

2021

Arab Bank PLC

SUSTAINABILITY REPORT

The Journey Continues



البنك العربي
ARAB BANK



Success is a journey

WELCOME TO OUR 2021 SUSTAINABILITY REPORT

This report captures the impact of Arab Bank on significant sustainability issues during the fiscal year ending December 31, 2021. It provides information on our approach to social, environmental and governance topics, together with our progress, performance and ambitions for the future.

We have structured the report around topics that were identified as of significant importance to our internal and external stakeholders, determined through a materiality assessment conducted during the year (see page 9).

The report primarily covers all of Arab Bank's operations and activities in Jordan, the main operating market of Arab Bank PLC. In some cases, Arab Bank PLC Group data has also been used in line with our reporting policies. This is clearly noted in the report. We have also included in-depth analysis of the bank's response to the Sustainability Development Goals (SDGs).

Arab Bank has used the Global Reporting Initiative (GRI) Standards for its sustainability reporting since 2010. 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.

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Read more or refer to another report for further information

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A Message from the CEO



Climate change is one of the most pressing issues of our time and a key national priority as we look to build back greener from COVID-19. As one of the main financial institutions in the region, we understand the important role we play in working across sectors to support the transition to a low-carbon economy.

Arab Bank continued to drive important progress on critical economic, social, and environmental issues in 2021. Guided by our mission and purpose we have strived to make a positive impact on those we serve, the economies that rely on us, and the communities in which we live and work. This priority is central to Arab Bank and reflects our commitment to be a positive force in Jordan, the Arab region and wherever the Bank has a presence.

Despite a gradual easing of restriction, COVID-19 continued to impact us all in 2021, and so supporting our people and our customers through another year of disruption remained a key area of focus for the bank. At the forefront of this was an unwavering commitment to the health of our employees, customers, and our community through stringent implementation of COVID safety policies across our operations.

As we look optimistically towards a post-pandemic future, sustainable growth must be our path forward and have become a major focus for Jordan and the region. The Environmental, Social and Governance (ESG) priorities and outcomes described in this report are critically important to our stakeholders. At this pivotal time, we are reminded that we only thrive when the communities around us thrive, and Arab Bank is continuing with its strong commitments and dedication towards actively contributing to a better and more sustainable future for all our stakeholders.

Climate change is one of the most pressing issues of our time and a key national priority as we look to build back greener from COVID-19. As one of the main financial institutions in the region, we understand the important role we

play in working across sectors to support the transition to a low-carbon economy.

Our contribution to this vital issue is evident through our green finance profile. At the end of 2021, the bank had financed over USD 293.8 million of green infrastructure projects since 2012, contributing to over 777 MW of total renewable energy being added to the Jordanian grid annually. As for our operations, around 94% of our electricity consumption in Jordan alone is sourced from renewable energy projects. We are proud of what we've accomplished and the work we've described in this report. Yet, as always, we strive to do more, and we look forward to reporting on our progress.

A commitment to improving local communities is deeply engrained in our DNA and is something we intentionally invest time, money, and expertise into. In 2021, our investments in community initiatives and projects totaled USD 11.6 million, while we also facilitated for our customers to donate around USD 2.7 million to dedicated community causes.

Recognizing our effort to integrated sustainability into the bank, we are proud to have been included in the Refinitiv Regional ESG Company Scores as one of the top four banks in the region. We also have the highest ESG ranking compared to companies listed on the Amman Stock Exchange according to regional ratings organization ESG Invest.

We must not forget that all these achievements are brought to life by the talent, passion and commitment of our exceptional people. I want to take this opportunity to thank them for their hard work and dedication, and I know that their commitment is central to our continued success.

The health of our environment has a direct impact on the health of our communities as well as our economies and therefore we must not spare any effort to serve that greater and existential purpose.

I am excited by the progress we have made so far, and by what lies ahead of us, as we seek to build on the accomplishments from 2021 and write a new and meaningful ESG chapter for the bank.

Randa Sadik
Chief Executive Officer

CLIMATE CHANGE

The climate of the Earth has continually shifted, and for the last 650,000 years it has followed a natural cycle of warming and cooling determined by the levels of carbon dioxide in the atmosphere and variations in the solar cycle. However, in just the last 200 years, the activities of humanity have been the cause of exceptionally high levels of carbon dioxide reaching the atmosphere, and this is driving dramatic negative changes to the climate that could prove devastating for current and future generations.

The main driver of climate change has been the burning of fossil fuels like coal, oil and gas which release greenhouse gas (GHG) emissions into the atmosphere. The clearing of land and forests and the dumping of waste in landfill are also major contributors.

The most significant effects of manmade climate change include the warming of the planet, with the Earth now already 1.1 degree Celsius warmer than it was in the late 1800s. It may not seem like much; however, an average global temperature rise of just 1.5 degrees could prove catastrophic leading to significant consequences including, sea level rises, drought, severe fires, flooding, storms, and a collapse in biodiversity critical to sustaining humankind.

Climate change is one of a handful of global challenges that has the power to affect the lives of everyone on Earth and is already doing so in many cases. Although it is a global challenge, as individuals it can affect our health, ability to grow food, housing, safety, work, and socio-economic progression.

The evidence is clear and unequivocal, it is now undeniable that human activity has already changed the Earth's climate and will continue to do so without global shifts in our way of life.

A Global Challenge That Requires Global Action

The GHG emissions that cause climate change come from right across the globe where everyone is responsible in their own way, and although the level of emissions varies across the globe, each and every one of us is liable towards the health of our planet and with a sense of utmost urgency to act now in order to shield us against the greatest threat to our very existence.

Global frameworks such as the United Nations Framework Convention on Climate Change (UNFCCC) have been in place since 1994 and have almost universal support and ratification. The global Sustainable Development Goals (SDGs) have clear goals associated with climate action and affordable and clean energy.

Most importantly, in 2015, world leaders came together and signed the Paris Agreement at the UN Climate Change Conference (COP21), an international legally binding treaty that sets long term goals for all nations to follow, to:

- substantially reduce global greenhouse gas emissions to keep global warming at well below 2°C and preferably to 1.5° compared to pre-industrial levels;
- review countries' commitments towards climate action every five years after having communicated their plans; and to
- provide framework for financial, technical and capacity building support to those countries that need it to mitigate climate change, strengthen resilience and enhance abilities to adapt to climate impacts,

This global agreement, collective climate action and the impact it is having on limiting the effects of climate change are closely monitored by the UN's Intergovernmental Panel on Climate Change (IPCC). Its latest reports find

that we are on course for the world to warm by 3.2°C this century, which would be catastrophic. To stay well under the 2°C limit means that GHG emissions created from everything we do, use, buy or eat must hit a peak by 2025 and fall dramatically by 2050.

Achieving this shift may sound daunting, but it is possible, and with it comes major new opportunities for evolved levels of social and economic development that benefit the planet and produce profit.

Jordan and Climate Change

Although Jordan is a relatively minor contributor to global GHG emissions, due to its dry to semi-dry climate, Jordan is highly vulnerable to the impacts of climate change. The country is one of the most water poor in the world with natural water resources declining due to consumption and reduced rainfall as a result of climate change. Other climate-related hazards affecting Jordan, include extreme temperature, droughts, flash floods, and storms, which are increasing in frequency and intensity. The impact of climate change will directly affect a number of sectors including agricultural, coastal, biodiversity, urban, society, water, and health sectors.

Recognizing this situation, Jordan has now elevated climate action to become a national priority, and is integrating climate action into the COVID-19 recovery plan. The country has ratified the UNFCCC and signed and ratified the Paris Agreement in 2016, and Jordan has made a commitment to reduce its macroeconomic GHG emissions by 31% from a business-as-usual scenario by 2030. This will require significant cross governmental coordination, international financial support, and private sector involvement.

Greening Energy

One of the biggest areas of action is in the energy sector which is the largest emitter of GHG emissions in Jordan. Currently, according to statistics of Ministry of Energy and Mineral Resources, Jordan imports around 93% of its energy which represents approximately 8% of GDP. The recently published National Energy Sector Strategy (2020-2030) is a ten-year plan that sets the roadmap to increase self-sufficiency through utilization of domestic natural and renewable sources, to reduce the energy consumption by improving the energy efficiency measures in different sectors, and to reduce the carbon dioxide emissions by 10% by the year 2030. Thus, the self-sufficiency scenario will reduce reliance on costly foreign fuel imports that burden the national economy while achieving a low-carbon strategy.

By the end of 2019, 850 MW of solar and 375 MW of wind projects were connected to the grid, including 150 MW net metering projects and 130 MW wheeling projects.

Protecting Water

With regional climate models predicting a decrease in winter rainfall and an increase in mean annual temperatures, renewable water supplies will be reduced, further exacerbating water scarcity in Jordan. Because of this, the country is fast becoming a pioneer in using treated wastewater which is stored inside Wadi dams. The Jordan National Water Strategy 2016-2025 has identified treated wastewater, when mixed with surface water, as a source of irrigation water in the Jordan Valley. In 2017, the amount of treated wastewater exceeded 163 MCM with the Samra Wastewater Treatment Plant (WWTP) receiving more than 70% of the country's total generated wastewater.

How the Bank is Responding

The bank may not have a significant direct impact on climate change through high GHG emissions, however, we do have a major role to play in supporting the transition to a low carbon economy. Our support is captured in this report in four key ways.

Sustainable Financial Products and Services

We offer products and services that allow individual customers to purchase renewable energy equipment and environmentally friendly products. This allows our customers to contribute to needed climate action.



Read more on page 18

Financing Green Infrastructure Projects

The bank has provided loans for the biggest renewable energy projects in Jordan and the region, and supported the expansion of the regionally significant As-Samra water treatment plant (WWTP) one of the biggest in the region.



Read more on page 18

Reducing Environmental Risk from our Lending Portfolio

The creation of an Environmental Risk Policy has helped formalize efforts to ensure that the bank does not lend to those with poor environmental track records.



Read more on page 18

Measuring and Managing our own Impact

We have been measuring and managing our own GHG emissions for over 10 years, continually working to reduce our impact through purchase of renewable energy and improved energy efficiency.



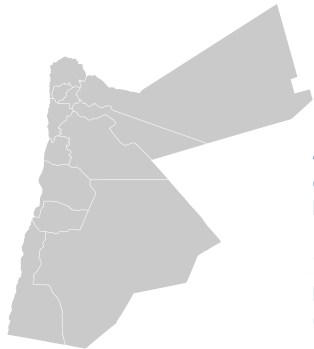
Read more on page 19

The bank recognizes that more can and must be done to tackle climate change, and we are committed to taking further action, together with our stakeholders, to address climate change, and to do so openly and transparently.

SUSTAINABILITY AT ARAB BANK

5
continents

+600
branches

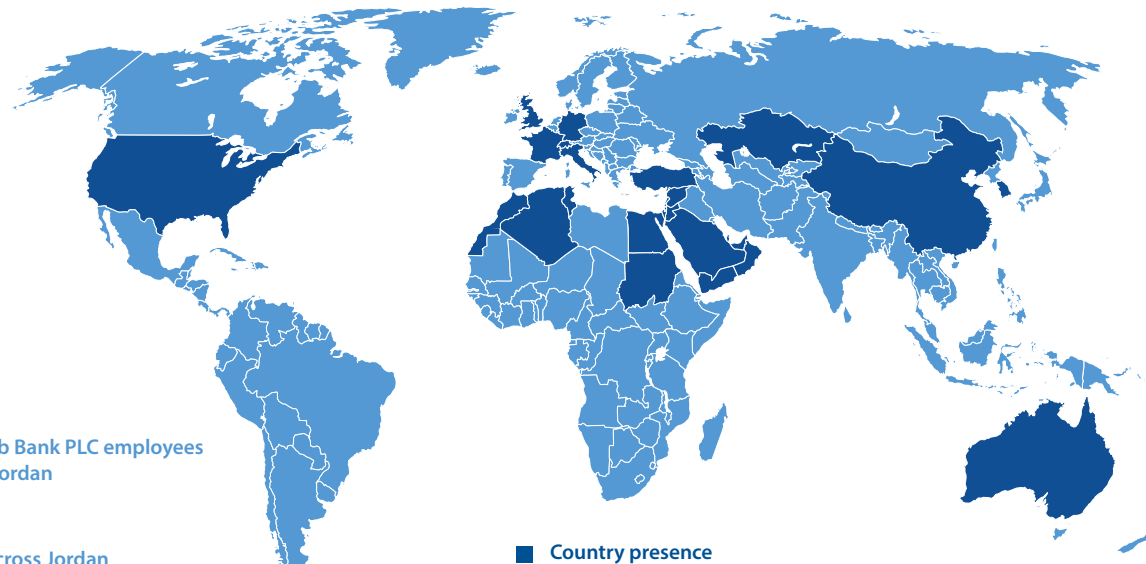


47.0%
of total Arab Bank PLC employees
located in Jordan

76
branches across Jordan
(Including the Head Office)

OUR GLOBAL PRESENCE

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



Arab Bank Presence in Key Financial Markets and Centers



GENEVA



LONDON



PARIS



FRANKFURT



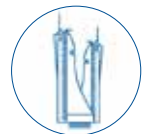
SYDNEY



SINGAPORE



DUBAI



BAHRAIN



SHANGHAI

PRODUCTS AND SERVICES

CONSUMER BANKING

Providing individuals with an extensive range of feature-rich banking solutions, delivered through a vast branch network and integrated digital banking channels, both locally and regionally. We offer a comprehensive range of financial programs that are specifically designed to cater to the needs of a diverse consumer base.

CORPORATE AND INSTITUTIONAL BANKING

Providing corporate and institutional customers with 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.

AWARDS AND RECOGNITION

We continue to be recognized by respected local, regional and international parties for our position as a leading financial institution in the Arab region.

Throughout 2021, the bank received over 30 awards and accolades from leading publications associations and institutions, most notably the **Award for Best Bank in the Middle East for the 6th consecutive year from Global Finance Magazine.**

Global Finance - 2021

- Best Bank in the Middle East
- Best Trade Finance Provider in the Middle East
- Outstanding Achievement in Treasury Operations during the Pandemic in the Middle East
- Best Bank for Cash Management in the Middle East
- Best Integrated Consumer Banking Site in the Middle East
- Best SME Banking in the Middle East
- Best Bank in Jordan
- Best Private Bank in Jordan
- Best Trade Finance Provider in Jordan
- Best Bank for Cash Management in Jordan
- Best Website Design in Jordan
- Best Mobile Banking App (Corporate/ Institutional) in Jordan
- Best in Social Media Marketing and Services in Jordan
- Best Integrated Consumer Banking Site in Jordan
- Best Online Product Offerings in Jordan
- Best in Lending in Jordan
- Best Open Banking APIs in Jordan
- Best Online Trade Finance Services in Jordan
- Best SME Banking in Jordan
- Best Mobile Banking App (Consumer) in Jordan

EMEA Finance - 2021

- Best Cash Management Services in the Middle East
- Best Trade Finance Services in the Middle East
- Best Bank for SMEs in the Middle East
- Best Local Bank in Jordan

Asiamoney - 2021

- Best Domestic Bank in Jordan
- Best Corporate and Investment Bank in Jordan
- Best Digital Bank in Jordan

Global Trade Review - 2021

- Best Trade Finance Bank in Jordan

Euromoney - 2021

- Best Bank in Jordan

Meed - 2021

- Best Retail Bank in Jordan

The Banker (published by the Financial Times) - 2021

- Bank of the Year in Jordan

World Union of Arab Bankers – 2021

- Best Bank in Trade Finance Services in Jordan

Global Sustainability Recognition

Arab Bank has also been recognized for adopting an effective approach to managing sustainability and environmental, social and governance (ESG) by different international parties, including:

Fortune's Change the World list

Arab Bank has been selected as one of the top 100 organizations in Fortune's Change the World List for the year 2021.

