the financial services industry.

“AB Accelerator” is a specialized program that is product-centric, applying a lean approach to product launch and integration development. It provides startups with the opportunity to test their solutions through a proof of concept and the possibility of moving into a pilot deal with real enterprise customers.

The program aims to help the bank adopt emerging technology solutions that enhance, improve, and reimagine the way we add value for our customers.

### “AB Accelerator” Approach

“AB Accelerator” program provides all the tools to take a startup from its initial launch to developing a highly scalable business model with solid revenue growth through a mix of financial and non-financial support.

“AB Accelerator” **Value Offer** – In addition to providing seed funding (up to USD 250,000), “AB Accelerator” also provides start-ups with industry experts’ mentorship, a creative workspace, a multitude of perks, banking, and direct support from its teams. “AB Accelerator” focuses on building the infrastructure in which founders can accelerate their vision through immediate access to customers and markets.



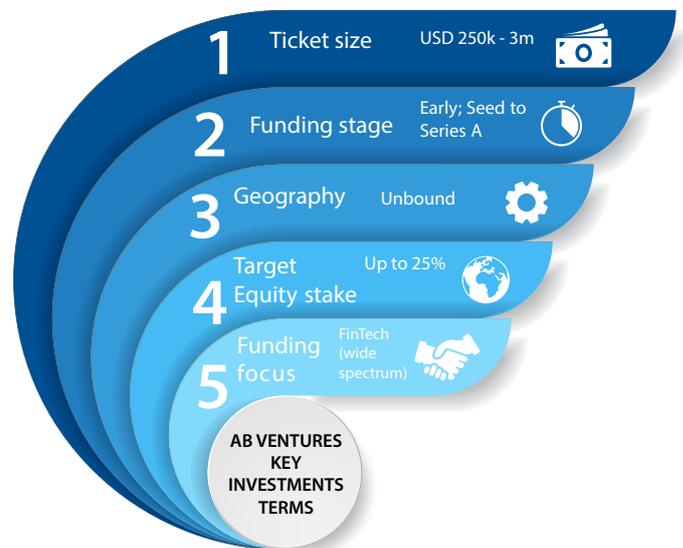
## AB VENTURES

**Venture Capital + Digital Innovation** - A key pillar in Arab Bank's Digital Innovation Strategy, "AB VENTURES" was set up in 2018 as Arab Bank's independent Corporate Venture Capital arm. "AB VENTURES" demonstrates the bank's commitment towards embracing digital innovation by investing directly in the next wave of innovative financial solutions, and – integrating them where relevant - into the financial services' value chain across multiple markets.

**"AB VENTURES" Opportunity** - Financial Technology holds the potential to substantially transform today's financial institutions. It could upend existing financial intermediation with new business models empowered by intelligent algorithms, big data, cloud computing, and artificial intelligence. Success in this multi-trillion dollar global industry will depend primarily on understanding consumer behavior, capitalizing on current infrastructure, and navigating the intricacies of the regulatory landscape.

Backed by one of the leading financial institutions in the Middle East, "AB VENTURES" is at a vantage point to capture this new economic opportunity. Our global footprint will amplify the impact of our investments as we conjoin best-in-breed FinTechs with high-growth market opportunities.

**Investment Thesis** - "AB VENTURES" will invest globally in early-stage (~Seed to Series-A) scalable Financial Technology businesses with no geographical focus. In doing so, we will focus on both consumer and enterprise facing business models with a preference for companies building proprietary products and services that can demonstrate desirable network effects across Financial Industry verticals, build enabling technologies for multiple industries, facilitate the onset of new decentralized technology backbones, or any combination thereof. "AB VENTURES" are drawn to solutions that are omnipresent, personal, and predictive and can covert non-users into users with a focus tactical or strategic value added to Arab Bank.



**"AB VENTURES" Over 2019** – During 2019, "AB VENTURES" has successfully built a strong reputation among co-investors and established relationships with more than 20 institutional Venture Capital funds across the UK, Europe, United States and Asia.

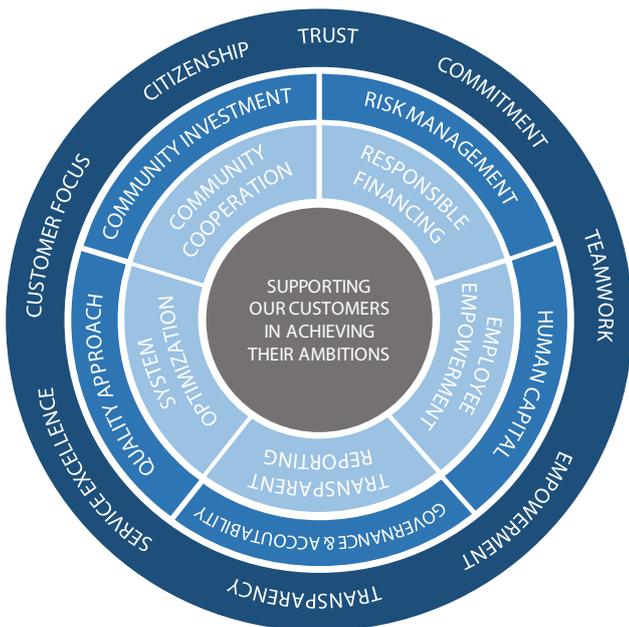
# SUPPORTING OUR CUSTOMERS IN ACHIEVING THEIR AMBITIONS



Our customers are at the core of our business, we therefore ensure that we align our operations to meet their evolving needs and expectations through the extensive range of banking services and solutions we offer them. Ultimately this enables us to attract new customers in line with our mission of becoming the leading financial institution in the Arab world.

We are achieving this through:

- Continuously developing our products and services to meet the evolving needs of our customers.
- Embracing digital innovation as key to adding greater value to our customers and continuously improving their experience.
- Excelling in our customer services across our banking channels and our commitment to fair engagement with our customers while maintaining data security at the highest levels.
- Fulfilling the socio-economic ambitions of our customers.



## Material Aspects

- Customer experience and satisfaction
- Customer privacy and data security
- Digital innovation

### PERFORMANCE METRIC

Further performance metrics related to this section are presented on page 66.

## SERVICE LEADERSHIP

The financial sector is going through a period of rapid change. Customers' needs are becoming more complex, and technology is changing the way services are delivered. As one of the leading financial institutions in the region, we continue to deliver on our promise to our customers; providing excellent services that meets their evolving needs at every stage of their life cycle.

Our philosophy revolves around providing our customers with 360° responsive banking solutions. This philosophy is manifested through offering a comprehensive range of value propositions supported by advanced digital channels to ensure that they enjoy a seamless banking experience at the different touch points.

### Products and Services

We have introduced a number of products and services designed to address the evolving needs of our customers.

**"Arabi MobiCash"** – Arab Bank was the first bank in Jordan to launch such a mobile payment app. "Arabi MobiCash" is introduced to be an easy, convenient and safe payments method for our customers. This service was designed to complement the customer's lifestyle by making payments in an easy manner without the need to carry cash or cards through their smartphones. Additionally, it provides convenience for them as all the transactions and bills are electronically stored and tracked through the app.

**Contactless Debit Card** – The bank has introduced in 2019 the contactless debit card. By providing this tap-and-go payment service to our customers, we are enhancing their experience through providing easier and faster checkout.

**Digital Customer Onboarding** – The bank has launched digital customer onboarding platform in 2019. The key objective is to further extend our reach to new customers via digital channels, by availing Account Opening application through "Arabi Mobile".

**Arabi Points** - Arab Bank has made further enhancements to its loyalty program "Arabi Points" in Jordan during 2019 through providing better points redeeming options. Customers can now interact with Arabi Points through Arabi Mobile, which means that customers are able to view and redeem their points through the Bank's mobile banking channel for better convenience.

**CIB Digital Transformation** - Arab Bank has progressed further with the digital transformation process of client journeys, which includes investing in digital solutions and revamping of key processes to ensure that clients enjoy a flexible and seamless banking experience. CIB's digital product offerings such as; the "ArabiConnect" cash management and trade finance corporate platform and "ArabiSync" host-to-host solution are offering a superior banking experience, one that empowers clients to be increasingly efficient and more competitive in today's fast-changing business environment.

**Arab Bank Self Service Branch** – As part of the bank's strategy to reinforce its branch network and provide customers with advanced digital banking solutions, the bank has added the self-service plug-ins to two branches in Jordan during 2019.

### SDGs ALIGNMENT

Through Arab Bank's work on developing digital products and services, such as "Arabi MobiCash", Digital Onboarding, and the self service branch, the bank is aligning to **SDG 1, SDG 8, SDG 9, and SDG 10**, through leveraging technologies to extend financial inclusion and provide the financial services for the unbanked.



End poverty in all its forms everywhere.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



Reduce inequality within and among countries.

## SERVICE EXCELLENCE

Great customer service starts with having empowered, motivated and professional employees who can meet and exceed the customers' expectations. Our approach to achieve this is through empowering our employees and training them to raise their knowledge and experience to deliver on our promise, and monitor this interaction to ensure that the highest levels of customer satisfaction are achieved.



Spotlight

### Personalized Services

#### CUSTOMER CARE CENTER REVAMP REGISTRATION AND LOGIN PROCESS

To improve the services provided by the bank's Customer Care Center, and to facilitate the approach of verifying the identity of our customers when calling the customer care center, a new mechanism has been put in place to subscribe to the Customer Care Center. According to this new process, a passcode is created when subscribing to the service for the first time only. The customer is identified by the agent immediately without the need to answer the security questions as usual, which reduces the call duration and elevate the service levels.

**Customer Experience and Monitoring Tools** – To ensure we are meeting our customers' expectations, we continued to implement various monitoring activities and surveys. These activities are carefully designed to ensure adherence to the set of service standards across the main service pillars: People, Process, and Premises/Channels, across all banking touch points. In 2019, we have conducted multiple traditional and digital surveys to obtain our customers' feedback on different programs, digital channels, products, and services.

## TRANSPARENCY AND TRUST

Clear and transparent engagement and fair treatment are essential components for providing excellent services to our customers. This also allow us to maintain their trust and loyalty, while empowering them to make the right financial decisions. This is achieved through maintaining trusted partnership with our customers and ensuring that we operate transparently and fairly with them, while safeguarding their assets and information.

### Transparency and Dealing with Customers Fairly

A special policy was endorsed to ensure that transparent, ethical and fair treatment and engagement with customers continue to be core values of our operations. The Transparency and Dealing with Customers Fairly Policy requires us to design products and services to meet the needs of each identified customer group, and provide them with professional advice appropriate to their circumstances. This also involves making information fully and clearly available before, during and after every point of sale.

**Arab Bank Social Media Channels** – Engagement on social media is important for Arab Bank as it provides us with valuable real-time feedback from our stakeholders. We also use it to increase awareness about Arab Bank and to boost our leads and sales. We believe that social platforms are helping us increase our customers’ trust while also reaching and attracting new potential customers.



477,091 Corporate Facebook Page Followers



399,451 Shabab Facebook Page Followers



13,200 Followers on Instagram Corporate



2,768 Followers on Instagram Shabab



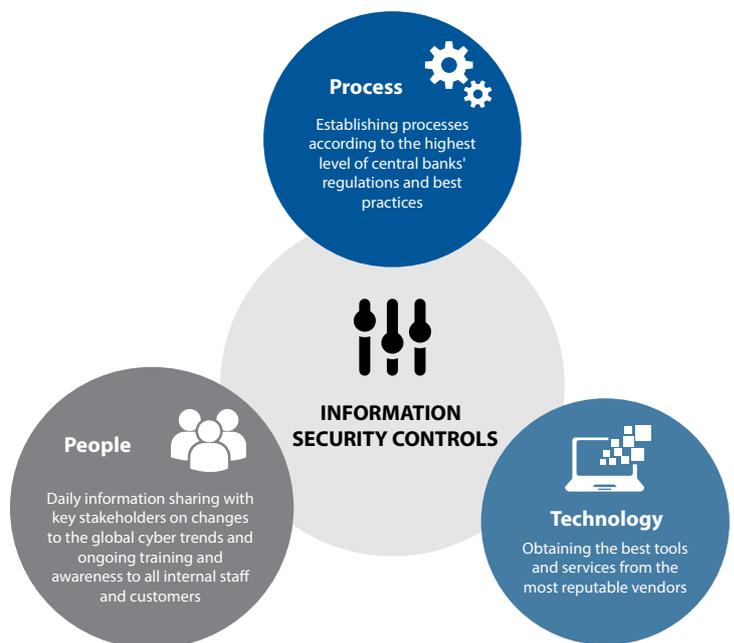
26,107 Followers on Twitter Account



129,092 LinkedIn Followers

### Safeguarding Customers Information

We deploy and maintain security controls and procedures that are constantly monitored and reviewed to ensure they are relevant and operating effectively. Our approach to safeguarding our customers' information focuses on prevention, detection and correction across the different channels.



**Information Security Starts with People** – We have invested extensively in security controls and infrastructure and constantly updating and improving them. Yet, people are key in helping protect information security systems. For this reason, we continue to work with customers and our people to raise their understanding of modern information security threats, including the best ways to protect themselves. Our work with customers includes; quarterly messages, printed leaflets in our branches, and information provided through our digital channels.

**A Robust and Compliant System** – We work continuously to ensure ongoing compliance with all central banks’ regulations and alignment with best practices (i. e. ISO/ ISMS, ITIL & COBIT) as applicable to the bank’s business model, and to be PCI compliant where and as required.

## CUSTOMERS' SOCIO-ECONOMIC AMBITIONS

To create the greatest, most sustainable impact, we deploy our different services and touch points to optimize the collaboration with our various stakeholders. To this effect, we have equipped our channels with donation functionality, which enables our customers to support the local community in a seamless and convenient manner.

Donation channels include: online banking, ATMs, branches and the "Together" Platinum Credit Card, in addition to "eFAWATEERcom" payment method.

These channels provide our customers with the opportunity to donate directly to the NGOs supported by the bank's CSR program "Together" in Jordan, covering the areas of health, poverty alleviation, environmental protection and education/orphan support. During 2019, we enabled our customers to donate JOD 659,765 to these NGOs, an increase of 26% in donations compared to the previous year.

### Arab Bank Customers' Donations (JODs) 2019

An increase of 26% compared to previous year

Total Donations	659,765
eFAWATEERcom	392,230
Internet Banking	255,712
ATMs	9,165
"Together" Card	2,659

**"Together" Platinum Card** – The "Together" Platinum Credit Card is the first of its kind in the Middle East, Africa and Central Europe. The card enables a marginal 0.5% of customers' purchase amounts to be donated to "Together" program's four NGOs. The bank matches all donations and allocates 50% of credit card annual fees to support these organizations.

### NGOs Benefiting From Arab Bank Customers' Donation



### SDGs ALIGNMENT

By enabling Arab Bank customers to support several NGOs in Jordan, we are aligning to **SDG 1, SDG 3, SDG 4, and SDG 10** through supporting local NGOs to work on elevating community members from poverty, enhancing their health and support and spreading access to quality education, thus contributing to the efforts towards reducing the inequality among community members.

- 
End poverty in all its forms everywhere.
- 
Ensure healthy lives and promote well-being for all at all ages.
- 
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- 
Reduce inequality within and among countries.

# RESPONSIBLE FINANCING

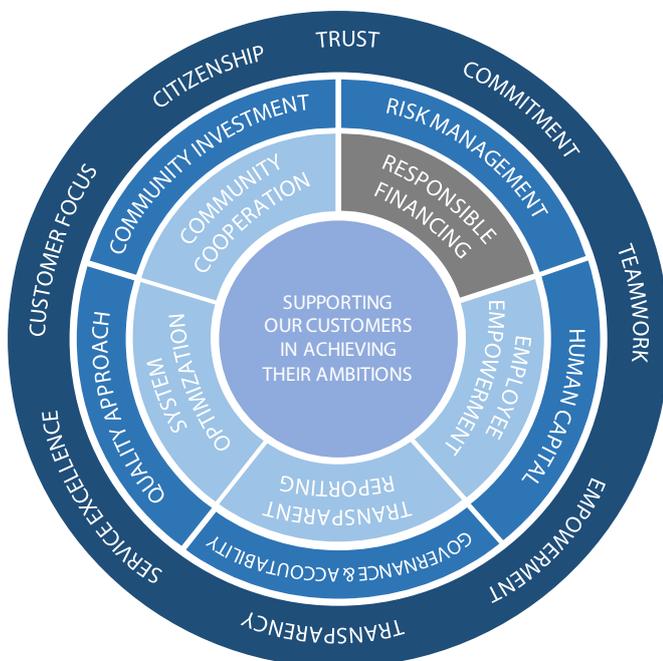
We are committed to providing financial services that enable sustainable growth and economic progress based on responsible financing practices. Responsible financing at Arab Bank demonstrates our commitment to act responsibly, manage risk, and adhere to the highest ethical standards. By doing so, we ensure that we constantly meet our stakeholders' and business needs while maintaining customers' trust and business continuity.

We are realizing this commitment through:

- Implementing a prudent risk management to screen our customers' risks and integrate ESG aspects into lending criteria.
- Supporting green infrastructure projects in Jordan.
- Supporting SMEs.
- Developing sustainable financial products and services.
- Supporting financial empowerment of our community members.

## Material Aspects

- Positive impact financial services
- Financial empowerment



### PERFORMANCE METRIC

Further performance metrics related to this section are presented on page 66.

## MANAGEMENT OF ESG ISSUES

As the leading Jordanian financial institution, we recognize that our lending activities can have an impact on the environment and society. As such, we use sound risk management practices to identify, evaluate and mitigate, to the extent practical, the environmental and social impacts of our lending and financing activities. We also avoid dealing with borrowers who have poor environmental and social risk management track records.

As part of our governance structure, the Group Risk Management Division (GRM) is responsible for ensuring that we have a robust system for identifying and managing lending and financing risks that the bank is exposed to through our financial activities. This is done by Corporate Credit Risk Management Department through addressing environmental and social risks within the bank's credit policies.

### Responsible Personal Lending

Our responsible financing in lending is twofold; selling the right products and services to the right person, and working on enhancing their financial literacy.

We continue to adopt a responsible lending approach to ensure that credit provided to individuals does not place a burden on customers in the future. This is achieved by providing customers with the necessary information to help them make the right decision when it comes to their borrowing needs, and then this is matched with the appropriate product risks and by implementing the relevant credit approval policies. These policies, which are reviewed on an annual basis, consider the customers' ability to repay in a manner that reduces risk to the individual and the bank. They also focus on maintaining the Debt Burden Ratio (DBR) in line with the central bank's regulations and minimum required salary at acceptable thresholds.

