



البنك الأردني الكويتي
JORDAN KUWAIT BANK

MORE THAN
JUST A VISION

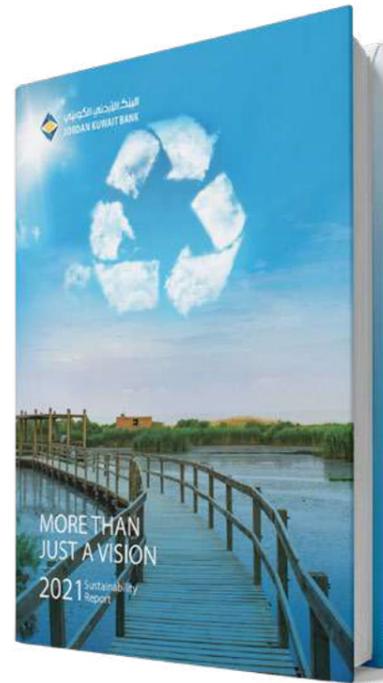
2021 Sustainability
Report



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About this report



This is Jordan Kuwait Bank's (JKB) second Sustainability report, which highlights our Environment, Social, and Governance (ESG) performance throughout the calendar year, from 1 January to 31 December 2021. This report has been prepared in accordance with the GRI Standards: Core option and focuses on the material sustainability issues to both JKB and our stakeholders. It covers all operations located in the Kingdom of Jordan. Data on external contractors, suppliers and customers are not included in this report unless stated otherwise.

We welcome your feedback on this report and our performance via:

-  jkb.com
-  [JKB_Bank](https://twitter.com/JKB_Bank)
-  [JKB_Bank](https://www.facebook.com/JKB_Bank)
-  [/jordankuwaitbank](https://www.linkedin.com/company/jordankuwaitbank)

Cautionary Message

This report contains statements that may be deemed as "forward-looking statements" that express the way in which JKB intends to conduct its activities. Forward statements could be identified by the use of forward-looking terminology such as "plans", "aims", "assumes", "continues", "believes", or any variations of such words that certain actions, events or results "may", "could", "should", "might", "will", or "would" be taken or be achieved.

JKB has gone to great lengths to ensure that the report is as precise and complete as possible. Forward-looking statements, on the other hand, are subject to inherent risks and uncertainties relating to future expectations, which might cause actual outcomes to differ considerably from these projected or implied statements. Such statements are subject to risks that are beyond JKB's control, and as such it is not guaranteed that the events referred to in these forward-looking statements will occur.

Message from our CEO

Dear Stakeholder,

Our 2021 Sustainability Report portrays our progress in implementing and providing our customers with our vision: The Bright Future of Banking. With a refreshed corporate strategy running through to 2025, we are better placed than ever to Transform, Excel, and Prosper, while operating responsibly to deliver a wider ESG value for all stakeholders. Our approach is designed to contribute to Jordan Vision 2025 and, globally, support capital shifts needed to achieve the 17 United Nations' (UN) Sustainable Development Goals (SDGs).



Alongside our governmental and non-governmental partners, we are helping to create shared and long-term value for stakeholders across four fundamental pillars: Responsible Business Practices, Customer Experience, People Development, and Communities and Environment. Our strategy and reporting are fueled by rigorous and regular stakeholder engagement, enabling us to robustly identify the most material issues to the Bank and community. This continued dialogue is vital to our ongoing journey of responsible and sustainable growth.

Materiality, in turn, enables us to address key societal and environmental challenges – from poverty, unemployment and women empowerment; to sustainable cities, responsible consumption and climate action. These issues are at the heart of the Jordan Vision 2025 and UN SDGs, and only by working collaboratively can the financial sector make its mark in improving lives and protecting the natural resources on which we all depend.

Looking at our first strategic pillar-Embedding Responsible Business Practices- in 2021 we have made solid progress. A new Board of Directors and restructured Board Committees have helped underpin the Bank's sustainable growth ambitions, while corporate governance policies and protocols were further refined. With regards to Risk and Audit, a Quality Assurance and Continuous Audit Unit was established and risk management processes aligned yet further to local and global evolving risks and Central Bank of Jordan (CBJ) regulations. Although COVID-19 remained a risk in 2021, we continued to maintain measures to protect our customers and business partners – both physically and financially. Additionally, we doubled down on our efforts to mitigate risks such as high concentration percentage (ECO), security vulnerabilities, Business Continuity (BC) and Disaster Recovery (DR). We saw robust performance across ethical conduct, including Anti-Fraud, Know-Your-Customer (KYC) and Whistleblowing. Likewise, Compliance, Data Security and Privacy processes proved resilient once again, testament to our continuous vigilance, monitoring and reporting.

I am proud of our teams across the Bank who all diligently provided outstanding service to customers in 2021. From financing small and medium-sized enterprises (SMEs) and local businesses affected by the pandemic; to increasing our renewable energy portfolio where ESG considerations have become part of the customer experience. We have combined

quality products with cutting-edge technologies, such as Robotic Process Automation (RPA) and Business Intelligence (BI) that have enhanced financial inclusion. Highlights include a new prepaid wearable product, a partnership with MasterCard to launch the first MasterCard World Elite biometric credit card in the MENA Region, the first contactless metal MasterCard World Elite credit card in Jordan, and a 24/7 voice enabled Arabic AI-powered Chabot.

Our customer satisfaction rate of 99% is testament to these innovations. Meanwhile, we have further embedded ESG criteria into financial processes, aligning with the UN Principles for Responsible Banking (PRB), the SDGs and the Paris Agreement on climate change.

Our third priority - Driving People Development - I would like to sincerely thank all for their hard work during the last year, particularly against the continued headwinds of COVID-19. In line with our commitment to SDG 10: Reducing Inequalities, we began implementing a women's empowerment and gender equality action plan. In 2021, we doubled the number of women in senior management roles and maintained momentum in our gender-rebalancing initiatives at all levels. Alongside inclusion, wellbeing remained another key HR priority. I am pleased to report zero safety incidents during the last year and continued investment in occupational health and safety, with ongoing emphasis on COVID-19 – including free PCR tests, health costs covered in positive cases, and our own internal vaccine drives for employees and their families; resulting in 99% of employees being vaccinated.

As we continue to grow along a sustainable trajectory, attracting and retaining the best talent is critical. Alongside more than doubling the number of new hires in 2021 (including recruiting three times more women than in 2020), we expanded our recruitment opportunities to attract graduates, and extending our paid internship program to Jordanian students studying abroad. I am delighted to share that we have almost tripled the number of training hours delivered to our team, with 98% of training delivered virtually, covering diverse skills and topics from Leadership and Teamwork to Communication and Information Security. We delivered many new initiatives to further engage our people including performance counselling sessions, Social Committee activities to build our family and teamwork-driven culture, and a new performance review process with enhanced feedback.

Finally, with regard to Communities and the Environment, substantive contributions were distributed to several sectors locally and internationally, as well as extensive pro bono, material and time investment to our many community partners, supporting local causes from financial literacy and healthcare, to environmental protection and the arts. In doing so, we have played a small part in raising the country's Human Development Index. Our Corporate Social Responsibility policy states that all activities should be linked to the SDGs and all our programs are to follow the guidance of international standards and organizations. On nationalization, we maintained a 99.8% level, including employing more women of Jordanian nationals. In the last year, we have focused on reducing greenhouse gas (GHG) emissions (including expanding our renewable energy portfolio), working towards ISO 14001 certification for environmental management, and becoming the first Leadership in Energy and Environmental Design (LEED) Gold building in the banking industry in Jordan. And not forgetting our supply chains, we increased local procurement to 99.8% and engaged more supplier partners.

I would like to take this opportunity to extend my gratitude to H.E. the Governor of the Central Bank of Jordan and his staff, as well as our own Board of Directors, and our valued customers and shareholders for their support and continued trust. Together, we are striding forward on this vital agenda of sustainable growth, not only within JKB, but across the financial sector and more broadly in society. I look forward to another successful year ahead.

Sincerely

Haethum Buttikhi

2021 Highlights



Strategic Plan and
roadmap initiative
launched, covering
19 departments



**JOD 57
million**
total value of 'green'
assets



+27,900
training hours
delivered



17%
increase in total
retail banking
customers



99%
Customer
Satisfaction



237%
increase in female
employees hiring



62%
increase in number
of online/mobile
transactions



100%
retention rate after
parental leave



Zero
grievances and
code of conduct
breaches



Zero
data security
breaches



+28%
increase in number of
CSR projects

JKB: The Bright Future of Banking

Established in 1976, JKB plays a leading role in the Kingdom of Jordan's economy. Through investment advice, legal services, financial engineering, and insurance

and brokerage services, "More than Just a Bank" reflects our commitment to change and innovation.



Our vision for a bright future of banking is supported by a refreshed 2021-2025 corporate strategy.

VISION
To bring the bright future of banking to our customers today

MISSION
Providing integrated, tailored, and frictionless banking experience through digitally innovative and agile services

VALUES

- ◆ We welcome change
- ◆ We work together
- ◆ We thrive on empowerment
- ◆ We treat all stakeholders as family
- ◆ We are responsible corporate citizens

Within this strategy, our priorities to Transform, Excel and Prosper support our responsibility to operate responsibly and sustainably and make a wider ESG impact.

1

TRANSFORM

Focusing on enhancing the Bank's internal operations and supporting the existing customer base by utilizing enhanced services and products

2

EXCEL

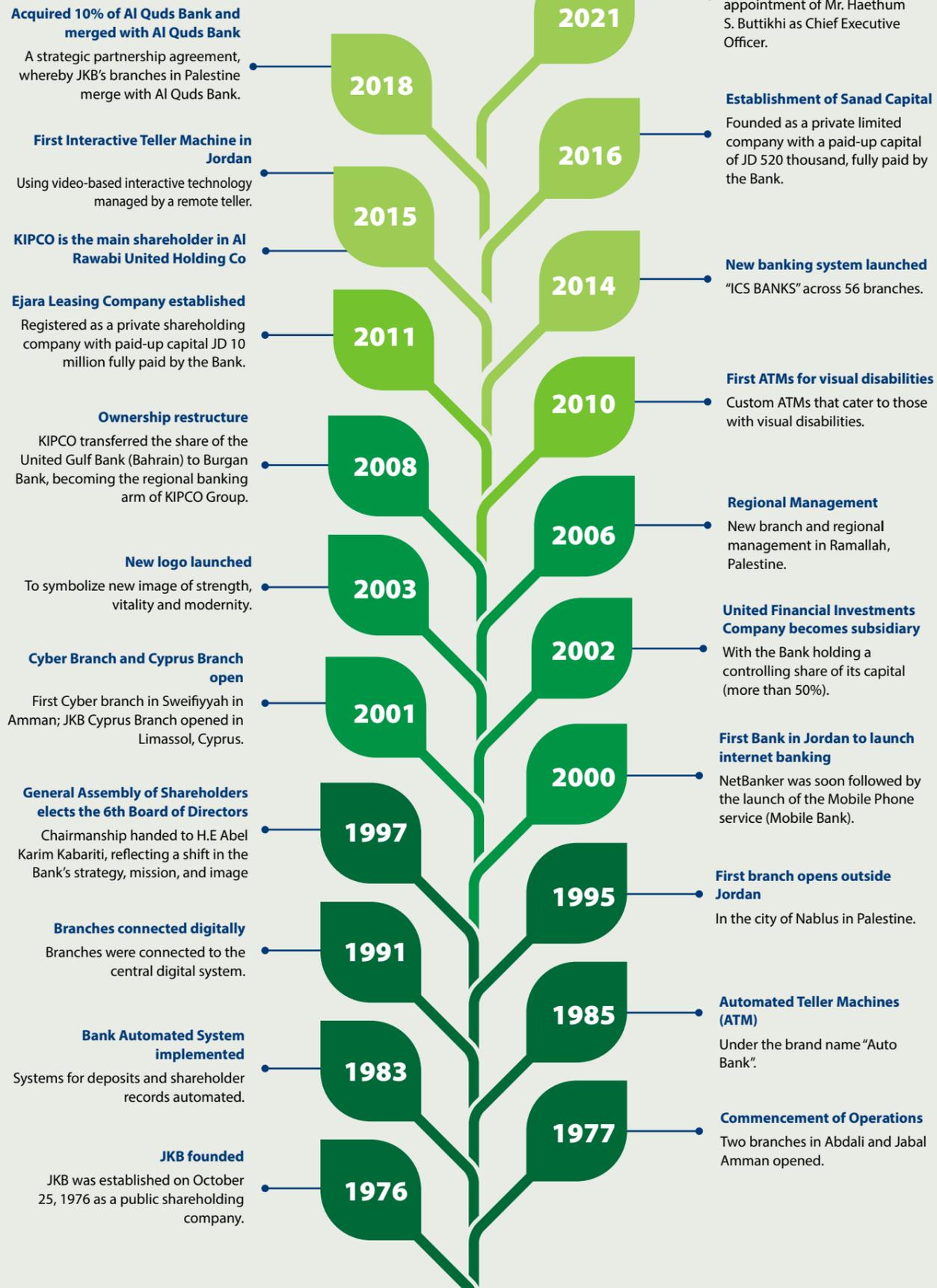
Enhancing customer acquisition with distinct customer service and increasing acquisition while expanding to new markets and delivering new digital services/products