Refinitiv ESG Scores

Refinitiv has provided Arab Bank with an ESG score of "Good" as of December 31, 2021. The bank achieved a 65, surpassing the majority of regional banks and ranked among the top 4 banks in the region. Refinitiv ESG Scores was designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data.

ESG Invest

According to ESG Invest, Arab Bank is ranked number one for its ESG score in comparison to all the companies listed on the Amman Stock Exchange. ESG Invest compiles a comprehensive ESG research report that quantifies the ESG performance of companies in the Arab world.

OUR SUSTAINABILITY APPROACH

Our approach to sustainability is both holistic and fully integrated into the daily operations of the bank. It aims to address the most pressing social, economic and environmental challenges, and opportunities, at a local, regional, and global level.

This approach is built on extensive engagement with stakeholders enabling us to identify their needs and expectations, and then aligning them with our business case for sustainability. This creates value for the bank and all its stakeholders.

Our Sustainability Strategy

Our sustainability strategy, as illustrated by the sustainability framework (see image), is rooted in 'our values' which in turn underpin 'our foundation' of stable and principled banking practices.

We aim to achieve a sustainability advantage by integrating social and environmental aspects, in addition to economic and ethical perspectives, beyond our strong foundations. This is represented by our sustainability focus areas, which include: responsible financing, employee empowerment, transparent reporting, system optimization and community cooperation.

For each of the sustainability focus areas, a clear strategic objective has been established to drive us forward. Key performance indicators (KPIs) are set, continuously developed, measured, and progress is tracked to continually assess our economic, environmental and social impacts. This allows us to align day-to-day business conduct with our strategic objectives.

Overall, the sustainability strategy helps us to adopt effective and immediate actions that contribute positively to the community and create value for our stakeholders. Ultimately it allows us to better support our customers to achieve their ambitions, addressing the socio-economic and environmental factors they face today and into the future.

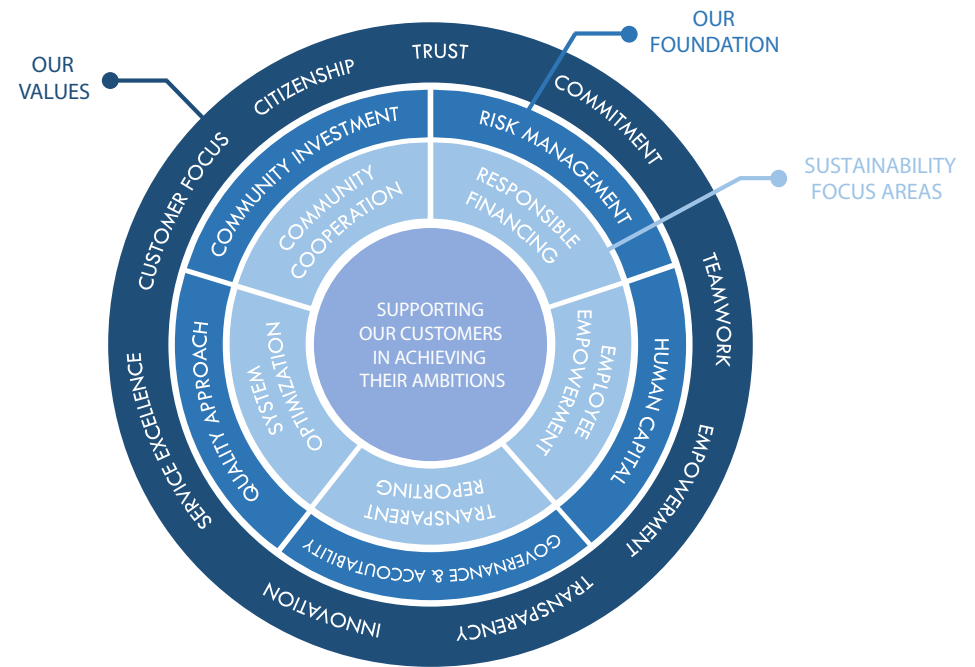
Our Sustainability Promise

We have framed this report around our sustainability commitments to our stakeholders. These commitments revolve around delivering on our promise of:

- supporting the ambitions of our customers through our products and services,
- working towards a sustainable future by providing financial services that enable better environmental and social outcomes,

- supporting our people and community; and
- building a foundation of trust through internal controls, good governance and a robust risk management approach.

GRI: 102-44



Arab Bank Sustainability Framework

Creating Value For Our Stakeholders

Effectively responding to the needs and expectations of our internal and external stakeholders is what allows us to create greater value as a bank. For this reason, we engage regularly with our stakeholders as a way of understanding their evolving priorities and integrating that into our sustainability approach.

We regularly map our key stakeholder groups, review our methods of engagement, identify priority issues for both the bank and the stakeholders, and track our response to these issues. Below is a list of our key stakeholders and how we create value for them.

CUSTOMERS

How we deliver

Addressing the needs of consumers, businesses and institutions by offering seamless, innovative and safe financial services



SHAREHOLDERS

How we deliver

Providing an appropriate return on investment over the long-term, in an ethical and well-governed manner



EMPLOYEES

How we deliver

Creating an inclusive work environment where the best talent can thrive



GOVERNMENT

How we deliver

Maintaining good governance and business conduct practices, adherence to regulations, and transparent reporting



COMMUNITY

How we deliver

Supporting local communities where we operate to address local social, and environmental issues



SUPPLIERS

How we deliver

Sourcing goods and services responsibly, providing suppliers with stability and fairness



THE ENVIRONMENT

How we deliver

Supporting the transition to climate resilient future



+ A full description of how we engage our stakeholders can be found in Appendix C.

Focusing on What Matters

Our sustainability efforts and strategic priorities are informed by the wider social and environmental context around us. We use a materiality assessment process to identify topics that are important to our stakeholders and are strategically significant to our business. Establishing prioritization among a wide range of sustainability topics helps provide focus and ensure relevance.

In 2021, our assessment highlighted a list of 11 material sustainability issues that we must address.

Arab Bank's approach to identifying material sustainability issues is aligned with GRI Standards (2016).



A full explanation of our materiality approach and boundaries of the material issues can be found in Appendix D.

GRI: 102-40

GRI: 102-42

GRI: 102-43

GRI: 102-44

GRI: 102-46

GRI: 102-47

GRI: 102-49

CYBER SECURITY AND DATA PRIVACY

Why it is material

As individuals and companies perform more transactions online, the risk of a data breach increases daily. Therefore, the importance of securely maintaining customer information is crucial to the bank's success

CUSTOMER EXPERIENCE AND SATISFACTION

Why it is material

Providing our customers with seamless and more efficient services, will help the bank address complex and evolving expectations, and enable us to attract new customers

DIGITAL PRODUCT AND SERVICE TRANSFORMATION

Why it is material

Digitization is reshaping the value proposition of existing financial services; the bank looks at it as an opportunity to improve efficiency and deliver new and improved services

SUPPORTING LOCAL COMMUNITIES

Why it is material

The success of the bank is directly linked to the strength of our local communities, so we must support them in good times and during times of emergency.

GOVERNANCE, RISK MANAGEMENT, AND TRANSPARENCY

Why it is material

Strong governance system, transparency and enhanced risk management capability are critical to the reputational and financial strength of the bank.

CUSTOMER SAFETY AND ACCESS

Why it is material

Maintaining an environment where customers can safely and conveniently access financial products and services, especially considering the COVID-19 Pandemic, is at the core of the bank's responsibilities

WORKFORCE WELLBEING AND TALENT RETENTION

Why it is material

Providing a safe, flexible and supportive work environment helps to attract, retain and develop the best people.

FINANCIAL INCLUSION

Why it is material

Supporting all people and expanding our financial services to the unserved will yield economic and social advances in our community.

LEGAL AND REGULATORY COMPLIANCE

Why it is material

Supervision and regulation in the financial services sector continue to evolve. Strict compliance with all local and international policies and regulations is key to maintaining a license to operate.

CUSTOMER HARDSHIP

Why it is material

Building trust and loyalty is only achieved by supporting customers during good times as well as in times of hardship, such as during the COVID-19 pandemic.

CLIMATE CHANGE AND ENVIRONMENTAL FOOTPRINT

Why it is material

Finance has an important role to play in managing the risks and opportunities associated with climate change. We also have a responsibility to limit the impact from our internal operations as part of our business sustainability.











Sustainable Development Goals (SDGs)

Achieving the 2030 agenda for sustainable development will require the mobilization of all parties, including the private sector. Arab Bank is committed to being a positive force in the achievement of the SDGs by embedding these objectives into our sustainability approach and daily operations.

In this page, we outline how our activities and sustainability approach contribute to the SDGs. While our work covers almost all of them, we focus our efforts on the 12 SDGs in which we believe we can have the greatest impact.

The United Nation 2030 Sustainable Development Agenda outlines 17 goals and 169 targets in areas of critical importance for the sustainability of humankind. The SDGs represent a universal call for action that all countries and companies should contribute to.

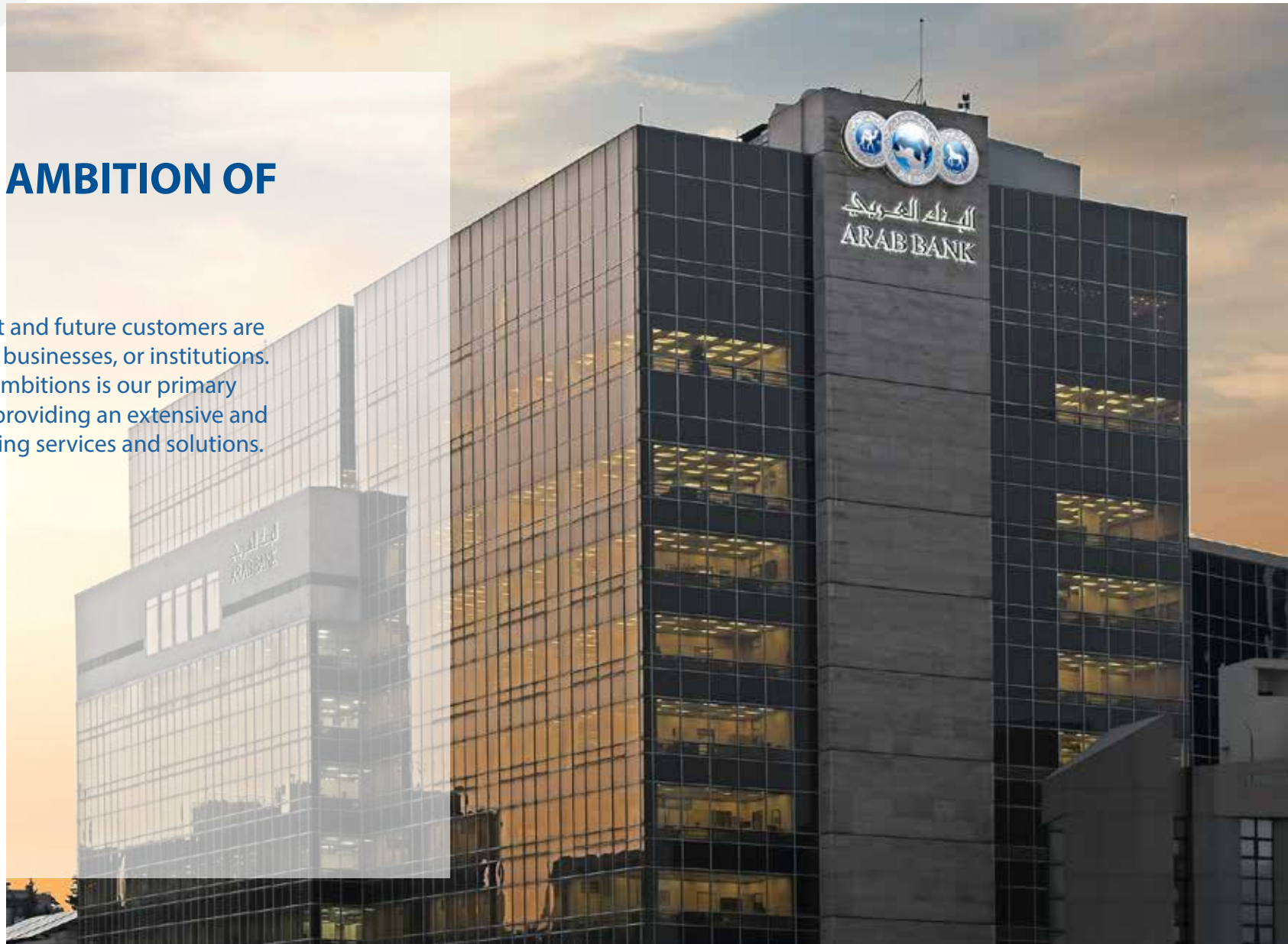


Goal	Our Contribution	Page Number
	<ul style="list-style-type: none"> Using digital innovation to advance financial inclusion by expanding financial services to the unbanked and supporting innovation and entrepreneurship, especially among youth. Supporting local NGOs to work on elevating community members from poverty through our community investments and Corporate Social Responsibility (CSR) activities. Enabling the SME sector to grow and deliver economic and social value, lifting people out of poverty. 	13, 14, 17, 23, 25
	<ul style="list-style-type: none"> Collaborating with reputable NGOs to advance medical coverage reach, especially for the under-privileged, through our community investments and Corporate Social Responsibility (CSR) activities. Promoting the benefits of a healthy lifestyle among employees, enhancing their wellbeing and ensuring a safe work environment. 	22, 23, 25
	<ul style="list-style-type: none"> Collaborating with NGOs to invest in the development of educational infrastructure and access to quality education in Jordan, through our community investments and Corporate Social Responsibility (CSR) activities. 	23, 25
	<ul style="list-style-type: none"> Supporting gender equality and the empowerment of women by ensuring women's full and effective participation at the bank, and equal opportunities for leadership at all levels. Supporting equality and jobs creation among females in the community in collaboration with local NGOs. 	21, 25
	<ul style="list-style-type: none"> Investing in climate resilient projects that help reduce GHG emissions emitted into the atmosphere. Reducing the environmental impact of our operations and associated climate impacts. 	4, 18
	<ul style="list-style-type: none"> Using digital innovation to help advance financial inclusion by expanding financial services to the unbanked and supporting innovation and entrepreneurship, especially among the youth. Enabling the SMEs to grow and deliver its economic and social value that helps grow the economy, and build sustainable economy. 	13, 14, 17
	<ul style="list-style-type: none"> Using digital innovation to help advance financial inclusion by expanding financial services to the unbanked and supporting innovation and entrepreneurship, especially among the youth. Ensuring the bank's infrastructure investments are environmentally sensitive and respond to social concerns. 	14, 17, 18
	<ul style="list-style-type: none"> Using digital transformation to develop innovative products and services for the unbanked to advance financial inclusion. Enhancing social inclusion and reducing inequalities among community members through our community investments and Corporate Social Responsibility (CSR) activities. Enabling SMEs to grow and deliver economic and social value that helps reduce inequality within the community. 	13, 14, 17, 23, 25
	<ul style="list-style-type: none"> Providing the platform to develop innovative products and services that incentivize sustainable living, and to create more efficient and effective operating and distribution models for new markets. Supporting our customers shift to a more sustainable lifestyle by offering sustainable products and services that also help reduce their energy consumption. 	14, 17
	<ul style="list-style-type: none"> Investing in climate resilient projects that help reduce GHG emissions emitted into the atmosphere. Reduce the environmental impacts of our operations and associated climate impacts. 	4, 18

SUPPORTING THE AMBITION OF OUR CUSTOMERS

The needs and wants of our current and future customers are ever changing, be they individuals, businesses, or institutions. Supporting them to achieve their ambitions is our primary objective, and we do this through providing an extensive and continually evolving range of banking services and solutions.