As per the Transparency and Dealing with Customers Fairly Policy, our products and services, including loans and facilities, are built to cater to the needs and reasonable expectations of customers. The customers are then informed about the financial components of the facilities (e.g. repayment, interest rate, tenor) with the aim of assisting them to make an informed and educated decision.

We apply a quality assurance process to ensure that lending products and services do what they are intended to do. As a result, we ensure that all new products are designed to be appropriate to their target group and test-driven, while customer feedback is taken into account in the design and implementation phases.

### Project Finance

As a result of our commitment to long-term project financing, we integrate a range of environmental and social criteria into the project appraisal process. These criteria involve the inclusion of environmental risk revisions, traffic impact assessments, environmental impact assessments, compliance to applicable environmental laws and other social risks such as: health, safety, local employment and child labor, which are studied and mitigated with their respective measures. The criteria followed are in line with a number of standards stated by the Equator Principles. Projects financed by us are assessed based on these standards and provide special Environmental Impact Assessment studies. In addition, we also ensure that projects financed in Jordan are in line with prevailing Jordanian environmental and social laws.

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### SDGs ALIGNMENT

Through its project finance screening, Arab Bank is aligning to **SDG 9** through ensuring that infrastructure investments are environmentally sensitive and respond to social concerns.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

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## FINANCE FOR IMPACT

As one of leading financial service institutions in the region, we are well positioned to help address complex societal and environmental issues. Whether we are providing lending for large green infrastructure projects or to small business owners, we see these activities as potential solutions to issues that matter to our stakeholders and impact our communities. We believe that by addressing the challenges of today, we can find greater opportunities for tomorrow.

### Financing Green Infrastructure Projects

We play a major role in financing sustainable economy, and our green infrastructure finance activities represent a growth opportunity for our business and our clients that have a positive impact on our communities. By doing so, we are also adding to the global efforts to combat climate change and contribute to the Sustainable Development Goals (SDGs).

**Rashadiya Photovoltaic Solar Power Project** - As part of our main area of interest, Arab Bank Group financed the 15.64 MW Rashadiya photovoltaic solar power project offered by Jordan Cement Factories (Lafarge Jordan). The project's financing arrangements were structured on the basis of the electricity net-metering for self consumption under the Renewable Energy and Energy Efficiency Law No. 13 of 2012 of Jordan, which allows private sector companies to establish and own their solar facilities for electricity self-consumption.



### Contributing to a Greener Jordan

IMPACT OF ARAB BANK GROUP GREEN INFRASTRUCTURE INVESTMENTS IN JORDAN



**Over USD 267 million** loans and facilities provided to support environmentally friendly infrastructure projects since 2012



**Over 1,352 MW**

Total renewable energy annual capacity added to the Jordanian Grid



**Approximately 905,000 Tons**

**CO<sub>2</sub>e**

GHG emissions avoided

### SDGs ALIGNMENT

Through financing green infrastructure projects, Arab Bank is directly contributing to **SDG 7, SDG 9, and SDG 13** through investing in climate resilience projects that helps reduce the total GHG emissions emitted to the atmosphere.



Ensure access to affordable, reliable, sustainable and modern energy for all.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



Take urgent action to combat climate change and its impacts.

## Supporting a Thriving SMEs

Small and medium enterprises (SMEs) are considered to be the backbone of the global economy, and the Jordanian economy is not an exception. However, SMEs usually face difficulties accessing the financing and capital that they need to thrive and grow. Thus, we have created a multi-dimensional approach to supporting SMEs, including tailored products and financial offerings to meet their needs, and providing them with the training needed to support their growth. In 2019, the bank's SMEs lending portfolio reached USD 1,023 million.

### Financing SMEs

We have collaborated with several stakeholders to support SMEs through engaging in loan guarantee programs. These programs opened new prospects for SMEs, allowing them to obtain facilities from us to expand and grow their businesses.

**SMEs Equity Growth Fund** – Following the establishment of the JOD 125 million SME Investment Fund led by a consortium of 18 banks operating in Jordan, and the appointment of "AB Invest" (the investment arm of Arab Bank) in 2018 as the investment manager, 2019 was another successful year. "AB Invest" was able to execute investments into five additional companies, bringing the total to nine portfolio companies operating in key sectors in the Jordanian economy such as logistics, F&B, healthcare, IT solutions, education, tourism and agriculture. These companies are all market-leaders in their fields with a long and solid track record.

The fund's capital deployed into these companies will be utilized primarily to help these companies in solidifying their market position as well as catalyzing their expansion into additional local and foreign markets. More importantly, "AB Invest" will play a key and active role in the value enhancement of each portfolio company by means of institutionalizing these companies and optimizing performance.

"AB Invest" is actively sourcing and investing in robust and growing small and medium-sized companies in Jordan, providing an impetus for economic growth and employment opportunities in the country.

**European Investment Bank (EIB)** – Arab Bank has a finance contract with the European Investment Bank (EIB) signed in December 2017 for EUR 300 million to support small and medium-sized enterprises (SMEs) and midcaps in Jordan, Egypt, Lebanon, Morocco and the West Bank. The operation comes under the EIB's Economic Resilience Initiative (ERI), aimed at enhancing the prospects for more resilient and inclusive growth as well as creating sustainable employment opportunities in the region.

The finance agreement is EIB's first regional credit line for small and medium businesses in the selected countries. The EIB's financing will be channeled by Arab Bank at rates affordable to small and medium businesses in the region, thereby enhancing economic growth through catalyzing and accelerating private investment.

**Jordan Loan Guarantee Corporation (JLGC)** – The bank continued its collaboration with the Jordan Loan Guarantee Corporation (JLGC), which currently supports SMEs through five loan guarantee programs, including: Express Loan, Business Loan, and Car Business Loan.

The bank also continued its SME Bundles program, which entails three main bundles (Star Plus, Star and Upper Mass Bundles) in collaboration with the JLGC. These bundles are designed to provide multiple products and value-added benefits to meet the varying business activities and operations of SMEs. These programs and other traditional facilities are included within the following major guarantee programs provided by (JLGC):

- SME Loan Guarantees for the limit up to JOD 5 million.
- Industrial Loan Guarantees (EJADA) with a loan guarantee up to JOD 550,000 for each customer.
- Start-ups Loan Guarantee with a limit up to JOD 1,000,000.
- Renewable Energy Loan Guarantee with a limit up to JOD 500,000.

**SME Loans** – The bank also continued its collaboration with the Central Bank of Jordan to support SMEs through four loan agreements. The fourth agreement was signed in 2018, increasing the total to reach JOD 18.1 million.

### Tailored Business Services for SMEs

In order to provide the best service and competitive value propositions dedicated to the development and growth of this sector, the bank established over 10 specialized SMEs business service centers. These centers have been established to ensure service excellence and provide a full range of banking solutions to develop and expand the business horizon of its SME customers.

On the digital front, the bank continues to provide advanced digital solutions to its corporate and SME clients in order to meet their evolving needs and expectations through various means, including digital banking solutions. Innovation in delivery remains a key pillar of the bank's strategy as it continued to invest in digital corporate banking solutions.

### Training SMEs

Arab Bank held a series of workshops for its SME customers to provide them with the needed business management expertise and financial knowledge to help develop and grow their businesses. These initiatives come as part of the bank's keenness to maintain effective communication with its corporate customers and to build their capacities.

### SDGs ALIGNMENT

By supporting thriving SMEs, the bank is contributing to enhancing the economic deliverables of this important sector. Those efforts aligns with **SDG 1, SDG 8, SDG 9, and SDG 10**. This is done by enabling the SMEs sector to grow and deliver its economic and social value that helps uplifting people from poverty, grow the economy, and build sustainable economy that helps reduce inequality within the community.



End poverty in all its forms everywhere.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



Reduce inequality within and among countries.

## Sustainable Financial Products and Services

Responsible financing demonstrates a financial institution's commitment to contribute to broader environmental and social issues. At Arab Bank, we work on achieving our customers' ambitions by offering them a range of sustainable products and services.

### Green Financial Products and Services

Growing market activity and increased global attention to environmental issues have highlighted the importance of engaging with our customers to enable them to reduce their ecological footprint. This is done by working on developing a range of green products to encourage our customers to adopt environmentally friendly practices as part of their lifestyle.

#### Support Environmentally Friendly Products –

Through our Easy Payment Plan (EPP) for credit cards, customers can purchase renewable energy equipment and environmentally friendly products with a repayment period up to 12 months with 0% interest rate when using Arab Bank's credit card at selected outlets. Additionally, customers can benefit from repayment period of up to 24 months at a 1% interest rate when using Arab Bank's credit card at any outlet inside or outside Jordan.

**Services with a Greener Impact** – We continue to work on helping our customers reduce their environmental footprint resulted from our services. Our green services focus on enhancing operational efficiency and reducing materials and energy consumption. Our green services include eStatement, e-Advice, Finger Vein and Interactive Teller Machine.

### Social Financial Products and Services

We have created several products and services that support our customers' positive community engagement, such as our "Together" Credit Card. Additionally, the bank allows customers to donate to specific NGOs participating in "Together" program through our channels. Further details regarding these efforts are presented on page 23.

## SDGs ALIGNMENT

Arab Bank is aligning to **SDG 9, SDG 12, and SDG 13** through supporting our customers shift to a more sustainable lifestyle by offering the customers sustainable products and services that also help in reducing the energy consumption of our customer, thus reducing the GHG emissions generated by them.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



Ensure sustainable consumption and production patterns.



Take urgent action to combat climate change and its impacts.

Additionally, by offering products with a social impact design ("Together" card and donation channels) the bank is aligning with **SDG 1, SDG 3, SDG 4, and SDG 10** through supporting local NGOs to work on elevating community members in concern to poverty, enhance their health and support spread access to quality education, thus enabling reducing the inequality among community members.



End poverty in all its forms everywhere.



Ensure healthy lives and promote well-being for all at all ages.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



Reduce inequality within and among countries.

## FINANCIAL EMPOWERMENT

Working on financial inclusion of the financially unserved segments of our community and enhancing their financial knowledge will contribute to enhancing the overall well-being of our community.

### Financial Inclusion

While all our business value propositions contribute to enhancing the financial inclusion in our community, we reference below the main initiatives that have a direct and high contribution in this regard.

**“Shabab” Program** – Through our "Shabab" program, we are providing the Youth with financial services that are not usually offered to them. With Shabab program, youth are offered an exceptional early banking experience through the program's lifestyle and financial benefits. We now offer students working in part-time jobs and first jobbers' access to credit facilities at preferential terms.

**JoMoPay** – We have included the Central Bank of Jordan's mobile payment system "Jomopay" within our mobile banking service "Arabi Mobile". Through participating in this service, we have widened the reach of our customers' remittances to all users with Jomopay wallets, reducing the dependency on physical cash, thus providing unbanked with access to our wide base of customers.

**Revolving Loans** – Demonstrating commitment and support to the development efforts of national government and civil society organizations, Arab Bank invested JOD 148,000 in cooperation with the Jordan River Foundation (JRF) to the sustainable development of local communities. This investment provided selected Community Based Organizations in the governorates of Ma'an and Zarqa with revolving loan funds to promote economic opportunities and entrepreneurship in poor communities by facilitating access to finance. Implemented by JRF, the revolving loans program grants loans to community members through Community-Based Organizations (CBOs) that are carefully selected and undergo screening and extensive capacity building that enable them to manage their own revolving loan portfolio in a sustainable manner.

Since 2011, around 320 individuals benefitted from the revolving loans, with almost 63% of them being females.

### Financial Literacy

We are helping people from different segments of the community feel empowered with the knowledge, skills and confidence they need to make smart, everyday financial decisions. We offer a variety of services, support, information and tools - online and in person - to cater to the individual needs, considering how, when and where they need our services.

**National Financial Educational Program** – We continue our support to the national financial educational program, initiated by the Central bank of Jordan, to increase financial literacy among school students and to teach them how to develop smart saving habits and make sound financial decisions. The bank also supported this initiative through the Abdul Hameed Shoman Foundation (AHSF). The program aims to bridge the gap between financial knowledge and behavior, while acquainting students with basic economic and financial concepts, targeting students from grade 7 to grade 12.

**Social Financial Literacy Programs** – Believing that financial literacy starts at a young age, the bank has embarked upon several sponsorships targeting children in cooperation with several NGOs throughout the years. In 2019, the bank supported "The Arts of Saving" program with Haya Cultural Center. Through this program, children were taught the art of saving money and managing budgets through creative and interactive activities, reaching over 1,800 children across the Kingdom.

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### SDGs ALIGNMENT

Through its efforts in financial empowerment, the bank aligns with **SDG 1** and **SDG 5**.

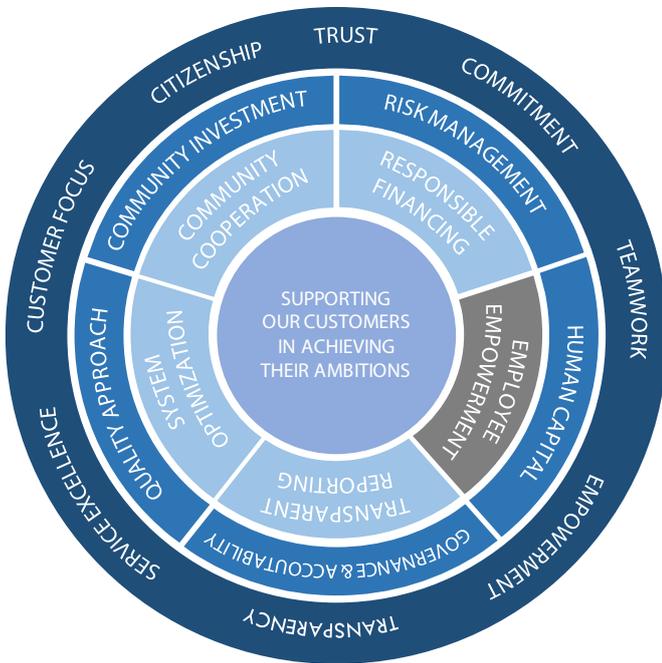


End poverty in all its forms everywhere.



Achieve gender equality and empower all women and girls.

# EMPLOYEE EMPOWERMENT



People matter at Arab Bank. That is why we are creating an environment in which our employees can align their efforts with the bank's values and vision to deliver our promise to our customers, shareholders, and the community.

We believe that when our employees are engaged and inspired to make a difference in the lives of our customers and communities, they can deliver a great customer experience and sustained growth in shareholder value. So we are working to create a diverse and inclusive environment for our employees, where they can find opportunities for personal and professional growth that allows them to realize their true potential.

## Material Aspects

- Talent acquisition and retention
- Diversity and equal opportunity
- Employees wellness

### PERFORMANCE METRIC

Further performance metrics related to this section are presented on page 67.

## BUILDING THE WORKFORCE FOR THE FUTURE

The banking industry is going through a period of rapid business and technological change, which presents both opportunities and challenges for managing the workforce. Banks must focus on attracting and retaining the right skills and talents and strive to build a culture of lifelong learning. That way they can be sure of having employees with the right skills, not only for today, but for the future.

### Inclusion and Diversity

At Arab Bank, we believe that building and maintaining an inclusive and diverse workplace is essential for creating a sustainable, future-ready organization that reflects the broader community it serves. Maintaining a diverse and fair working culture is key to providing us with a diversity of thought and perspectives, which will drive innovation produce better value for our stakeholders.

We encourage the success of our employees by providing them with equal opportunities, competitive benefit packages, and a safe and nurturing work environment. The bank's total workforce reached 3,236 in Jordan in 2019, with 99.6% of the entire workforce being Jordanian nationals. These numbers reflect the bank's strong commitment to investing in and developing national talent.

**Gender Diversity** - We aim to foster a culture that supports women in the workplace. The ability to attract, develop, and retain top female talent is important to us. The number of women working at Arab Bank has grown over the years, driven by our equitable hiring policies and our determination to give them the full opportunity to use their skills and talents and grow within the bank.

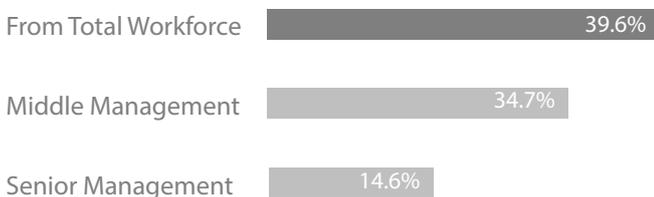
We also care for our working mothers. The bank provides maternity leave, with around 103 female employees on maternity leave during 2019. The return-to-work and retention rates of female employees who took maternity leave reached 85.4%, demonstrating the effectiveness of this benefit. The bank also helps working mothers secure proper childcare while they are at work during the day by contracting with nurseries to provide care for employees' children under the age of five. By the end of 2019, around 103 of our female employees benefited from this program, with 121 children attending these nurseries.

**Diversity for All** - In addition to gender diversity, the bank seeks to support people with different life experiences, ages, abilities, beliefs, and perspectives. We believe that qualified physically less abled employees can enrich the talent pool of our workplace and we encourage them to join our team. This accessibility strategy supports the employability and integration of those who are physically less abled. By end of 2019, the bank had 76 less abled employees on its staff.

We are also working to eliminate the physical barriers for less abled customers. As a result, some existing branches and all our new branches will be designed to be accessible to employees and customers with physical disabilities.

### Female Participation in the Workforce

2019



### SDGs ALIGNMENT

The work Arab Bank is doing around gender equality in the workplace directly contributes to **SDG5** in support of gender equality and empowering all women and girls. The aim is to ensure women's full and effective participation and equal opportunities for leadership at all levels at the bank.



Achieve gender equality and empower all women and girls.

## Competitive Reward

Our rewards programs foster the knowledge, competencies, and behaviors needed for business success and also give our employees opportunities to invest and acquire relevant skills. We provide our employees with market-competitive rewards through flexible and fair compensation and benefits programs that are designed to attract, retain, and motivate them.

Our approach to compensation ensures that salaries are determined independently of gender, with pay determined by key elements, such as market and business alignment, internal relativities, job value and demands, individual competence, and performance.

We also have discretionary rewards for employees in the form of bonuses or incentive schemes. These rewards acknowledge good performance, the deployment of new skills and competencies, and the bank's overall success. We also award our employees annual increases and pay a cost of living allowance.