3

PROSPER

Driving innovation in the ecosystem and delivering innovative products and services to diversify positioning and offer a unique value proposition to stakeholders

Our Journey



Affiliates and Partners

			
<p>Kuwait Projects Company Holding (KIPCO) KIPCO is the main shareholder in AI Rawabi United Holding Co., which in turn owns about 51% of JKB capital.</p>	<p>SANAD Capital Specialised Management Co. for Investment & Financial Advisory (SANAD Capital) was founded in 2016 as a private limited company with a paid-up capital of JD530 thousand (USD747 thousand) fully paid by the Bank.</p>	<p>Ejara Leasing Company. Ejara Leasing Company. Fully owned by Jordan Kuwait Bank.</p>	<p>United Financial Investments Company (UFICO) A subsidiary of Jordan Kuwait Bank, with the Bank holding a controlling share of more than 50% of its capital.</p>
			
<p>Quds Bank Jordan Kuwait Bank holds 10% of its capital.</p>	<p>Bank of Baghdad A sister company. Bank of Baghdad is a subsidiary of Burgan Bank Group.</p>	<p>Tunis International Bank A sister company. Tunis International Bank is a subsidiary of Burgan Bank Group.</p>	<p>United Gulf Bank A sister company. United Gulf Bank is a subsidiary of KIPCO.</p>
			
<p>Gulf Bank Algeria A sister company. Gulf Bank Algeria is a subsidiary of Burgan Bank Group. JKB holds a 10% stake of its capital.</p>	<p>Burgan Bank (Kuwait and Turkey) A sister company. Burgan Bank (Kuwait & Turkey) are fully owned subsidiaries of Burgan Bank Group.</p>	<p>AI Rawabi United Holding Co. AI Rawabi United Holding Co. owns about 51% of Jordan Kuwait Bank's capital, A subsidiary of KIPCO</p>	<p>FIMBank A sister company. United Gulf Bank is a subsidiary of Kuwait Projects Company Holding (KIPCO).</p>

In addition to these commercial partnerships, we work closely with a number of governmental and non-governmental partners to deliver on our community priorities (see page 14).

How We Approach Sustainability

We understand that our customers' activities and decisions can have a profound influence on a sustainable future. We therefore incorporate ESG criteria into all products and services, and share sustainability insights to help customers address risks and harness opportunities. In turn, this contributes to directing capital in a sustainable manner.

Our Sustainability Framework guides our ESG impact and reporting activities. It also provides a platform for stakeholders to engage with, and a focus on our sustainability journey:

Sustainability Framework at JKB



Our Sustainability Objective:

To create shared and long-term value to all our stakeholders through sustainability



Engaging customer experience



Driving people development



Empowering our communities



Embedding responsible business practices



Focusing on What Matters Most

Diligent and regular stakeholder engagement is the underlying reason material issues have been identified. We follow the guidelines of GRI Standards in determining the material topics, last conducted formally for our

2020 Sustainability Report, and incorporating formal and informal monitoring, dialog with stakeholders and relevant external studies and reports to:

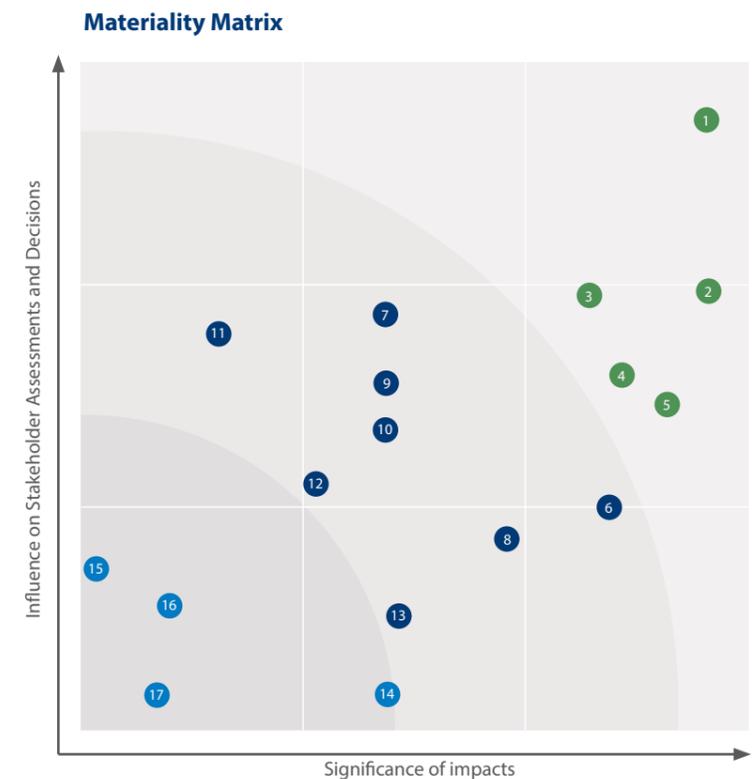
1 Identify: issues by reviewing industry peers, internal stakeholder interviews and international standards such as the GRI, Sustainability Accounting Standards Board (SASB), UN PRB, Jordan Vision 2025 and Amman Stock Exchange Guidance on Sustainability Reporting.

2 Prioritise: in terms of perceived importance to internal and external stakeholders.

3 Validate: results to ensure a complete list that reflects all stakeholder perspectives.

In 2021 we refreshed the materiality assessment, adding economic performance and re-evaluating other aspects to align with national and international standards, and to anticipate future trends.

Most Important	
1	Ethical Conduct
2	Customer Satisfaction
3	Compliance
4	Governance, Accountability and Transparency
5	Data Security & Privacy
Very Important	
6	Talent Attraction and Retention
7	Risk Management
8	Diversity and Inclusion
9	Responsible Investment and Financing
10	Digital Innovation
11	Financial Inclusion
12	Economic Performance
13	Employee Well-being
Important	
14	Human capital Development
15	Direct Environmental Impact
16	Sustainable Procurement
17	Community Support and Development



Stakeholder Engagement

In addition to the materiality process, we regularly engage with seven key stakeholder groups to better understand their needs and aspirations. Their views, in turn, enable us to reflect on our overall strategy and metrics. We acknowledge that progress can only be

achieved by an integrated and inclusive approach, therefore it is important that all stakeholders can express their opinion through diverse channels.

Key Stakeholder Groups



Our Wider Contribution

Our sustainability approach aligns with the Jordan Vision 2025 to build a prosperous and resilient country. We are working towards many of its goals, including those relating to poverty, unemployment and financial scarcity. Alongside our stakeholders, we are determined to empower the people of Jordan to prosper and realize their full potential.

One of our strategic objectives is to create a social impact. We do so through our CSR programs, including women empowerment and renewable energy initiatives. We align with the SDGs – the world’s shared plan to end extreme poverty, reduce inequality and protect the planet. The specific SDGs our efforts support found below.

Going forward, we aim to wholly align our sustainability strategy with the Goals, and to review progress for continuous convergence.



Chapter 1

Responsible Business Practices

Robust and responsible business practices underpin our leading position within the regional banking sector. Our operations are strictly aligned with Central Bank of Jordan (CBJ) requirements and international industry standards with respect to good governance, ethical conduct, human rights and data security. Our Enterprise Risk Management (ERM) framework ensures systematic identification and management of key risks.

Material topics covered:

- ◆ Governance, Accountability and Transparency
- ◆ Risk Management
- ◆ Ethical Conduct
- ◆ Compliance
- ◆ Data Security and Privacy
- ◆ Economic Performance

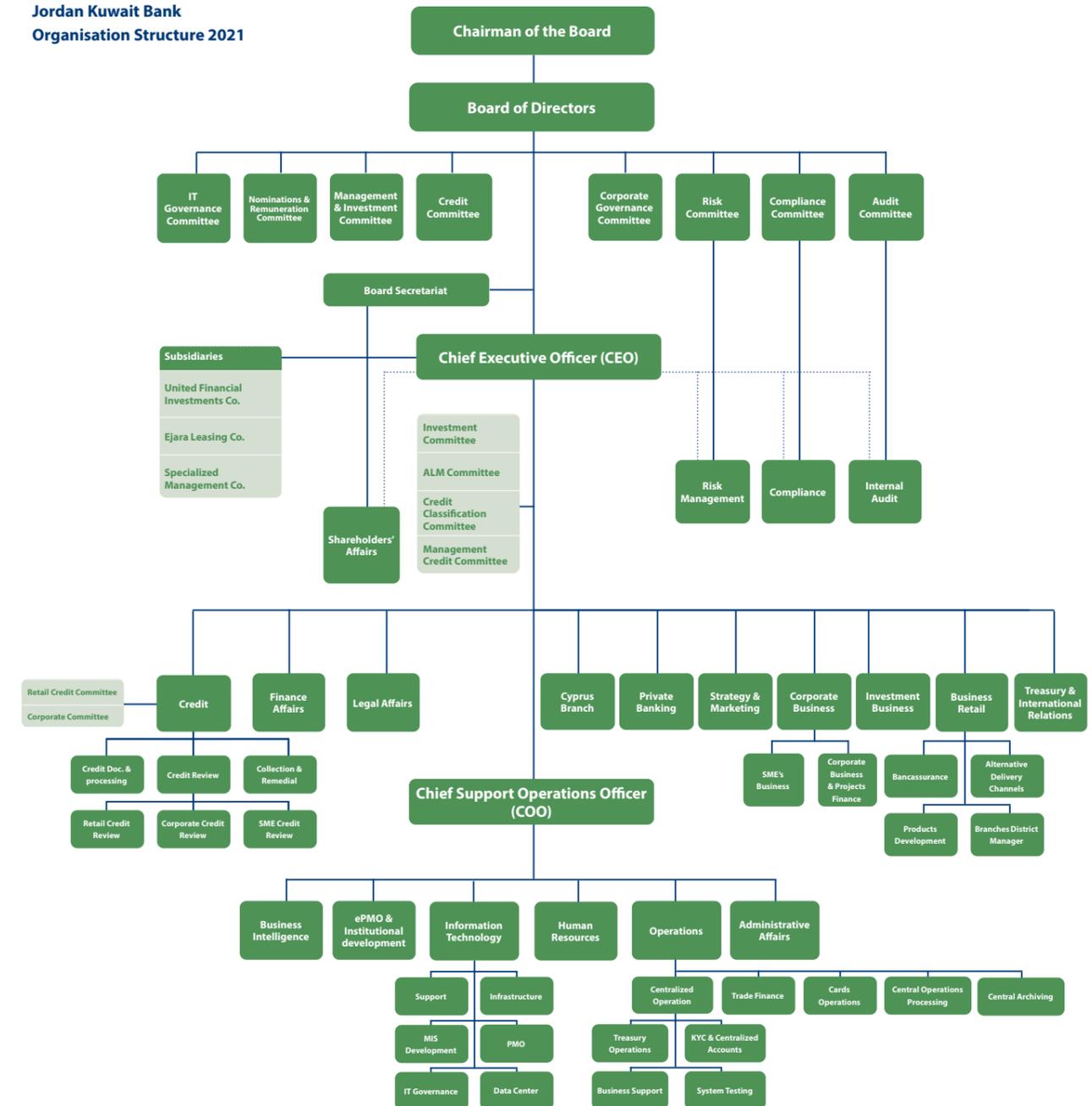


Governance, Accountability and Transparency

Our Corporate Governance Policy is designed to provide diligence against any form of financial crime such as bribery, corruption and money laundering. Moreover, our approach to ERM provides us with a mechanism to identify possible allied risks so that these can be effectively managed and attenuated.