Alignment with the SDGs



SERVICE LEADERSHIP

Providing our customers with a continually relevant and 360° responsive banking solutions is the key to our ongoing service leadership. This philosophy is manifested through anticipating and then responding to our customers' requirements providing them with a seamless banking experience today and tomorrow.

Seamless Banking Experience

As one of the leading financial institutions in the region, we continue to deliver on our promise to our customers; providing a seamless banking experience that meets their evolving needs at every stage of their life cycle. We have introduced a number of products and services designed to address the evolving needs of our corporate and individual customers.

Consumer Banking (CB)

Consumer Banking continued to make progress with its digital strategy by enriching the customer experience through digital onboarding and engagement, products and programs development, and revamped customer journeys. Additionally, the bank focused in 2021 on enhancing service accessibility by introducing several instant services through the mobile banking application "Arabi Mobile".

CB - 2021 Highlights

- Launched an updated version of the Arabi Mobile app. The new design allows customers to carry out certain banking transactions around the clock using their smartphone or tablet with utmost ease, flexibility and security.
- Introduced a new feature which allows customers to generate a Virtual Debit Card instantly through Arabi Mobile, select which account the card is linked to and use it instantly to shop online.
- Launched an instant loan facility through Arabi Mobile where customers can apply for personal loans, obtain approval and receive the payment within minutes, all through the app.

- Launched Arabi e-Tadawul, an exclusive service for Arab Bank customers to digitally open an international brokerage account with Al Arabi Investment Group – Jordan through the Arabi Mobile app.
- Arab Bank also launched the new Baeti service via the mobile app. Baeti offers customers who would like to own a property the ability to conduct proper financial planning based on their financial capabilities via Arabi Mobile app and set a suitable budget using the borrowing power calculator for calculating expenses and financial obligations in detail. In addition, Baeti offers the customer a comprehensive step by step roadmap to home ownership, ensuring the customer is fully aware of the complete journey. The service offers a 'Find the Right Property' feature in collaboration with OpenSooq.

- Introducing instant installments for the bank cardholders in collaboration with Amazon Payment Services, a payment processing service in the Middle East and North Africa (MENA) region.
- The Arabi Mobile App has been evolved allowing customers to update their account information through the app and upload an image of their IDs. With this new feature, customers no longer need to visit any branch to update their account information or submit any documentation.
- In order to further enhance the customer experience, the bank added a new feature that facilitates the customer's authentication process by enabling customers to register in the Customer Care Center service by using their debit card.

- Customers are alerted with various products, services and offers that are most relevant to their lifestyles through push notifications to stay aware of the latest features introduced by the bank to guide customers to alternatives that can assist them in case of inactive cards, invalid PINs, or forgotten card details when shopping online.
- The number of merchants who now accept payment through Arabi MobiCash doubled in 2021. MobiCash is a mobile payment service.

Corporate and Institutional Banking (CIB)

Arab Bank is a prominent financier of major corporations involved in trade and major projects related to power, electricity, renewables, water treatment, desalination, and road infrastructure across the MENA region.

The bank continues to solidify its product and service offerings and strengthen its digital proposition. We have a client-centric strategy that serves the needs of both multinational corporations and corporate clients, nationally and regionally. The bank provides corporate clients with products and services that complement their business cycle, size, and industry specialization.

CIB - 2021 Highlights

- Despite prevailing challenges in regional and global markets, the bank was able to continue providing vital services to CIB customers while managing credit risk levels.
- The bank continued to accelerate its digital transformation. Our CIB digital product offerings, such as ArabiConnect; cash management and trade finance corporate platform, and the ArabiSync host-to-host solution, allow clients to manage their liquidity, conduct their business and trade operations, and carry out their day-to-day financial transactions, locally and across borders.

Supporting SMEs

Small and medium-sized enterprises (SMEs) are a vital part of the global economy, and this is especially true for Jordan where the majority of registered companies are SMEs. Supporting these crucial job creators is a priority for Arab Bank, especially given that many struggle to access the finance and capital they need to thrive and grow. We have created a multi-dimensional approach to supporting SMEs, with tailored products and financial offerings – both physical and digital – that meet their needs and enable their growth plans.

As part of our support for SMEs, we have collaborated with several stakeholders in setting up loan guarantee programs. In 2021, our focus remained on the Central Bank of Jordan's COVID-relief program, in collaboration with the Jordan Loan Guarantee Corporation. This program has supported

SMEs to overcome the impacts of the pandemic on working capital, operating costs and salaries.

Arabi SMEs Platform

Arab Bank was the first bank in Jordan to launch a digital lending platform open to Arab Bank and non Arab Bank SME clients. Since 2020, SMEs have now been able to apply for loans digitally to finance various operating requirements without the need to visit the bank to complete the application.

By launching the platform, the bank has reduced the time needed for processing loan applications and facilitate access to funding for current and potential SME clients.

Arabi SME Portal - 2021 Highlights

- The bank enhanced the development of the portal to include mobile capability, enabling clients to use it as their main lending application channel.
- We introduced two new lending products to the portal; 1) Operating Business Loan, which support SMEs in covering diverse operating needs, and 2) Point of Sale (POS) Loan, which enables SMEs to leverage their POS transaction activity to receive loan amounts that meet their needs.
- The lending platform was enhanced to incorporate a standardized scorecard based system, which promotes fairness for customers and eases the credit review process.
- The platform was also developed to enable customers to apply for account opening

digitally, anytime and from anywhere, through easy, fast and secure steps.

Arab Bank has continued to expand its network of SME merchants utilizing Mobicash and POS acquiring services, while offering dedicated financing solutions through the POS loan program.

We also provide tailored business services for SMEs through 10 specialized SME business service centers. These centers have been established to offer a full range of banking solutions which help develop and expand the business horizon of our SME customers.

Our SME banking services have received international recognition, including an award for best SME bank in Jordan and the Middle East by Global Finance Magazine, and the best SME bank in the Middle East by EMEA Finance Magazine.

Service Excellence

Having the right products is one half of achieving service leadership, the other half is ensuring our customers receiving impeccable service every time they interact with the bank. Caring for our customers starts with having empowered, motivated and professional employees who can respond to customers' needs and expectations. Our employees are highly trained to ensure they are equipped with the knowledge and expertise to deliver on our promise.

To ensure we are meeting our customers' expectations we continue to track and monitor all customer care activities through and analyse results from customer and employee surveys.

Service Excellence - 2021 Highlights

- To provide customers with on demand support across a range of the bank's products, we created a range of tutorial videos to guide customers with any inquiries they may have about our digital services.
- We also conducted several traditional and digital surveys through Arabi Online and the Arabi Mobile App, to obtain customer feedback on different programs, digital channels, products, and services.

DIGITAL TRANSFORMATION

The world is continuing to undergo a digital transformation, and Arab Bank intends to be at the forefront of digital banking implementation in Jordan and the Arab region.

The COVID-19 pandemic has accelerated the shift to digital services, as remote banking capabilities became vital to those staying at home or practicing social distancing.

As an early pioneer of digital financial services, the bank is now at the forefront of meeting the growing digital expectations of our customers.

Our Approach to Digital Transformation

We see digital innovation in the context of enhancing our customers' experience, therefore, a collaboration between the Bank and an external Fintech ecosystem was vital to the development of innovative solutions for Arab Bank customers. We have shaped our approach to innovation and product development through a three-staged business model of explore, accelerate, and scale-up.

Innovation Hub - iHub

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

With iHub, our approach is based on our belief that innovation starts from within and so we are committed to embracing the future of digital innovation through our employees.



For more on the iHub approach to engaging our employees to discover, educate and experiment in innovation, see our 2019 Sustainability Report, page 15.

several sessions were provided to CIB employees to ignite innovation ideas, in which 260 ideas were submitted and 9 of them were accepted to participate in the program.

iHub - 2021 Highlights

- Launched two products; Arabi e-Mart and Reflect, the first Neo Bank in Jordan.
- Conducted five webinars with distinguished speakers in areas of innovation with over 200 participants from the bank's employees.
- iHub staff participated in over 6 events as mentors in recognition of their high expertise.
- Launched the **Jordan Intrapreneur Program – Corporate Edition** that aims to increase awareness of innovative methods to digitally serve the Bank's corporate customer base, as well as create opportunities for CIB employees to transfer raw ideas into mature concepts in a startup-style environment. Under the program,

Your go-to online marketplace

Arabi e-Mart



Launched in 2021, Arabi e-Mart has created a hub for Jordan's key vendors to showcase their goods and services online for everyone to be able to browse and purchase easily and securely.

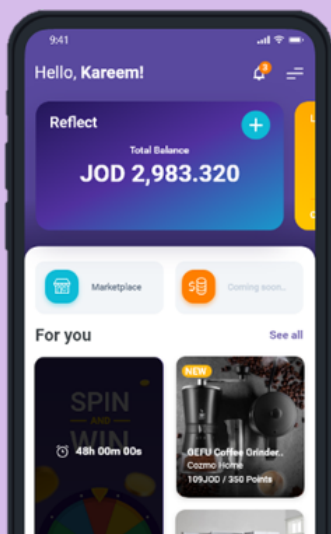
With this digital venture ACABES, a full subsidiary of Arab Bank established in 2021 with the objective to develop and implement innovative digital solutions in Jordan and beyond, aims to transform Jordan's brick and mortar shopping experience bringing new businesses into the e-commerce era and linking them to millions of online shoppers seamlessly and as easily as possible.

Neo Bank: Reflect**First Neo Bank in Jordan**

Reflect is the first Neobank in Jordan. Launched in September 2021, it targets primarily the younger generation between the ages of 18 to 35. This mobile-only neo bank offers an innovative and personalized banking platform designed specifically to provide young people with an integrated and simple banking experience using their smartphones.

The Reflect app integrates lifestyle preferences with banking in one app, allowing customers to benefit from a host of services that include: fund transfers between registered customers, the ability to shop online through the "Marketplace", and build savings towards meeting personal financial goals.

Reflect provides customers with daily feeds that include exclusive offers and discounts personalized to the customer's interests. This is in addition to allowing customers to withdraw and deposit cash using the contactless feature available at Arab Bank ATMs, redeem loyalty points with cash, complete bill payments, and do much more.

**AB Accelerator**

The AB Accelerator aims to help the bank rapidly adopt emerging technological solutions that enhance, improve and reimagine the way banking is done.

AB Accelerator provides startups with the opportunity to test their new banking solutions through development of a proof of concept with the possibility of moving into a pilot deal with real enterprise customers.



For more on the AB Accelerator, see our 2019 Sustainability Report, page 17.

AB Accelerator - 2021 Highlights

- By end of 2021, AB Accelerator reached a total portfolio of seven innovative startups across North America, Europe, and MENA.
- The AB Accelerator concluded Proof of Concepts (POC's) with four fintech startups from the Middle East, Europe and Africa.
- AB Accelerator completed an investment in "Khazna", which was founded in April 2019. The startup aims to improve the financial well-being of over 20 million underbanked Egyptians who have little access to formal financial services by providing access to convenient, effective and secure smartphone based financial services.

AB VENTURES

AB Ventures is the first Corporate Venture Capital fund to be set up by any bank based in the MENA region. Founded in 2018, AB Ventures leverages technological advancements from across the globe to build upon the Bank's longstanding commitment to

maintain the highest standards of excellence in financial services. The fund looks to invest directly in the next wave of innovative financial solutions, and integrate them where relevant into the financial services' value chain across multiple markets.

AB VENTURES - 2021 Highlights

- With travel restrictions easing, AB Ventures was able to connect with over 70 regional and international investors and ecosystem partners.
- AB Ventures completed several follow-on transactions doubling-down on "winner" portfolio companies.
- NORD.Investments, an AB Ventures' portfolio company was successfully listed on NASDAQ First North stock market.
- AB Ventures is co-administering Arab Bank's recently launched Fund-of-Funds allocation aimed at investing in top-tier FinTech funds globally.

WORKING TOWARDS A SUSTAINABLE FUTURE

We believe that financial services can help tackle climate change and create a better world for future generations. That is why we aim to provide products and services that drive positive environmental and social outcomes and deliver these in an efficient manner.

Alignment with the SDGs



FINANCE FOR IMPACT

The provision of financial services and capital can address important social and environmental issues that face our country and the world. That is why we support a range of programs that create more than just a positive economic impact.

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.

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

Financial Empowerment

Creating opportunities for financial inclusion to the under-served segments of our community, and enhancing their financial knowledge will contribute to improving the overall well-being of our communities and economy as a whole.

We are helping people from different segments of society 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 individual needs, considering how, when and where they need our services.

National Financial Educational Program

We continue to support 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.



CLIMATE ACTION

We recognize the threat posed by climate change to global economic, social and geopolitical stability. That is why we must do our part to help secure the future of our planet for future generations.

The climate crisis is one of the greatest challenges facing our global society and economy in the 21st century. Its impact on the physical environment, human health and its potential to adversely impact economic growth is widespread and proven. The data and science is undisputable. The last seven years have been the warmest ever recorded, and during 2021, we have witnessed more extreme wildfires, hurricanes, and major floods all around the world.

According to the United Nation's Intergovernmental Panel on Climate Change (IPCC), by 2030 greenhouse gas (GHG) emissions need to be reduced by 45% and we must achieve net zero by 2050 from 2010 levels, if we want to avoid the catastrophic impacts of climate change.

At Arab Bank, we recognize the scale of the challenge, and we are fully committed to be part of the solution. As a major financial institution in the region, we have a unique role to play in achieving the required transition to a low carbon economy.

To date, our climate action has been focused around four areas:

- Offering customers green products and services
- Green and sustainable finance
- Reducing the GHG emissions of our loan and investment portfolio
- Reducing the environmental footprint of our operations

Green Products and Services

We continue to work on helping our customers reduce their environmental footprint resulting from our services. This is done mainly through the digital transformation of our services and products, which reduces the material consumption associated with these services.

Through the bank's Easy Payment Plan (EPP) for credit cards, customers can purchase renewable energy equipment and green products with a payment period up to 12 months with 0% interest rate when using Arab Bank credit cards, and a repayment period of up to 24 months with a 1% interest rate.

We also work on supporting our customers in reducing their environmental footprint resulted from our products and services by the adoption of digital financial services and designing a range of green services that focus on reducing material and energy consumption.

Green Financing

We play a major role in financing a more sustainable economy through our green infrastructure finance activities, which also represent a major growth opportunity for our business and our clients. By investing in the deployment of large scale renewable energy projects, we are adding to the global effort to combat climate change and contribute to the achievement of the SDGs.

Since 2012, the bank has provided over USD 293.8 million in loans and facilities for green projects.



Approximately
1,226,800 tons CO₂e
GHG emissions avoided

Reducing GHG emissions from Our Portfolio

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

Environmental Risk Policy

The Bank developed an Environmental Risk Policy in 2021 that aims to enhance the Bank's resilience to and management of environmental risk. It does this by identifying the environmental risks of customers and portfolios, focusing on topics that may be relevant to specific sectors with higher environmental risk.