With 100% of employees working on a full-time basis, we offer additional benefits, including upgraded health insurance coverage, maternity coverage, life insurance, educational loans, and loans for employees with preferential interest rates.

### Employees' Children Scholarship Program –

Approximately 97 students were awarded a university scholarship during 2019 under the Employees' Children University Scholarship Program. The scholarship program was created to help employees' children to pursue university education. The total amount of support in 2019 reached JOD 189,756.



Spotlight

## Cloud-Based Performance Review System

The bank wants to retain and manage its talented people. As part of its continuous development and innovation of its Human Capital Management System, it has upgraded its Performance Management module and adopted the Performance Management application on Oracle Cloud. By adopting this new Cloud-based technology, the bank has made its performance management process more interactive and enhanced its accessibility and user friendliness, including the goals-setting phase and the annual performance evaluation. These tools help our managers and employees monitor performance through review, feedback, and coaching, via mid-year review and year-end evaluation cycles. The new technology has also allowed the employees to further exchange their feedback concerning the evaluation with their managers.

### SDGs ALIGNMENT

By providing our employees with competitive benefits, health insurance, and supporting education for them and their family members, the Arab Bank reward system aligns with the UN's **SDG1**, **SDG3**, and **SDG4**.



End poverty in all its forms everywhere.



Ensure healthy lives and promote well-being for all at all ages.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

## Engaging for Success and Wellbeing

We believe in proactive engagement to ensure that employees are committed to our goals and values, motivated to contribute to our success, and are able to enhance their own sense of wellbeing. We continue to work on engaging our employees through open and transparent communication for them and by taking steps to enhance their wellbeing.

**Employees Engagement** – We use different channels to engage with our employees, including annual performance reviews, an internal newsletter, and the Intranet platform “Arabina”. Employees’ feedback, including complaints, is gathered through our Employee Relations Committee, which is dedicated to processing internal grievances, comments, and suggestions. Exit interviews are also conducted to obtain feedback from employees who leave the bank. During 2019, there were no incidents or complaints escalated to the Employee Relations Committee related to discrimination or human rights.

**Employees Wellbeing** – We are committed to providing a working environment that is safe, secure, and productive, and where all employees are treated fairly and with respect. We uphold the highest standards of integrity and trust, with the ultimate objective of achieving high levels of satisfaction, employee loyalty, and retention.

We have a dedicated Occupational Health and Safety Committee, comprised of seven members from different departments. It focuses on advancing health and safety systems and plans. All occupational health and safety-related queries and complaints are tracked by the committee and the results of any inspections, including incident reports and action plans, are documented.

## SDGs ALIGNMENT

By working on promoting a healthy lifestyle among employees, enhancing their wellbeing and ensuring healthy and safe work environments, Arab Bank aligns with **SDG3**.



Ensure healthy lives and promote well-being for all at all ages.

**Collective Bargaining** – In compliance with internal regulations, each employee who is part of a certain union should declare it to his/her manager and then to HR. The bank does not have a system to track the percentage of total employees covered by collective bargaining agreements.

GRI Disclosures: 102-41

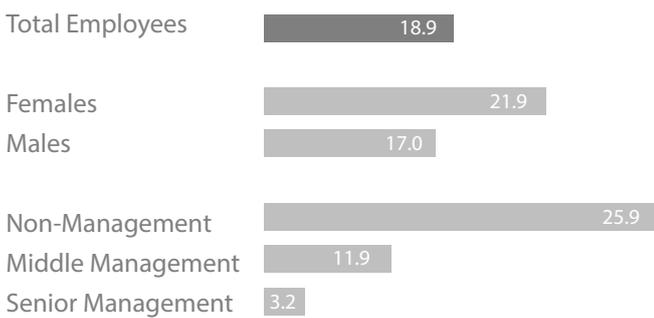
## BUILDING THE SKILLS FOR THE FUTURE

Arab Bank operates in a skill-centered and fast moving industry. Our strongest competitive advantage lies in the knowledge and skills of our employees. We strive to help our employees approach learning new skills, in a culture of life-long learning throughout their careers that will enable them and the bank address ongoing changes in the financial sector.

Training courses are designed and developed internally or in collaboration with training vendors, based on an assessment of employees' training and development needs. The aim of our training programs is to provide employees with skills and capacity building opportunities that meet the needs of our operations. Our training programs include internal and external training opportunities. Employee career development is also ensured through several tools, including talent management and succession planning.

Our average training hours per employee in 2019 has reached around 19 hours per employee, an increase of 65% compared to 2018.

### Average Training Hours per Employee by Gender and by Employment Level 2019



**Arab Bank e-Learning** – In this new digitization era, and with the rise of millennials in the workforce, e-Learning is becoming the current and future direction for learning and development in organizations. Not only can it provide training at lower costs for the organization, it can also provide on-demand, tailored, and easy-to-access training material for each employee. The scope of e-learning has expanded significantly in the diversity of platforms and number of training topics offered. Our online platforms now educate employees on a wide variety of topics, including:

- Key Regulatory Compliance
- Information Security, Data Protection and Email Security
- Interpersonal Development
- Digital Transformation Technologies
- Corporate Induction
- Introduction to Banking Courses
- Data Science
- Business Skills

The engagement of employees with online learning has increased, and in many cases the completion of key topics has reached over 90%.



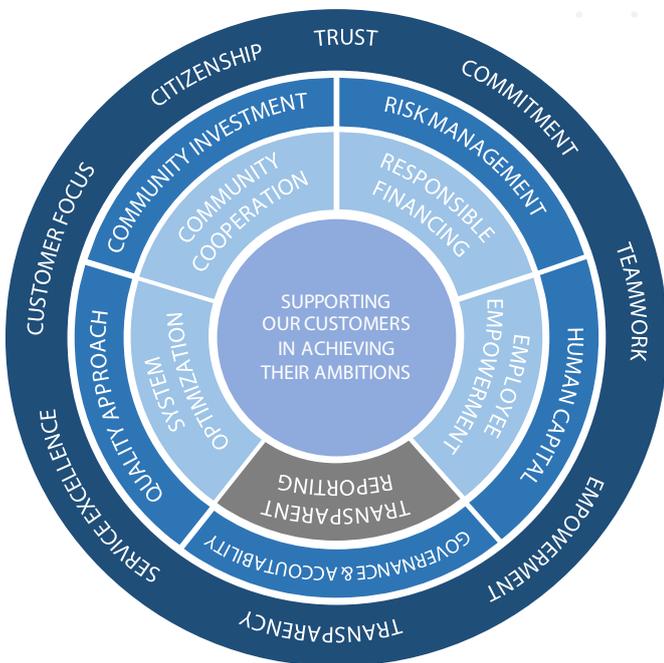
Spotlight

### Providing our Employees with the Knowledge of the Future

AB iHUB Training

In 2019, we continued to provide our employees with a series of talks and workshops each month. Industry experts and entrepreneurs involved in new technologies came to speak to our staff, sparking curiosity and awareness about FinTech and inspiring them to think about the future of financial services. These talks were part of the iHub "Educate" element. A total of 17 talks and seven workshops were held during the year, attended by over 1,810 of our employees. More details regarding this program can be found on page 15.

# TRANSPARENT REPORTING



Our strong corporate governance system enables the bank to deploy proper management strategies across our operations and to integrate ethical and transparent values into the bank's daily operations at all levels.

Building on this solid foundation of good governance and business conduct practices, transparent reporting is integrated as a main tool to reinforce the bank's commitment to our stakeholders through engaging with them and strengthening trust, loyalty and accountability.

## Material Aspects

- Governance, accountability and transparency
- Legal and regulatory compliance
- Ethical conduct

### PERFORMANCE METRIC

Further performance metrics related to this section are presented on page 69.

## RESPONSIBLE GOVERNANCE

We attach considerable importance to sound corporate governance practices and our board is committed to implementing the highest professional standards in all of our activities.

**Corporate Governance Code** - The Corporate Governance Code, approved by the Board of Directors, is prepared in compliance with the regulations of the Central Bank of Jordan and in line with its requirements. We also consider the requirements of the relevant regulatory authorities in Jordan and in other countries in which we operate. We disclose our compliance with the Corporate Governance Code and the IT Governance Code in our Annual Report, and they are published on our website, thus assuring transparency in our operations.

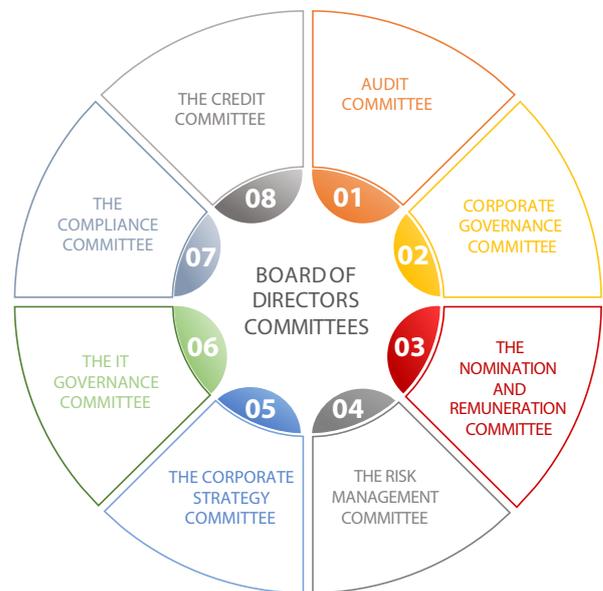
**Board of Directors** - The Board of Directors is the highest governance body responsible for sound implementation of corporate governance. The board's roles and responsibilities include setting the bank's strategic objectives and instructing the senior executive management to set a strategy for achieving those objectives. It also ensures that interests of shareholders, depositors, creditors, employees and other stakeholders are met, it also certifies that the internal control systems are effective and that the bank's activities comply with laws and regulations in jurisdictions in which the bank operates.

The board, which held seven meetings in 2019, is comprised of eleven members, six of whom are independent, while all members are non-executive. The members of the Board of Directors, all of whom are shareholders, are elected by the general assembly in its ordinary meeting for a term of four years, and the members are selected on the basis of their

qualifications in the financial and banking fields and other related competencies and relevant experience. Further details and information about each member are outlined in our 2019 Annual Report.

The roles of the Chairman and the Chief Executive Officer (CEO) are separated in line with the Corporate Governance Regulations for Banks, issued by the Central Bank of Jordan and best practices. The overall board performance is assessed on an annual basis. Each board member receives an annual remuneration of JOD 5,000, as stipulated in the Companies Law (No. 22, 1997). In addition, each board member receives monthly transportation allowance, and remuneration for attending each board and committee meeting. These sums are not linked to the bank's performance or revenue.

All details related to the committees' tasks and members are outlined in our 2019 Annual Report which is published on our corporate website [www.arabbank.com](http://www.arabbank.com).



**Auditing Operations** - The Group Internal Audit (GIA), through its mission statement, provides the Board Audit Committee with independent assurance that our policies and procedures have been effectively implemented, and that controls, risk management and governance processes are effective to mitigate significant risks. Towards that end, the GIA objectively reports audit outcomes to the Board Audit Committee.

The GIA also presents reports that illustrate the audit observations and their respective criticalities, thus focusing on critical weaknesses. Action plans established to address weaknesses are tracked regularly, and updates about their progress status are also reported to the Board Audit Committee along with a trend and aging analysis that describes their standing.

The GIA system at the bank is ISO 9001:2015 certified to ensure standards fundamentally focus on risk-based thinking, and involve taking a greater strategic view of risks within the Quality Management System, by ensuring these risks are identified, considered and controlled throughout the design and use of the QMS. GIA continues to adopt measures to assess the effectiveness of implementing environmental and social issues.

## CONDUCT AND TRUST

We follow a prudent approach in our business conduct that strictly complies with local and international policies and regulations and ensures safe and sound systems while being proactive in managing risks.

### Arab Bank Code of Conduct

The Code of Conduct (CoC) is a crucial high-level policy that sets the foundation of our strong commitment to conducting business with the highest ethical standards and uncompromised integrity across all operations and jurisdictions. The CoC serves as the guidelines according to which all employees are held accountable to carrying out their responsibilities, while adhering to legal and ethical obligations. The CoC is accessible to all our employees through our employees' online portal "Arabina". All employees are required to acknowledge on an annual basis that they will abide with the CoC.

**A New Version of the Code of Conduct** - During 2019, the bank revised its Code of Conduct to ensure it continues to provide sufficient guidance to employees in light of evolving regulatory requirements, including as they relate to tax evasion, data protection, anti-slavery, compulsory labor, and human trafficking. Other revisions relate to new/ revised notifications and/or approvals required for non-public bank related postings on social media and internet sites, situations entailing conflicts of interest, as well as gift queries.

### Supporting Policies

We support our Code of Conduct with a number of bank-wide policies. They cover issues such as privacy, money laundering, terrorist financing, conflict of interest, and bribery, among others.

To ensure the implementation of all these policies, we established an online policy center in 2011. This center serves as a hub for developing and implementing the policies. This center is accessible to all employees with access to vital information through our employees' online portal "Arabina", and provides them with the tools to perform to their fullest potential in compliance with our governance framework. Some of our key policies are highlighted in the next page.

**Anti-Corruption and Anti-Bribery Policy** - This policy aims to enforce controls to combat bribery and defines restricted activities through clarifying our commitment and practices, internally and externally with all stakeholders.

The policy is communicated to all Arab Bank PLC employees, who must report any violations of this policy or potential violations of applicable laws and regulations in accordance with our whistle-blowing policy. Additionally, the policy is communicated to the bank's suppliers, contractors, business partners and the wider stakeholders' group, using a risk-based approach.

**Know Your Customer, Anti-Money Laundering, and Combating Terrorist Financing Policy (KYC, AML, and CTF Policy)** - Our KYC, AML and CTF policy ensures that all legal requirements are met in relation to exercising the required due diligence to determine the true identity of our customers and maintaining a clear understanding of our customers' practices, screening customers names against blacklists, and reporting activities identified as suspicious.

During 2019, Arab Bank launched an updated version of the Anti-Corruption and Anti-Bribery e-learning course to all staff across all the bank operating countries. The course builds on Arab Bank's commitment to maintaining ethical performance, including a zero tolerance towards activities involving corruption and bribery. The updated version incorporates revisions made to the Code of Conduct, as well as updates to related regulatory mandates.

The bank also launched an updated version of the Advanced KYC, AML, CTF e-learning course to respective staff across PLC. The course, based on job responsibilities, reflects updates to KYC requirements as they relate to bank products and services and review of customer records

### **Ethics Committee**

The establishment of the Ethics Committee in 2013 is consistent with our ongoing commitment to conduct our business in accordance with the highest ethical standards across the jurisdictions in which we operate. The purpose of the committee is to interpret and enforce our Code of Conduct, and to investigate potential legal and regulatory

violations, as well as whistleblowing incidents across the PLC network. This executive committee is chaired by the Head of Group Regulatory Compliance, and includes the Heads of HR Division and the Legal Affairs Division, and reports directly to the Chief Executive Officer (CEO).

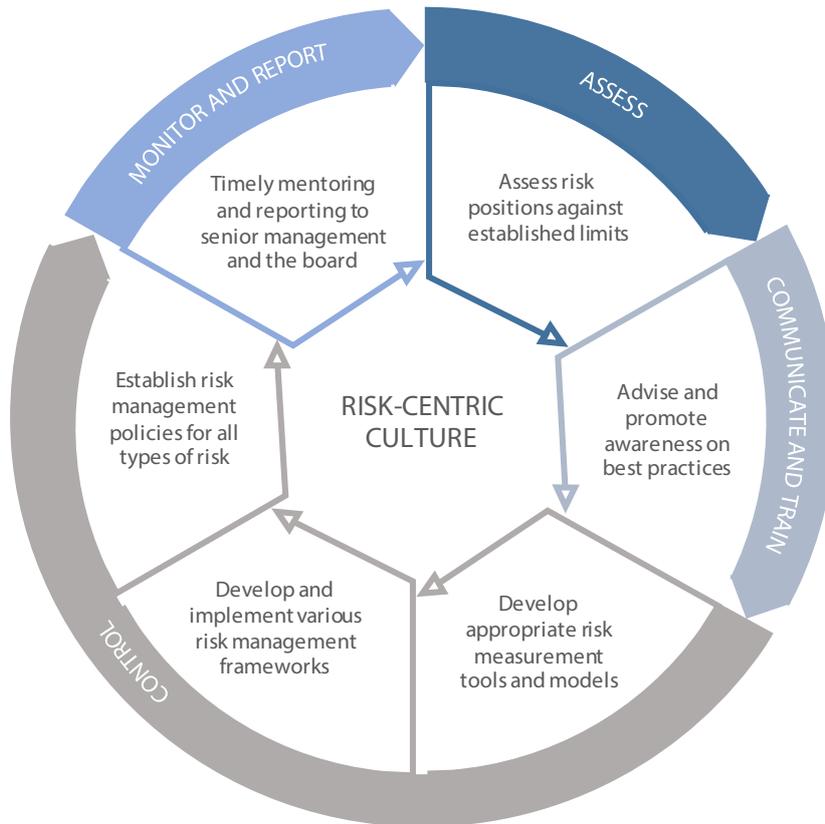
**Proactive Risk Management**

Sound risk management practices are fundamental to our long-term success, as risk is present in virtually all aspects of a financial services company’s business. An informed and responsible approach to risk management is a core competency of Arab Bank. Thus, we have a constant focus on implementing proactive risk management procedures to mitigate and minimize its various risks.

Group Risk Management represents one of the fundamental levels of oversight and is part of the organizational structure framework for managing our risks. Group Risk Management is responsible for developing a robust and effective system for the identification of risks to which the bank is exposed to.

Please see our annual report (<https://www.arabbank.com/mainmenu/home/investor-relations/financial>) for more information on our six Risk Management Departments’ achievements for the year 2019.

**Arab Bank Risk Management Approach** - As part of the bank’s risk governance structure, the Group Risk Management Division (GRM) is responsible for ensuring that we have a robust system for identifying and managing all types of risks that we are exposed to. The diagram below illustrates their mandates, which are implemented through its different departments.



## Compliance

We adopt a robust system for the identification and management of regulatory compliance requirements in all jurisdictions in which we operate. Our enterprise compliance program enhances our "reputational capital" through demonstrating compliance to the highest ethical standards.