We acknowledge our responsibility to use sustainable financial products and services in a positive way that benefits the environment and society, and facilitates the transition to a sustainable future for us all.

**Jordan Kuwait Bank
Organisation Structure 2021**





We have implemented policies that ensure our Corporate Governance aligns with our vision, mission and aims, and that it fully integrates with our sustainability strategy. Key policies include anti-fraud, ABC and rules regarding the acceptance of gifts and hospitality. These all reinforce our commitment to maintaining the highest standards of ethics in our workplaces.

The performance of senior governance bodies is evaluated through self-assessments and objective assessments by the Board Nominations and Remuneration Committee. The Board's experience spans banking, as well as finance, insurance, economics, legal and management. With the average tenure of Board members being six to eight years, in 2021 a new Board of Directors was elected and the Board Committees restructured.

Board of Directors	2019	2020	2021	Target
Percentage of Board seats occupied by women	0%	0%	7.7%	7.7%
Percentage of Board seats occupied by independent* directors	38.5%	38.5%	46.1%	46.1%
Executive members of the Board of Directors	0	0	0	0
Non-executive members of the Board of Directors	13	13	13	13
Female members of the Board of Directors,	0	0	1	1
Male members of the Board of Directors	13	13	12	12
Independent members of the Board of Directors	5	5	6	6
Non-independent members of the Board of Directors	8	8	7	7

* An independent director is one who, apart from receiving director's remuneration, does not have any other material pecuniary relationship or transactions with the company, its promoters, its management or its subsidiaries, which in the opinion of the board would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In other words, an independent director has no material relationship with the company, either directly (as an employee) or as a partner, shareholder or officer of an organization that has a relationship with the company.

Risk Management

Our Risk Management framework is designed to identify and assess risks in order of priority faced by our workforce and to help provide them with a safe work environment. We continuously monitor operational risk indicators, analyze our employee satisfaction ratings, and turnover rate. Also, on an ongoing basis is the evaluation of safety risks to employees, customers and vendors in addition to, evaluating and monitoring our credit portfolio, changes in the internal risk rating, as well as, economic sectors (ECO) credit limits, which results in better understanding the lending approach and highlight any related risks

We have provided phishing simulation campaigns for all employees along with security tips for them to follow whilst working remotely and having online meetings. To help in digital services resiliency, the risk management department along with related stakeholders initiated a

project to establish three new data centers covering main, high-availability and DR functions. We also have well-established internal systems for internal and governance document control facilitating transparency of roles, responsibilities and risk management.

During 2021, our Risk Department worked hard amidst challenges of ongoing COVID-19 credit portfolio quality impacts and cybersecurity resource shortages to deliver Payment Cards Data Security Standard (PCI DSS), as per CBJ regulation, SWIFT Customer Security Program compliance renewal and Business Continuity (BC) Plan, as well as DR system testing. We also comply with CBJ regulations with respect to Control Objectives for Information Technologies (COBIT) governance and cybersecurity resilience frameworks.

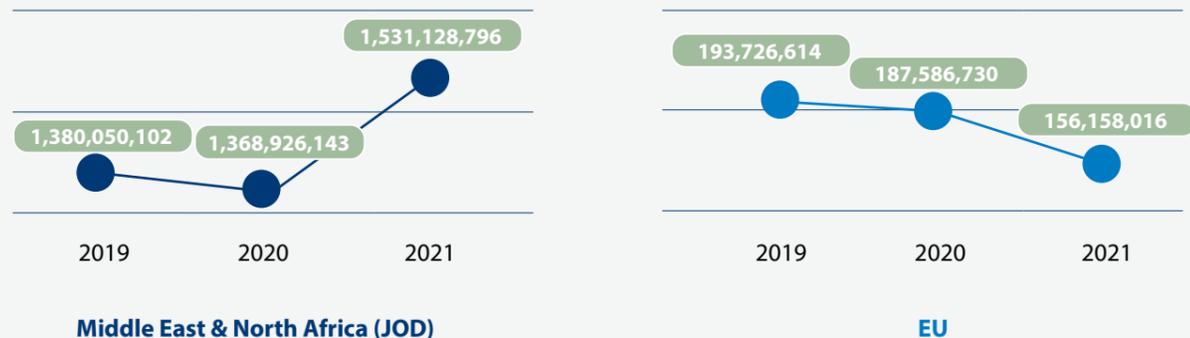
Risk Identified	Response
High Concentration Percentage (ECO)	<ul style="list-style-type: none"> ◆ Apply new Policy to maintain the risk of concentration within our Policy, and utilize the other ECO sectors that have a lower risk.
COVID-19*	<ul style="list-style-type: none"> ◆ Apply and update new credit risk reports and indicators to monitor the impact of COVID-19 as well support the decision-making process. ◆ Health care measures. ◆ Working from Home. ◆ Social distancing.
Security vulnerabilities on systems	<ul style="list-style-type: none"> ◆ Continuous monitoring and threat intelligence. ◆ Advanced Persistent Threat tools. ◆ Penetration testing and vulnerability scanning.
BC and DR	<ul style="list-style-type: none"> ◆ The Bank is in the process of acquiring an automation tool for business continuity management.
Climate change	<ul style="list-style-type: none"> ◆ The Bank's general insurance policy covers natural disasters therefore any operational risks that could result from climate change will be covered under this policy. ◆ The Bank has a business continuity plan which enables the Bank to continue working under exceptional circumstances.

* In response to the COVID-19 risk, we have conducted a comprehensive review of all risk profiles on entities level to verify coverage of all operational risks that the bank may be exposed to and to design controls to mitigate them. Meanwhile, we have activated contactless payment features on all bank cards; updated our work hours monitoring system to use face recognition devices instead of fingerprint; Participating in building provisions for customers that have been affected by the pandemic through Management Overlay; rolled out secure remote-working tools; postponed client loan payments as per CBJ instructions; and activated alternative business sites.

We remain committed to continuously improving the quality of issued reports and other indicators, including transitioning, by end 2022, to an automated system to comply with Basel regulations and improve the efficiency in the issuing of reports including on Capital Adequacy Ratio, stress testing and Internal Capital Adequacy Assessment. We will also be implementing an automated

tool to follow up on action plans and corrective measures by the end of this year. More imminently, we will launch a software for automated BC management and planning, obtain ISO27001 Security Management Certification and build a centralized alternative site for BC management. Finally, we aim to establish a 24/7 Security Operations Centre by mid-2022.

Value of loan portfolio* by region (JOD):



* The value of the portfolio as a percentage of the total, or as a total monetary value based on "on-balance sheet" assets.

Total loans given in the following CBJ economic sectors (JOD):	2019	2020	2021
Financial	62,778,442	61,592,440	92,755,784
Manufacturing	348,263,982	347,149,023	340,867,832
Commercial	222,663,207	236,628,918	231,486,201
Properties	180,650,466	173,901,107	220,846,746
Agricultural	37,380,893	30,624,965	30,859,538
Shares	7,786,209	2,476,157	3,794,998
Individuals	227,670,648	220,921,045	257,156,203
Services	358,547,947	370,887,734	332,116,741
Government and Public Sector	146,795,699	128,438,162	177,402,768

Conduct and Compliance	2019	2020	2021
Number of breaches reported against Code of Ethics	0	0	0

More imminently, we will roll out software for automated BC management and planning, obtain ISO27001 Security Management Certification and build a centralized alternative site for BC management. Finally, we aim to establish a 24/7 Security Operations Centre by mid-2022

Audit

The independent Internal Audit Department reports directly to the Board's Audit Committee. It safeguards the effectiveness of our risk management, control and governance processes. The Internal Audit Department adopts a risk-based approach to make sure that all auditable entities comply fully with Jordan Kuwait Bank internal standards beside the requirements of the relevant regulatory authorities, as well as following up on agreed corrective action plans until issues are properly resolved. The Internal Audit methodology is approved in accordance with International Internal Auditing standards and is also assessed through an external QA program concordant with the level of "Assurance Service Provider" and conducted by PricewaterhouseCoopers (PwC).

In 2021, we have established a QA and Continuous Audit Unit within the Audit Department, which is responsible for managing and refining the QA and Improvement Program for the Internal Audit Department in order to provide assurance to stakeholders that our internal auditing:

1. Operates in accordance with its Charter and is consistent with The Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing's, definition of Internal Auditing and Code of Ethics;
2. Operates in an effective and efficient manner; and
3. Is perceived by stakeholders as adding value and improving the Internal Audit Department's operations.

The unit is also responsible for managing data analysis and the continuous development of internal audit methodologies and tools



Despite the ongoing COVID-19 pandemic in 2021, our Audit Department operated smoothly through the year. In 2022, it will undergo its five-yearly external QA audit. However, since we are currently restructuring several departments, the annual audit plan is likely to significantly change since new departments require modification of audit programs to assess the extent to which our strategic goals and relevant operational goals are achieved for each auditable entity. We will also rely more on our data mining system to generate more useful reports that may help in the audit process.

Legal

Our Legal Department provides advice relating to our activities and stakeholder relationships, including the companies' controller department, shareholders, stakeholders, customers, employees and suppliers. In the last year, the department has launched a new system to track legal cases from and against the Bank, and we are

working in the development of the system. Like other departments, Legal has had to adapt through COVID-19, with new technologies to enable BC, such as virtual tribunal's attendance and submitting documentation via governmental portals instead of in-person.

Ethical Conduct

We adhere to all applicable laws, rules and regulations. We set a clear tone from the top, reinforcing individual accountability and risk-awareness empowering all of our employees through appropriate policies and training whilst supporting open communication and establishing exemplary behavioral standards and reward structures.

The Code and Standards of Professional Conduct ensure that an ethical, moral and professional work environment is maintained at our Bank. Every employee contributes to the development of an ethical culture by conducting themselves in alignment with the code and remaining compliant with the best international standards of financial institutions. The code aims to establish best

practice guidelines for employees to follow in order to maintain a professional and ethical work environment. The code is provided to all existing and newly joining employees as well as being published on the HR Portal for continuous access.

Our Whistleblowing Policy provides a hotline number and email address for any individual who wish to report any suspicious activities. All calls and emails remain confidential for the purposes of evidence and investigation.

During onboarding, all employees sign the Code as part of their induction and awareness training.



Anti-Bribery, Corruption, & Fraud

To assist our customers with Bribery, Corruption, & Fraud awareness, we regularly maintain contact with them through social media and flyers. We also hold regular training sessions for our staff and stakeholders using our internal system "Salalem", which incorporates videos and assessment opportunities, as well as working with our subsidiaries to cascade this approach.