We recognize there is more work to be done and that this is one of the first steps in addressing climate change through our portfolio.

Reduce the Environmental Footprint of Our Operations

With over 3,381 staff spread over 80 facilities across Jordan, Arab Bank is committed to reducing the environmental footprint of its operations, helping to maintain natural resources for future generations and to combat global warming.

To do this, we have been working on measuring and managing the direct environmental impact of our own operations, including energy use and related GHG emissions, water use and material consumption.

Energy and Related GHG Emissions

Although our operations are not highly energy intensive, we continuously seek to reduce our energy consumption. Our main source of energy consumption, which also represents the main source of GHG emissions, include:

- **Scope 1 - Direct Energy Consumption:** the burning of fuel for heating the Head Office and all branches across Jordan. In addition, energy is consumed in the form of transportation fuel by our vehicle fleet
- **Scope 2 - Indirect Energy Consumption:** the consumption of Electricity purchased from third-party suppliers.

- **Scope 3 – Other Indirect Energy:** which includes, business travel and our employees commute to work. Additionally, scope 3 includes the GHG emissions resulting from our lending and investments portfolio. However, we are only reporting at this stage on the business travel in this report.

Since 2019, the bank has sourced the majority of the electricity for its operations in Jordan from renewable energy projects. In 2021, over 93% of our total electricity consumption was sourced from renewable energy projects, eliminating harmful GHG emissions from electricity that would have otherwise come from conventional hydrocarbon generation. Additionally, we have maintained our goal of reducing the consumption of energy, both direct and indirect, from our operations.

In 2021, the bank switched all lighting used in its buildings to LED and applied Global Positioning System units to track the bank's vehicles with the objective of reducing fuel consumption, harmful and toxic emissions, and preventative maintenance for the fleet.



A full performance of our energy consumption and GHG emissions are presented on page 37 of this report – Sustainability Scorecard.

93.6%
of the banks' electricity consumption comes from renewable sources

Paper Consumption

Due to the nature of our business, paper continues to be heavily utilized in our offices and branches, including for our operations, contracts and correspondence, services offered to clients and promotional materials. We are focused on reducing paper use for our customers, optimizing our internal operations and recycling unavoidable paper waste.

Our approach to reducing paper consumption is twofold; optimizing our internal operations by moving to a paperless environment; and introducing digital products and services that reduce and eliminate paper consumption by our customers.



For more information on the bank's digital transformation, see page 14 of this report – Digital Transformation.

In 2021, we continued to follow our approach in creating a paperless operational environment. Several initiatives have been developed to eliminate paper use through harnessing the benefits of digitalization. Those include automating several forms like HR travel desk, shifts requests, transportation requests, and over time requests.

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 a smoother banking experience.

On the recycling front, we were also able to recycle around 52 tons of paper during 2021.

Water Consumption

Although our water consumption is minimal, 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 have continued to work on reducing our water consumption by installing water saving devices.

SUPPORTING OUR PEOPLE AND COMMUNITY

Arab Bank is so much more than just numbers, branches and ATMs – it is all about people and the communities in which it operates. Our customers, suppliers and employees are the people that bring the bank to life, and so we see it as our responsibility to support them and their communities right across Jordan and the Arab region.

Alignment with the SDGs



OUR PEOPLE

The Arab Bank in Jordan is dynamic, diverse, and determined – reflecting the very best talent that Jordan has to offer. Our role is to empower this talent, provide it with the right training and support, and to place it in the right environment so that the individual, the team, and ultimately the bank can thrive.

Inclusion and Diversity

The key to creating a sustainable, future-ready organization that is reflective of the broader community that it serves, is to build an inclusive and diverse workplace. Inclusivity encourages diversity of thought and perspective, which ultimately drives innovation and enables our people to create greater 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.

Our internal policies, including the Code of Conduct, provide clear guidance on the respect for human rights. At the bank, we do not tolerate discrimination based on ethnicity, gender, language, national or social origin, economic status, religion or belief. We implement our day-to-day operations in line with international human rights standards. In 2021, no incidents or complaints were escalated to the Employee Relations Committee in relation to discrimination or human rights.

We are also committed to nationalization as part of the bank's effort to improve economic empowerment of local communities. In 2021, the bank's total workforce reached 3,381 in Jordan, with 99.7% being Jordanian nationals.

Attracting, developing, and retaining top female talent continues to be an important priority. Over the years, female employees have continued to grow and progress throughout the bank, supported by our fair process, where women are given every opportunity to showcase and utilize their skills and talent.

Working mothers are also supported through the provision of maternity leave, with around 124 female employees on maternity leave during 2021. The return to work and retention rates of female employees that took maternity leave also reached 79%. We also offer mothers a one hour leave daily for the first year of their newly born children for nursing them.

The bank also helps working mothers secure proper childcare while they are at work by contracting with nurseries to take care of children under the age of five. At the end of 2021, around 98 of our female employees benefited from this program, sending 117 children to those nurseries.

38.5%
female participation from total workforce in 2021

Additionally, the bank started offering a 3 consecutive paid parental leave days for our male employee starting from June 2019.

Beyond gender diversity, we also seek to support employees with different life experiences, ages, abilities, thoughts and perspectives. This accessibility strategy supports the employment and integration of those with a disability. The bank had 92 employees with a disability by end of 2021.

Arab Bank among Forbes' 2021 World's Best Employers List

A Forbes International publication has ranked Arab Bank as one of the best 11 employers in the Middle East for 2021. This recognition was part of the publication's global annual list of best employers which comprised of 750 international companies, of which 11 were from the Middle East.

Competitive Benefits

We provide market competitive rewards and remuneration to our employees through a fair and flexible compensation and benefits programs designed to attract, retain and motivate top talent. This complete approach to remuneration ensures we secure the right knowledge, competencies, and behaviors necessary for business success.

Our approach to compensation ensures that salaries are determined independently of gender, and so pay is determined based on key elements, including market and business alignment, internal relativities, job value and demands, individual competence, and performance.

Arab Bank also runs an Employees' Children University Scholarship Program setup to assist employees' children to pursue a university education. In 2021, 122 students were awarded a university scholarship under the Program, with the total amount of support reaching JOD 260,706.

Employee Engagement and Wellbeing

Proactive engagement with all employees helps to create a sense of value and purpose, that in turn builds commitment to the vision and mission of the bank. Engaged employees are more motivated and empowered to contribute to our combined success, creating an enhanced sense of wellbeing.

A range of channels are used to engage our employees, including annual performance reviews, internal newsletters, and an intranet platform called "Arabina". Employee feedback, including complaints, is gathered through an Employee Relations Committee that is dedicated to processing internal grievances, comments and suggestions.

Providing a working environment that is safe, secure, and productive, where all employees are treated fairly and with respect is a non-negotiable requirement. The bank has a dedicated Occupational Health and Safety Committee, which comprises of six members from different departments, that 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 all documented.

Throughout the COVID-19 pandemic, our teams worked hard to support our customers and maintain the delivery of services. Meanwhile, our internal response focused on protecting our people and providing them with a working environment that supports their safety and wellbeing.

As we moved into the second year of the pandemic, with a gradual return to the office, the bank has adopted a flexible approach in order to keep our employees safe. This includes:

- Adapting the work environment, investing in protective equipment, enhanced cleaning and hygienic protocols, and installing physical distancing marks throughout our offices.
- Continuing to implement a strict tracking and tracing system so that employees who test positive for COVID-19, or who have interacted with someone that tested positive, will be required to isolate and work from home.
- Instituting remote working for non-branch employees.
- Continuing with flexible arrival times to avoid crowding at the entrance of the bank.
- Taking the body temperature of all employees upon entering the bank.

Collective Bargaining

Arab Bank ensures the freedom of association of our employees and respects their right to associate with a legal trade union in Jordan. In compliance with internal regulations, any employee who is part of a union should declare it to his/her manager and the Human Resources Division. The bank does not have a system to track the percentage of total employees covered by collective bargaining agreements.

Building Skills for the Future

The bank operates in a fast moving, skill-centered industry, where our strongest competitive advantage lies in the knowledge and capabilities of our employees. We continually encourage our employees to consider learning new skills throughout their career, in a culture of life-long learning, that enables the bank to address the continuous evolution of the financial sector.

Our training programs include internal and external training opportunities. Training courses are designed and developed internally or in collaboration with training vendors based on an assessment of employees' training and development needs. Employee career development is also promoted through tools including talent management and succession planning.

In 2021, the bank launched a Training Calendar, in line with a shift from conventional learning and development methods to virtual and digital learning. The calendar includes specialized courses, interpersonal development courses as well as a digital literacy series, and is open to all Arab Bank employees. Additionally, the bank has launched 5 Digital Transformation and Information Technology Academies, in an effort to expand the pool of digital talent and provide the required tools to fulfill the bank's digital transformation journey.

In 2021, the bank continued to deliver its learning and development efforts virtually due to the Pandemic. The total number of training hours provided in 2021 reached 35,448, an increase of 170% compared to the previous year, with an average of 10.5 hours per employee.

OUR COMMUNITY

The bank is rooted in local communities all around Jordan, and while our products and services help to improve socio-economic outcomes, we also deploy our expertise, skills and financial resources to support those in need and create a positive impact on the ground.



For additional information on our operating expenses, cash dividends and tax expense, visit our 2021 Annual Report

Generating Direct and Indirect Economic Value

We contribute to the development of the Kingdom through the generation and distribution of economic value. It is a simple equation: we generate revenue from providing vital products and services; we then distribute those revenues to those we rely on for our business. That distribution is seen in the compensation and benefits we provide our employees, in the commercial transactions we have with our suppliers, in meeting our tax obligations at all levels of government, in the dividends paid to our shareholders, and in the investments we make through our CSR program. This is defined as “economic value distributed” and is used to measure the impact of a company on the economy.



Arab Bank Community Investments

Our strategy with regards to investment in the community is to focus on causes aligned with the bank’s sustainability strategy. Our multifaceted approach involves direct charitable donations, CSR based sponsorship, community interventions and initiatives, and employee volunteering. This is also complemented by the bank’s substantial contribution made through The Abdul Hameed Shoman Foundation (AHSF); Arab Bank’s social and cultural responsibility arm.

We are one of the major private sector contributors to community development in Jordan, with over USD 11,639,663 invested in 2021.

Over USD 11.64 Million

Arab Bank’s community investment in 2021

3.9%

of Arab Bank PLC profits before tax invested in the community in 2021

Arab Bank CSR Program - "Together"

Our Corporate Social Responsibility (CSR) program, “Together”, enables our employees, customers and NGOs to become proactive members of the community.

The Together program’s activities focus on investment in areas that are aligned with community needs and priorities, these include: health, poverty alleviation, environmental protection, education, and orphan support.

For each priority, the bank leverages a number of resources that can bring substantial benefit to local communities, this includes:

- Employee volunteering
- Collaboration with NGOs
- Customer donations through existing banking services

111,625

Number of community members impacted by our community interventions in 2021

Employee Volunteering

Employees are encouraged to volunteer their time, effort and expertise to carry out initiatives and programs that are aligned with our five main community causes.

Working with partner NGO's, we aim to deliver impactful volunteering opportunities for our employees and their families, enabling them to give back to their communities while at the same time increasing their awareness on local social and environmental issues.

Due to the COVID-19 pandemic, the bank continued to deliver all volunteering activities virtually in 2021. This has had a toll on the total number of volunteering hours completed but maintained the safety of our volunteers and our beneficiaries, which is the number one priority. Our employees were involved in around 44 impactful virtual volunteering opportunities in 2021, contributing over 240 hours through 19 different community programs.

Capacity Building for NGOs

We have found that one of the best ways to help tackle our five community causes is to build the knowledge and capacity of NGO's already working in the space. That is why we continue to utilize our employees' skills and experience to train NGO staff to increase their effectiveness and overall performance.

The Capacity Building Program has been running since 2012 deploying the expertise of our internal trainers to deliver courses that focus on strengthening the functional, technical, and interpersonal skills of the NGO staff. During 2021, 89 employees from our partner NGOs benefitted from the courses, completing 330 training hours.

89

NGO employees benefitted from the capacity building program in 2021

330 Training Hours

Given to NGO employees through the capacity building program in 2021

Customers Donations

To enable our customers to support local community causes, we have integrated donation functionality into a range of banking channels.

Customers can now make donations quickly and easily through: Internet banking, ATMs, branches, the Together Platinum Credit Card, and through the eFAWATEERCOM payment method.

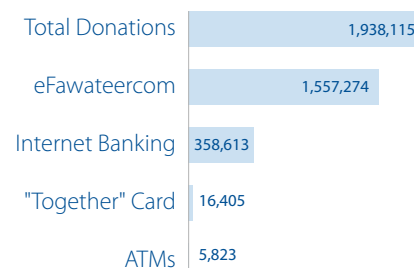
These channels provide our customers with the opportunity to donate to the "Together" program's group of trusted NGOs in Jordan covering the areas of health, poverty alleviation, environmental protection and Education/orphan support.

Over

JOD 1,938,000

Donated by Arab Bank customers in 2021

Customers' Donation 2020



Sponsorships and Donations

We continue to support community-based organizations (CBOs), NGOs and other foundations and initiatives that we believe are tackling important social and environmental issues facing communities across Jordan. Additionally, the bank has been involved in a range of conferences aimed at supporting economic growth and development in Jordan.



For additional information on Arab Bank donations, sponsorships and other conferences, visit our 2021 Annual Report.

In 2021, we worked with reputable NGOs that have established track records in each of our CSR focus areas under the “Together” program; health, poverty alleviation, environmental protection, education, and orphan support. The engagement included developing and implementing initiatives and intervention programs through our community investments. Below is a list of the key programs we supported in 2021.

Program	Program Objective	Program	Program Objective	Program	Program Objective
King Hussein Cancer Foundation - Back to School Program	Supporting cancer patients to resume their education, a key part of providing comprehensive cancer care that deals with the physical, social and emotional needs of patients.	Madrasati - the Safe and Creative Spaces	Sponsoring the renovation of facilities and infrastructure at public schools, making them healthier, safer, and more stimulating to students.	Tkiyet Um Ali – Family Adoption	Supporting underprivileged families living below the poverty line by providing them with monthly food packages.
King Hussein Cancer Foundation - Goal for Life	We supported the football tournament that promoted the importance of living an active and healthy lifestyle.	Madrasat -Proud To Be A Teacher	Supporting the program that encourages teachers’ personal development, equipping them with social and interpersonal skills, while also increasing their pride in their profession.	Tkiyet Um Ali – "Lamset Dafa" Initiative	Supporting underprivileged families around the Kingdom by providing them with blankets to help them cope with the cold winter.
Jordan’s Centennial Activities	Supporting the Ministry of Education with a number of new computers which were distributed to various public schools across the Kingdom. The bank also contributed to the renovation of computer labs for a number of public schools in Jordan.	Madrasati - Masahati	Support for Masahati Student Clubs and Summer Camps which provide students with an alternative learning space to develop socially, emotionally and academically.	Tkiyet Um Ali – Ramadan Activities	Supporting Tkiyet Um Ali programs during Ramadan, that entails distributing food parcels and delivering iftar meals to underprivileged families
INJAZ – Cyber Security Program	Supporting INJAZ to implement a specialized cybersecurity program at 11 universities.	Jordan River Foundation - Child Safety Program	Tackling the issue of child safety through activities that address both prevention and intervention measures.	Queen Rania Foundation - Let’s Read Fluently	Supporting QRF’s @School stream launching of the Let’s Read Fluently pre-pilot and pilot study. The study intervention has two models: one that supports struggling students in Grades 3-1 and the other that supports the whole class in Grade 1.
INJAZ – Training Courses	The bank’s employees supported students through the delivery of technical and interpersonal programs at public schools and universities.	Jordan River Foundation – Women Empowerment Program	Supporting the training of vulnerable Jordanian women to then become employed at JRF, empowering them with a sustained income.	Queen Rania Foundation - Karim and Jana Application	Supporting the Words Journey “the latest installment of the K&J literacy suite” that builds on previous K&J apps and introduces the concept of different letter shape recognition.
Jordan Air Ambulance Center (JAAC)	Supporting the work of JAAC to transfer patients with medical emergencies from remote parts of the country to hospitals in the capital, Amman.	Children’s Museum	Supporting the Community Connection program and the “Science and Art Festival” a valuable educational event.	Al-Aman Fund	Equipping orphaned students with the education and skills necessary to become self-reliant, productive members of society and therefore, to secure a better future for themselves.
Royal Health Awareness Society (RHAS) – Healthy Schools	Funding implementation of the program in six schools, building capacity to support students and teachers’ physical and social growth, as well as their academic performance.	EDRAAK Online Courses	Supporting the User Experience and User Interface (UX/UI) Specialization online MOOC.	Royal Society for the Conservation of Nature – Fifa Eco-village Development Program	The project aims to create socio-economic development opportunities for households in the village in an environmentally friendly manner.