Program success mandates effective and consistent implementation of policies, procedures, and training programs to meet regulatory requirements, as well as a system of internal controls, including periodic monitoring and reporting, which ensures continuous compliance across our global network. Our approach balances our business practices, revenue growth, customer experience and risk management, so that the risk taken is the risk intended.

**Compliance Newsletters** – We issue three internal compliance newsletters as a mean to increase compliance awareness generally among our employees. "Ethics Aware" provides general guidelines on how to integrate ethical practices in business operations and provides insights on general expectations for employee conduct. "Compliance Aware" covers both financial crime and prudential matters and aims to foster an enhanced culture of compliance to better enable employees to understand and exercise their compliance-related responsibilities. "AML Aware" aims to raise staff awareness in relation to key AML developments and other financial crimes.

**Arab Bank Compliance E-Learning Center** - We believe compliance is everyone's responsibility. To that end, we continue building our employees' understanding and awareness of governance aspects and internal policies as key to full compliance and adherence. To enhance employees' compliance understanding, we provide specialized training courses, including:

- Code of Conduct.
- KYC, AML, and CTF.
- Advanced KYC, AML and CTF.
- Anti-Corruption & Anti-Bribery.
- Treating Customers Fairly.

## Whistle-blowing

To ensure ethical and compliant operations, Arab Bank's Code of Conduct includes a whistle-blowing policy that requires employees to promptly report any potential violations of the Code of Conduct, Arab Bank policies and/or applicable laws and regulations to the Ethics Committee. In the event where it may be unclear whether or not a violation has occurred, employees are encouraged to send their inquiries to the Group Regulatory Compliance at the Head Office.

During 2019, the bank enhanced its whistle-blowing framework by developing a stand-alone "Arab Bank Whistle-blowing Policy" which was endorsed by the board in December 2019. The Policy also expanded the scope of reporting entities by facilitating reporting of any questionable conduct by third parties. The bank updated its website by adding a statement encouraging third parties to report any suspected misconduct involving the bank to the Ethics Committee.

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## SDGs ALIGNMENT

Arab Bank aligns with **SDG 16** through ensuring that all the bank's operations and business adhere to best local and international regulations and standards.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

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## TRANSPARENT REPORTING

We aim to provide comprehensive and transparent communication on governance and reliable operations, along with the response to our varying stakeholders' needs. In addition to reporting our financial performance, we are committed to disclose the bank's nonfinancial performance through annual sustainability reporting to increase awareness on sustainability issues.

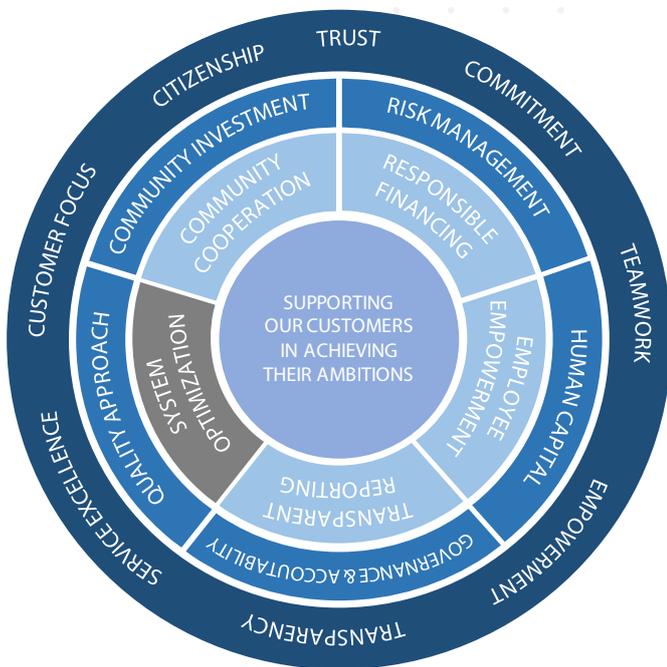
### **Sustainability Reporting**

We have been committed to launching annual sustainability reports since 2011, based on the Global Reporting Initiative (GRI) framework, which are the most widely recognized and used guidelines for sustainability reporting globally. These reports aim to highlight the main challenges, achievements.

### **Financial Reporting**

We issue quarterly reports on the bank's financial performance and are constantly introducing higher levels of transparency and disclosure through reporting, enabling both shareholders and customers to appreciate our ever-growing earning power, the prudent risk approach and strong financial position. The Financial Report presents comprehensive and transparent information related to governance practice, structure, and codes, in addition to full disclosure of our financial statements.

# SYSTEM OPTIMIZATION



As part of our constant commitment to adopting a quality approach, we continue to focus on refining our management systems across the business to include sustainability considerations. This enables us to identify synergies and opportunities towards increased efficiency. Ultimately, managing our resources effectively helps optimize our systems, reduce our environmental footprint and thus reduce costs.

We are realizing this commitment by working on reducing the environmental footprint of our products and services through paperless banking, working on embracing operational efficiency as our mantra, and promoting sustainable procurement practices.

## Material Aspects

- Direct environmental footprint
- Supply chain impact

### PERFORMANCE METRIC

Further performance metrics related to this section are presented on page 70.

## MANAGING INTERNAL ENVIRONMENTAL IMPACTS

We embrace our responsibility to minimize the environmental footprint of our operations. This covers our paper use and recycling, energy use, and water consumption.

Our sustainability strategy entails adopting environmentally responsible operations, monitoring our consumption of internal environmental resources and embracing efficiency as a way to reduce the environmental footprint of our operations.

### Paper Consumption

Due to the nature of our business, paper continues to be the natural resource most utilized in our offices and branches, including operations, contracts and correspondence, services offered to clients and promotional materials. Thus, we are dedicated to reducing paper use for our customers and optimize our internal operations.

Our approach to reducing the environmental impact of our paper consumption is twofold; optimizing our internal operations and moving to paperless environment, and introducing green products and services that aim to reduce and eliminate paper consumption for our customers through digitalization.

**Paperless Operations Environment** – We believe in the importance of adopting paperless operations because it improves the workflow security of documents and reduces consumption of energy while increasing office efficiency. We continued to harness the benefits of the projects that have been implemented during the previous years to move to a paperless operations environment and reducing paper consumption and enhance operation. Additionally, we have initiated the recycling program at the bank, which reduces our environmental impact by recycling the cannot-be-avoided paper instead of sending it to landfills or archiving them.

**Going Paperless with Our Customers** – We realize that part of our paper consumption is resulted from the products and services we offer to our customers. Hence, we continue to focus on introducing green banking solutions through digitalization in order to reduce the environmental footprint stemming from paper-based services, while offering our customers seamless banking experience.

In 2019, we have launched two new projects, aiming to provide our customers with better service that reduces their time and cuts the paper consumption of older processes. Those are:

- **Mobile KYC:** The bank provided a digital channels for its customers to provide their information in a seamless manner without the need to visit the branch.
- **Auto Signature Verification (ASV) - STP for Inward Clearing Cheques:** Auto Signature Verification (ASV) is an Artificial Intelligence model used to automate the process of the verification of customer's signature authenticity on any official document, ASV project will utilize this feature in the Inward Cheques Clearing unit where the signatures verification is a human intensive task.

## Energy Use

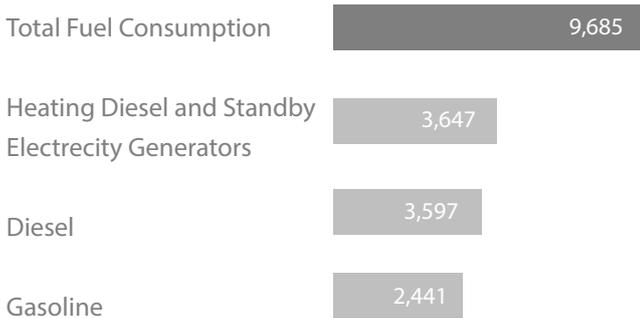
Although our operations are not energy intensive, we continuously seek to reduce our energy consumption. The main source of our operations' energy consumption is electricity that is entirely purchased from third-party suppliers and heating fuel for the Head Office and all branches across Jordan. In addition, energy consumption comes from transportation fuels for our fleet and business-related travels.

**Direct Energy** – Direct energy consumption has decreased by 12.5% in 2019, compared to 2018. This is due to several initiatives that we took to reduce vehicles and heating fuel consumption during the year. The bank continued rationalizing fuel consumption by applying the GPS (Global Positioning System) tracking on the bank's vehicles to reduce fuel consumption, harmful and toxic emissions in addition to preventive maintenance for fleet. For heating fuel consumption, the bank enhanced its consumption efficiency by 20% due the installation of a Variable Refrigerant Volume (VRV) system to better control heating and cooling demands and consumption.

### Fuel Consumption

2019

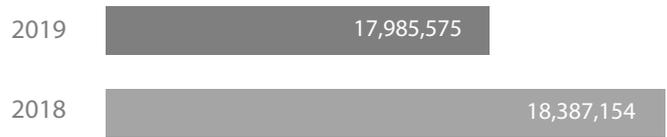
**20% reduction** in total fuel consumption compared to previous year consumption



**Indirect Energy** – In 2019, our electricity consumption witnessed a reduction of around 2.2% compared to 2018. Additionally, with the aim to reduce the environmental impact associated with our electricity consumption, we have replaced 79% of our total consumption from conventional resources to renewable energy.

### Total Electricity Consumption (kWh)

**2.2% reduction** compared to previous year



Spotlight

## Sourcing Renewable Power

ARAB BANK GREEN OPERATIONS

In 2019, Arab Bank has signed an agreement with National Electric Company (NEPCO) and Jordan Electric Power Company (JEPCO) as part of Round one pass through Law no. 30 dated on 4.3.2017 issued by Energy and Minerals Regulatory Commission (EMRC). This agreement enabled Arab Bank to source all its electricity consumption from renewable energy projects through JEPCO.

This agreement, which has been effective since March 1st, 2019, enables Arab Bank to move most of its operations in Jordan to be 100% sources from renewable energy projects, thus reducing the harmful GHG emissions that are associated with conventional electricity sources. Additionally, this project provided an opportunity for the bank to reduce its internal cost of electricity by JOD 2.5 million.

## Water Consumption

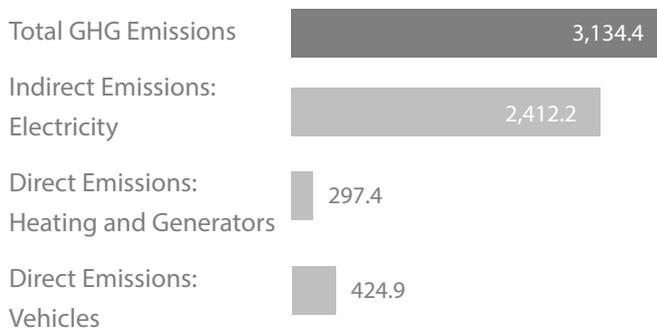
Although our water consumption is minimal with regard to our activities, we are aware of the importance of responsible water consumption in Jordan. Our activities in terms of water use are related mainly to employee usage and use for cleaning purposes. We continued to work on reducing our water consumption by installing water saving devices.

## GHG Emissions

Greenhouse gas (GHG) emissions are created directly as a result of our fleet of vehicles consuming diesel and gasoline, as well as burning diesel fuel to heat buildings. We also account for indirect GHG emissions produced as a result of consuming electricity from the Jordanian national grid that comes from hydrocarbon fuel mix. As the bank has shifted its consumption from so that 94% of its consumption will be from renewable energy resources since March of 2019, the bank was able to reduce its total emissions by 74.9%.

### GHG Emissions (Tons CO2e)

**74.9% reduction** in total GHG emissions compared to previous year



### GHG Emissions per Employee

**94.3% reduction** compared to previous consumption



## SDGs ALIGNMENT

The work Arab Bank is doing around energy efficiency, sourcing energy from renewable projects, and the resulting GHG emissions tracking and reduction is aligned with **SDG 7, and SDG 13.**



Ensure access to affordable, reliable, sustainable and modern energy for all.



Take urgent action to combat climate change and its impacts.

## SUSTAINABLE PROCUREMENT

We realize procurement practices have both economic and environmental impacts on communities and are therefore committed to supporting local and environmentally-responsible suppliers.

**Arab Bank Electronic Procurement System** – To enhance efficiency, reduce human errors and achieve high level of security and accuracy, the Global Procurement Division has implemented an Electronic Procurement system to automate the procurement processes covering the entire Procure-to-Pay. The system went live in April 2019. This process automation has not only increased efficiency but also yielded in a considerable paper reduction gains, which will reduce our total environmental footprint and associated costs.

### Sustainability Screening of Suppliers

The engagement and assessment of a substantial number of suppliers requires considerable resources. However, we have introduced checkpoints through our procurement processes so as to ensure a minimized impact on environment in addition to cost reductions. The Procurement Division often engages with suppliers to achieve these objectives through raising awareness to sustainable procurement and moreover through supporting them in their social and environmental contributions.

**Suppliers Code of Conduct** – Our Supplier Code of Conduct sets out the expectations of suppliers to ensure their behavior aligns with our standards. It formalizes and standardizes our approach to sustainable procurement. As part of the code, suppliers must, among other things, adhere to labor and employment standards legislation, adhere to environmental legislations, and social legislations. The end goal is to ensure all our suppliers meet our expectations and those of our stakeholders to act as good responsible citizens.

**Contractual Agreements with Suppliers** - To ensure suppliers' compliance to social values, specifically those related to human rights, the Procurement Division set a specific article to all of the contracts' terms and conditions under "Applicable Law and Jurisdiction". These values and principles are part of a more general framework

of fundamental principles of the Universal Declaration of Human Rights (UDHR) and the International Labor Organization (ILO).

### Supporting Local Procurement

We continued to support the Jordanian economy by contracting with locally based suppliers. In 2019, our local suppliers represented 69% of our total spending on suppliers.

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## SDGs ALIGNMENT

Through managing its supply chain, Arab Bank ensure that all its suppliers adhere to the Suppliers Code of Conduct's social and environmental standards, and support local procurement. By doing so, the bank aligns with **SDG 3 and SDG 8**.



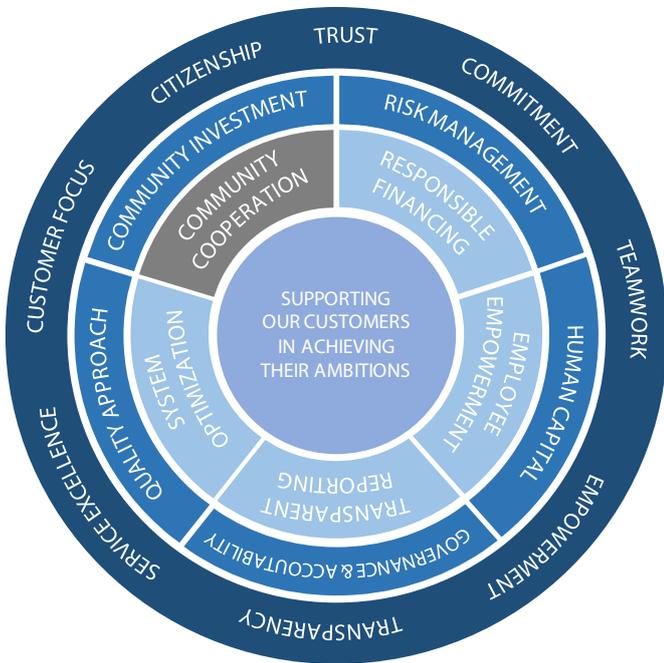
Ensure healthy lives and promote well-being for all at all ages.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



# COMMUNITY COOPERATION



We continue to pursue our sustainability goal to create long-term sustainable financial and nonfinancial value for the bank and our stakeholders.

Building on a long history of community investment, we have developed an inclusive stakeholder model to optimize our contribution to the community and create long-term financial and non-financial value for the bank and our stakeholders. This model consists of three main pillars that drive our community cooperation and impact.

- Our dedicated CSR program “Together” that supports the community’s fundamental causes.
- Abdul Hameed Shoman Foundation (AHSF).
- Our direct charitable donations and sponsorships.

## Material Aspects

- Supporting local communities

### PERFORMANCE METRIC

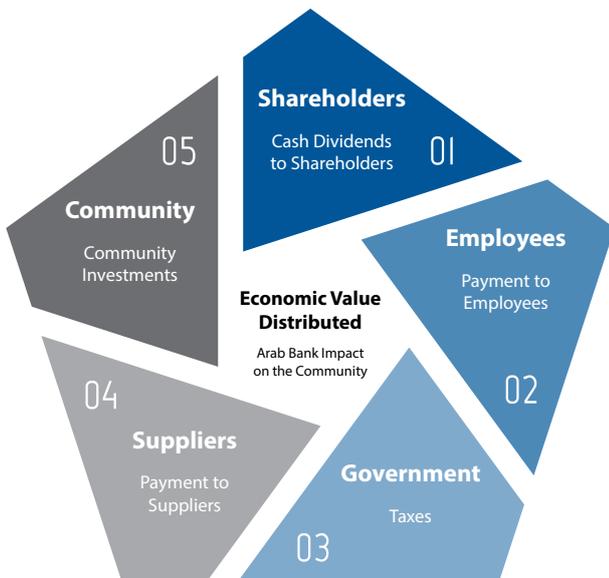
Further performance metrics related to this section are presented on page 71.

## IMPACTING OUR COMMUNITIES NOW AND IN THE FUTURE

As one of the leading financial institutions in the Kingdom and the region, we believe that we can play an active role in creating positive impact in the communities we work in towards a better future. With this strategic focus, we are applying our expertise, skills and resources to create value in many different ways.

### Economic Value Generated and Distributed

The generation and distribution of economic value is the means by which we fulfill our obligations to contribute positively to our community. It is a simple equation: we generate revenue from the products and services we offer. We then distribute revenues to those we rely on for our business. That distribution is seen in the compensation and benefits we provide our employees, in the dividends paid to our shareholders, in the commercial transactions we have with our suppliers, in meeting our tax obligations at all levels of government and in the investments we make in our communities. According to the Global Reporting Initiative (GRI), this is defined as "economic value generated and distributed" and is used to measure the impact of a company on the economy.



For additional information on our operating expenses, cash dividends and tax expense, please see our 2019 Annual Report.

### Arab Bank Community Investments

Focusing on the key community causes aligned with the bank's strategic sustainability approach, our community investments are multifaceted. It involves direct charitable donations, CSR based sponsorships, community interventions and initiatives, and employees volunteering. This is also complemented by the bank's substantial community contribution made through AHSF- Arab Bank's social and cultural responsibility arm (see details on page 57).