We have a Bribery and Corruption Risk Assessment Document in place to help us monitor the following various risks in different areas, such as third parties, government relations, procurement, finance, employee hiring, and political contributions. To mitigate these risks, we have the following controls and programs in place:

- The Code of Conduct and The Code of Ethics, alongside a policy on Anti-Bribery & Corruption, a policy on accepting Gifts & Hospitality, & a policy on Whistleblowing.
- Continuous training and awareness for employees.
- Employee disclosure for any relations with Politically Exposed Persons PEPs and third parties.

Whistleblowing

We seek to encourage a healthy and safe work environment in which employees feel comfortable sharing their concerns with an impartial party (Compliance Department). Employees and stakeholders can raise their concerns using an anonymous Whistleblowing system through a dedicated hotline number

- A recommendation for a centralized unit for procurement.
- ABC Provisions to put into third parties contracts.
- Performing due diligence when hiring new employees and periodical due diligence on existing ones.
- An Anti-Bribery & Corruption guide

In addition to the controls on Bribery & corruption, we have the following controls for Fraud:

- Anti-Fraud Policy & procedures.
- Anti-Fraud solution for cards called Decision Intelligence.
- Anti-Fraud solution for the Western Union Digital App transfers called Sift Science.
- We've signed an agreement with IBM for an Enterprise Fraud Risk Management Solution to mitigate and respond to any External/Internal fraud that may occur.

and email address. Our Whistleblowing states that complaints will be investigated in a confidential manner.

Conduct and Compliance	2019	2020	2021
Legal actions taken against JKB	36	27	30
Number of incidents of corruption	0	0	0
Number of complaints regarding human rights violations	0	0	0
Number of ethical incidents	0	0	0
Number of legal incidents	0	0	0
Number of incidents of non-compliance	0	0	0
Number of non-monetary penalties for non-compliance	0	0	0
The monetary value of large fines for non-compliance	0	0	0
Number of business units analyzed for corruption	0	0	0
Percentage of business units analyzed for corruption	0	0	0

Compliance “Anti-Financial Crime”

We operate in compliance with established laws and regulations. We understand that any negligence could lead to our reputation being compromised, together with incurring financial losses liabilities. We accept that transparency equates to clarity when carrying out our work, to not withholding information, and to disclosing all information as required by the law, the regulations and the highest ethical standards. As regulatory requirements

evolve, we will continue to invest in developing our Risk Management framework to ensure conformity.

Our Regulatory Compliance Unit publishes clear work procedures and instruction manuals for all employees. These provide common policies throughout the Bank, aligned to all current regulations. Our published work procedures and instruction manuals include:

These are delivered and supported by digital systems, including SironAML transaction monitoring system, SironKYC screening and risk classification system,

SironEmbargo SWIFT message screening system, GoAML, Fusion screening system), World Compliance, Word Check, and Bankers Almanac.

Monitoring and Reporting

We ensure clear and published work procedures and instruction manuals are available to all employees. General polices to all working centers are in accordance with the instructions issued by the regulatory authorities. The Regulatory Compliance Unit adopts all banking and financial laws and regulations, as well as facilitating whistleblowing. Alerts for non-compliance are in line

with the non-compliance risk assessment methodology. We disclose quantitative data on business units analyzed for AML risks to the Compliance Committee and Board of Directors.

There were no confirmed incidents of corruption involving the organization in 2021.



Internal compliance monitoring and reporting	2019	2020	2021
Number of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system	303	505	533
Percentage of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system that were substantiated	NA	34%	24.39%

In the reporting year, complaints related to loans, card transactions for online purchases and employee ethics issues were robustly addressed with corrective actions, including responses from appropriate departments, whereby contact with the customer was initiated to inform them of the decision and corrective actions. In the context of COVID-19, we followed up instructions, particularly those issued by the CBJ, and we held a number of compliance awareness campaigns for our customers and employees.

Information Technology

Information technology importance is increasing rapidly in the banking sector, and it is no different at JKB. The Information Technology is implementing multiple projects utilizing the latest technologies aimed to achieve automation to enhance operations and enable the business to achieve its goals and objectives, mainly in digitization:

Information Technology throughout 2021:

- ◆ Utilizing Robotics Process Automation (RPA) technology to achieve faster automation and reduce the use of computers by multiple employees, hence reducing energy consumption
- ◆ Process Workflow systems to automate the largest possible number of operations' processes aiming to achieve a fully paperless environment and enhance the current operations
- ◆ Infrastructure & Data Centre Technology to replace older high-power consumption IT infrastructure with more environment friendly infrastructure that is more efficient in power utilisation and emits less heat while providing more processing power
- ◆ Online meeting solutions with collaboration tools that reduces the need for people to travel in order to attend meetings in addition to reducing the amount of paper consumed
- ◆ Middleware technology implementation to reduce time to integrate between applications and enable increased, faster digital transformation
- ◆ Enablement of new banking products to ensure immediate money transfer to Quds Bank in Palestine through the utilization of Blockchain technology over cloud setup
- ◆ Instant Payment Service (CliQ)
- ◆ Development of products like; Wearable payment technology.

Information Technology initiatives currently running:

- ◆ Utilization of Artificial Intelligence in the new mobile channel
- ◆ Automation of reports and dashboards
- ◆ Launch of enterprise portal
- ◆ Implementation of Large Exposure Limits system
- ◆ Launch of a new Fraud system
- ◆ Internal development of multiple systems (Innovation portal, New employee registration, Branches sales portal, Warehouse management system, Loan postponing system, eKYC system, eStatement system, iBANAK service with Social Security, Automation of National Support Fund processes, and multiple other systems)
- ◆ Continue with Middleware project that enables all new services and support the implementation of JKB strategy

Challenges and Commitments:

- ◆ Availability of necessary resources and delays in Supply Chain (internationally) due to COVID 19
- ◆ Providing the necessary infrastructure for existing and upcoming strategic projects and continue with the "Technology Refresh" project to replace all IT infrastructure in JKB.

Data Security and Privacy

Our cyber-risk Information Security Management System is supported by Threat Intelligence Services and Computer Emergency Response Teams. We also enforce a vulnerability scanning and penetration testing process for internal and external infrastructure components to identify potential technical or operational threats to our systems. To support a secure digital environment, we have secure back office systems, including innovation portal, new employee registration, branches sales portal, warehouse management, loan postponing, eKYC, eStatement, iBANAK with social security, automation of national support fund processes, and more.

No data security breaches occurred during the last term. Only attempts have been spotted and responded to.

JKB maintains a cybersecurity incident response procedure to deal with any attempts or incidents. Security Information and Event Management system is implemented in the bank that collects and correlates logs and audit trails in order to generate early alerts and warning for the Incident Response Team.

JKB monitors cybersecurity trends through Threat Intel services, and implements mitigation controls after conducting the necessary Risk assessment procedures. The Bank operates cutting-edge cybersecurity technologies along with strict policies and procedures.



COVID-19 prompted the relocation of our IT department, involving moving around 20% of IT employees, whilst also maintaining remote working for many. We remain committed to our "Technology Refresh" project to replace all IT infrastructure, alongside delivering our Middleware project to enable new services and automation using Workflow and RPA technologies.

Data Security Breaches	2019	2020	2021	Target
Number of data security breaches	0	0	0	0
Number of data security breaches involving customers' personally identifiable information	0	0	0	0
Percentage of data security breaches involving customers' personally identifiable information	0	0	0	0

Economic Contribution

We understand that prosperity and the creation of value are prerequisites for long-term success. We make an important contribution to the stability, resilience, and productivity of Jordan's economic system and our stakeholders.

Economic Performance (JOD '000s)	2019	2020	2021
Direct economic value generated			
Revenues	122,071.3	108,216.2	111,888.8
Economic value distributed			
Operating costs	29,336.9	27,656.3	34,905
Employee compensation	27,602.3	28,868	29,892
Payments to government (taxes and penalties)	945	1,076.5	1,344
Dividends paid to shareholders	20,000 (cash)	50,000 (shares)	10,500 (cash)
Donations and sponsorships	844.7	2563.4	545.7
Donations and sponsorships as % of pre-tax profit	2%	-46%	4.5%
Economic value retained			
Global net profits	29,937.6	-4,511.3	7,704
Total operating income (revenue JOD '000s)	122,071.3	108,216.2	111,888
Shareholders' Equity	459,532.4	456,431.9	467,674
Return on (average) equity (%)	6.62%	-0.99%	1.7%
Tier-1 Capital notes	18.91%	18.52%	17.71%



Next Steps for Responsible Business Practices

We have signed a contract with IBM for a comprehensive anti-fraud solution, where we will start the implementation process for "phase 1" that includes SWIFT, RTGS, Automated Clearing House, Block chain, Mobile Banking, Internet Banking, and all types of Cards by the end of 2022. Going forward, we aim to improve enterprise fraud management further to strengthen internal and application fraud processes, and upgrade new sanction and AML systems, and upgrade a new sanction system and AML system.

Chapter 2

Customer Experience

At JKB, we are committed to long-term relationships and loyalty to our customers. Our goal is to improve the experience of all our customers every time they interact with us. We believe that by promoting responsible investment and financing with ESG criteria, we can bring long-term sustainable benefits to the Bank while simultaneously building stable and lasting relationships with our customers.

Material topics covered:

- ◆ Responsible Investment and Financing
- ◆ Financial Inclusion
- ◆ Customer Satisfaction
- ◆ Digital Innovation

Responsible Investment and Financing

Our industry is playing an active role in addressing global issues, such as human rights, environmental protection and climate change, which are rapidly changing the regulatory and competitive environment. As a result, we continue to develop products and services that address these risks and opportunities.

The PRB provides a framework for a sustainable banking system aligned with the SDGs and the Paris Agreement. It aims to embed sustainability at strategic, portfolio

ESG Risk Management

For certain projects, namely those in economic sectors where the risk of environmental impact is higher, we go beyond government legislation to outsource independent traffic impact surveys and detailed environmental assessment reports. To ensure sound governance practices, our Compliance Department provides feedback on the borrower's shareholder structure and reputation, alongside macroeconomic valuations that are considered in all lending decisions.

Environmental and social risks are mainly considered for energy projects or those in densely populated areas. Here,

and transactional levels, across all business areas. We remain committed to responsible banking and recognize the importance of the PRB, striving to implement responsibility within our financial products and services. We have been working hard to provide our customers with a variety of services that take ESG issues into account, managed at project level to ensure the widest possible monitoring and influence.

environment and traffic impact assessments, along with appropriate governmental permits are required according to the type of project and geography. If significant risks are found, the borrower is required to rectify them or lending may be rejected. If they are significant (assessed on a case-by-case basis), we act according to the risks identified in the environmental impact assessment. Later stage monitoring is based on the borrower maintaining initial environmental requirements set during due diligence.

Customers and Loan Portfolio	2019	2020	2021
Microprojects (JOD million)	1.9 (164 customers)	4.2 (220 customers)	3.28 (204 customers)
Customers of SMEs (JOD million)	56 (262 customers)	73.9 (289 customers)	80.01 (266 customers)

ESG Lending

All loans through the CBJ and Jordan Loan Guarantee Corporation (JLGC) consider social issues as they are designed to enhance social and economic development through promoting employment and sector development. In the reporting year, our portfolio for these loans increased as follows:

- CBJ (includes Arab Fund for Economic and Social Development, the International Fund for Agricultural Development and the World Bank): JOD 57.6m (versus JOD 51.8m in 2020)
- JLGC: JOD 27.8m (versus JOD 23.4m in 2020)

The financial sector as a whole suffered negative consequences due to the COVID-19 pandemic. In 2021, our Corporate Banking division made progress on several initiatives including:

- partnering with the European Investment Bank to provide cheaper financing to SMEs through signing a loan agreement for USD 119 million;
- connecting with international financial institutions such as the FMO, International Finance Corporation, and Proparco;

- signing an agreement to implement an upgraded cash management system for our customers, currently under implementation;
- increasing lending through CBJ and JLGC to help local businesses affected by the pandemic; and
- waving certain due payments on loans in compliance with CBJ directives.