THE ABDUL HAMEED SHOMAN FOUNDATION

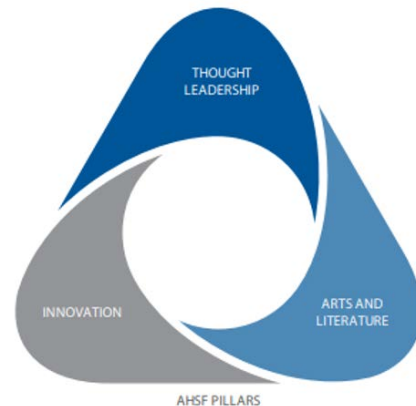
Established by Arab Bank in 1978, the Abdul Hameed Shoman Foundation (AHSF) is a pioneering non-profit initiative established to support cultural and social responsibility initiatives in the Arab World. The Foundation aims to serve as a beacon of light in Jordan and the Arab World by laying the groundwork to foster a society that encourages reading, caters to scientific research, cultural enlightenment, and innovation.

The Foundation was built on three pillars: thought leadership, literature and arts, and cultural grants and social innovation. In 2021, the Abdul Hameed Shoman Foundation continued implementing its programs and services in support of creativity, education, innovation, and scientific research, in addition to perpetuating and consolidating the culture of reading in society.

Despite challenges to the implementation of programs and services due to COVID-19, the Foundation was able to develop and provide its services and programs as usual, while adhering to all public health measures. The AHSF team was also able to actively participate in 39 cultural seminars and

conferences as evaluators, speakers, and participants.

Driven by the constant risk of public closures due to the pandemic, the Foundation accomplished remarkable achievements by digitizing its services and enriching its online content. This has allowed the foundation to reach the largest number of beneficiaries possible, as part of a belief that culture and learning are a right for all.



DIGITAL TRANSFORMATION OF THE FOUNDATION

The Foundation continued with the implementation of its vision for digital transformation in 2021. This includes further expanding the integration and transformation of its programs into the virtual world (digitally and remotely) to achieve several strategic objectives, including facilitating access to information, simplifying and integrating procedures within a single sign-on system, as well as improving the services offered to beneficiaries.

As part of this modern and integrated vision, in 2021, the Foundation improved the digital services offered, such as the provision of an electronic indexing service for children and adults, and digital library services that allows users across various devices to digitally search the contents of the library, borrow books, complete renewals, and reserve books.

Some of the main achievements as part of its vision of digital transformation include the launch of:

- an online system for all the organization's awards and competitions,
- a unified registration system, to consolidate the various profiles of beneficiaries into one single account,
- an electronic platform for beneficiaries to submit suggestions and follow them up electronically,
- a customer relationship management system,
- a new website, which is the gateway to interactive electronic services with beneficiaries,
- an electronic registration system for beneficiaries of the Public Library and the Knowledge Path Library to start using electronic membership cards,
- an e-points system "Nuqati", which gives visitors and members of the public library, event attendees, and beneficiaries' incentives depending on the number of points collected,
- an electronic archiving system,
- a new version for the human resources system and an interactive mobile application for employees,
- a decision support system, and
- a new version of the financial system, providing new services to the organization's employees.

The abovementioned systems facilitate the process of applying for awards digitally, facilitate the completion of the evaluation process, and facilitate the electronic extraction of executive and analytical reports in a way that contributes to decision making and the achievement of the Foundation's vision.

Through its various communication channels, the Foundation has reached 28 million accounts and half a million followers during the year. It also generated 11.5 million views from the video clips it published on all its accounts and provided cultural content and information on the organization's programs and services.

More details regarding the Foundation's program achievements in 2021 are summarized in the following pages.

THOUGHT LEADERSHIP

Scientific research

This year, the AHSF succeeded in contributing to scientific progress at a local and Arab level. The "Abdul Hameed Shoman Award for Arab Researchers" was the first Arab award concerned with scientific research, and this year the Foundation honored seven researchers from different Arab countries. Since the launch of the award in 1982, there have been 454 winning researchers from a diverse range of Arab countries.

The Foundation also continued to support applied research in universities, institutions, and research centers in Jordan through the "Abdul Hameed Shoman Scientific Research Support Fund", the first of its kind fund supported by the private sector. The Foundation is following up on 33 active research projects that have been supported by the Fund, eight of which are researching the impacts of the COVID-19 pandemic. As a result, six scientific papers were published this year in peer-reviewed international and Arab scientific journals, amounting to 150 scientific papers published through research supported by the fund since 2000.

To improve the status of scientific research in humanities and social sciences, the Foundation worked on an integrated plan to overcome existing challenges, in cooperation with the Ministry of Higher Education. This was followed by training on scientific research in

the humanities and social sciences to enhance the capabilities, knowledge and skills of researchers from Jordanian universities that were offered to 15 researchers.

As part of the foundation's mission to invest in scientific research together with partners, a new support fund for scientific research was launched in cooperation with the Massachusetts Institute of Technology (MIT). The fund aims to provide seed capital for joint projects for researchers from the Institute and their counterparts from Jordan. Six applicants were supported with a total value of approximately JOD 100,000. Implementation of these grants is underway.

Young Innovator's Lab

The Young Innovator's Lab promotes critical thinking and innovation among children and youth, developing their skills, research and analysis capabilities. The Foundation held two exhibitions at the beginning of the year in Amman and Zarqa for the 5th edition of the Young Innovators Lab, during which 11 children's projects were exhibited.

Innovation Workshop

The Innovation Workshop is a comprehensive and secure space for the integrated development of innovative solutions and thinking skills among children and youth. This is achieved through the delivery of training workshops, availability of research tools, and active demonstrations designed to instill thinking around science and technology. All of the activities are linked with resources available at the Abdul Hameed Shoman Public Library and Knowledge Path Library.

During 2021, seven innovation workshops were held that were attended by 165 children.

The partnership between the Foundation and The Crown Prince's Foundation, Techworks continued for the second year in a row. The aim is to support children, youth, and the community through creativity and innovation, ensuring they receive the necessary support and guidance from experts and specialists, to accelerate their capacity building and project growth, enhancing Jordan's innovation environment.

Cultural Forum

Providing a space for anyone to interact with scientists, intellectuals, authors, creators, experts, and politicians, the Abdul Hameed Shoman Cultural Forum continued with its Monday program in 2021. The Forum held 38 cultural events on various topics and themes, highlighting education, politics, the environment, economy, public affairs, literature, and culture. The weekly events were attended (both in person and remotely) by more than 6,955 people, despite the challenges of the pandemic.

The forum organized several events in collaboration with the World Bank, and hosted a discussion on "Social Security Funds: Are They in Danger?" Additionally, the forum hosted many special events that were well received and praised.

To promote a culture of literature and the arts, the Forum organized two workshops, one on creative writing attended by 10 participants, and the second on article writing attended by 13 participants. These were implemented by the Cultural Forum and Literary Awards manager at the Foundation.

LITERATURE AND ART

Abdul Hameed Shoman Creativity Award for Children and Youth "Abd'e"

For the 2021 edition, Abdul Hameed Shoman Creativity Award for Children and Youth (Abd'e) opened the door to creativity in seven fields: drawing, sculpture and ceramics, article writing, poetry, music, dance, and scientific innovation. A total of 902 completed applications were received from Jordanian and Arab students across the Kingdom. Competitors were qualified for specialized training, after which winners are honored and awarded USD 1,000 each, at a special award ceremony.

The philosophy behind this award is based on the Foundation's belief in the pivotal role young people have in shaping the future through enhancing the creative work done by children and youth in different literary, performance, artistic fields, and scientific innovation. These creative activities help to develop young minds, ultimately leading to an enlightened generation. The award promotes healthy competition among young people, showcases their talent, enriches their minds, develops their literary and artistic tastes, skills, and capabilities, and supports scientific innovation. The award also develops self-expression among young people through imagination and sound Arabic linguistic proficiency, fostering a culture of creativity through the discovery of talents at an early age. A committee of experts oversees the awards, while jury members and advisors with proven experience and expertise in the selected fields are appointed annually.

Abdul Hameed Shoman Award for Children's Literature

The Abdul Hameed Shoman Award for Children's Literature was launched in 2006 to elevate the quality of Arabic literature produced for children, encouraging them to read and to help stimulate their imagination. Since its launch, 45 writers from different Arab countries have won the award, and the Foundation has published 17 of the winning works.

The theme for the 15th edition of the awards was chosen by the Scientific Committee as "Diary of a Boy and a Girl". Although the new theme is not a well-known topic within the Arab world, it is a critical topic and a good number of entries were received with good quality content. A total of 435 entries were received from 31 Arab and non-Arab countries, with 86 entries submitted from Jordan. The Award was presented to three women from Egypt, Jordan and Saudi Arabia during a virtual award ceremony. The award is also working to publish the stories that won in 2020, both in paper and digital format.

To develop the literary capabilities of local children, the Foundation conducted a four-day workshop for 19 writers on "The Basics of Children Story Book Writing" supported by authors, publishers and Jordanian storywriters. The workshop also covered writing techniques and story elements in terms of language, characters, plot, ending, the stages of constructing the idea behind the story and writing it.

Abdul Hameed Shoman Public Library/ Jabal Amman and Al-Ashrafieh

The Abdul Hameed Shoman Library continued to effectively serve its visitors and community members, while maintaining health and safety measures. The Library contributed to the government's effort to tackle the pandemic by providing free PCR tests and offering two vaccine doses to its employees and visitors.

The Public Library has implemented all the programs and activities included in its strategic plan, including:

- Trainings and workshops: The library held several trainings and workshops during the year on topics covering how to use the library resources, to training university students to library work and programs, among others.
- The library implemented the writer and book program, whereby five meetings were held virtually and one hybrid, with distinguished writers.
- 12 book launches and book signings were held and two poetry evenings in a unique cultural and literary atmosphere.
- Organized a "Reading Marathon" event, with the participation of 164 individuals reading 25,986 pages.
- Promoted 32 books and reading-related activities through videos that were broadcasted on the Foundation's social media channels.

- Hosted 22 sessions for three reading clubs to discuss various cultural and literary books and promoted newly arrived books.
- Launched the "Read in 10" reading competition and created the "Ask a Librarian", "Recommended for you", and "free space".
- Launched the electronic library card and online registration process. It also introduced a student membership with nominal subscription fee.
- Signed a partnership agreement with Al- Karak Creativity Club through which the library was able to provide its services through the club's library to the people of Karak governorate and surrounding areas.
- Launched a series of new programs, including the Podcast "C", through which, 11 influential and pioneering figures were interviewed about their professional and personal experience, and the general challenges in their fields of work.
- At a global level, the library produced an article in the IFLA Journal on efforts to bring the Public Library services and the Children's Library (Knowledge Path) to various areas of the Kingdom.

The Library in Numbers

Despite COVID-19, the library hosted 91,628 visitors, including 14,725 in the Al-Ashrafieh branch. It welcomed 1,552 new subscriptions, of which 219 were in the Al-Ashrafieh branch, and 38,217 books were borrowed by 15,907 borrowers of which 2,529 were from Al -Ashrafieh branch. The number of E-books borrowed reached 1,273 books. Approximately 34,100 books were read inside the library, of which 8,222 books were read in the Al-Ashrafieh Library. The number of databases used reached 14,615, of which 1,879 were accessed from Al-Ashrafieh branch.

"Knowledge Path" Library for Children and Young People (Jabal Amman and Ashrafieh branches)

The Knowledge Path library aims to revive the role of books in raising children and to create a knowledgeable and creative generation. The library's mission is to promote reading in a child's life by providing a friendly and enjoyable environment that contributes to the development of self-conscious and capable young people.

Knowledge Path Library and COVID-19

At the beginning of this year, the Knowledge Path Library suffered from reduced working hours due to COVID-19 restrictions, social distancing, and parents worried to send their children to the library to mingle with others. Nevertheless, the Library insisted on resuming its cultural services and activities within the library, taking all precautionary measures to prevent the spread of the virus through mask-wearing mandates, physical distancing and continuously disinfecting the library. The Library also provided virtual activities to give access to events through the foundation's applications and social media platforms, enriching children's digital content.

The Knowledge Path Library increased its marketing efforts across social media platforms and held many activities remotely to reach as many children and parents as possible.

The online library added around 192 books, bringing the total number of e-books to 394 that are open to all no matter where they are.

The Knowledge Path Library has implemented several programs during the year, including:

- Knowledge Path Clubs: The library organized 12 summer and winter clubs. Four clubs were held inside the two branches and were attended by 3,375 children and youth, while two clubs were held virtually

(one summer and one winter) during which 10 videos were filmed and published. Six clubs were held in Zarqa, Karak, Irbid, Madaba, and Mafrq to achieve increased geographical coverage. As for reading clubs, a total of 951 children and youth participated in a total of 124 sessions held throughout the year.

- Parents Events: The library held several events to engage and activate the role of parents. These included a training session on "Early Childhood Skills," a training program entitled "A Home that Reads," that aims to help parents instill the value of reading within the household and family, among others.
- Activities to Promote Reading: In reading activities, the library carried out 1,319 hybrid storytelling activities for all age groups up to the age of 16 years. It hosted eight female and male Jordanian children's books authors to launch their new books, five of which were held onsite while two were held virtually
- The Science Film Festival: The Knowledge Path Library implemented the Science Film Festival to show a range of scientific films followed by scientific demonstrations. In addition, 129 science activities were delivered inside both branches. Science Film Festivals were also held in Karak and Zarqa governorates.
- "16 before 16" Reading Competition: The "16 before 16" reading competition for children and youth was launched in its fourth edition, which was implemented in a hybrid model to reach all governorates across the Kingdom.
- Field Visits: The library continued its field visits with children hospitals, and conducted two schools visits to the library and 45 field visits to schools, in addition to implementing literacy strengthening sessions for students.
- Youth Forum: The library continued to implement the Youth Forum program to encourage critical thinking, creativity, and philosophy in children and youth, with a total of seven sessions held this year.
- Night at the Library: The library also held a night at the library, where it hosted 17 youth to strengthen the relationship between them and the library, while enhancing the children's life skills and self-confidence through the experience of staying a night away from their home and exposing them to several meaningful cultural experiences and activities.
- Cinema Program: Relaunched the program and held 10 screenings followed by focused discussions on key topics touched upon by these films.
- Agreement with Roya TV Group: The library signed an agreement with Watan Satellite Company (Roya TV Group) to provide digital content produced by the Knowledge Path Library and broadcast it on Roya Kids online platforms.
- Ahlan Simsim: An agreement was signed with Ahlan Simsim to enrich the educational content of the Abdul Hameed Shoman Foundation's programs and to create a self-conscious generation that loves to read, think critically and be creative.