We are one of the major private sector contributors to Jordanian community, with over USD 24.9 million during 2019.

### Over USD 24.95 m

total community investments made by the bank in 2019

### 3.2%

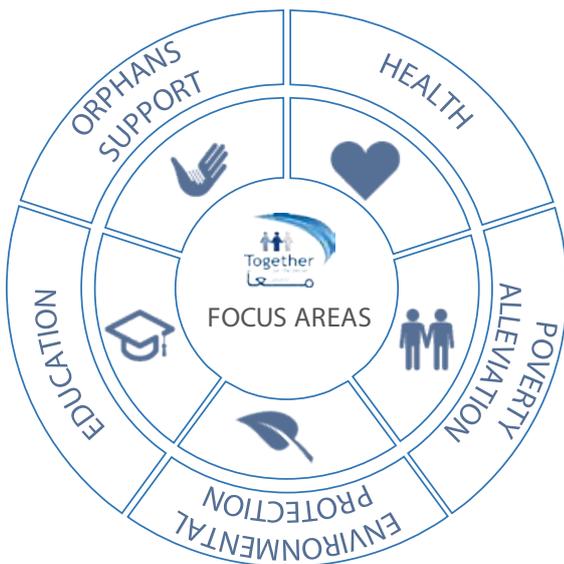
of Arab Bank PLC profits before tax invested in the community in 2019

## ARAB BANK CSR PROGRAM "TOGETHER"

Our Corporate Social Responsibility (CSR) program, "Together", focuses on enabling our employees, customers and NGOs to become active members of the community through various strategic activities.

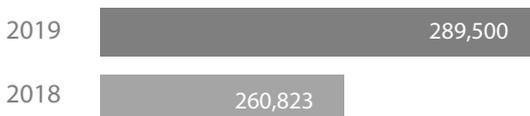
The "Together" program's activities focus on investment in areas that are aligned with community needs and priorities: health, poverty alleviation, environmental protection, education, and orphan support. In line with the identified focus areas and our strategic approach towards CSR, the "Together" program revolves around the following areas:

- Employees volunteering.
- Collaborating with NGOs.
- Utilizing banking channels for customer donations (see page 23).



Since the program's inception, a decade ago, "Together" has positively impacted lives across the country. In 2019, the total number of beneficiaries from our local community activities reached over 289,500.

Number of Beneficiaries  
of Arab Bank's "Together" Program



### SDGs ALIGNMENT

Arab Bank's community investments and CSR activities contribute directly to several SDGs, including:



**SDG 1** through our CSR activities that aims to fight poverty and enable community members to generate their own income.



**SDG 2** as the bank collaborates with reputable NGOs to advance the medical coverage reach, especially for the under-privileged, with a focus on cancer patients.



**SDG 4** by collaborating with several NGOs to invest in the development of the educational infrastructure in Jordan and develop education programs.



**SDG 5** through supporting equality and jobs creation among females in the community in collaboration with local NGOs.



**SDG 8** through collaborating with several NGOs supporting youth in gaining the knowledge to prepare them for the job market.



**SDG 10** through focusing on initiatives and activities that are targeting the under-privileged members of the society.



Spotlight

## A DECADE OF GIVING

CELEBRATING TEN YEARS ON THE ESTABLISHMENT OF "TOGETHER" PROGRAM

Ten years ago, Arab Bank established its multidimensional Corporate Social Responsibility (CSR) program, "Together". Through its various activities and initiatives, the program continues to make a significant community impact, year after year. Engaging customers, employees and NGOs, "Together" program focuses its efforts on making a difference in the areas of health, education, poverty alleviation, orphans support and environmental protection.

This year, the bank celebrated the 10th anniversary of the "Together" program. A special ceremony was held at Arab Bank HO with the title "A Decade of Giving", attended by Arab Bank's Chairman, Chief Executive Office, and Debuty CEO, in addition to several department heads and employees. During the ceremony, the bank commended the efforts of its volunteers, highlighting the social impact of the community work extended to over 1,220,000 beneficiaries throughout 10 years of the program, reflecting the bank's citizenship value, fostering the sustainable development of our community.

### OUR TEN YEARS IMPACT

**Over USD 24,600**

Volunteering Hours

**Over 6,720**

Volunteering Participation

**Around**

**JOD 2.3 million**

Arab Bank Customers'  
Donations

**Over**

**1.2 million**

Beneficiaries



### Volunteering in the Community

We encourage our employees to donate their time, efforts and experience to carryout initiatives and programs that are aligned with the five main community causes adopted by us.

We work with partner NGO's to deliver impactful volunteering opportunities to our employees and their families, enabling them to give back to their communities while at the same time increase their awareness on crucial social and environmental issues the community is facing.

**Over 3,587**

VOLUNTEERING HOURS BY OUR EMPLOYEES AND THEIR FAMILY MEMBERS IN 2019

**Around 900**

VOLUNTEERING PARTICIPATION BY OUR EMPLOYEES AND THEIR FAMILY MEMBERS IN 2019

**73**

TOTAL NUMBER OF VOLUNTEERING ACTIVITES IN 2019

### Capacity Building for NGOs

We are utilizing our employees' skills and experience to train the NGOs' staff in a way that will increase their performance and effectiveness.

The Capacity Building Program has been running since 2012, utilizing the expertise of our internal trainers who were able to provide special courses according to their needs, expectations and priority areas. In 2019, our employees trained 126 employees of our partner NGOs through seven courses and more than 753 training hours.



## "TOGETHER" INITIATIVES

We work very closely with reputable NGOs who have established track records in each of our CSR focus areas. The engagement includes developing and implementing community initiatives and intervention programs through our community investments and based on set deliverables and KPIs that are aligned with our sustainability strategy. Accordingly, we focus on high impact interventions in our five focus areas; health, environmental protection, poverty alleviation, education and orphans support; and KPIs that are aligned with our sustainability strategy. By doing so, we focus on high impact interventions in our five focus areas.



Below is a complete list of supported initiatives during 2019:

AREA	PARTNER NGO / 3RD PARTY	PROGRAM	DESCRIPTION	IMPACT
	King Hussein Cancer Foundation (KHCF)	Back to School	We were the exclusive sponsor of the program that aims at supporting cancer patients resume their education as part of providing comprehensive cancer care to KHCF patients, focusing on their physical, social and emotional needs.	<ul style="list-style-type: none"> <li>• 450 cancer patient benefited from this program</li> <li>• 24 volunteers</li> <li>• 720 volunteering hours</li> </ul>
		Goal for Life	This tournament aimed at promoting the importance of living an active and healthy lifestyle.	<ul style="list-style-type: none"> <li>• A team from our employees participated in this tournament and reached the final</li> </ul>
		Cancer Patients Inspirational Day at AHSF	Organized an inspirational day for cancer patients at the Abdul Hameed Shoman Foundation's library. Where children received moral support to boost their creative thinking, through fun activities.	<ul style="list-style-type: none"> <li>• 12 children from this program</li> <li>• 10 volunteers</li> <li>• 25 volunteering hours</li> </ul>
	Blood Bank	Blood Donation Drives	With a main goal of raising awareness on blood donation, employees from different branches donated their blood for the benefit of Jordanian patients all around the Kingdom.	<ul style="list-style-type: none"> <li>• Six donation drives</li> <li>• 262 unites were donated</li> <li>• Helping 786 patients</li> </ul>
	Jordan Air Ambulance Center (JAAC)	Support One of Jordan Air Ambulance's Helicopters	Raise the quality of transferring emergency medical cases and patients from remote areas of the country to Amman's hospitals.	<ul style="list-style-type: none"> <li>• A number of emergency cases were transferred during 2019 from remote areas</li> </ul>
	Royal Health Awareness Society (RHAS)	The Healthy Schools Initiative	Support the implementation of the healthy schools programs in eight schools to build the capacity of students and teachers to implement national health standards.	<ul style="list-style-type: none"> <li>• Eight schools were adopted</li> <li>• 5,069 beneficiaries from students and teachers</li> </ul>
		Healthy Habits Awareness Activities	Supported activities aimed at promoting positive and healthy lifestyle among school students.	<ul style="list-style-type: none"> <li>• 232 beneficiaries from students</li> <li>• 23 volunteers</li> <li>• 69 volunteering hours</li> </ul>
	Haya Cultural Centre	Arts of Saving	Spread financial literacy among children in an innovative and creative manner through creative mechanics workshops sessions, and an interactive play about saving "Hasalet Bukra".	<ul style="list-style-type: none"> <li>• 1,800 children benefited</li> <li>• 18 volunteers</li> <li>• 144 volunteering hours</li> </ul>

	INJAZ	INJAZ Courses	Our employees supported students through the delivery of technical and interpersonal training programs at public schools and universities. Through this program, students acquired greater self-confidence, inspiration, and motivation.	<ul style="list-style-type: none"> <li>• 433 students</li> <li>• 11 volunteers</li> <li>• 78.5 training hours</li> </ul>
		Job Shadow Program	A one-day experiential program were students "shadow" a business professional in the workplace to provide students with a closer look at what a real job is like to help their professional future decisions.	<ul style="list-style-type: none"> <li>• 20 students benefited</li> <li>• 23 volunteers</li> <li>• 126 volunteering hours</li> </ul>
	Traffic Department	Madrasati Farhaty	Distributing educational booklets and posters with guidelines and advice to promote road safety and prevent car and road accidents in underprivileged areas and poverty pockets across different governorates around the Kingdom.	<ul style="list-style-type: none"> <li>• 120,000 students benefited</li> </ul>
	Talal Abu-Ghazaleh Organization	Computer Refurbishment Initiative	Promote information technology and support education in the Kingdom. Arab Bank donated used PCs and equipment to be used at schools and youth centers in the most deprived areas in the Kingdom.	<ul style="list-style-type: none"> <li>• More than 296 devices donated</li> </ul>
	Children's Museum	Community Connections Program	Raise children's awareness on important local and international issues through educational and interactive programs.	<ul style="list-style-type: none"> <li>• 33,006 children benefited</li> <li>• 11 volunteers</li> <li>• 27 volunteering hours</li> </ul>
		Charity Iftar	Supporting two Ramadan Iftars for underprivileged children.	<ul style="list-style-type: none"> <li>• 200 children benefited</li> <li>• 45 volunteers</li> <li>• 146.5 hours</li> </ul>
	Queen Rania Teacher Academy (QRTA)	Teach Like a Champion Training	We supported the training course focusing on raising the quality of teaching in Jordan by developing teachers' skills through continuous training and professional development.	<ul style="list-style-type: none"> <li>• 222 teachers benefited</li> </ul>
	The Queen Rania Award for Excellence in Education (QRAEE)	Support QRA's Mission	(QRAEE) honors distinguished educators across Jordan through an annual award. The award contributes towards strengthening the educational sector by spreading a culture of excellence and continuous development.	<ul style="list-style-type: none"> <li>• Teachers and principles from across the Kingdom</li> </ul>
	Madrasati	School Renovation	Sponsoring the renovation of facilities and infrastructure of four schools, making the schools healthier, safer, more stimulating and more appealing to students.	<ul style="list-style-type: none"> <li>• 1,980 students benefited</li> </ul>
	Queen Rania Foundation	Karim and Jana Application	Supported the development of the "Karim and Jana – Our World" application that focuses on socio-emotional learning (SEL) skills and will develop the skills of children between the ages of 3-6 years.	<ul style="list-style-type: none"> <li>• 87,881 users benefited</li> </ul>
		The Parents Education Program	Equipping them with the knowledge and tools needed to maximize their child's learning and development covering three prime areas; communication and language, physical development and personal, social and emotional development.	<ul style="list-style-type: none"> <li>• 2,186 mothers benefited</li> </ul>
	EDRAAK	EDRAAK MOOC	Sponsoring two online courses; Business Plan and Feasibility Study, and Business Etiquette through EDRAAK, which is the first massive open online platform (MOOC) in the Arab world.	<ul style="list-style-type: none"> <li>• 1,933 beneficiaries</li> </ul>
	The Abdul Hameed Shoman Foundation (AHSF)	Storytelling Program	Through this initiative, children have been encouraged to read and use the library through using interactive story telling.	<ul style="list-style-type: none"> <li>• 40 students benefited</li> <li>• 8 volunteering hours</li> </ul>

	Jordan River Foundation (JRF)	Women Empowerment Program	Training and hiring vulnerable Jordanian women to become officially employed in the JRF Handicrafts program and empower them to have sustained income.	<ul style="list-style-type: none"> <li>• 16 women were trained</li> <li>• 83 family members benefited</li> </ul>
		The Child Safety Program	Raise awareness on child safety and protection and strengthen family dynamics to ensure healthy nurturing environment for children.	<ul style="list-style-type: none"> <li>• 3,446 children and mothers benefited</li> </ul>
		Little Home Program	The program aims at enhancing children and parents' skills to learn safety concepts through experiential learning techniques.	<ul style="list-style-type: none"> <li>• Seven courses implemented</li> <li>• 179 children benefited</li> <li>• 21 volunteers</li> <li>• 58.5 volunteering hours</li> </ul>
		Charity Iftar	Supporting Ramadan Iftars for underprivileged children.	<ul style="list-style-type: none"> <li>• 120 underprivileged children benefited</li> <li>• 27 volunteers</li> <li>• 94.5 volunteering hours</li> </ul>
	Tkiyet Um Ali (TUA)	Family Adoption Program	Supporting underprivileged families living below the poverty line by providing them with monthly food packages for one year.	<ul style="list-style-type: none"> <li>• 53 families benefited</li> </ul>
		Volunteering Activities	Our employees participated in different volunteering programs with TUA including food packaging, packages & blankets distribution, story telling and food serving.	<ul style="list-style-type: none"> <li>• 8,653 beneficiaries</li> <li>• 157 volunteers and their families</li> <li>• 552 volunteering hours</li> </ul>
	Jordan Hashemite Charity Organization	Preparing Hot Iftar Meals in Ramadan	Preparing hot meals to be distributed during Iftar time.	<ul style="list-style-type: none"> <li>• 3,000 meals prepared</li> <li>• 17 volunteers</li> </ul>
	Al Aman Fund (Jordan)	Orphan Support	To equip orphan students with the education and skills necessary to become self-reliant and productive members of society.	<ul style="list-style-type: none"> <li>• 35 orphans benefited</li> </ul>
	Charity Clothing Bank (Jordan)	Orphans Day	This program entails distributing cloths and toys to orphans.	<ul style="list-style-type: none"> <li>• 1,200 orphans benefited</li> <li>• 130 volunteers</li> <li>• 474 volunteering hours</li> </ul>
	The Royal Society For The Conservation of Nature (RSCN)	Ghor Fifa Eco-Village Development Project	Increase the environmental awareness of the village, supporting its economic development and enhancing the living conditions of the local community through the implementation of several projects.	<ul style="list-style-type: none"> <li>• 20 families benefited (over 200 people)</li> </ul>
		Natural Reserves Development projects	Supporting several activities to enhance the infrastructure for natural reserves in Jordan, including Azraq, Shomary, Ajloun, and Dibeen.	<ul style="list-style-type: none"> <li>• 113 volunteers from our employees and their families</li> <li>• 961 volunteering hours</li> </ul>



## Sponsorships and Donations

In addition to our activities and impacts through our "Together" program, we support community-based organizations (CBOs), nongovernmental organizations (NGOs) and other foundations and initiatives.

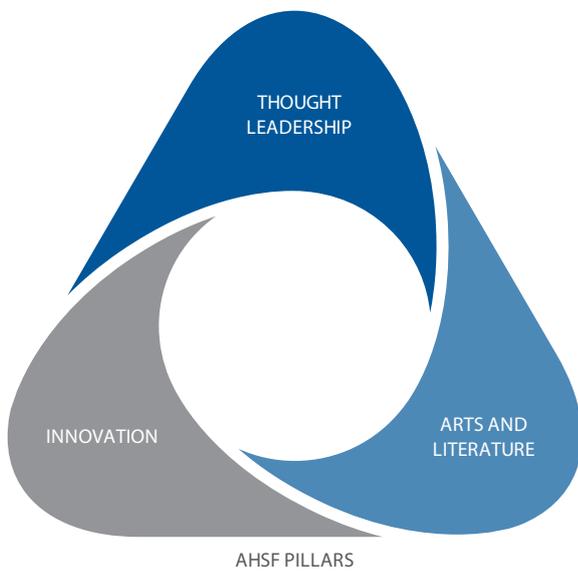


Additionally, we were involved in many conferences, aimed at supporting economic growth and development in Jordan.

<p><b>The Sixth Euromoney Jordan Conference</b></p>	<p>Arab Bank was the official Senior Lead Sponsor of the Sixth Euromoney Jordan Conference, under the theme: Stability, Innovation and Transformation – Jordan’s Economic Challenge. The conference focused on exploring Jordan’s ability to reach its full economic potential and how it can work to achieve macro-economic stability.</p>
<p><b>Conferences with Union of Arab Banks</b></p>	<p>The bank sponsored a number of conferences and forums held by the Union in Jordan, including: "Financing SMEs &amp; Start Up Companies" forum, "Combating Financial Crimes: Compliance with Evolving Global AML/CFT Standards" forum, "Enhancing Financial Stability" forum and the "The Palestinian Banking Sector in its Arab Environment" conference in its 3<sup>rd</sup> edition under the title "Fintech Innovations and the Future of Banking Services".</p>
<p><b>The Second Arab Capital Markets Conference</b></p>	<p>Arab Bank was the strategic sponsor of the Second Arab Capital Markets Conference entitled "Enhancing Transparency and Financial Innovation", which was held recently in Amman.</p>
<p><b>The Seventh Conference of Jordanian Expatriates Businessmen and Investors</b></p>	<p>Arab Bank was the diamond sponsor of the Seventh Conference of Jordanian Expatriates Businessmen and Investors entitled "Development and Building Partners". The conference covered numerous topics, including the investment climate in the Kingdom, business opportunities, incentives offered to Jordanian investors, prospects for expatriate investment in Jordan, success stories abroad, the role of industrial cities, developmental, private and free zones in attracting investments to Jordan in addition to many other relevant topics.</p>

## THE ABDUL HAMEED SHOMAN FOUNDATION

The Abdul Hameed Shoman Foundation (AHSF) was established in 1978 as a non-profit initiative and a pioneering step by Arab Bank to contribute to establishing a beacon of culture and creativity in Jordan and the Arab world. Founded on a belief in the importance of building a scientific and cultural base, as well as cultural, social, and intellectual responsibility, the Foundation has three pillars: thought leadership, literature and arts, and innovation.