JLGC and CBJ initiatives provide cheaper lending to specific economic sectors and projects deemed to have economic and social benefits. We have also partnered with the European Investment Bank to provide cheaper financing to SMEs and are in the process of providing technical assistance to borrowers which benefit from the package.

Other initiatives to support social impact include making money accessible to unbanked customers using a digital wallet through our ATM network, allowing customers to scan and pay, or transfer through QR codes. In addition to launching new contactless methods to serve the youth (Prepaid Wearables).

Monetary value of products and services designed to deliver a specific social benefit (JOD)	2018	2019	2020	2021
Basic Bank Account	NA	309	524	1,119
JoMoPay (Jordan mobile payment system)	-	-	105,112	111,673



“Green” Financing

Having obtained Board approval to support the renewable energy sector with unique financing terms in 2017, we have increased our renewable energy portfolio by more than USD

100 million, building our reputation for renewable financing among international developers and Direct Foreign Investors.

Customers and Loan Portfolio	2018	2019	2020	2021
Total number of retail banking customers	81,804	97,009	109,966	128,251
Total value of retail banking loan portfolio (JOD)	207,875,187	230,143,426	267,239,954	507,960,292
Total value of retail banking loan portfolio as a percentage of the total (JOD)	14%	16%	19%	28%

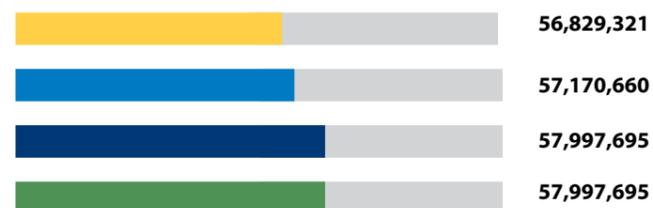
Value of retail loan portfolio by region (JOD): GRI-G4-FS6	2018	2019	2020	2021
EU (Cyprus Branch)	17,127,785	19,880,839	14,499,715	14,197,075

We advise our customers to invest in green bonds and stocks, such as solar and electric vehicles. We are continually looking for new green opportunities for our book.

Total ‘green’ lending (JOD)

Total value of ‘green’ assets*

● 2018 ● 2019 ● 2020 ● 2021



* Green assets include renewable energy, energy efficiency, green real estate / efficient buildings, sustainable waste management, clean transportation, sustainable water management, climate change adaptation, decarbonizing technologies

Our investment in bonds and stocks are primarily directed at companies with a proven track record of ESG responsibility, such as Arab Potash, Jordan Phosphate Mines Company, and Orange Solar Fields Project in Amman and Mafraq.

Distribution of JKB Net Profit by Business Segment	2018	2019	2020	2021
Personal banking	51%	44%	1.2%	15.5%
Corporate	153%	202%	48.9%	40.6%
Treasury	66%	98%	40.6%	37.8%
others	170%	-244%	9.3%	6.1%

Revenue by Business Segment	2018	2019	2020	2021
Personal banking	17%	14%	12%	15.9%
Corporate	53%	57%	48%	49.3%
Treasury	22%	24%	32%	29.4%
others	8%	5%	8%	5.4%

Revenue by Geography	2018	2019	2020	2021
Jordan	86%	92%	92%	91.8%
Cyprus	14%	8%	8%	8.2%



Financial Inclusion

Financial inclusion allows individuals and enterprises to access useful and affordable financial goods and services (transactions, payments, savings, credit, and insurance) that meet their needs in a responsible and sustainable way. Customers accessing these products are, in turn, more likely to use other financial services to start and develop enterprises, invest in education and health, manage risk, and weather financial shocks, all of which may improve the overall quality of life.

We are committed to enabling financial inclusion for undervalued individuals and markets, and we tailor our services to ensure that all individuals can access a variety

of services that meet their needs. Our key inclusion proposal is to lend through initiatives of the JLGC and the CBJ that provide loans at a lower cost to economic sectors and projects deemed to have economic and social benefits.

We are currently in the process of partnering with the European Investment Bank and Proparco to provide lower-cost financing to SMEs and technical assistance to underserved borrowers who will benefit from the package. We are also partnering with the JLGC to offer a new housing loan for marginalized customers.

Financial Inclusion	2018	2019	2020	2021
Percentage of new accounts held by first-time account holders	15,986	20,604	17,876	23,895
Percentage of new accounts held by first-time credit card holders	2,847	4,391	1,118	2,088
Loan-to-deposit ratio for overall domestic lending	20%	20%	23%	43%
Loan default rates for overall domestic lending	12.6%	11.9%	10.7%	5%
Number of branches in low populated and economically disadvantaged areas	7	7	7	7
Number of ATMS in low populated and economically disadvantaged areas	13	13	14	15

Customer Satisfaction

In 2021, we were pleased to record a customer satisfaction rate of 99% for a fourth year running. This is a testament to the many initiatives we have launched to improve the customer experience, including an upgraded cash management system, continuously updated online banking, and the JKB mobile app (find out more about our Digital Innovations on the following page). It is also a testament to our financial expertise and experience in delivering world-leading innovative solutions to meet our customers' financial needs.

Providing the highest quality service to our customers is our top priority. We consistently strive to improve customer experience by making our services faster and more accessible through automation and digitization. During the pandemic, our enhanced mobile and online banking systems have continued to give our customers access to a wide range of financial services without visiting branches in person.

Customer Satisfaction	2018	2019	2020	2021
Overall customer satisfaction (%) Based on the number of complaints received from JKB customers.	99%	99%	99%	99%
Number of complaints	175	303	176	533

As part of our efforts to continually improve the transparency of customer experience, in 2021 we enhanced digital signage at JKB's branches to display loan interest rates and all product and service-related fees. We also updated the website content with more

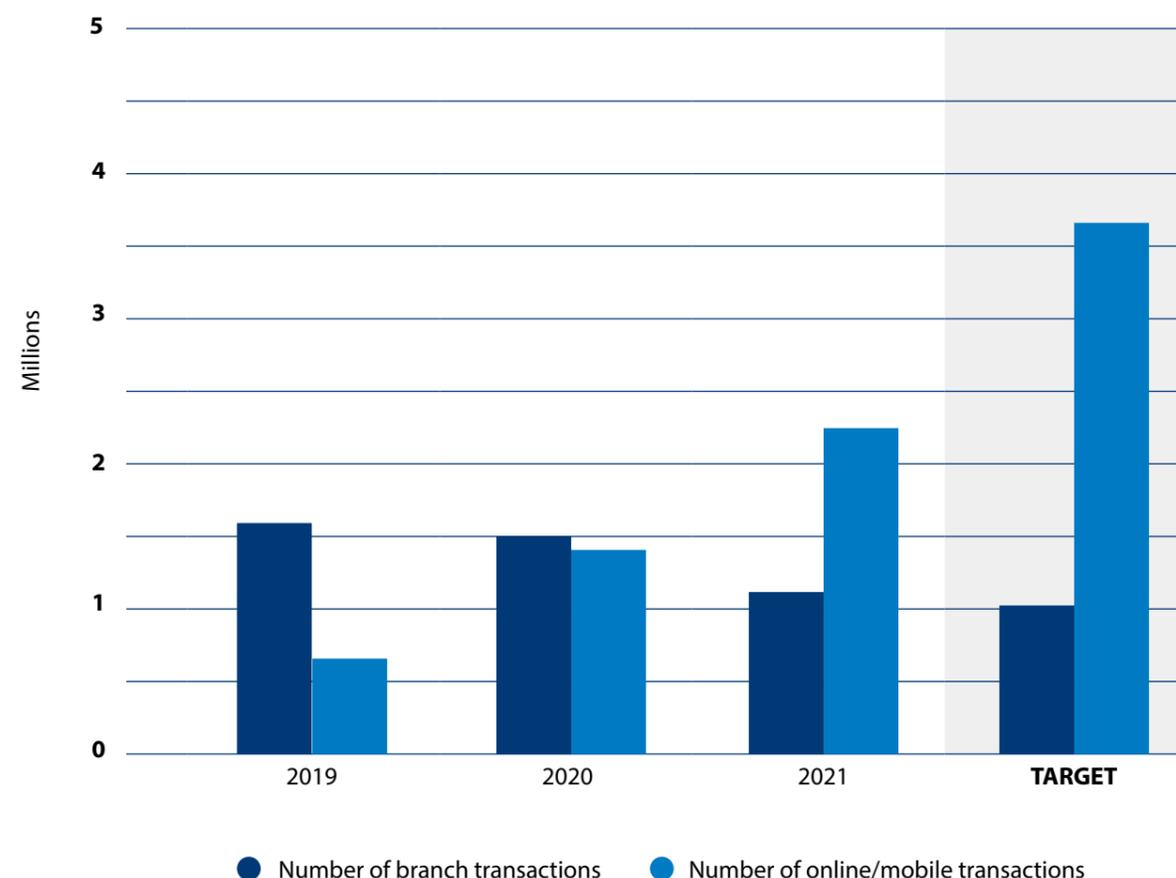
detailed information, along with products and service terms and conditions, complying with CBJ regulations. We further strengthened employee training in quality service delivery, understanding customer needs and good after-sales services.

Digital Innovation

At JKB, we understand the importance of a well-connected and competent workforce that understands customer needs. To make this possible, we take an innovative approach to the application of technical and digital

solutions, accelerating actions during the COVID-19 pandemic when both branch and mobile transactions increased by more than 10% (compared to 2020) volume of transactions shows a >10% increase compared to 2020.

Transactions at JKB



Innovation Highlights in 2021

During 2021, we introduced a number of digital innovations to improve the customer experience. They include:



AI-powered chatbot:

24/7 support that is easy to access and interact with a variety of our services. This is especially useful during off-hours or when agents are unable to respond.



The first MC World Elite Biometric Credit Card

in partnership with Mastercard.



A new wearable product:

available through our Bank's branches to support contactless pre-paid cards and facilitate ATM withdrawals.



Free money transfers:

especially useful for customers during the holiday season, this will increase the use of digital products and expand our customer base.



Auto-monitoring:

crediting of accounts promptly when any arrears instalments are received, freeing up teams from tracking outstanding payments. We have also streamlined monitoring of inward and outward transfers to better align with CBJ fee regulations.

Case study

Optimizing workflows "KYC & AC , Retail Loan origination and corporate WF"

With manual and paper-based Know Your Customer practices resulting in inconsistencies and inefficiencies, we transitioned to automated practices. Our new system enables streamlining of disparate systems, providing a reliable and consistent dataflow for any stage of the loan origination process, while delivering solid control benefits. Furthermore, it has enhanced broader account opening processes, achieving:

Reducing the amount of paper required by 90%

Reducing the operational cost by 70-80%

Improvement in the percentage of First-Time-Right outcomes to 90-95%

Increasing processing capacity three-fold

Likewise, we have systematically reviewed and improved our workflows for account openings and loan processing, raising compliance with our service level agreements. For loans, processing capacity for business and risk users has risen by over 80% and reduced the process turnaround duration from 4 days to 4 hours. We are also delivering 99% adherence to SLA rate.

Case study

Robotics for accuracy and efficiency

During the past five years, our operational units have been manually expediting tasks. This is not only time-intensive but it also comes with quality risks. In the last year, we assigned a team of analysts, developers and technical experts to test and implement RPA across various back-office functions.

fundamentally re-engineer our working processes and procedures. The next step is to extend RPA to operational work in trade finance, branches and end of day procedures.