- **Bravo Software:** An agreement was signed with Bravo Software to give knowledge Path library visitors' free access to the "Bravo Bravo" edutainment application, which aims to strengthen Arabic language skills in children aged between 7 and 11 years.
- **United Nations Youth Model Program team:** For the second year in a row, the library supported the United Nations Youth Model Program team, an annual three-day international conference.

Knowledge Path Library in Numbers

Despite the challenges imposed by the pandemic, this year, the library welcomed 29,599 children (15,628 in the Jabal Amman Branch, and 13,971 in the Al-Ashrafieh branch), and around 34,693 books were borrowed on various subjects (17,639 from Jabal Amman Branch and 17,054 from Al-Ashrafieh branch). In addition to the borrowing of 1,290 e-books from the Knowledge Path's Electronic library from all around the Kingdom.

Cinema

To make film art an integral part of Jordan's cultural landscape, the Foundation's Cinema section continued to present weekly film screenings from Arab and international cinema selections, holding discussions on international film masterpieces and sharing reviews. In 2021, 40 screenings were held, 39 of which were held onsite and one virtual screening. Open-air screenings were also held for the first time, which are to become a staple for summer performances next year.

The cinema section continues to nurture its film library with new international films subtitled in Arabic. In addition, it held one specialized workshop in 2021 titled "Digital Technology Workshop in Contemporary Cinema". The program also held a film week entitled "African Film Nights", where several of Africa's most acclaimed films over the past few years were screened.

The "Cinema Club" program was introduced to promote dialogue and create an interactive environment by bringing film lovers together monthly to discuss various films. In addition to hosting local film screenings together with community organizations.

The Cinema Section also capitalizes on social media to promote the culture of cinema through the "Film of the Month" and "creative cinematic scenes" monthly posts.

Abdel Hameed Shoman Musical Evenings

The Abdul Hameed Shoman Musical Evenings are held for free once a month. The program celebrates notable local, Arab and international musicians and artists, and encourages

collaboration between them and Jordanian musicians during the Music Festival Evenings held in downtown Amman.

In 2021, the Foundation set up a new form of performance aimed at blending various forms of art together, hosting a collection of evenings titled "Sound and Color". The musical evenings held outdoors by the Foundation also comprised visual arts. The evening highlighted a significant share of visual artworks from the foundation's own collection of Jordanian and Arab artists. This year, the Foundation celebrates its 100th evening since the launch of the program.

The Foundation also held six evenings showcasing young Jordanian talent and professional artists. It highlighted local and Arab abstract artists through an art exhibition of their work that is owned by the Foundation. Despite the challenges posed by COVID-19, the evenings were attended by more than 920 people, and streamed live to 30,686 online guests.

SOCIAL INNOVATION

Abdul Hameed Shoman Foundation Innovation Award 2021

In promoting an environment that encourages culture, creativity, and innovation in Jordan, the Foundation completed the second edition of the Abdul Hameed Shoman Foundation Innovation Award in 2021, supporting innovations that have wide social impact.

Nine award-winning projects were selected after passing all six evaluation stages and

receiving the highest scores. The winning projects covered 5 fields.

The projects' financial and in-kind investment is approximately one million Jordanian dinars extended over two years from 2020. This is considered the largest funding amount for innovative projects in the Kingdom.

As part of the investment in the award-winning projects, the Foundation launched the "Deep Dive II" training program in 2021, which aims to provide specialized training courses for winners and their teams. The courses covered several areas over a period of six months. These courses helped the winners in developing their projects to achieve its goals and societal impact.

The nine projects have all begun initial implementation and are expected to achieve their full objectives by the end of 2022.

Grant and Support Programs

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

The Foundation provides grants and support to cultural stakeholders and creators in both Jordan and Palestine to enable them to continue to contribute to cultural, artistic, and scientific activity in these countries. The Foundation has two programs:

(1) The Arts and Literature Grants Program, has supported more than 149 projects from 2014-2020, across six sectors: performing arts, audiovisual arts, festivals, cultural activities,

cultural national heritage, artistic and literary spaces, and library development support.

Through this program, the Foundation contributes to the development of literary and artistic talent by supporting cultural workers from artists and authors, especially the youth among them. It promotes cultural diversity and access to art for all through the support of projects that enrich and disseminate distinguished Arabic literary and artistic content through live and digital media, as well as support of artistic and literary spaces.

(2) The Thought Leadership Grants Program, which supports four sectors: scientific research conferences, scientific activities and spaces, educational applications, and youth forums and debates. Between 2014 and 2020, more than 81 projects have been supported.

Through this program, the Foundation seeks to promote free thinking through the support of projects that encourage education and scientific research. It also supports improvement of the educational process through programs that develop the knowledge and intellectual horizons of individuals, meeting their scientific and educational needs by giving them multiple platforms, to achieve.

Through the Grants and Support Program, more than 230 educational and cultural projects have received around JOD 8 million in funding over the past eight years. These investments are in support of existing cultural and educational needs in Jordan and Palestine.

As the pandemic progressed, the Foundation focused most of its efforts on monitoring and facilitating the work of its grant recipients to implement their projects and reach their goals for 2020-2021 in Jordan and Palestine. Despite

all of the difficulties, 14 of the 18 projects supported in 2020-2021 achieved all their main objectives and outputs.

In addition, in 2021, the Foundation provided financial support to the Jordanian Family Library (Centennial anniversary of Jordan) through the Ministry of Culture valued at JD 10,000. The Abdul Hameed Shoman Foundation has supported this project over the past 15 years for a total amount exceeding JD 130,000.

Finally, the Foundation provided a series of workshops in project management and entrepreneurship to 12 students from several Jordanian universities who were also part of three Hult Prize-qualifying teams. The workshops aimed to raise their technical, financial, and administrative capabilities, and prepare them for the final stages of the award that will be held in Britain.



OUR SUPPLIERS

The goods and services that we procure have an impact far beyond the boundaries of the bank. It is for this reason that we seek to only work with socially and environmentally responsible suppliers that are as local as possible.

Screening of Suppliers Sustainability

The bank has a range of processes and procedures that ensure checks are completed on supplier throughout the procurement processes. The checks not only ensure we are getting good value for money but seek to minimize the impact of suppliers on the environment. Aside from the screening of suppliers, the bank often engages with them to raise awareness on sustainability and support them in their social and environmental actions.

Suppliers Code of Conduct

Once a company becomes a supplier to the bank, our Supplier Code of Conduct sets out the bank's expectations to ensure their behavior aligns with our standards. It formalizes and standardizes our approach to sustainable procurement. As part of the code, suppliers must adhere to labor and employment standards legislation, adhere to environmental legislation, and social legislation. The end goal is to ensure all our suppliers meet our expectations and those of our stakeholders to act as responsible corporate citizens.

Contractual Agreements with Suppliers

To ensure suppliers' compliance with social values, specifically those related to human rights, the bank has integrated relevant articles to all contract terms and conditions under "Applicable Law and Jurisdiction". These values and principles are part of a more general framework of fundamental principles including the Universal Declaration of Human Rights (UDHR) and the International Labor Organization (ILO).

Supporting Local Suppliers

We continue to support the Jordanian economy by contracting with locally based suppliers. In 2021, our local suppliers represented 68% of our total spending on suppliers.



BUILDING A FOUNDATION OF TRUST

Good governance, ethical practices and transparency are the fundamental building blocks for the mutual trust, loyalty and accountability Arab Bank has with its stakeholders.

Alignment with the SDGs



GOOD GOVERNANCE

Sound corporate governance practices are of great importance to the bank and our Board is committed to overseeing that the highest professional standards are implemented across all of our activities.

Arab Bank Board of Directors

The Board of Directors is the highest governance body and is responsible for the implementation of sound corporate governance. The Board's role includes setting the bank's long-term strategic objectives and overseeing senior executive management's performance in executing strategies to achieve those objectives. It ensures that the interests of shareholders, depositors, creditors, employees, and other stakeholders are met. It 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 2021, is comprised of eleven non-executive members, four of whom are independent.

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. Members are selected based on their qualifications in the fields of finance and banking, taking into account other related competencies and experience.

During 2021, several awareness sessions have been held for the Board of Directors to provide them with knowledge on new topics of importance to the bank. The training included Environmental, Social and Governance (ESG) issues, cyber security risks and international best practices. A total of 44 hours of training were provided to the BoD in 2021.



Additional information on the board of directors, including its committees, is presented in the 2021 Governance Report in our 2021 Annual Report.

Internal Audit

The Group Internal Audit (GIA) 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 safeguard the organization from significant risks. To maintain impartiality, the GIA reports audit outcomes to the Board Audit Committee regularly.



Additional information regarding our Internal Audit systems can be found in the 2019 Sustainability Report, page 38.



CONDUCT AND TRUST

We take a proactive approach to ensuring good business conduct, strictly complying with applicable local and international policies and regulations while being open and transparent.

Code of Conduct

The Code of Conduct (CoC) is a crucial high-level policy that sets the foundation for our strong commitment to conducting business in compliance 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 internal portal "Arabina". All employees are required to acknowledge on an annual basis that they will abide by the CoC.

Supporting Policies

The CoC is supported by a number of additional bank-wide policies. They cover issues such as privacy, money laundering, terrorist financing, conflict of interest, and bribery, among others.

Some of the most important policies include:

- Anti-Bribery and Corruption Policy
- Know Your Customer (KYC), Anti-Money Laundering (AML), and Combating Terrorist Financing (CTF) Policy



For additional information on our policies, please refer to the 2019 Sustainability Report, page 38.

Ethics Committee

The Arab Bank Ethics Committee is responsible for monitoring the conduct of our business in accordance with the highest ethical standards across all jurisdictions in which we operate. The purpose of this executive committee is to interpret and enforce our CoC, and to investigate potential legal and regulatory violations, as well as whistleblowing incidents across the Arab Bank plc network. The committee is chaired by the Head of Group Regulatory Compliance and includes the Heads of the HR Division and the Legal Affairs Division. The committee reports directly to the Chief Executive Officer (CEO).

Compliance

The enterprise compliance program enhances our "reputational capital" by demonstrating compliance to the highest ethical standards. It is a robust system for the identification and management of regulatory compliance requirements across all of the jurisdictions in which we operate.

The system is designed to ensure effective and consistent implementation of policies, procedures, and training programs to meet regulatory requirements. It also drives 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 any risk taken is the risk intended.

With the aim to increase compliance awareness generally among our employees, we issue three internal compliance newsletters; "Ethics Aware", "Compliance Aware", and "AML Aware". Additionally, to promote full compliance,

we continue building our employees' understanding and awareness of governance aspects and internal policies by providing specialized e-trainings on key issues.

Compliance - 2021 Highlights:

- Launched the "Compliance Learning Academy", which aims to leverage Group Regulatory Compliance (GRC) functional expertise to build individual capacity and enhance employees' understanding of compliance responsibilities.
- Rolled-out a new version of the advanced KYC, AML, & CTF e-learning to respective staff across the plc. The course, which has been refreshed to reflect recent updates to regulatory requirements, aims to provide enhanced awareness on the vulnerabilities of various products and services to criminal abuse, including controls to mitigate these risks.
- Launched an updated version of the Treating Customers Fairly e-learning course that reflects the bank's updated policies and procedures. It is intended to re-enforce staff commitment to this core value and raise awareness of the approach implemented by the Bank.

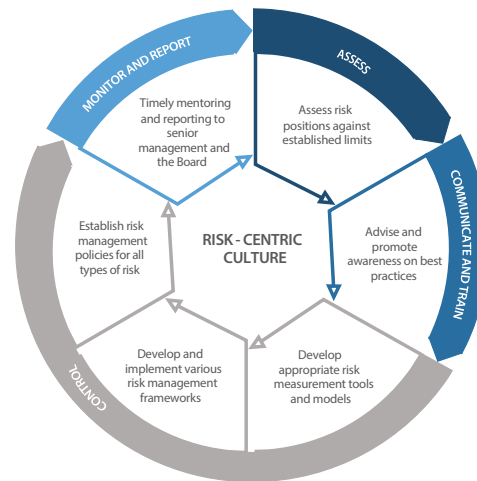
Whistle-blowing

The Arab Bank whistleblowing policy instructs employees to promptly report any potential violations of the CoC, Arab Bank policies and/or applicable laws and regulations to the Ethics Committee, while maintaining and protecting their anonymity. If an employee is unclear whether a violation has occurred, they are encouraged to send their inquiries to Group Regulatory Compliance at Head Office.

Proactive Risk Management

Risk is inherent in all aspects of a financial services business, so sound risk management practices are fundamental to our long-term success. 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 risk.

Group Risk Management (GRM) represents one of the fundamental levels of oversight and is part of the organizational framework for managing risk. GRM works with the business lines on developing a robust and effective system for the identification and management of financial and non-financial risks to which the bank is exposed to.



For additional information on our Risk management achievements, please refer to the 2021 Annual Report.

Transparency and Trust

Providing the right product or service to our customers can only be achieved through clear, transparent engagement and fair treatment. This allows us to maintain their trust and loyalty, while empowering them to make the right financial decisions.

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.

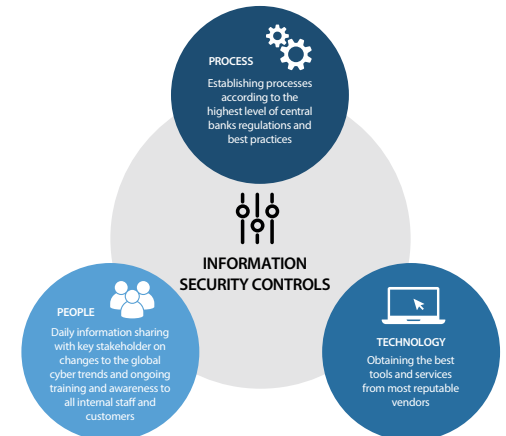
Information Security and Data Privacy

We have comprehensive security controls and procedures that are constantly monitored, reviewed and maintained to ensure they are relevant and operating effectively. Our approach focuses on prevention, detection and correction through different channels.

Our model ensures ongoing compliance with all central banks' regulations across five continents (where the Bank operates) and alignment with best practices (i.e. ISO/ISMS, ITIL & COBIT) as applicable to the bank's business model, and to always be PCI compliant where and as required.

As the bank continues to become more and more digital, our mature approach to information management and security has been critical to protecting employees and customers. Systems can only do so much as the people using them must also be aware of information security. Thus, we continue

to extend our work with customers and our employees 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 e-channels.



Sustainability Scorecard

We track progress against key performance indicators (KPIs) that are strategically relevant to our business sustainability, and reflect the level of transparency expected by our stakeholders.