In 2019, the Abdul Hameed Shoman Foundation continued to implement its programs with the aim of supporting creativity, education, innovation, and scientific research and a culture of reading in the community through spreading its mission to as many segments of the community as possible. These achievements were crowned by the launch of the Al-Ashrafieh branch of the Abdul Hameed Shoman Public Library at the end of 2018. The need to expand the library was obvious because of its many visitors. The new branch serves a large number of people, particularly the students and children of the area.

In an effort to spread its mission into Jordanian governorates and cities, the Foundation held its annual cultural days in Al-Balqa Governorate, mainly in the city of Salt, which lasted for four days. During this time, it presented a comprehensive cultural, scientific and artistic program that attracted more than 6000 people of all ages.



Spotlight

## THE FOUNDATION'S DIGITAL TRANSFORMATION

The Abdul Hameed Shoman Foundation started in 2019 to bring about its vision for digital transformation. This pioneering project brought together all departments, units, and programs to achieve several goals, including improving access to information, simplifying and integrating operational procedures, and improving the services provided to beneficiaries.

As part of this vision, the Foundation adopted a new and enhanced electronic library management system to improve the accessibility of library services, including: searching the contents of the library via the internet, self-services such as borrowing, renewal and reservation, and using the digital library services across different devices and mobile applications, and other services.

The Foundation has also developed several projects to serve its vision in the field of digital transformation, including:

- The portal of the Abdul Hameed Shoman Foundation Creativity Award for Children and Youth (Abde), Creative Production
- The portal of the Abdul Hameed Shoman Award for Arab Researchers
- The portal of the Abdul Hameed Shoman Award for Children's Literature

These portals make it easy to apply for the awards by submitting applications online, completing evaluations, and extracting executive and analytical reports electronically.

The Foundation is currently developing the second phase of the project, which involves establishing a platform for digital services to enable users to access services such as registering to attend events and activities, applying for the support and grants program, scientific research fund, and awards, and other library services.

## Thought Leadership

**Scientific Research** – The Foundation honored the winners of the 37th annual Abdul Hameed Shoman Arab Researchers' Award in 2019. Fifteen distinguished Arab researchers, scholars, and scientists were honored in the following fields: medical and health sciences; engineering sciences; basic sciences; literature and humanities; social and educational sciences; economics and administration sciences; and agriculture and technology. Since the launch of the award, there have been 434 male and female recipients from different Arab nationalities. Four of this year's winners gave public talks at the University of Jordan and the German-Jordanian University.

The Foundation continues to support applied scientific research projects in Jordanian universities, institutions, and scientific centers through the Abdul Hameed Shoman Scientific Research Support Fund, the first privately funded fund in the region. The Foundation signed eight grant agreements in 2019 with eight male and female researchers from two research institutions, with a total value of approximately JOD 150,000. Nine previously-funded research projects were completed after the completion of work on them, in addition to publishing scientific papers resulting from research supported by the Fund in international and Arab peer-reviewed scientific journals.



**The Science and Education Program** – The Foundation launched the Science and Education Program in 2014 to promote a culture of scientific research and innovation among children and youth, and to have a positive impact on the teaching methods in Jordan by stimulating critical and analytical thinking. The program also aims to build the capacity of science teachers and students through initiatives undertaken in partnership with the Ministry of

Education and others, such as supporting the participation of Jordanian students in the Intel-International Science and Engineering Fair (ISEF), the Young Innovators Lab, and the Shoman Camp for Science Teachers.

During 2019, the Foundation supported Jordan's participation in the Intel-International Science and Engineering Fair for the fifth time by providing judges to select the winning projects in Jordan, and by supporting 22 male and female winners with 14 different projects to participate in the Intel-International Science and Engineering Fair. In addition to covering the costs of travel and accommodation. A presentation skills training was provided to the students who qualified for the global competition in the United States of America. Sessions were also held with subject-matter mentors who provided guidance on student-specific projects, financed the development (modelling) of their projects, and prepared display panels.



**Young Innovators' Lab** – In cooperation with the Young Scientists' Forum, the Foundation completed the fourth session of the Young Innovators Lab in Amman. The same program was implemented for the first time in Al Balqa Governorate. The aim of the program is to develop critical thinking skills and the love of science, among children and adolescents between the ages of 10 to 13 years, through conducting experiments and scientific projects. Twenty-two students from Amman and 22 students from Al Balqa went through several stages of the program. It started with critical thinking, formulating questions, logical search for answers and experimentation, an introduction to electrical circuits and electronic microcontrollers, and programming

and ended with the acquisition of teamwork skills. After receiving eight months of training under the supervision of male and female supervisors from different universities and scientific majors, the students produced nine innovative scientific projects that contribute to solving complex problems that matter to society. The projects were presented to a public audience at two separate events, under the patronage of His Excellency the Minister of Education, during which children and supervisors were honored.

#### **The Abdul Hameed Shoman Science Teachers' Camp**

– The Foundation worked to complete the third annual Science Teachers' Camp. The program chiefly aims to introduce teachers to non-formal education and critical thinking and provide them with new concepts to develop thinking skills among students in schools. Through the camp, teachers develop the skills to manage an interactive classroom that promotes thinking and creativity. The teachers are also given new educational and learning resources to help them communicate ideas found in the curriculum in a fun way that allows students to absorb them and to encourage them to produce creative tools which can be used in the non-formal education process.

Thirty-two teachers from different governorates of the Kingdom took part in the training. The first camp was held in Al Balqa Governorate as part of Shoman Cultural Days in Al Balqa, and the other took place in Amman. Teachers received extensive educational training to equip them with the latest tools and methods of integrating non-formal education in traditional education settings with a focus on physics, chemistry, biology, earth sciences, and mathematics.

At the end of the camp, a competition for non-formal education tools was announced to encourage teachers to develop new tools that can be used in the educational process. The competition was held during the month of November, and the judges selected two winning projects. The winners were honored in a ceremony attended by His Excellency the Minister of Education.

Additionally, the Foundation will select a group of teachers who attended the camp to train on how to manage thinking clubs at schools and introduce activities that encourage students to think critically.

## **Innovation**

### **The Abdul Hameed Shoman Foundation Innovation**

**Award** – The Foundation launched the Abdul Hameed Shoman Innovation Award in 2018 with the aim of fostering an environment that supports creativity, innovation, and productivity in Jordan. Covering both science and social innovation, this award is aimed at strengthening the knowledge community and driving economic growth in areas such as the fourth industrial revolution, present-day challenges, and advancing communities and an improved quality of life through job creation and employment.

The award field covers five topic groups: green technology and environmental sustainability, food security and agricultural technology, healthcare and biomedical technology, labor market and economic productivity solutions, and educational solutions.

In 2019, the award completed its first round, with 46 projects qualifying to compete for the award. The projects were evaluated across three phases: research and proof of concept (the development of a prototype), community application and testing, and roll-out and scaling. In the end, eight innovative projects received a total of JOD 700,000 in grants.

In the second half of the year, the Foundation launched the Deep Dive II training program, aimed at developing the capabilities of the winners and providing them with different tools and skills, each according to his/her needs. The Foundation held 25 training days on 17 different topics, delivered by 13 specialized trainers. The training program coincided with the implementation of a mentoring program that included 24 mentors.



**Grants and Support Program** – The Abdul Hameed Shoman Foundation believes in investing in intellectual, cultural and social creativity. That is why it provides annual grants that are aimed at revitalizing societies through a greater sense of culture and innovation.

Societies that are rich with creativity and a desire to influence change and keep pace with development can be hindered by difficulties and obstacles. For this reason, the Foundation provides grants and support to creators in both Jordan and Palestine to enable them to continue to contribute to cultural, artistic, and scientific activity in these countries. The Foundation provides two programs:

- The Arts and Literature Program: More than 130 projects were funded between 2014 and 2019 in six sectors: performing arts, audiovisual, festivals and cultural activities, cultural and national heritage, artistic and literary spaces, and library development support. Through the program, the Foundation seeks to help develop artistic and literary talents and skills and promote cultural diversity. By supporting such projects, there is access to the arts for everyone, which helps to enrich and spread distinctive Arab literary and artistic content across all media while supporting workers in the cultural and creative industry, particularly young people.
- The Thought Leadership Program: This program includes: scientific research conferences, scientific activities, scientific spaces and educational applications, and youth forums and debates. More than 60 projects were supported between 2014 and 2019 which meet educational and scientific needs across multiple platforms.

At the beginning of 2019, the Foundation supported 27 projects in the Arts and Literature Grants Programs valued at 702,226 JODs, and 15 projects through the Thought Leadership Program, with an estimated value of JOD 702,226. The total value of support for both programs is estimated to be JOD 1,207,535.

What distinguished this year was that the Foundation invited applications for grants between June 23 and August 21, on specific themes and topics. By the second half of 2019, the Foundation had received 214 applications, with 168 requests from Jordan and 46 from Palestine. Twenty projects from Jordan and Palestine received grant support through this initiative.

These projects bring together talent and the creative resources and spaces, a combination that will help to spread art and culture, preserve the cultural and national heritage, and support the performing arts. Other projects promote the Arabic language by encouraging reading and enriching outstanding Arab literary and artistic content via digital media. There is also support for libraries and projects that encourage reading, education, and innovative learning resources for all.

## Arts and Literature

**The Abdul Hameed Shoman Award for Children Literature** – The Abdul Hameed Shoman Award for Children's Literature, launched in 2006, aims to improve the quality of Arabic literature produced for children and to promote the development of creative knowledge among children.

In 2019, the theme of the 13th award was the "science fiction novel" as an imagined literary art, based on scientific facts, predictive vision, and guesswork for future events. The award received a total of 400 unpublished literary works by Arab writers from 37 Arab and non-Arab countries. The award was given to three works from Syria, Jordan, and Tunisia. The Foundation held a ceremony under the patronage of His Excellency Mr. Sabih Al-Masri, chairman of the board of Arab Bank and chairman of the board of directors of the Abdul Hameed Shoman Foundation. The Foundation will publish the first edition of the winning works, which will be distributed at the beginning of 2020. The theme of the 14th award will also be announced, which is the "early childhood fairy tale".

**Abdul Hameed Shoman Creativity Award for Children and Youth (Abde')** – The Foundation re-launched the Abdul Hameed Shoman's Creativity Award for Children and Youth "Abde'" in 2018. It originally ran from 1988 to 2003 and targets children and youth (aged 8-18) from all governorates of the Kingdom. The philosophy of the award reflects AHSF's belief in the role young generations play in shaping the future.

The award has opened the door to creativity through seven fields: drawing, Arabic calligraphy, essay, poetry, music, dancing, and scientific innovation. It attracted 1,090 participants from all the governorates of the Kingdom, with 229 male and female students qualifying to take specialized training workshops, and 15 participants each winning USD 1,000 prizes. The winners were honored at a day-long carnival.

The award aims to advance the creative production of children and youth in the literary, artistic, performance, and scientific innovation fields. Such advancement helps to develop the young person's mind and foster a generation that is aware of the common issues of the day. It also aims to create a spirit of positive competition among children

and youth, highlighting their talents, enriching their knowledge, developing their capacities, enhancing literacy and artistic taste, supporting their scientific innovation, developing their insights in the fields of literature, art, and science, and helping them to express their views and opinions. The young people benefit from increased knowledge and literacy skills, with a specific focus on sound Arabic language, and a culture of creativity is nurtured through the early discovery of talented children and youth.

The award is supervised by a higher committee with experience and competence in the subjects of the award. Judges and trainers are appointed annually.



**Knowledge Path Library for Children and Youth** – The Knowledge Path Library devotes many of its activities to reviving the book's role in the upbringing of children. Its mission is to promote reading in children's lives as necessary for their quest for knowledge. The library provides a friendly and enjoyable environment that offers reading and artistic and creative activities.

The opening of the Knowledge Path Library for children and youth in 2013 introduced a free and lively space for children of all ages and backgrounds in which to meet, search, and discover together through interactive reading and creative activities.

During 2019, the library continued to provide its services and welcomed more than 117,000 boys and girls: 56,000 in the Jabal Amman branch and 61,000 in the Al-Ashrafieh

branch. Together they borrowed more than 84,000 books on various topics, 49,000 in the Jabal Amman branch and 35,000 in the Al-Ashrafieh branch. The children also read about 165,000 books within the two branches of the library.

The two libraries received 101 school visits that featured several programs and events, including reading and creativity activities, with 60 visits to Jabal Amman branch and 41 visits to the Al-Ashrafieh branch.

A total of 12 summer and winter camps were organized in Amman and the governorates of Al-Balqa, Irbid, Jerash, Madaba, and Al-Mafraq, and 28 film screenings for children. The library also hosted workshops and courses for children, and nine capacity building workshops for parents on topics that included cyberbullying, encouraging children's interests, how to build a reading house, teaching children about diversity and acceptance of others, creating safe spaces for children, creative thinking for children, and the basics of healthy nutrition for children. The library also provided two sessions on the basics of creative writing for children, and hosted thirteen Jordanian authors visits to the library.

The Knowledge Path Library team made field visits to 65 schools in the governorates of Al-Zarqa, Aqaba, Al-Mafraq, Ma'an, and Amman. During these visits, story-reading sessions were held, followed by theatrical and musical activities and handicrafts. Also, and in cooperation with the Goethe Institute – Jordan, the Knowledge Path Library organized the Science Film Festival for the sixth year in a row.

The Knowledge Path Library team strolled around the halls of Al-Bashir Hospital with a cart loaded with stories and books, containing many titles that children and young adults could borrow and read during their hospital stay. This cart was part of a school student graduation project, the cart was donated as a gift and delivered to the Abdul Hameed Shoman Knowledge Path Library.

**The Abdul Hameed Shoman Public Library, Jabal Amman and Al-Ashrafieh branch** – The library continues to play an important role as a center for information services, providing resources and references for all groups in society. The library added 4,269 new paper books during the year, including 1,423 in the Al-Ashrafieh branch. The library is also home to electronic databases that provide access to a

wealth of useful research materials from academic journals, dissertations, books, articles etc.

In its role as a community center, the library held 14 capacity building and self-development workshops for community members, and using the library's electronic databases, five of which were held in Al-Ashrafieh branch. Eleven training courses were held in critical thinking, the basics of scientific research and literacy, including six courses in Al-Ashrafieh branch.

To fulfil the library's role as a promoter of reading and a disseminator of knowledge in society, 15 books were launched through the Library's Reading Program, 50 books were discussed by various reading clubs. Several educational sessions were on topics such as Wikipedia and the Bel Arabi initiative, the internet of things, robotics, and artificial intelligence.

The library seeks to develop the skills of those working in the field of librarianship and information science, particularly in Jordan and Palestine. During 2019, it held and broadcasted a seminar called "The Library as an Engine of Change". This seminar was held with the participation of international experts who discussed best practices, successful international models of modern libraries, and the changing role of libraries in the 21st century. Around 280 librarians from several libraries and institutions in Jordan and Palestine attended.

In the field of library enhancement and with the fast paced technological developments, a new open-source system – the Koha system – has been acquired for the Abdul Hameed Shoman Public Library. It offers digital, advanced and self-services for library users.

Work was completed during the year to make the library accessible for persons with disabilities and ensure their right to inclusion and accessibility.

Physical facilities are now available from a ramp to toilets for disabled persons, there are private parking lots and light alarms for people with hearing disabilities, lending counters are available that meet the needs of people with physical disabilities, and chairs with sturdy armrests, and an automatic glass entrance have been introduced. New service facilities make it easier for people to use the library's resources, including a text-reader-equipped computer, SuperNova and Acapela software for NVDA, optical character recognition software that makes it easier to read printed texts in both Arabic and English, a magnifier to enlarge font size, and a Braille display keyboard, printer, and computer controls.

To increase the role of the library in the governorates, four training sessions were held in Irbid, Karak, Salt, and Aqaba on indexing, classification, technical library methods, scientific research, and critical thinking. The library continues to support the governorates libraries and municipalities' libraries in Palestine.

By the end of 2019, the number of the library visitors had reached 377,355, of whom 51,826 visited the Al-Ashrafieh branch. The total number of subscribers was 49,045, of whom 2,285 were new (463 at the Al-Ashrafieh branch). The number of borrowers reached 3,327 (25,807 at the Al-Ashrafieh branch). They borrowed 54,335 books (6,417 at the Al-Ashrafieh branch), and used 89,710 books inside the library, including 19,668 in Al-Ashrafieh branch. There were 2,511 users of the e-databases in the library, of which 269 were at the Al-Ashrafieh branch.

On the first year anniversary of the opening of the Al-Ashrafieh branch of the Abdul Hameed Shoman Public Library, it welcomed 51,826 library visitors, and five training workshops and six courses were held on scientific research, critical thinking, and literacy. The library expansion project was approved, and the Street Library was added to serve the local community and visitors to Al-Bashir Hospital.

**The Abdul Hameed Shoman Cultural Forum** – The activities of the Abdul Hameed Shoman Cultural Forum continued during 2019, including the participation of a group of prominent Arab and foreign researchers and experts. Twenty-two women participated in the forum in 2019, and more than 11,171 people attended the events.

The forum hosted Dr Amr Moussa from Egypt and he participated in several events, the last of which was a public talk attended by more than 980 people and at which he spoke about the first wave of the Arab Spring.

To learn about the best education experiences in the world, the forum hosted Tania Anaissie, a design thinking expert from Stanford University in the United States to give a lecture on activating design thinking in the professional sphere and using it to develop critical thinking and problem-solving skills.

The Cultural Forum also held a workshop on creative writing, on both the novel and short stories, presented by novelist Taleb Al-Refai from Kuwait, which 22 people attended. The forum also hosted several local and Arab movie stars to talk about their creative experience, including Ayman Zeidan from Syria, Nadira Omran and Zuhair Al-Nobani from Jordan, and Asser Yassin and Ahmad Murad from Egypt.

The forum organized many lectures and seminars during the year, the most important of which were a lecture by Dr. Shahid Mahmud from Pakistan called "The prosperity of the Islamic world through openness to innovation and technology", a seminar, "Translation is the Message of Peace", in cooperation with the Sheikh Hamad Award for Translation and International Understanding, and a seminar in cooperation with the Saudi Embassy called "The New Saudi Vision of the Importance of Culture in Society". Other events included Knowledge Week in cooperation with the Mohammed bin Rashid Al Maktoum Foundation for Knowledge under the patronage of the Prime Minister, and a book discussion on "When the South Reinvents the World" in cooperation with the Arab Thought Foundation in the presence of the author, French Professor Dr. Bertrand Badie.