The results have been very positive, with reduced multi-shift working hours and fewer human errors in critical manual work. We have successfully introduced RPA software for some of our internal systems and data center functions, which has led to a reduction in shift-pattern working and thereby reduced the number of disruptive working hours. We have also begun to



Case study

Process Engineering

To respond to technological, strategy and operational changes in recent years, our ePMO & Organizational Development departments have initiated a new project to re-engineer existing processes and procedures. The teams have identified opportunities of enhancements to working processes and established KPIs to measure success.

Over six months, all existing processes and procedures were optimized, with operational risk gaps decreased from red to amber or green for the majority of processes, and audit notes for process development and optimization close to 80%. The next step is to automate processes and procedures through a well-structured tool and re-engineering of remaining processes.



Next Steps for Customer Experience

Going forward, we will launch more services and products that enhance customer experience, while also creating ESG value. These include salary in advance tools, revamping the current saving account, launching new payment cards with competitive features, enhancing mobile banking for convenience and 24/7 access, additional services through ATMs to support customers with special needs, and digital branches to better reach underserved areas.

Chapter 3

People Development

Our continued success depends on the quality and competency of our talent. To this end, we invest in our workforce to develop skills and knowledge. We also work to create inclusive, family-friendly workplaces where employees are valued and empowered to grow and develop, and where they feel safe and well. Meanwhile, we work to attract and nurture new talent to build an ever-stronger team.

Material topics covered:

- ◆ Diversity and Inclusion
- ◆ Employee Wellbeing
- ◆ Talent Attraction and Retention
- ◆ Human Capital Development



Diversity and Inclusion

We are committed to gender equality at all levels of the business, including our leadership and executive teams. Our commitment includes equal pay for equal work by attracting, nurturing, and retaining female talents, and actively promoting more women in management roles.

Our strategy is to continue to innovate, provide outstanding service to our customers with equitable offers, and to form a diverse and comprehensive organization that is a great placeto

Gender Equality

Gender has long been a diversity, equity and inclusion priority for us. We want to enable women to build a long and rewarding career at JKB and increase their representation at all levels. We take a multi-faceted approach to analyze and improve the factors that support the recruitment, development and retention of women at all levels. For example, our job interview list must include a variety of qualified candidates and questions to assess comprehensive leadership abilities for executive roles.

work at. In recent years, raising awareness of inclusive leadership, training, and increased accountability have been a focus, and in 2021 we conducted a number of training sessions for employees, including partnering with the Private Sector for Women’s Empowerment; Women’s Empowerment Principles; and New Directions in Advancing the Numbers of Jordanian Women on Boards.

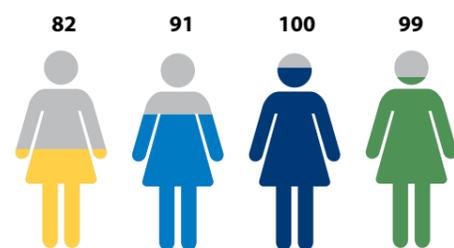
In 2021, we launched action plans on gender equality, non-discrimination in the workplace, education and training for women, and corporate governance for equality. On International Women’s Day, employees collaborated with Play99.5 Radio, and posted to show their appreciation for women in society.



Female employment

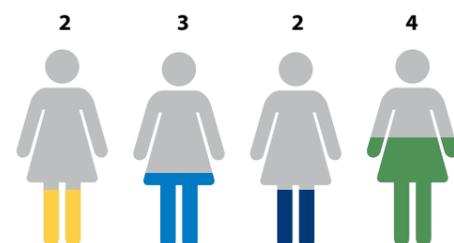
Female employees in middle management

● 2018 ● 2019 ● 2020 ● 2021



Female employees in senior management UNSDG-5

● 2018 ● 2019 ● 2020 ● 2021



Parental Leave

All new parents at JKB are entitled to paid leave following the birth or adoption of a child. Our Parental Leave Policy meets or exceeds legal requirements in all areas. Female employees are eligible to a fully compensated maternity leave for 10 weeks before and after birth, while male employees are entitled to three days of paid paternity leave. Similar to last year, we achieved a 100% return-to-work and retention rates as a result of the Policy.

Before birth, we encourage a culture of openness that invites female employees to discuss their leave, work handover and smooth reintegration after they return. Working flexibly and remotely is agreed on an individual basis.



Parental Leave	2018	2019	2020	2021
Number of female employees that took parental leave	40	41	26	29
Number of female employees who returned to work after parental leave ended (return to work)	40	40	26	29
Number of female employees returned from parental leave who were still employed twelve months after return to work (retention)	35	38	26	29
Return to work rate (%)	100%	98%	100%	100%
Retention rate (%)	88%	93%	100%	100%

Non-discrimination

We are committed to eliminating all instances of discrimination and harassment in our workplace so that everyone feels welcome and included. We comply with all Jordanian labor laws, and we work under a set of internal standards that promote a respectful work environment that does not accept any sort of discrimination, bullying, or harassment. Employee investigation, whistleblowing, and sexual harassment policies have all been put in place to assure this.

Our Employee Relations Department listens to every complaint from employees on work-related issues. We resolve each issue as per our relevant policies and procedures. A formal Grievance Policy is currently under development with a clear mechanism. During 2021, there were no incidents or complaints escalated to the Employee Relations Department related to human rights violations.

Grievances	2019	2020	2021
Number of grievances filed in the reporting period	1	0	0
Number of these grievance addressed or resolved	1	0	0
Number of grievances filed prior to the reporting period that were resolved during the reporting period	0	0	0



Employee Wellbeing

We are currently in the process of attaining ISO 45001 certification for Occupational Health and Safety Management (expected to be achieved in 2022). We are pleased to share that there were no safety incidents

reported in 2021. We also saw low incidences of diabetes, repetitive strain injuries and stress. During the year, we held First Aid courses as part of our employee occupational health and safety program.

Case study

Staying well through COVID-19

With the global pandemic continuing in 2021, our top priority has been to safeguard the health and well-being of employees and their families. Staff were provided with personal protective equipment such as face masks, gloves and hand sanitizers, and the buildings were cleaned and disinfected daily. Social distancing was enabled with additional workspaces, and we delivered campaigns, advice and support to ensure employees received clear guidance. All measures are outlined in our BC and Safety Action Plans.

All employees were entitled to free PCR tests, support, and health advice. For COVID-19 positive cases, all medical expenses were covered by JKB, while an internal team supported with daily phone check-ins. We made free vaccines accessible to all employees, with 99% of employees and their families being vaccinated. All costs of deploying the vaccine were covered to ensure it was delivered swiftly and safely. A virtual seminar on the benefits of vaccination for pregnant employees was well received.



We believe financial wellbeing contributes to a person's overall contentment; therefore, we provide comprehensive benefits and compensation packages that promote financial security to our employees and their families (see page 51).

Talent Attraction and Retention

Our employee on-boarding program sets our new joiners up for success in their roles by providing them with essential information and skills, while showing the value of the work they complete. In addition to extensive staff training and development programs, we offer professional opportunities to attract graduates, including tailor-made

programs for international and master graduates.

In the reporting year, we expanded our recruitment to include graduates of Industrial Engineering, IT, Data Science and Business Intelligence. We also offered a paid Internship Program for Jordanian Students studying abroad.

Workforce Overview

Total New employee hires:

● 2018 ● 2019 ● 2020 ● 2021



Full time employee equivalents (FTEs)

● 2018 ● 2019 ● 2020 ● 2021

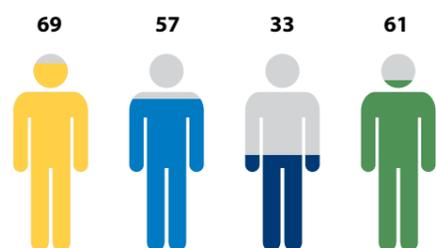


Total new employees by age:	2018	2019	2020	2021
Age 18-30	102	96	42	88
Age 31-50	13	8	10	37
Age 51+	1	0	0	0

Total new employees by gender:

Male

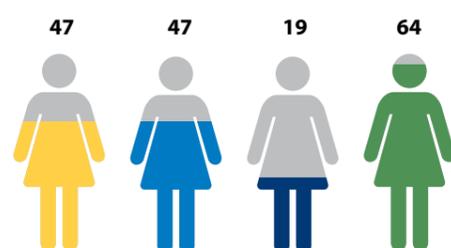
● 2018 ● 2019 ● 2020 ● 2021



Total new employees by gender:

Female

● 2018 ● 2019 ● 2020 ● 2021



New Hires and Turnover	2018	2019	2020	2021
Employee turnover (voluntary and involuntary) (#):				
Employee turnover by age:				
Age 18-30	69	40	17	25
Age 31-50	25	18	11	16
Age 51+	20	7	10	18
Employee turnover rate by gender:				
Male	82	44	25	33
Female	32	21	13	26
Employee turnover by job category:				
Senior management	1	2	5	3
Middle management	22	11	8	23
Staff	91	52	25	33
Employee turnover (voluntary and involuntary) (%)	9.5%	5.2%	3.0%	4.5%
Employee turnover (voluntary) (#):				
By age:				
Age 18-30	68	40	17	25
Age 31-50	22	18	10	12
Age 51+	1	5	1	2
By gender:				
Male	62	43	18	21
Female	29	20	10	18
By job category:				
Senior management	0	2	1	0
Middle management	10	11	3	6
Staff	81	50	24	33
Employee turnover (voluntary) (%)	7.6%	5.1%	2.20%	3.0%

Workforce Overview	2018	2019	2020	2021
Workforce by job category*:				
Senior management employees	22	26	24	25
Middle management employees	276	302	336	347
Non-management employees	904	911	893	948
Workforce by gender:				
Male	788	800	808	836
Female	414	439	445	484
Workforce by age:				
Employees age 18-30	554	569	595	492
Employees age 31-50	589	612	610	757
Employees age 51+	59	58	48	71
Workforce by nationality:				
Jordanian	99.8%	99.5%	99.8%	99.8%
Palestinian	0.2%	0.2%	0.2%	0.2%
Workforce by nationality:				
Number of employees with disabilities	2	2	6	6
Number of trainees and sponsored students	0	0	0	0

*Senior management employees are executive level employees and senior managers, Middle management employees are supervisor and managers

Employee Engagement

In order to maintain skilled employees, we carry out various activities to ensure people are comfortable and satisfied with their jobs. Many of these activities are overseen by our Social Committee, whom are responsible for the friendly work environment at the office.

We perform annual and semi-annual performance assessments, internal monthly newsletters, encouragement to use open door policies, employees' feedback, complaints,

dedicated Employees' Relations department to collect and process complaints, and more. We use digital social platforms and internal communication portals to maximize engagement and enhance team spirit.

Absentee Rates	2018	2019	2020	2021
Employee absentee rate	11.0	5.5	2.8	3.4

Over the past year, we have implemented several new initiatives to further engage our employees in the years following the uncertainties associated to the pandemic. The highlights are:

- 
 performance counseling sessions that provide support, advice and guidance;
- 
 Social Committee activities to share ideas, videos, activities, games, offers, news, and learning; and
- 
 a new performance evaluation process with improved feedback on performance and development needs.



Case study

Digital workplace drive

In 2021, HR Management continued its digital transformation by adopting a new HR solutions system for Recruiting Management & Marketing, Performance and Goals Management, and Employee Self-Services. The system will improve the efficiency of recruitment, foster employee development, improve experience, and advance productivity and performance levels.

The digital Employee Central solution is a powerful self-service that provides automated workflows to quickly and intuitively access key tasks across all devices. This allows employees to easily record attendance and get real-time information about their balances, overtime, and compensation and benefits – anytime, anywhere.

We have an automated recruitment process using modern technology programs, including

remote interview technology where applicants answer pre-determined questions via video using their mobile or computer. The program uses AI to analyze responses according to international standards. This increases the objectivity of the applicant's initial choice. The program also eliminates the hassle for applicants, especially those residing in other governorates, in visiting banks for their first interviews, and brings them to a modern computerized work environment before future employees are hired.