Supporting the Ambitions of Our Customers

OUR CHANNELS				
	2018	2019	2020	2021
Number of Branches (including HO)	79	80	82	76
Number of ATMs	198	210	216	227
SMS Transactional and Marketing Alerts Sent ('000)	38,722	43,181	56,412	73,147
Number of Incoming and Outgoing Calls Handled by the Call Center ('000')	880	954	1,131	1,360

* Numbers for 2019 have been modified based on a revised calculation method

Supporting SMEs

	2018	2019	2020	2021
SME Lending Portfolio (USD Million)	1,069	1,023	1,032	996

Working for a Sustainable Future Green Financing

IMPACT OF ARAB BANK GROUP GREEN INFRASTRUCTURE INVESTMENTS IN JORDAN SINCE 2012	
	2021
Loans and Facilities Provided to Support Environmentally Friendly Infrastructure Projects since 2012 (USD Million)	294
Renewable Energy Capacity Added to the Jordanian Grid Annually (MW)	777
GHG Emissions Avoided (Tons CO ₂ e)	1,226,855

Our Operations Environmental Impact

DIRECT ENERGY USE				
Vehicle Fleet Fuel Consumption	2018	2019	2020	2021
Diesel Consumption (Liters)	71,999	73,961	60,670	94,506
Gasoline Consumption (Liters)	115,425	99,909	90,076	100,878
Diesel Consumption in Gigajoules (GJ)	2,376	2,441	2,002	3,119
Gasoline Consumption in Gigajoules (GJ)	4,156	3,597	3,243	3,632

DIRECT ENERGY USE (Continued)				
Average Fuel Consumption - Diesel (Liter/100 km)	--	--	--	15.2
Average Fuel Consumption - Gasoline (Liter/100 km)	--	--	--	22.9
Heating and Standby Electricity Generator	2018	2019	2020	2021
Heating Diesel and Standby Electricity Generators (Liters)	137,500	110,509	90,574	102,255
Heating Diesel and Standby Electricity Generators (GJ)	4,538	3,647	2,989	3,374
TOTAL DIRECT ENERGY USE (GJ)	11,069	9,685	8,234	10,312
INDIRECT ENERGY USE				
	2018	2019	2020 ⁽¹⁾	2021
Electricity Consumption from conventional hydrocarbon resources (kWh)	18,387,154	3,795,015	1,740,000	1,149,276
Electricity Consumption from renewable resources (kWh)	-	14,190,561	16,258,000	16,850,692
TOTAL ELECTRICITY CONSUMPTION (KWH)	18,387,154	17,700,000	17,998,000	17,999,968
Percentage of Consumption from Renewable Resources	0%	78.9%	90.3%	93.6%
Electricity Consumption (GJ)	66,194	63,720	62,640	64,800
Electricity Consumption per Employee (kWh/employee)	5,869	5,470	5,364	5,324
Area Occupied (m ²)	133,278	135,812	137,812	133,367
Electricity per Area (kWh) / Area (m ²)	138	130	126	135
GHG EMISSIONS (Tons CO ₂ e)				
Scope 1	2018	2019	2020	2021
GHG Emissions from Diesel Consumption	193	198	162	253
GHG Emissions from Gasoline Consumption	262	227	205	229
GHG Emissions from Heating and Generators	370	297	244	275
Scope 1 Total Emissions	825	722	611	757
Diesel Fleet GHG Emissions (g/km)	--	--	--	406
Gasoline Fleet GHG Emissions (g/km)	--	--	--	521
Scope 2 Location-Based	2018	2019	2020	2021
GHG Emissions from Electricity Consumption ⁽²⁾	8,144	8,845	8,851	8,852
Scope 3 GHG Emissions ⁽³⁾	2018	2019	2020	2021
GHG Emissions from Business Travel	--	--	--	63
TOTAL GHG EMISSIONS ⁽³⁾	8,969	9,568	9,462	9,673
TOTAL GHG EMISSIONS PER EMPLOYEE ⁽³⁾	2.9	3.0	2.9	2.9

(1) Numbers of Electricity consumption for the year 2020 has been updated.

(2) Emissions have been modified. Please refer to Appendix A for further details.

(3) Business travel emissions includes only travel starting from March 2021.

Figures may not sum to total due to rounding

GHG EMISSIONS (Continued)				
	2018	2019	2020	2021
GHG reductions from renewable energy purchased	--	59,503	45,732	52,710
NET GHG EMISSIONS FROM OPERATIONS	8,969	2,589	1,466	1,385
WATER CONSUMPTION				
	2018	2019	2020	2021
Utility Water Consumption (m ³)	47,437	59,503	45,732	52,710
Water Consumption per Employee (m ³)	15.1	18.5	14.1	15.6
MATERIAL AND WASTE MANAGEMENT				
	2018	2019	2020	2021
Total Waste Generated (Tons)*	--	--	--	624
Total Waste Recycled – Paper (Tons)	--	--	--	52

* Waste generated are non-hazardous and we do not generate hazardous waste.

Supporting Our People and Community

Our People

WORKFORCE BY CONTRACT				
	2018	2019	2020	2021
Employees with Permanent Contracts	3,133	3,236	3,244	3,381
Employees with Fixed Term or Temporary Contract	52	18	12	17
WORKFORCE BY GENDER				
	2018	2019	2020	2021
Females	1,220	1,283	1,284	1,300
Males	1,913	1,953	1,960	2,081
TOTAL WORKFORCE	3,133	3,236	3,244	3,381
WORKFORCE BY EMPLOYMENT LEVEL				
	2018	2019	2020	2021
Senior Level Employees	48	48	47	54
Middle Management Employees	1,009	1,020	1,039	1,094
Non-Management Employees	1,799	1,892	1,890	1,975
Non-Clerical Employees	277	276	268	258

WORKFORCE BY AGE GROUP				
	2018	2019	2020	2021
18-30	1,096	1,154	1,092	1,158
31-40	1,270	1,270	1,296	1,319
41-50	550	581	614	657
51-60	208	219	229	234
Above 60	9	12	13	13
NATIONALIZATION				
	2018	2019	2020	2021
Nationalization Rate	99.6%	99.6%	99.6%	99.7%
Nationalization Rate for Senior Management	83.3%	85.4%	85.1%	87.0%
Nationalization Rate for branch and district managers	100.0%	100.0%	100.0%	100.0%
NEW HIRES BY GENDER AND AGE GROUP				
	2018	2019	2020	2021
Total New Hires	354	342	176	447
New Hires by Gender				
	2018	2019	2020	2021
Females	151	145	64	127
Males	203	197	112	320
New Hires by Age Group				
	2018	2019	2020	2021
18-30	293	295	141	384
31-40	50	37	30	51
41-50	3	6	3	5
51-60	8	2	1	7
Above 60	0	2	1	0
WOMEN IN LEADERSHIP				
	2018	2019	2020	2021
Women in the Workforce	38.9%	39.6%	39.6%	38.5%
Women in Senior Management	14.6%	14.6%	12.8%	11.1%
Women in Middle Management	34.3%	34.7%	35.3%	34.3%
MATERNITY AND PARENTAL LEAVE				
	2018	2019	2020	2021
Number of Female Employees that Took Maternity Leave	106	103	100	124
Number of Female Employees that Returned to Work After Maternity Leave Ended	90	88	81	98

Return to Work and Retention Rates of Female Employees that Took Maternity Leave	84.9%	85.4%	81.0%	79.0%
Male Employees who Took Parental Leave	--	56	79	128
NURSERIES PROGRAM				
	2018	2019	2020	2021
Number of Female Employees Benefiting from Kids Nurseries Program	80	103	90	98
Number of Female Employees Children Benefiting from Kids Nurseries Program	94	121	104	117
EMPLOYEES WITH DISABILITIES				
	2018	2019	2020	2021
Number of Employees with Disabilities	75	76	86	92
EMPLOYEES CHILDREN UNIVERSITY SCHOLARSHIP PROGRAM				
	2018	2019	2020	2021
Support to Teach Employees' Children in Jordanian Universities (JOD)	169,121	189,756	237,410	260,706
Number of Employees who Benefitted from Program	59	78	87	106
Number of Students who Benefitted from Program	65	97	104	122
EMPLOYEE TURNOVER				
Turnover	2018	2019	2020	2021
Voluntary Turnover	--	--	--	7.0%
Involuntary Turnover	--	--	--	2.0%
Total Workforce Turnover	9.4%	7.2%	5.5%	9.0%
Turnover by Gender	2018	2019	2020	2021
Females	9.3%	6.5%	5.1%	8.5%
Males	9.5%	7.6%	5.9%	9.1%
Turnover by Age Group	2018	2019	2020	2021
18-30	11.8%	10.7%	7.8%	15.1%
31-40	5.8%	4.6%	3.2%	4.8%
41-50	10.4%	4.6%	3.7%	2.9%
51-60	16.8%	9.1%	12.6%	18.4%
Above 60	0.0%	16.7%	7.7%	0.0%
Turnover by Level	2018	2019	2020	2021
Senior Level Employees	8.3%	2.1%	2.1%	5.6%
Middle Management Employees	10.3%	7.6%	5.4%	5.8%
Non-Management Employees	9.2%	7.8%	5.9%	11.4%
Non-Clerical Employees	7.9%	1.8%	4.1%	3.1%

AVERAGE TRAINING HOURS PER EMPLOYEE				
	2018	2019	2020	2021
Average Training Hours Per Employee	11.5	18.9	4.0	10.5
Average Training Hours by Gender	2018	2019	2020	2021
Females	11.8	21.9	4.5	10.6
Males	11.4	17.0	3.8	10.4
Average Training Hours by Employment Level	2018	2019	2020	2021
Senior Management	3.4	3.2	0.3	8.9
Middle Management	17.4	11.9	2.7	4.5
Non-Management	10.2	25.9	5.5	15.2
Non-Clerical (General Services)	--	--	--	0.1
TRAINING AND DEVELOPMENT				
	2018	2019	2020	2021
Total Number of Training Opportunities Provided	12,826	27,029	9,772	15,676
Total Number of Training Courses	453	664	599	1,029
Total Training Hours	34,792	61,278	13,137	35,448
Total Cost of Trainings (000' JOD)	--	--	--	957.4

Our Community

COMMUNITY INVESTMENTS				
	2018	2019	2020	2021
Total Community Investment Spending (000' USD)	25,419	24,950	26,195	11,640
Pre-tax profits Invested in the Community*	3.3%	3.2%	27.1%	3.9%

* Arab Bank PLC

TOGETHER VOLUNTEERING PROGRAM				
	2018	2019	2020	2021
Total Number of Volunteering Hours	3,418	3,587	204	240
Number of Volunteers	405	395	42	23
Number of Volunteering Participation	1,001	898	57	44
Number of Volunteering Activities	61	73	11	19
Number of Beneficiaries	260,823	289,500	125,234	111,625
TOGETHER CAPACITY BUILDING PROGRAM				
	2018	2019	2020	2021
Number of NGO Employees Attending Courses	119	126	87	89
Number of Courses	7	7	7	7
Number of Training Hours Provided	680	753	369	330

CUSTOMERS DONATIONS (JODs)				
	2018	2019	2020	2021
Donations Received Through Internet Banking	266,843	255,712	269,384	358,613
Donations Received Through ATMs	11,228	9,165	25,215	5,823
Donations Received Through Together Platinum Credit Card	2,364	2,659	9,262	16,405
Donation Received Through eFawateercom	243,498	392,230	1,485,307	1,557,274
TOTAL DONATIONS	524,278	659,765	1,789,168	1,938,115

Our Suppliers

LOCAL SUPPLIERS				
	2018	2019	2020	2021
Local Procurement Spending	65%	69%	70%	68%
Number of Suppliers	313	498	575	630
Number of Local Suppliers	241	317	400	432

Building a Foundation of Trust Good Governance

BOARD OF DIRECTORS				
	2018	2019	2020	2021
Independent Board Members	58.0%	54.5%	54.5%	36.4%

Appendices

GRI: 102-48

APPENDIX A: Restatements and Calculation Methodology

Electricity Consumption

The electricity consumption for 2020 and its breakdown have been modified due to revised figures provided by the electricity provider.

GHG Emissions Calculation

We have modified and updated our Scope 2 GHG emissions to improvement the alignment with the "GHG Protocol Scope 2 Guidance" by which renewable energy source of electricity were considered from the GHG Scope 2 inventory. Additionally, numbers were modified due to using updated GHG emissions factors obtained from the International Energy Agency (IEA) that contains the most up-to-date emissions factors for Jordan up until the year 2019. We have used the emissions factor of 2019 for the years 2020 and 2021, based on lack of emissions for those year from the IEA Database.

We have also included, for the first time, our Scope 3 GHG emissions resulted from business travel for the year 2021. The emissions were calculated using the ICAO calculation tool:

<https://www.icao.int/environmental-protection/CarbonOffset/Pages/default.aspx>

APPENDIX B: Report Parameters

PRINCIPLES FOR DEFINING REPORT CONTENT
In preparing of our 2021 sustainability report, we have followed the Global Reporting Initiatives Standards, which contributed to defining the report content and communicating achievements during the past year. This report tackles progress on issues of importance to our stakeholders in relation to the sustainability strategy. We have identified Key Performance Indicators (KPIs) and targets for each focus area in order to prioritize and measure our progress toward achieving sustainability.
Materiality: We believe that we have considered all topics related to our significant economic, environmental and social impacts, including impacts that would substantively influence the assessment and decisions of our stakeholders.
Completeness and Boundaries: Arab Bank in Jordan strives to produce a report that is as complete as possible. This report outlines the bank's 2021 performance for the financial year ending December 31st 2021. The report covers all of Arab Bank's operations in Jordan, but none of its overseas activities. In some cases, Arab Bank PLC and Group 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 major stakeholders. We have outlined our communication channels with each stakeholder group. Their priority issues have been integrated into 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 framework based on local and regional contexts in addition to global sustainability trends.
PRINCIPLES FOR DEFINING REPORT QUALITY
Balance: We aspire toward full transparency in our 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 Indicator Protocols in order to facilitate comparison of our report against industry peers and other companies practicing sustainability.
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.
Reliability and Data Measurement Techniques: We have used existing tracking and data management systems to gather 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 C: Engaging our Stakeholders

At Arab Bank, we engage our stakeholders to effectively respond to their priorities and expectations of the bank. To better understand those needs and expectations, we regularly identify priority issues to the bank and the stakeholders, tracking our response to these issues and channels of engagement.

Stakeholder Group	How we Engage Them		Their Priority Issues
Customers	<ul style="list-style-type: none"> Arab Bank Websites Conferences and Events Complaint Systems Branches and Service Centers Customer Care 	<ul style="list-style-type: none"> Banking Channels Social Media Feedback Tools and Surveys Annual Reports 	<ul style="list-style-type: none"> Seamless Banking Experience Digitization of Services Cyber Security and Data Privacy Access to finance
Shareholders	<ul style="list-style-type: none"> Annual Meetings Annual, Semi-annual, and Quarterly Reports 	<ul style="list-style-type: none"> Secretary General Investors Relations Website 	<ul style="list-style-type: none"> Business Continuity ROI Risk Management
Employees	<ul style="list-style-type: none"> Regular Meetings Annual Performance Reviews Arabina Intranet Portal Human Resources Management System (HRMS) 	<ul style="list-style-type: none"> Trainings and Workshops Awards Ceremonies Internal Newsletters Internal Committees Volunteering Program 	<ul style="list-style-type: none"> Career Development Non-Discrimination Safe Working Environment and Remote Working Wellbeing (Physical and Mental)
Government	<ul style="list-style-type: none"> Regulations Monthly Reporting to Regulations Authorities 	<ul style="list-style-type: none"> Audit and Compliance Report Regulatory Reviews 	<ul style="list-style-type: none"> Compliance and Ethical Conduct Tax payment
Community	<ul style="list-style-type: none"> Volunteering Campaigns Social Media Arab Bank Website Sustainability and Annual Reports 	<ul style="list-style-type: none"> Capacity Building Program Abdul Hameed Shoman Foundation Sponsorship, Donations, and Events 	<ul style="list-style-type: none"> Support for Social Needs of the Community
Suppliers	<ul style="list-style-type: none"> Invitation to Bid Contracts 	<ul style="list-style-type: none"> Suppliers Portal Meetings 	<ul style="list-style-type: none"> Fair Selection Process On-time Payments
The Environment	<ul style="list-style-type: none"> Restoration Initiatives Supporting Environmental Agencies Operational Improvements 	<ul style="list-style-type: none"> Green Finance Alignment with the SDGs and Climate Change 	<ul style="list-style-type: none"> Climate Risk Integration Green Finance Reducing Environmental Footprint of Operations

GRI: 102-40

GRI: 102-42

GRI: 102-43

GRI: 102-44

APPENDIX D: Materiality Process and Boundaries

Our Materiality Process

In 2021, 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. This has resulted in a list of material issues that we highlight as material with no prioritization. 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 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 reviewing 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, selected the most suitable ones and grouped them into our five main sustainability focus areas.