This year, His Excellency Dr Mohammad Hamdan was chosen as the Guest of the Year. A seminar titled "Mohammed Hamdan as an academic and a pedagogist" was held to celebrate his achievements in which 28 experts testified on the guest's experience and 140 people attended. In the Royal Cultural Palace, the forum organized a poetry

evening for the poets Mourid and Tamim Barghouti, attended by 1600 people, at which a new book "Wings for all the oppressed" which represents a collection of the late novelist Radwa Ashour's literary, critical, and political essays was signed.

The forum ended this year's activities with the Environment Today program, during which five public talks on the environment were held and delivered by Arab and Jordanian experts.

Five books were published during 2019, including the collection of the Abdul Hameed Shoman Cultural Forum lectures and seminars.

#### **Abdul Hameed Shoman Foundation Cultural Days –**

As part of its efforts to connect with Jordanian society through cultural activities, the Abdul Hameed Shoman Foundation continued to hold its Abdul Hameed Shoman Cultural Days, which feature integrated artistic and cultural activities that reflect the Foundation's diverse programs. In 2019, the Cultural Days were held in the city of Salt and included 40 events and book exhibitions from 20 Jordanian publishing houses, plus musical evenings, film screenings, and a poetry evening by the Lebanese poet Zahi Wehbe. There were also workshops in creative writing, film making, scientific research, and other topics, and creative activities for children and adolescents.

The activities were distributed in different regions in the city of Salt, in cooperation with the Ministry of Tourism and Culture, Al-Balqa Governorate, and 18 partners from local institutions in Al-Balqa Governorate. These activities attracted more than 6000 visitors and participants from the governorate.

For the sixth year in a row, the Abdul Hameed Shoman Cultural Days were held in the Jabal Amman neighborhood to celebrate it as a cultural hub in the Jordanian capital, Amman. This event was held in partnership with the Jabal Amman Residents Association (JARA), under the auspices of the Mayor of Greater Amman, and in cooperation with 20 other cultural entities. The Jabal Amman Cultural Days featured several cultural activities and events for different ages and interests and included the screening of Jordanian films, music and poetry evenings, forums and seminars, a book fair, art exhibitions in multiple Jabal Amman galleries,

and training workshops and creative children's events on JARA Street and in the Knowledge Path Library.

The year also saw the participation of more than 29 publishing houses and 40 cultural events. These events attracted a large number of attendees, reaching nearly 22,000 people.

**Cinema Program** – The Foundation's Cinema Program continues to highlight outstanding Arabic and international films, with each screening, normally accompanied by a written analysis of the film and a post-viewing discussion panel. The program continues to provide the film library with new international films translated into Arabic.

The Cinema Program also held two workshops during 2019. The first focused on cinematography and lighting. It was presented by the Syrian director of photography, Hanna Ward, and was held in cooperation with the Royal Film Commission. The topic of the second workshop was the art of scriptwriting, led by the Egyptian scriptwriter Ahmad Murad. The program also hosted several film weeks celebrating Arab, Asian, and European cinema creativity.

The Children's Cinema Program continued to provide its free monthly screenings. The aim of this program is to introduce children and young people to different cinematic schools and build their critical skills.

During the year, the Cinema Program hosted a number of Arab artists to share with public audience their cinematic experience, including the Syrian artist Ayman Zeidan, the Egyptian Ahmad Murad, and others, attracting more than 7200 attendees.

**The Abdul Hameed Shoman Foundation Musical Evenings**

– At the beginning of 2014, the Foundation launched a music program aimed at celebrating the pioneers of Jordanian music, introducing Arab and international music, and to make music available to a wider audience. Free musical evenings are held on the last Thursday of every month with uprising local bands and musicians coming together with Arab and international bands and musicians for evenings of musical fusion.

In 2019, nine musical evenings were held at the Abdul Hameed Shoman Foundation, featuring young Jordanian talents and professional artists. Three musical evenings were held in central Amman on the auditorium of the

Odeon, during which Jordanian artists performed alongside international music bands, such as the Miraz band from Turkey and the Egyptian artist Donia Massoud in addition to one evening where Dr. Haitham Sukkariya accompanied the Orchestra of the National Music Conservatory. These performances attracted more than 6,000 people.

The Abdul Hameed Shoman Foundation is a members of the new Higher National Committee for Music in Jordan, which the Prime Minister commissioned under the umbrella of the Ministry of Culture. The committee has been asked to develop and implement a national music strategic plan and the draft strategy has already been presented to the Minister of Culture.



## PERFORMANCE METRICS

We report our performance against key indicators that are strategically relevant to our business, and reflect the level of transparency expected by our stakeholders.

### Supporting our Customers to Achieve their Ambitions

#### Service Leadership

OUR CHANNELS			
	2017	2018	2019
Number of Branches (including HO)	74	79	80
Number of ATMs	182	198	210
Total SMS Transactional and Marketing Alerts Sent	30,353,273	38,722,416	43,180,694
Number of Incoming and Outgoing Calls Handled by the Call Center	842,153	879,689	1,343,150

#### Customer Donations

CUSTOMER DONATIONS BY DONATION CHANNELS (JOD)			
	2017	2018	2019
Donations received through internet banking	241,769	266,843	255,712
Donations received through phone banking*	360	345	-
Donations received through ATMs	6,779	11,228	9,165
Donations received through "Together" Credit Card	2,762	2,364	2,659
eFAWATEERcom	-	243,498	392,230
<b>Total Donations</b>	<b>251,670</b>	<b>524,278</b>	<b>659,765</b>

\* The bank has stopped the Phone Banking Service starting from 2019

### Responsible Finance

We measure and report on a number of indicators related to a set of focus areas in our Responsible Finance sustainability focus. They include: (1) contributing to a greener Jordan through investments in green infrastructure, and (2) supporting SMEs.

#### Contributing to a Greener Jordan

CUSTOMER DONATIONS BY DONATION CHANNELS (JOD)		2019
Loans and Facilities Provided to Support Environmentally Friendly Infrastructure Projects Since 2012 (USD)		267,000,000
Total Renewable Energy Annual Capacity Added to the Jordanian Grid (MW)		1,352
GHG Emissions Avoided (Tons CO <sub>2</sub> e)		905

#### Supporting a Thriving SMEs

	2017	2018	2019
SMEs Lending Portfolio (USD Million)	1,001	1,069	1,023

## Empowering Our Employees

We measure and report on a number of indicators related to a set of focus areas in our Human Resources sustainability focus. They include: (1) employees profile by gender, employment level and age group, (2) diversity and inclusion, (3) employees satisfaction, (4) benefits and rewards, and (5) learning and development.

### Employees Profile

WORKFORCE BY GENDER			
	2017	2018	2019
Females	1,187	1,220	1,283
Males	1,888	1,913	1,953
<b>Total Workforce</b>	<b>3,075</b>	<b>3,133</b>	<b>3,236</b>

WORKFORCE BY EMPLOYMENT LEVEL			
	2017	2018	2019
Number of Senior Level Employees	40	48	48
Number of Middle Management Employees	982	1,009	1,020
Number of Non-Management Employees	1,777	1,799	1,892
Number of Non-Clerical Employees	276	277	276
<b>Total Workforce</b>	<b>3,075</b>	<b>3,133</b>	<b>3,236</b>

WORKFORCE BY AGE GROUP			
	2017	2018	2019
18-30	1,056	1,096	1,154
31-40	1,257	1,270	1,270
41-50	559	550	581
51-60	197	208	219
Above 60	6	9	12
<b>Total Workforce</b>	<b>3,075</b>	<b>3,133</b>	<b>3,236</b>

NEW HIRES BY GENDER AND AGE GROUP			
<b>New Hires by Gender</b>			
	2017	2018	2019
Females	118	151	145
Males	185	203	197
<b>New Hires by Age Group</b>			
	2017	2018	2019
18-30	246	293	295
31-40	41	50	37
41-50	7	3	6
51-60	9	8	2
Above 60	0	0	2
<b>Total New Hires</b>	<b>303</b>	<b>354</b>	<b>342</b>

## Diversity and Inclusion

### WOMEN IN LEADERSHIP

	2017	2018	2019
Women in the Workforce	38.6%	38.9%	39.6%
Women in Senior Management	15.0%	14.6%	14.6%
Women in Middle Management	33.0%	34.3%	34.7%

### WOMEN MATERNITY LEAVE

	2018	2019
Total Number of Female Employees that Took Maternity Leave	106	103
Total Number of Female Employees that Returned to Work After Maternity Leave Ended	90	88
Return to Work and Retention Rates of Female Employees that Took Maternity Leave	84.9%	85.4%

### NURSERIES PROGRAM

	2017	2018	2019
Number of Female Employees Benefiting From Kids' Nurseries Program	75	80	103
Number of Female Employees Children Benefiting From Kids' Nurseries Program	89	94	121

### EMPLOYEES WITH DISABILITIES

	2017	2018	2019
Employees with Disabilities	64	75	76

## Employee Satisfaction

### EMPLOYEE TURNOVER

	2017	2018	2019
Total Workforce Turnover	7.2%	9.4%	7.2%
<b>Turnover by Gender</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Females	6.9%	9.3%	6.5%
Males	7.4%	9.5%	7.6%
<b>Turnover by Age Group</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
18-30	11.4%	11.8%	10.7%
31-40	3.9%	5.8%	4.6%
41-50	3.9%	10.4%	4.6%
51-60	14.2%	16.8%	9.1%
Above 60	16.7%	0%	16.7%
<b>Turnover by Employment Level</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Senior Level Employees	2.5%	8.3%	2.1%
Middle Management Employees	5.4%	10.3%	7.6%
Non-Management Employees	9.2%	9.2%	7.8%
Non-Clerical Employees	1.5%	7.9%	1.8%

## Employee Benefits

EMPLOYEES CHILDREN UNIVERSITY SCHOLARSHIP PROGRAM			
	2017	2018	2019
Support to Teach Employees' Children in Jordanian Universities (JOD)	122,584	169,121	189,756
Number of Employees Who Benefitted From Employees Children Scholarship Programme	108	59	78
Number of Students Who Benefitted From Employees Children Scholarship Programme	127	65	97

## Learning and Development

AVERAGE TRAINING HOURS PER EMPLOYEE			
	2017	2018	2019
Total Workforce Average Training Hours	14.0	11.51	18.9
<b>Average Training Hours by Gender</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Females	14.9	11.8	21.9
Males	10.1	11.4	17.0
<b>Average Training Hours by Employment Level</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Senior Management	2.5	3.4	3.2
Middle Management	12.4	17.4	11.9
Non-Management	13.8	10.2	25.9

TRAINING AND DEVELOPMENT			
	2017	2018	2019
Total Number of Training Opportunities Provided	12,527	12,826	27,029
Total Number of Training Courses	1,215	453	664*

\* Including e-Learning Courses

## Transparent Reporting

We measure and report on a number of indicators related to transparent report. These indicators are connected to cash dividends per share and independent directors of the board.

TRANSPARENT REPORTING METRICS			
	2017	2018	2019
Cash Dividend per Share JOD*	0.40	0.45	0.30**
Independent Board Members	50%	58%	54.5%

\* For Arab Bank PLC

\*\* No cash dividend has been distributed during 2019, as per the Central Bank of Jordan circular no. 1/1/4693 on April 9th, 2020. For further details, please see page 6 of this report.

## System Optimization

We measure and report on a number of indicators reflecting areas of focus in our efforts to implement operational efficiencies to reduce our internal environmental footprint and support local procurement. These include: energy use, water consumption, GHG emissions and sustainable procurement.

### Energy Use

DIRECT ENERGY USE			
Vehicle Fleet Fuel Consumption	2017	2018	2019
Diesel Consumption (Liters)	76,227	71,999	73,961
Gasoline Consumption (Liters)	117,323	115,425	99,909
Diesel Consumption in Gigajoules (GJ)	2,516	2,376	2,441
Gasoline Consumption in Gigajoules (GJ)	4,224	4,156	3,597
Heating and Generator Fuel Consumption	2017	2018	2019
Heating Diesel and Standby Electricity Generators (Liters)	143,931	137,500	110,509
Heating Diesel and Standby Electricity Generators (GJ)	4,750	4,538	3,647
<b>TOTAL DIRECT ENERGY USE (GJ)</b>	<b>11,489</b>	<b>11,069</b>	<b>9,685</b>
INDIRECT ENERGY USE			
	2017	2018	2019
Total Electricity Consumption from Conventional Hydrocarbon Resources (kWh)	19,077,475	18,387,154	3,795,014
Total Electricity Consumption from Renewable Resources (kWh)	-	-	14,190,561
<b>TOTAL ELECTRICITY CONSUMPTION (KWH)</b>	<b>19,077,475</b>	<b>18,387,154</b>	<b>17,985,575</b>
Percentage of Consumption from Renewable Resources	0%	0%	79%
Total Electricity Consumption (GJ)	68,679	66,194	64,748
Total Electricity Consumption per Employee (kWh/employee)	6,204	5,869	5,558
Area Occupied (m <sup>2</sup> )	132,401	133,278	135,812
Total Electricity per Area (kWh) / Area (m <sup>2</sup> )	144	138	132

### Water Consumption

WATER CONSUMPTION			
	2017	2018	2019
Total Utility Water Consumption (m <sup>3</sup> )	39,742.46	47,437.33	59,503
Total Water Consumption per Employee (m <sup>3</sup> )	12.9	15.1	18.5

### GHG Emissions

GHG EMISSIONS (Tons CO <sub>2</sub> e)			
Direct GHG Emissions	2017	2018	2019
GHG Emissions from Diesel Consumption	204	193	198
GHG Emissions from Gasoline Consumption	267	262	227
Direct Emissions: Vehicles	471	455	425
Direct Emissions: Heating and Generators	387	370	297

GHG EMISSIONS (Tons CO2e)			
Indirect GHG Emissions	2017	2018	2019
Indirect Emissions: Electricity	12,126	11,687	2,412.2
<b>TOTAL GHG EMISSIONS</b>	<b>12,984</b>	<b>12,512</b>	<b>3,134.4</b>
<b>TOTAL GHG EMISSIONS PER EMPLOYEE</b>	<b>4.2</b>	<b>4.0</b>	<b>1.0</b>

#### Local Procurement

LOCAL PROCUREMENT			
	2017	2018	2019
Local Procurement Spending	73%	65%	69%
Total Number of Suppliers	323	313	498
Total Number of Local Suppliers	241	241	317

## Community Cooperation

We measure and report on a number of indicators related to a set of focus areas in community approach. Those indicators reflect the impact we have through our community investments, our employees volunteering and the capacity building program for the NGOs.

#### Community Investments

COMMUNITY INVESTMENTS			
	2017	2018	2019
Total Community Investment Spending (USD)	13,724,135	25,419,260	24,949,479
Pre-tax Profits Invested in the Community*	3.2%	3.3%	3.2%

\*Arab Bank PLC

#### "Together" Volunteering Program

TOGETHER VOLUNTEERING METRICS			
	2017	2018	2019
Number of Volunteering Hours For Total Initiatives	3,704	3,418	3,587
Number of Volunteers	370	405	395
Number of Volunteering Participation	983	1,001	898
Number of Volunteering Activities	59	61	73
Number of Beneficiaries	257,602	260,823	289,500

#### "Together" Capacity Building Program

CAPACITY BUILDING			
	2017	2018	2019
NGOs Employees Attending Courses	55	119	126
Total Number of Courses	4	7	7
Total Number of Training Hours Provided	-	680	753

## APPENDICES

### APPENDIX A: Report Parameters

#### PRINCIPLES FOR DEFINING REPORT CONTENT

In preparation of our 2019 Sustainability Report, we have followed the GRI Sustainability Reporting Standards, which contributed to defining the report content and communicating achievements during the past year. This report tackles progress on various aspects related to our stakeholders in relation to the sustainability strategy under the five main sustainability focus areas, which are all equally important to our business success. We have identified Key Performance Indicators (KPIs) and targets for each priority focus area in order to prioritize and measure our progress toward achieving sustainability.

**Materiality:** We believe that we have considered all key topics related to our significant economic, environmental and social impacts, including impacts that would substantively influence the assessment and decisions of our stakeholders. These include issues related to our internal divisions, issues that were raised by stakeholders and reported on by our peers, in addition to the principles and guidelines included in the GRI Standards.

**Completeness and Boundaries:** Arab Bank in Jordan strives to produce a report that is as complete as possible. This report outlines the bank's 2019 performance for the financial year ending on December 31, 2019. The report covers all of Arab Bank's operations in Jordan, but none of its overseas activities. In some cases, Arab Bank PLC and the Group's data are used in place of Jordan-specific information in accordance with the bank's reporting policies.

**Stakeholder Inclusiveness:** We believe that we have identified and considered all of our key stakeholders. We have identified our communication channels with our stakeholders, while their priority issues have been integrated in our materiality assessment process, and our response is outlined throughout the report as we identified our approach for each material issue.

**Sustainability Context:** We have considered our sustainability context based on local and regional contexts in addition to global sustainability trends.

#### PRINCIPLES FOR DEFINING REPORT QUALITY

**Balance:** We aspire toward transparent reporting and believe that this report conveys both the positive aspects of our performance as well as the areas that require improvement.

**Comparability:** Depending on data availability, we have provided year-to-year data that aligns with the GRI Standards in order to facilitate comparison of our report against industry peers and other companies practicing sustainability. Further clarifications were included in case of providing additional measures or adopting new measurement methods and systems.

**Accuracy and Clarity:** We aim for maximum accuracy in our reporting, including providing timely and reliable information and identifying estimations and other limitations to the highlighted data. As sustainability is a relatively new concept in Jordan, we have made an effort to provide introductory and contextual information where useful to facilitate reader understanding of the report content. As our report targets a wide range of stakeholders, we have tried to cater to all ranges of readers.

**Reliability and Data Measurement Techniques:** We have used existing tracking and data management systems to generate data. The data presented represents our best understanding of our impacts. In some aspects, we have expanded the scope of our measurement, which we have clearly stated. GHG emissions were calculated using a GHG calculator adjusted for Jordan-specific emissions factors, and GHG Protocol.