Reward and recognition

We provide competitive compensation packages through a well-structured approach to promote a culture of motivation and equal pay. Our selective rewarding compensation system is used to reward outperforming and innovative employees, who are motivated to perform by having a dedicated annual budget for salary adjustments and promotions. All employees have access to a variety of benefits such as pensions, health insurance, maternity insurance, life insurance, accident insurance, car loans, mortgages and preferential personal loans. Employees are also entitled to annual leave, sick leave, bereavement leave, Hajj leave, maternity and paternity leave. Employee credit benefit programs were updated in 2021 with more flexible terms.

Our recognition program has been extremely important to celebrate the achievements of proficiency, excellence and creativity. This program helps build a culture of awareness that enhances employee engagement and productivity. We also award milestone awards for long-term service to emphasize that loyalty, commitment

and contribution are vital to our success. In 2021, we introduced incentive policies for employees to engage in sales, including Executives, Senior Managers, Mid Managers, and trust-focused role selection team building programs for groups. We awarded "Spot Rewards" to 24 outstanding and innovative employees.

Identifying, encouraging and retaining talent is one of the key objectives and prerequisites of a long-term partnership between employees and JKB. We are actively working to create clear and personalized development opportunities.

Unlike many global companies, we pursue an employee-first approach. Within a company-wide framework that sets the standards and methodologies for performance and talent management, and succession and leadership development. Branches are tailored to the needs of particular local requirements to attract, develop, and retain talent.

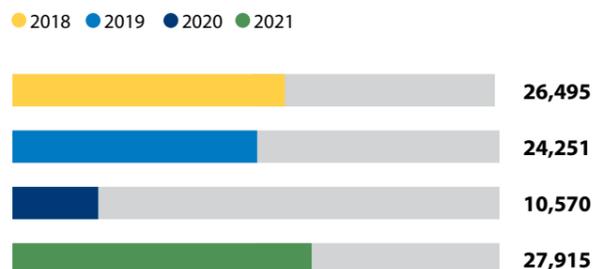


Human Capital Development

The events of 2021 have accelerated the need to change the way we are working and operating. Rethinking the approach to up-skilling, building robust digital learning programs, partnering with internationally recognized educational institutions, and transforming the workspace environment were essential to help shape the design of the Bank in an increasingly digital world.

Our Learning and Development and Performance Department is committed to further streamlining and digitizing employee learning processes and investing in digital learning tools such as e-learning platforms and gamification. In 2021, 98% of training opportunities were provided in digital format, with 33,605 digital learning opportunities offered - a 148% increase on the previous year.

Total training delivered (hours)



Training	2018	2019	2020	2021
Total training hours delivered by job category:				
Senior management employees	167	327	142	520
Middle management employees	3,496	3,943	3,428	7,236
staff	22,832	19,981	7,000	20,159
Total training hours delivered by gender:				
Male	15,980	13,782	5,829	18,677
Female	10,515	10,469	4,741	9,238
Average training per employee (hours) by job category:				
Senior management employees	7.6	12.6	5.9	20.8
Middle management employees	12.7	13.1	10.2	20.9
Staff	25.3	21.9	7.8	21.3
Average training per employee (hours) by gender:				
Male	20.3	17.2	7.2	22.3
Female	25.4	23.8	10.7	19.1
Average training per employee (hours)	22.04	19.57	8.44	21.1

Training topics in 2021 included team building, leading change, team dynamics, gender equality (see page 42) and LEED Green Associates. We continued to provide employees at all levels opportunities through the Gamification app that covers diverse skills, from leadership and teamwork; to communication, information security and emotional intelligence.

Performance Reviews	2018	2019	2020	2021
Percentage of employees who received a performance and career development review	97.1%	99.0%	99.0%	95.5%
Percentage of employees who received a performance and career development review by job category:				
Senior management employees	0.6%	0.7%	0.6%	1.7%
Middle management employees	22.8%	24.2%	26.2%	25.5%
Non-management employees	73.7%	74.0%	69.4%	68.3%
Percentage of employees who received a performance and career development review by gender:				
Male	63.1%	63.0%	61.2%	61.2%
Female	34.0%	36.0%	37.8%	34.3%



Next Steps for People Development

Going forward, we will further refine our organizational structure and governance, update relevant policies and procedures, refine our job evaluation and description cards, and strengthen performance management and employee competence systems. We remain committed to continually improving compensation and benefits practices and developing diversity and cultural transformation programs. As we continue to follow the path of growth, we will set an example by embracing the spirit of continuous learning and development.

Chapter 4

Communities & Environment

We recognize the importance of applying sustainability in our operations, and our responsibility to preserve and protect the environment while maintaining financial performance. Climate change, energy efficiency and sustainable supply chains are our focal points that we take into account in process. We also continue to invest in a variety of projects to recognize the needs of the community and ensure the development of knowledge and future opportunities.

Material topics covered:

- ◆ Community Support and Development
- ◆ Direct Environmental Impacts
- ◆ Sustainable Procurement

Community Investment

Our employees, customers and shareholders expect us to play our role in addressing social issues, and we believe this is the right path. CSR is therefore a key element of our corporate mission and conduct, which strengthens our position, shares our values and reduces strategic, reputational and operating risks. We fulfill our community commitments through a joint investment program aligned with our CSR Policy that is driven by a corporate culture and core values of professionalism, teamwork and innovation.

Our sustainable development and CSR activities contribute to the social and economic development in our communities. Our goal is to create better and sustainable lifestyles that benefit the most vulnerable in society and raise Jordan's Human Development Index. To this end, our CSR policy states that all activities should be linked to the SDGs and that all programs must follow international standards and organizational guidance.

Social Responsibility

In 2021, we continued to support various projects throughout Jordan that empower individuals and communities to achieve the SDGs and societal challenges around:

 <p>Community Services</p>	 <p>Education and Rehabilitation</p>	 <p>Health</p>
 <p>The Environment, Environmental Management, and Energy Consumption and related emissions</p>	 <p>People with Special Needs</p>	 <p>Culture and Arts</p>
 <p>Sports</p>	 <p>Events that promote the economy</p>	 <p>Women's Empowerment</p>

We continue to identify and focus on the areas where we may have a positive impact on all aspects of the SDGs.

Donations and Contributions

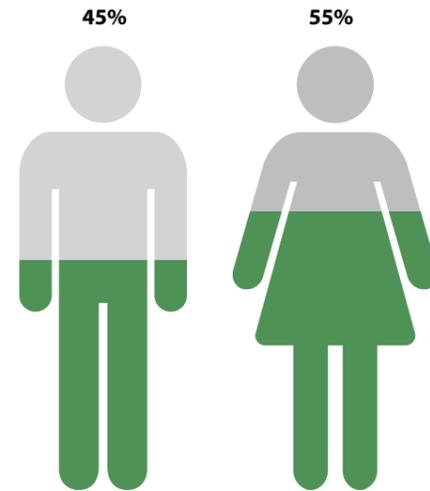
Our CSR Policy provides guidelines and parameters for responding to aid many requests for charitable donations, event sponsorships, and in-kind donations, namely validity, credibility, and objectiveness of the justification that considers:

- the organization's sources of revenue and its expenses;
- the importance of sponsorship in the event industry;
- commitment and focus;
- clear and transparent guidelines for donations;
- projects with a clear exit strategy;
- whether the project makes a real difference and addresses a high societal need; and
- projects with clear political, religious, or commercial background or purpose.

Our Wider Societal Contribution

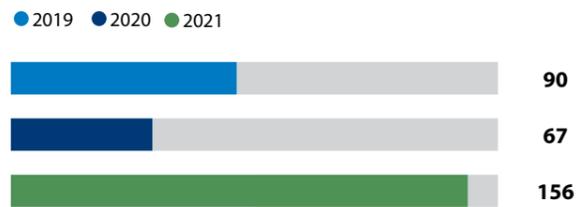
JKB's CSR mechanism aims to have a positive impact on the Jordanian community to which we belong. We carefully research local and international best practices to identify opportunities and challenges, as well as the most notable achievements. We encouraged our employees and customers to participate in discussions and help develop our new CSR pillars to meet the needs of our community and customers.

Number of CSR initiatives beneficiaries by gender*

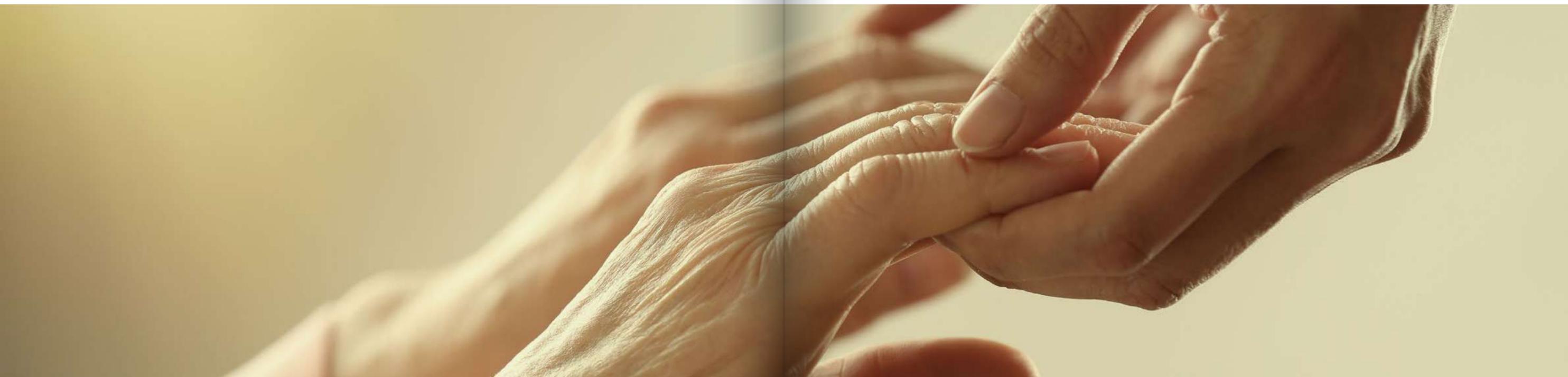
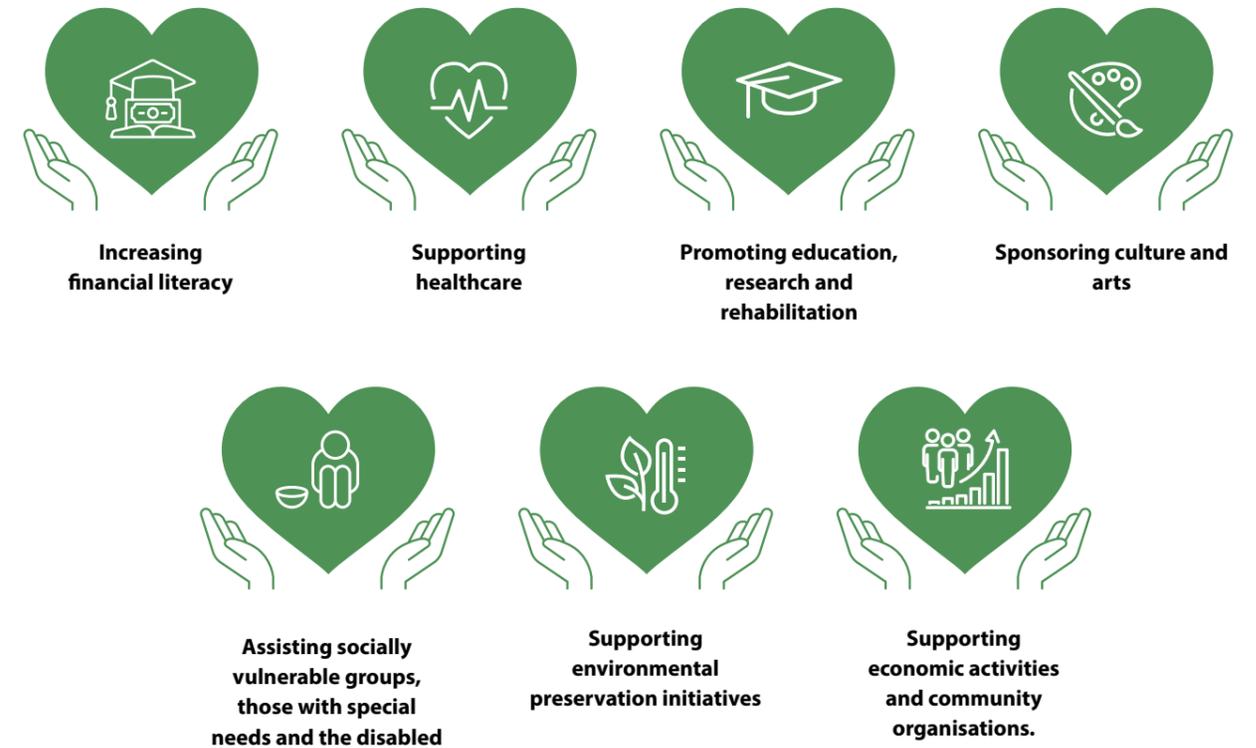


* Figures are for Q4-2021 as the reporting methodology wasn't available before that.