STEP 2: PRIORITIZATION

We developed a tool to depict the importance of each of the issues identified in step 1. This tool presents the importance of each issue on two levels; importance to Arab Bank's

economic, social and environmental business decision, and importance to our stakeholders. Furthermore, we have prioritized each issue on the two levels from the point of view of the bank and its stakeholders – ranking them from 1-10, with 10 being of highest importance. These values were then entered into the tool and averages were generated for each issue that determined the issues of importance.

STEP 3: VALIDATION

The results of Step 2 were reviewed and approved by the Arab Bank Sustainability Department. The bank's most important issues, the associated metrics are listed in the GRI Content Index on page 43.

STEP 4: REVIEW

We acknowledge that the sustainability landscape is constantly evolving, and therefore material issues for our business and stakeholders are ever changing. We are listening to any feedback received from our stakeholders and will integrate it into our materiality process for future reports.

Material Issues Boundaries

Material Issue	Aspects Boundaries						
	Employees	Customers	Community	Environment	Government	Suppliers	Shareholders
LEGAL AND REGULATORY COMPLIANCE	✓	✓	✓		✓		✓
GOVERNANCE, RISK MANAGEMENT, AND TRANSPARENCY	✓	✓			✓		✓
INFORMATION, CYBER SECURITY AND DATA PRIVACY	✓	✓			✓		✓
CUSTOMER EXPERIENCE AND SATISFACTION	✓	✓					
CUSTOMERS SAFETY AND ACCESS	✓	✓	✓		✓		✓
CUSTOMER HARDSHIP		✓	✓		✓		
DIGITAL PRODUCT AND SERVICE TRANSFORMATION	✓	✓	✓	✓	✓		✓
WORKFORCE WELLBEING AND TALENT RETENTION	✓		✓		✓		
CLIMATE CHANGE AND ENVIRONMENTAL FOOTPRINT			✓	✓	✓		
SUPPORTING LOCAL COMMUNITIES	✓	✓	✓	✓	✓		
FINANCIAL INCLUSION		✓	✓		✓		✓

APPENDIX E: GRI Content Index

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



MATERIALITY DISCLOSURES SERVICE

2022

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 101: Foundation 2016		
GRI 102: GENERAL DISCLOSURES 2016	Organizational profile	
	102-1	p. 2
	102-2	p. 6, 12-15
	102-3	p. 6
	102-4	p. 6
	102-5	Annual Report 2021 (Names of Main Shareholders Section)
	102-6	p. 6
	102-7	p. 21,38-39,, 2021 Annual Report
	102-8	p. 38-39
	102-9	p. 32
	102-10	No significant changes during 2021 in size, structure, ownership, or .supply chain
	102-11	p. 3, 8
	102-12	p. 31, 33, 34
	102-13	Annual Report 2021
	Strategy	
	102-14	p. 3
	102-15	p. 8-10, 41-42
	Ethics and integrity	
	102-16	p. 8, 2014 Sustainability Report (p. 10)
	102-17	p. 35
	Governance	
	102-18	p. 34, 2021 Annual Report (Corporate Governance Guide (Section

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 101: Foundation 2016		
GRI 102: GENERAL DISCLOSURES 2016	Governance (continued)	
	102-19	p. 34, 2021 Annual Report (Corporate Governance Guide (Section
	102-20	p. 34
	102-21	p. 9, 34, 41
	102-22	p. 34, 2021 Annual Report (Corporate Governance Guide (Section
	102-23	p.34
	102-24	p. 34
	102-25	p. 34, 2021 Annual Report (Corporate Governance Guide (Section
	102-26	p. 34, 2021 Annual Report (Corporate Governance Guide (Section
	102-27	p. 34, 2021 Annual Report (Corporate Governance Guide (Section
	102-28	p. 34, 2021 Annual Report (Corporate Governance Guide (Section
	102-29	p. 8, 34
	102-30	p. 3 (, \$" \$/# Annual Report (Risk (Management Section
	102-31	p. 8, 17-19, 34, 36, 2021 Annual Report (Risk (Management Section

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 101: Foundation 2016		
GRI 102: GENERAL DISCLOSURES 2016	Governance (continued)	
	102-32	p. 34
	102-33	p. 34, 35
	102-34	p. 34, 35, 2021 Annual Report (Corporate Governance Guide (Section Omissions and Explanation: Number and nature of critical concerns not disclosed, as information is subject to specific confidentiality constraints
	102-35	p. 34, 2021 Annual Report (Corporate Governance (Guide Section
	102-36	p. 34, 2021 Annual Report (Corporate Governance Guide (Section
	102-37	p. 34, 2021 Annual Report (Corporate Governance Guide (Section
	102-38	Annual Report 2021 (p.78) Omissions and Explanation: Annual total compensation ratio not disclosed as information is subject to specific confidentiality constraints
	102-39	Annual Report 2021 (p.78) Omissions and Explanation: Annual total compensation ratio not disclosed as information is subject to specific confidentiality constraints

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 101: Foundation 2016		
GRI 102: GENERAL DISCLOSURES 2016	Strategy	
	102-40	p. 9, 41
	102-41	p. 22
	102-42	p. 9, 41
	102-43	p. 11, 39
	102-44	p. 8, 9, 41
	Reporting Practices	
	102-45	p. 2
	102-46	p. 9, 41
	102-47	p. 9
	102-48	p. 40
	102-49	p. 9, 41
	102-50	p. 2, 41
	102-51	Arab Bank 2020 Sustainability Report
	102-52	p. 41
	102-53	p. 45
	102-54	p. 2, 43
	102-55	p. 43, 45
	102-56	No external assurance was completed for the Sustainability Report
GRI 200 Economic Standard Series		
Economic Performance		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 16-19, 21-22, 23
	103-3	p. 16-19, 21-22, 23
GRI 201: ECONOMIC PERFORMANCE 2016	201-1	p. 23, 2021 Annual Report
	201-2	p. 18-19
	201-3	p. 21-22, the bank pays 13.25% of employees social security, which is directed to retirement plan
	201-4	No assistance received from Government

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 200 Economic Standard Series (continued)		
Market Presence		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 21-22
	103-3	p. 21-22
GRI 202: MARKET PRESENCE 2016	202-1	p. 21-22, entry wages are 30% higher than minimum wages in Jordan
	202-2	p. 21, 38
Procurement Practices		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 32
	103-3	p. 32
GRI 204: PROCUREMENT PRACTICES 2016	204-1	p. 32, 40
Anti-corruption		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 35
	103-3	p. 35
GRI 205: ANTI-CORRUPTION 2016	205-1	p. 35, 100% of all operations are assessed for risks related to corruption
	205-2	p. 35
	205-3	There were no incidents of corruption.
Anti-competitive Behavior		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 33, 35
	103-3	p. 33, 35
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.

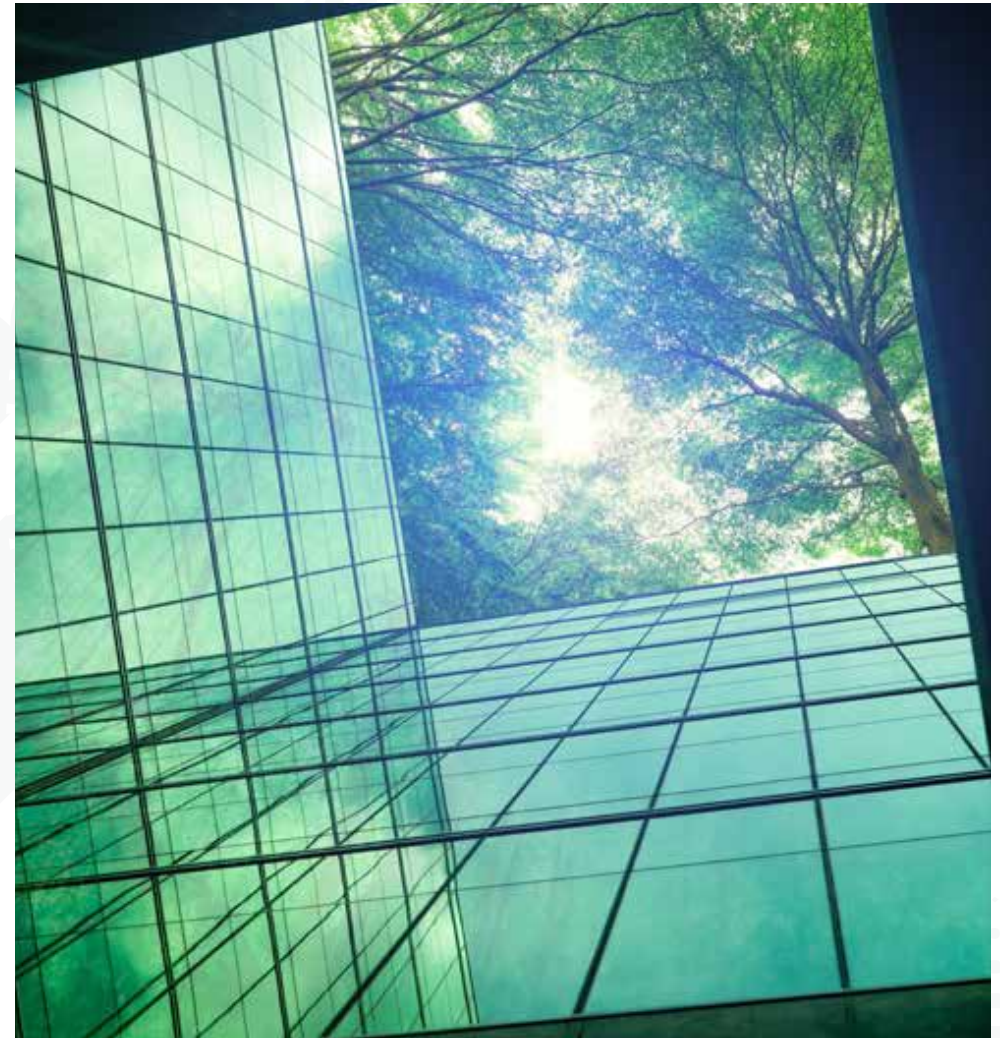
GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 300 Environmental Standard Series		
Energy		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 18-19
	103-3	p. 18-19
GRI 302: ENERGY 2016	302-1	p. 18-19, 37
	302-2	p. 18-19, 37, 40
	302-3	p. 18-19, 37, 40
	302-4	p. 18-19, 37, 40
	302-5	Omissions and Explanation: Reduction numbers are not available as Arab Bank provides services to customers that do not directly correlate with a product that its energy consumption can be measured.
Water and Effluents		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 18-19
	103-3	p. 18-19
GRI 303: WATER AND EFFLUENTS 2018	303-1	p. 19, 37, Water is provided by the water authority and private service providers. This is not material as we are a service industry
	303-2	
	303-3	Arab Bank uses water provided by the utilities and do not engage in withdrawal of any type of water.
	303-4	35, The bank uses the utility sewage system only. This is not material as we are service company.
	303-5	

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 300 Environmental Standard Series (continued)		
Emissions		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 4-5, 18-19
	103-3	p. 4-5, 18-19
GRI 305: EMISSIONS 2016	305-1	p. 18-19, 37-38, 40
	305-2	p. 18-19, 37-38, 40
	305-3	p. 18-19, 37-38, 40
	305-4	p. 18-19, 37-38, 40
	305-5	p. 18-19, 37-38, 40
	305-6	Due to the nature of our business, the bank doesn't generate ozone depleting substances
	305-7	
Environmental Compliance		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 17-19
	103-3	p. 17-19
GRI 307: ENVIRONMENTAL COMPLIANCE 2016	307-1	No monetary value of significant fines and non-monetary sanctions.
Supplier Environmental Assessment		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 32
	103-3	p. 32
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1	p. 32
	308-2	p. 32
GRI 400 Social Standard Series		
Employment		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 21-22
	103-3	p. 21-22

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 400 Social Standard Series (continued)		
Employment (continued)		
GRI 401: EMPLOYMENT 2016	401-1	p. 38-39
	401-2	p. 21-22
	401-3	p. 21, 38
Training and Education		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 22
	103-3	p. 22
GRI 404: TRAINING AND EDUCATION 2016	404-1	p. 22, 39
	404-2	p. 22, 39
	404-3	p. 22, 39
Diversity and Equal Opportunity		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 21-22, 34
	103-3	p. 21-22, 34
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1	p. 21-22, 34, 38-39, 2021 Annual Report
	405-2	The ratio of basic salary for men to women per employee category remains 1:1
Non-discrimination		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 21-22
	103-3	p. 21-22
GRI 406: NON-DISCRIMINATION 2016	406-1	No incidents of discrimination received during the reporting period.
Child Labor		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 21-22, 32
	103-3	p. 21-22, 32
GRI 408: CHILD LABOR 2016	408-1	p. 21-22, 32, our sector has a low level of risk related to child labor

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 400 Social Standard Series (continued)		
Forced or Compulsory Labor		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 21-22, 32
	103-3	p. 21-22, 32
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1	p. 21-22, 32, our sector has a low level of risk for forced or compulsory labor
Local Communities		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 4-5, 17-18, 23-31
	103-3	p. 4-5, 17-18, 23-31
GRI 413: LOCAL COMMUNITIES 2016	413-1	p. 4-5, 17-18, 23-31
	413-2	No negative impacts have been identified.
Supplier Social Assessment		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 32
	103-3	p. 32
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1	p. 32
	414-2	p. 32, no cases of negative social impacts in the supply chain.
Marketing and Labeling		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 6, 11-15, 36
	103-3	p. 6, 11-15, 36
GRI 417: MARKETING AND LABELING 2016	417-1	p. 11-15
	417-2	No incidents of non-compliance reported in 2021.
	417-3	No incidents of non-compliance reported in 2021.
Customer Privacy		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 35-36
	103-3	p. 35-36

GRI Standards	Disclosure	Page number(s) and/or URL(s) Omissions and Explanation
GRI 400 Social Standard Series (continued)		
Customer Privacy (continued)		
GRI 418: CUSTOMER PRIVACY 2016	418-1	No incidents of substantiated complaints regarding breaches of customer privacy or loss of customer data.
Socioeconomic Compliance		
GRI 103: MANAGEMENT APPROACH 2016	103-1	p. 42
	103-2	p. 32-36
	103-3	p. 32-36
GRI 419: SOCIOECONOMIC COMPLIANCE 2016	419-1	No incidents of non-compliance reported in 2021.



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