**Assurance:** This report has not been assured by a third party.

## APPENDIX B: Materiality Process and Boundaries

GRI Disclosures: 102-46

### Our Materiality Process

In 2019, we improved our materiality process by conducting additional research during the issue identification step (outlined below), creating a prioritization methodology tool, and consulting with our internal stakeholders in this prioritization. This has resulted in the creation of our materiality matrix (see page 12 of this report), which provide more details on the prioritization of material issues in three categories; highly significant, significant, and non significant issues. Below is a description of each of the materiality steps the bank conducted, which are aligned with the GRI Standards.

#### STEP 1: IDENTIFICATION

To compile a list of possible topics, the bank's Sustainability Department team conducted research that included more extensive internal investigation to ensure that we captured issues important to the bank's various businesses and corporate support areas. It also involved gathering external assessments of sustainability issues important to the financial services sector, for example from the World Economic Forum, the GRI and the Sustainability Accounting Standards Board (SASB) as well as our understanding of the economic, social, and environmental issues related to Jordan. To complete this step, we identified a list of possible topics, and then selected the most suitable ones and grouped them into our five main sustainability focus areas. The resulting list of topics was used in Step 2.

#### STEP 2: PRIORITIZATION

We developed a tool to depict the importance of each of the identified issues in step 1. This tool presents the importance of each issue on two levels; importance to Arab Bank economic, social and environmental business decision and importance to our stakeholders. Furthermore, we have engaged our sustainability champions through a targeted survey to prioritize these issues. Each champion was asked to rank the importance of each issue on the two levels from the point of view of the bank and their stakeholders from 1-10, with 10 being of highest importance. These

values then were entered into the tool and averages were generated for each issue and then were plotted on a materiality matrix (see page 12 of this report). The matrix shows 14 material sustainability issues within low, medium, and high significance thresholds.

#### STEP 3: VALIDATION

The results of Step 2 were reviewed and approved by Arab Bank's Sustainability Department team. The bank's most important issues, the associated metrics are listed in the GRI Index on page 75.

#### STEP 4: REVIEW

We acknowledge that the sustainability environment is from a changing nature, and therefore its related material issues for our business and stakeholders. We are listening to any feedback we will receive from our stakeholders during the year of 2020 to integrate into our materiality process for next year's sustainability report. Thus, we are open to any feedback on this year's report. We have a dedicated mailbox at the following address: [Together@arabbank.com.jo](mailto:Together@arabbank.com.jo).

Main Focus Area	Relevant Material Topics	Aspects Boundaries						
		Employees	Customers	Community	Environment	Government	Suppliers	Shareholders
SUPPORTING OUR CUSTOMERS IN ACHIEVING THEIR AMBITIONS	Customer Experience and Satisfaction	•	•					
	Information Security and Data Privacy	•	•			•		•
	Digital Innovation	•	•	•		•		•
RESPONSIBLE FINANCING	Positive Impact Financial Services	•	•	•	•	•		•
	Financial Empowerment		•	•		•		
EMPLOYEE EMPOWERMENT	Talent Attraction and Retention	•						•
	Diversity and Equal Opportunity	•		•		•		
	Employees Wellbeing	•		•		•		
TRANSPARENT REPORTING	Legal and Regulatory Compliance		•			•		•
	Governance, Accountability and Transparency	•	•			•		•
	Ethical Conduct	•	•			•	•	•
SYSTEM OPTIMIZATION	Direct Environmental Footprint			•	•	•		
	Supply Chain Impacts			•			•	
COMMUNITY COOPERATION	Supporting Local Communities	•	•	•	•	•		

## APPENDIX C: GRI Content Index

This report has been prepared in accordance with the GRI Standards: Comprehensive option. For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.



GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 101: Foundation 2016		
General Disclosures		
Organizational profile		
	102-1	p. 1, 5
	102-2	p. 4
	102-3	p. 4
	102-4	p. 4
	102-5	p. 5, <a href="#">2019 Annual Report</a> (NAMES OF MAJOR SHAREHOLDERS SECTION)
	102-6	p. 4
	102-7	p. 4, 5, 67, <a href="#">2019 Annual Report</a>
	102-8	p. 32, 67, 68
	102-9	p. 47
	102-10	p. 5, no significant changes during 2019 in size, structure, ownership, or supply chain.
	102-11	p. 25-26
	102-12	p. 10-11, 39
	102-13	p. 47
GRI 102: GENERAL DISCLOSURES 2016	Strategy	
	102-14	p. 2
	102-15	p. 11-12
	Ethics and integrity	
	102-16	p. 9, 38, <a href="#">2014 Sustainability Report</a> (p. 10)
	102-17	p. 38, 39
	Governance	
	102-18	p. 37, <a href="#">2019 Annual Report</a> (Board of Directors' Report Section)
	102-19	p. 37, <a href="#">2019 Annual Report</a> (Corporate Governance Guide Section)
	102-20	p. 37
	102-21	p. 12, 37
	102-22	p. 37, <a href="#">2019 Annual Report</a> (Board of Directors' Report Section)
102-23	p. 37, <a href="#">2019 Annual Report</a> (Board of Directors' Report Section)	
102-24	p. 37	
102-25	p. 37, <a href="#">2019 Annual Report</a> (Corporate Governance Guide Section)	

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
General Disclosures		
	102-26	p. 37, <a href="#">2019 Annual Report</a> (Corporate Governance Guide Section)
	102-27	p. 37, <a href="#">2019 Annual Report</a> (Board of Directors' Report Section, Corporate Governance Guide Report)
	102-28	p. 37, <a href="#">2019 Annual Report</a> (Board of Directors' Report Section, Corporate Governance Guide Report)
	102-29	p. 37, <a href="#">2019 Annual Report</a> (Board of Directors' Report Section, Corporate Governance Guide Report)
	102-30	p. 40, <a href="#">2019 Annual Report</a> (Risk Management Section)
	102-31	p. 26, 40
	102-32	p. 42
	102-33	p. 37, <a href="#">2019 Annual Report</a> (Corporate Governance Guide Section)
	102-34	p. 37, <a href="#">2019 Annual Report</a> (Corporate Governance Guide Section) <b>Omissions and Explanation:</b> Number and nature of critical concerns not disclosed, as information is subject to specific confidentiality constraints
	102-35	p. 37, <a href="#">2019 Annual Report</a> (Corporate Governance Guide Section)
	102-36	p. 37, <a href="#">2019 Annual Report</a> (Corporate Governance Guide Section)
	102-37	p. 37, <a href="#">2019 Annual Report</a> (Corporate Governance Guide Section)
	102-38	<b>Omissions and Explanation:</b> Annual total compensation ratio not disclosed as information is subject to specific confidentiality constraints
	102-39	<b>Omissions and Explanation:</b> Percentage increase in annual total compensation ratio not disclosed, as information is subject to specific confidentiality constraints
	Stakeholder engagement	
	102-40	p. 12
	102-41	p. 34
	102-42	p. 12

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
General Disclosures		
	102-43	p. 12
	102-44	p. 9, 12
	Reporting practice	
	102-45	p. 1, All financial statements for Arab Bank Group and PLC are in the <a href="#">Bank' 2019 Annual Report</a> (Arab Bank PLC Section - Financial Statement)
	102-46	p. 12, 73, 74
	102-47	p. 12
	102-48	No restatements of information given in previous reports.
	102-49	p. 12
	102-50	p. 1, 72
	102-51	<a href="#">Arab Bank 2018 Sustainability Report</a>
	102-52	p. 72
	102-53	p. 73
	102-54	p. 1, 75
	102-55	p. 75-78
	102-56	No external assurance was completed for the Sustainability Report

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
Material Topics		
GRI 200 Economic Standard Series		
Economic Performance		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 6, 24-30, 45-46
	103-3	p. 6, 24-30, 45-46
GRI 201: ECONOMIC PERFORMANCE 2016	201-1	p. 6, <a href="#">2019 Annual Report</a>
	201-2	p. 24-30, 45-46
	201-3	p. 33-34, the bank pays 14.25% of employees social security, which is directed to retirement plan
	201-4	No assistance received from Government
Market Presence		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 32-34
	103-3	p. 32-34

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
Material Topics		
GRI 202: MARKET PRESENCE 2016	202-1	p. 32-34
	202-2	p. 32-34
Indirect Economic Impacts		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 24-30, 48-65
	103-3	p. 24-30, 48-65
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-1	p. 24-30
	203-2	p. 48-65
Procurement Practices		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 47
	103-3	p. 47
GRI 204: PROCUREMENT PRACTICES 2016	204-1	p. 47
Anti-corruption		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 38-39, 41
	103-3	p. 38-39, 41
GRI 205: ANTI-CORRUPTION 2016	205-1	p. 38-39, 41, 100% of all operations are assessed for risks related to corruption
	205-2	p. 41
	205-3	There are no incidents of corruption
Anti-competitive Behavior		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 38-39
	103-3	p. 38-39
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	206-1	No legal actions for anti-competitive behavior and violations of anti-trust in Jordan during the reporting period.

GRI Standards	Disclosure	Page number(s) and/or URL(s) <b>Omissions and Explanation</b>
<b>Material Topics</b>		
<b>GRI 300 Environmental Standard Series</b>		
<b>Energy</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 43-45
	103-3	p. 43-45
GRI 302: ENERGY 2016	302-1	p. 45, 70-71
	302-2	<b>Omissions and Explanation:</b> Business travel is not disclosed as the bank does not have a system to accumulate these numbers currently.
	302-3	p. 45, 70-71
	302-4	p. 45, 70-71
	302-5	<b>Omissions and Explanation:</b> Reduction numbers are not available, since the Arab Bank provides services to customers that do not directly correlate with a product that we can measure its energy consumption.
<b>Water</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 43, 46
	103-3	p. 43, 46
GRI 303: WATER 2016	303-1	p. 46, 70
	303-2	Water is provided by the water authority and private service providers. This is not material as we are a service industry.
	303-3	The bank does not reuse or recycle water
<b>Emissions</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 43-46
	103-3	p. 43-46

GRI Standards	Disclosure	Page number(s) and/or URL(s) <b>Omissions and Explanation</b>
<b>Material Topics</b>		
GRI 305: EMISSIONS 2016	305-1	p. 46, 70-71
	305-2	p. 46, 70-71
	305-3	<b>Omissions and Explanation:</b> The bank currently do not track Scope 3 emissions.
	305-4	p. 46, 70-71
	305-5	p. 46, 70-71
	305-6	Due to the nature of our business, the bank doesn't generate ozonedepleting substances
	305-7	
<b>Environmental Compliance</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 43-47
	103-3	p. 43-47
GRI 307: ENVIRONMENTAL COMPLIANCE 2016	307-1	No monetary value of significant fines and non-monetary sanctions
<b>Supplier Environmental Assessment</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 43, 47
	103-3	p. 43, 47
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1	p. 47
	308-2	p. 47
<b>GRI 400 Social Standard Series</b>		
<b>Employment</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 31-34
	103-3	p. 31-34, 68-69
GRI 401: EMPLOYMENT 2016	401-1	p. 67
	401-2	p. 33
	401-3	p. 32, 68-69
<b>Training and Education</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 31, 35
	103-3	p. 31, 35, 64

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
<b>Material Topics</b>		
GRI 404: TRAINING AND EDUCATION 2016	404-1	p. 35, 69
	404-2	p. 35, 69
	404-3	100%
<b>Diversity and Equal Opportunity</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 31-32, 37
	103-3	p. 31-32, 37
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1	p. 37
	405-2	The ratio of basic salary for men to women per employee category remains 1:1
<b>Non-discrimination</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 31-32
	103-3	p. 31-32
GRI 406: NON-DISCRIMINATION 2016	406-1	No incidents of discrimination received during the reporting period
<b>Child Labor</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 31-32, 47
	103-3	p. 31-32, 47
GRI 408: CHILD LABOR 2016	408-1	p. 32, 47, our sector has low levels of child labor risk
<b>Forced or Compulsory Labor</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 32, 47
	103-3	p. 32, 47
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1	p. 32, 47, our sector have low level of forced of compulsory labor
<b>Local Communities</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 48-65
	103-3	p. 48-65
GRI 413: LOCAL COMMUNITIES 2016	413-1	p. 48-65
	413-2	No negative impacts have been identified
<b>Supplier Social Assessment</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 47
	103-3	p. 47

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
<b>Material Topics</b>		
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1	p. 47
	414-2	p. 47, no cases of negative social impacts in the supply chain
<b>Marketing and Labeling</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 23
	103-3	p. 23
GRI 417: MARKETING AND LABELING 2016	417-1	p. 23
	417-2	No incidents of non-compliance reported in 2019
	417-3	No incidents of non-compliance reported in 2019
<b>Customer Privacy</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 23
	103-3	p. 23
GRI 418: CUSTOMER PRIVACY 2016	418-1	No incidents of substantiated complaints regarding breaches of customer privacy or loss of customer data
<b>Socio-economic Compliance</b>		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 73-74
	103-2	p. 38-39, 41
	103-3	p. 38-39, 41
GRI 419: SOCIOECONOMIC COMPLIANCE 2016	419-1	No incidents of non-compliance reported in 2019

## APPENDIX D: Glossary

Term	Definition								
Capacity Building	Capacity building is an ongoing process through which individuals, groups, organizations and societies enhance their ability to identify and meet development challenges.								
Corruption	Corruption is defined as the misuse of entrusted power for personal or private gain.								
GRI Standards	The GRI Standards are the first global standards for sustainability reporting. They feature a modular, interrelated structure, and represent the global best practice for reporting on a range of economic, environmental and social impacts.								
Greenhouse Gas (GHG)	Gases in the atmosphere that absorb and emit thermal and infrared radiation. Greenhouse gases include water vapor, carbon dioxide, methane, nitrous oxide and ozone								
GRI	The Global Reporting Initiative (GRI) is a non-profit organization that promotes economic, environmental and social sustainability. GRI provides all companies and organizations with a comprehensive sustainability reporting framework that is widely used around the world.								
Independent Director	An Independent director (whether a natural person or representing legal entity) is one whose directorship constitutes his/her only connection to the bank, and whose judgment is therefore unlikely to be influenced by external considerations.								
ISO 26000	The ISO 26000 provides guidance on how businesses and organizations can operate in a socially responsible way through adopting ethical and transparent practices that contribute to the health and welfare of the society.								
Money Laundering	The act of concealing the identity, origin or destination of often illegally-obtained money.								
Project Finance	The long-term financing of infrastructure and industrial projects based on the projected cash flows of the project rather than the balance sheets of the project sponsors. Usually, a project financing structure involves a number of equity investors, known as sponsors, as well as a syndicate of banks that provide loans to the operation.								
SMEs	<p>According to the Central Bank of Jordan, the below criteria were launched in June 2011 to identify small and medium enterprises as follows:</p> <table border="1"> <thead> <tr> <th>Small Enterprise</th> <th>Medium Enterprise</th> </tr> </thead> <tbody> <tr> <td>Assets or sales less than JOD MM 1</td> <td>Assets or sales between JOD MM 1-3</td> </tr> <tr> <td>Between 5-20 employees</td> <td>Between 21-100 employees</td> </tr> <tr> <td>Not a public shareholding, insurance or financial intermediary</td> <td></td> </tr> </tbody> </table>	Small Enterprise	Medium Enterprise	Assets or sales less than JOD MM 1	Assets or sales between JOD MM 1-3	Between 5-20 employees	Between 21-100 employees	Not a public shareholding, insurance or financial intermediary	
Small Enterprise	Medium Enterprise								
Assets or sales less than JOD MM 1	Assets or sales between JOD MM 1-3								
Between 5-20 employees	Between 21-100 employees								
Not a public shareholding, insurance or financial intermediary									
Stakeholder Engagement	A commitment from the organization to transparent honest dialogue with key stakeholder groups, not only to make them aware of the organizations activities, but also to understand and address their concerns through a two-way dialogue.								
Stakeholders	Group or persons who impact the organization or are impacted by the organization directly or indirectly. Stakeholders include: shareholders, employees, customers, suppliers, the environment, local communities and the government.								
Sustainable Reporting	The practice of measuring, disclosing and being accountable to internal and external stakeholders for organizational performance toward the goal of sustainable development.								
Sustainable Development	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.								

## APPENDIX E: Acronyms

AB	Arab Bank	JAAC	Jordan Air Ambulance Center
AC	Air Conditioning	JLGC	Jordan Loan Guarantee Corporation
AHSF	Abdul Hameed Shoman Foundation	JOD	Jordanian Dinars
AML	Anti-money Laundering	JRCSP	Jordan River Child Safety Program
ARIS	Architecture of Integrated Information Systems	JRF	Jordan River Foundation
ATM	Automated Teller Machine	KAFD	King Abdullah Fund for Development
BCM	Business Continuity Management	KHCF	King Hussein Cancer Foundation
BCMD	Business Continuity Management Department	KM	Kilomete
BoD	Board of Directors	kWh	kilowatt hours
CBOs	Community-based Organizations	KYC	Know Your Customer
CCB	Charity Clothing Bank	LED	Light Emitting Diode
CEO	Chief Executive Officer	M2	Square Meter
CO2	Carbon Dioxide	M3	Cubic Meter
CoC	Code of Conduct	MW	Mega Watts
CSR	Corporate Social Responsibility	NGO	Non-Governmental Organization
CTF	Countering Terrorist Financing	OPIC	Overseas Private Investment Corporation
DBR	Debt Burden Ratio	PLC	Public Shareholding Company
ECM	Enterprise Content Management	PV	Photo-Voltaic
EMEA	Europe, the Middle East and Africa	QMS	Quality Management System
ESG	Environmental, Social, and Governance	RCM	Real Estate and Construction Management
EPP	Easy Payment Plan	RMs	Relationship Managers
GHG	Greenhouse Gas	RSCN	Royal Society for the Conservation of Nature
GIA	Group Internal Audit	SDGs	Sustainable Development Goals
GJ	Gigajoules	SMEs	Small to Medium Enterprises
GPS	Global Positioning System	TUA	Tkiyet Um Ali
GRI	Global Reporting Initiative	UAP	University Adoption Program
GRM	Group Risk Management	UDHR	Universal Declaration of Human Rights
ICT	Information and Communication Technology	UNGC	United Nation Global Compact
ILO	International Labor Organization	USD	United States Dollars
ISEF	International Science and Engineering Fair	VOC	Voice of Customers
IT	Information Technology	VRV	Variable Refrigerant Volume
ITM	Interactive Teller Machine		