Sponsorships and donations



Driven by the relevant strategy and available resources, as well as local business demands and specific circumstances, we have identified the following priorities in supporting the community:



Community partner highlights 2021

Mabaret Um Al-Hussein since 2006

Providing shelter and education for Jordanian boys aged 6 to 18.

The Jordan Hashemite Charity Organization for Relief & Development (JHCO)- since 2014:

Helping people in need throughout the Kingdom and abroad by sending emergency assistance and other forms of relief to victims of both manmade and natural disasters.

Al-Aman Fund since 2008

The Fund provides education to orphans who resides in orphan care centers and orphans who live in poverty, whom are supported by Orphan-support organizations.

SOS Children’s Villages Jordan since 2004

The Association cares for over 30% of orphaned and vulnerable children in Jordan who lack parental care in 32 houses, 3 villages and 9 youth houses in the cities of Amman, Irbid and Aqaba. We provide: care, accommodation, education, skills, protection, social inclusion, food security, physical health, livelihood, social and emotional well-being.

SOS – Ibrid

5 beneficiaries

Al Fardakh Charitable Association

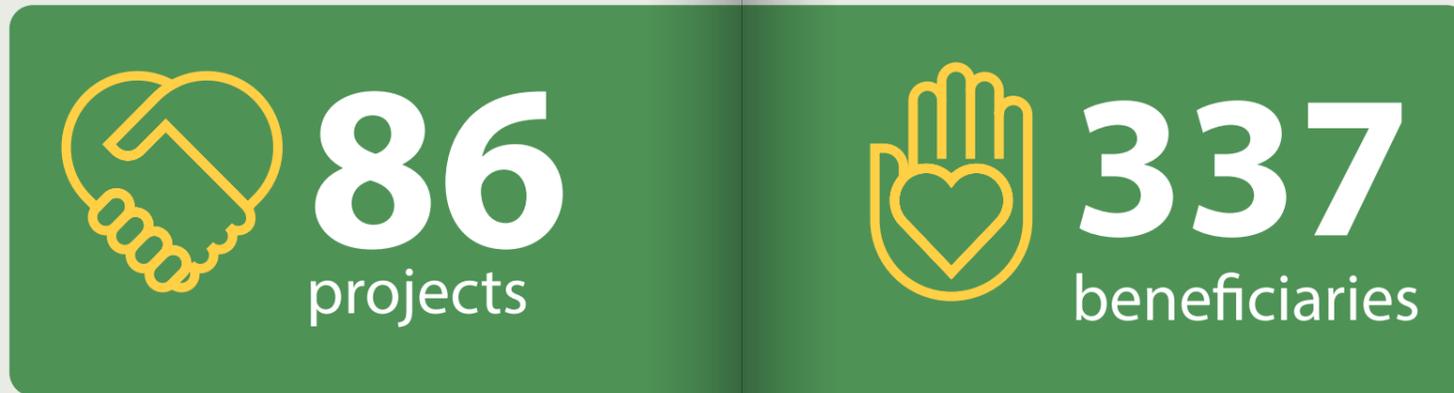
10 beneficiaries

INJAZ since 2011

Inspiring and preparing youth to become productive members of their society in order to accelerate the development of the national economy

Sons of Petra Associations

20 families (100 beneficiaries) which includes 60 females, 40 males



Al Shobak Charitable Association for the Welfare of Orphans and People with Special Needs

20 beneficiaries

Retired Military Association

50 beneficiaries

Al Zakat Committee - Al Salt

10 families and 50 beneficiaries

Edama since 2014

Cultivating an environment where innovative solutions for energy and water independence and environmental conservation emerge.

Aqaba Sons Association for Orphans Care

20 beneficiaries

Tkiyet Um Ali since 2006:

Providing food and services to the less privileged sectors of Jordanian society, the needy and the hungry.

Al Fardakh Sports Club

20 beneficiaries

Shabab Al – Aqaba Club

20 beneficiaries

West Irbid Special Challenges Charitable Association

20 families, 100 beneficiaries

Sons of Jordan Valley for the Care of Orphans and the Elderly

10 families

Latin Monsatery – Anjara, Ajloun

30 beneficiaries

General Union for Voluntary Societies, Aqaba, Jerash Club

West Irbid Association

10 beneficiaries

Al Salt Charitable Association

20 families, 100 beneficiaries

Ali Sawalmeh and Abdelkareem Khattab - Special Needs

Aqaba Islamic Charitable Association

20 beneficiaries

Prince Ali Bin Al Hussein Club for the Hearing Impaired

20 beneficiaries



3 GOOD HEALTH AND WELL-BEING



Case study

Healthcare

To help hospital patients and other people in need, we organized a number of blood donation campaigns at our headquarters (HQ), in collaboration with the National Blood Bank Center. During the day, more than 80 employees volunteered to donate blood, and made a valuable contribution to the campaign. The Blood Bank's representatives expressed their gratitude and appreciation for our continued support and sponsorship. We organize such campaigns at least twice a year.

To help tackle the coronavirus pandemic, we donated oxygen generators to Jerash Governmental Hospital in 2021. Jerash Governmental Hospital is considered a provincial trusted medical institution, and our donations were acknowledged and valued by the Governor, Director and citizens. We have also pledged further support for the King Hussein Cancer Foundation (KHCF), with the Chemotherapy Unit at the Sheikh Khalifa Bin Zayed Al Nahyan building to be named after JKB. Our donation will also be used to purchase infrastructure, equipment and devices at the King Hussein Cancer Centre.

In October, we participated in a Breast Cancer Awareness campaign organized by the King

Hussein Cancer Foundation and Centre. This is one of the most important national health campaigns to reach all segments of the Jordanian society. In addition to extensive outreach and awareness across the media, the campaign also offered free screening of underprivileged women and mammogram examinations at a discounted price through the month of October, in collaboration with medical centers and clinics. Recognizing the importance of early detection, JKB distributed "Pink Ribbon" pins to all employees in order to promote regular medical examinations. We also held a bake sale event at our HQ organized by KHCF with displaying their products and services, to cover the costs of mammogram tests to the underprivileged, attended by radio presenter Dana Darwish.

As part of our social responsibility towards community service and lending a hand to those in need, JKB and in cooperation with the Directorate of National Centre for Blood Bank, organized a blood drive on January, 2021 at our HQ. Where a large number of employees attended and participated in the blood donation.



4 QUALITY EDUCATION



Case study

Education

We sponsored the Seventh Jordanian Novel Conference, organized by Yarmouk University and Al Hussein Bin Talal Library and the Directorate of Culture – Irbid Governorate, in October 2021. The conference was attended by local and regional writers, critics, novelists and curators.

Prof. Riyd Almomani, YU Vice President, Dr. Omar Al-Ghul, Library Director, and author Hashem Gharaibeh expressed their gratitude towards JKB's financial support to the library. The sponsorship enabled a greater number of scholars and critics to attend the Conference, during which the Ministry of Culture's Book Exhibition was inaugurated.



Culture and the Arts

We have renewed our partnership with the Royal Society of Fine Arts / Jordan National Gallery of Fine Arts. Our CEO, Mr. Haethum Buttikhi, stated: "It is our social responsibility to support the community's institutions, initiatives and programs that aim at achieving sustainable impact on society with respect to arts and culture."

The Royal Society of Fine Arts was founded in 1979 with the aim of promoting cultural diversity, disseminating artistic knowledge, and promoting contemporary art from Jordan and the Arab and developing worlds. JKB's support aims to help the Royal Society implement its projects across painting, drawing, photography, graphic arts, design, sculpture, and the production of creative works related to fine arts.

We held our annual concert in November 2021, where many young people, whether singing or playing musical instruments, shared diverse musical talents. This concert helped raise funds to buy recycling boxes that were handmade to preserve the environment, and

distributed to different parts of the Kingdom.

We donated books by Jordanian authors to the Great Salt Municipality Library, helping enrich the library's resources and literary offerings. The books cover a range of cultural, social, political and artistic topics. The donation is designed to encourage the local community to read, one of the best ways to instill positive and moral values, as well as enriching the reader's knowledge and providing cognitive intellectual stimulation.

In line with our strategic objectives to sustainable community development through supporting initiatives that contributes to promoting values, reducing inequalities, JKB supported "Hope Canvas" exhibition, organized by "Hareer Organization". The exhibition supports refugees, orphaned, and disadvantaged children. As for "Hareer" it is a non-profit organization that aims to achieve community development and support cancer patients by providing them with a wig form the profits of the exhibition.



Disabilities Inclusion

In 2021, our CEO and Head of Strategy and Marketing attended a ceremony celebrating two honorary students; Maya AlJadaan and Fatima Issa, who are both visually impaired, with excellent grades and top-class students in the High School "Tawjihi" exams, and the ceremony was attended by journalists and the Association's students and their families.

We continue our partnership with the "Green Wheels" initiative, being in line with our CSR contribution to community services, and our active role in supporting people with special needs. Wherein we collect plastic sheets and aluminum cans at HQ, deliver them to the collection points of the Green Wheels initiative, then categorize them and deliver them to local recycling factories, allocating the resulting profits to provide aid to children

with special needs, specifically those with cerebral palsy. The initiative contributed to the treatment of 200,000 children, in addition to collecting and recycling approximately 15 million plastic sheets and 20,000 aluminum cans. This initiative is aimed primarily to engaging all members of society of different ages and nationalities, without any discrimination, to take a role in supporting the environment and humanity.

We recognized the Jordanian Paralympic power lifter – Abdul Karim Khattab – for setting the world record at the Fazza International Weightlifting Championship for Persons with Disabilities. The Championship was held in Dubai, in which Khattab was able to break a record, and win the Gold Medal, qualifying him a spot at the 2021 Tokyo Paralympics.



3 GOOD HEALTH AND WELL-BEING

Sports

As part of our support for the provision of sports and education, we sponsored the Sports Federation of Jordanian Universities' annual sports competition, which was held at the city of Aqaba in October 2021 with the presence of former Health minister Nazir Obaidat.

During November and December of 2021, we focused on contributing to the youth in sports through supporting several school Little Leagues, where employees from the Marketing and Strategy Department attended the final games of Modern American School, Amman Baptist School, and Mashrek International School. We also sponsored the youth participation in local and international championships to promote role that sport

and physical activity can play in sustaining a healthy lifestyle.

Our basketball team participated in the second annual Jordan 3x3 Banks' Challenge, joined by teams from seven local banks. JKB's team consisted of employees from various departments, led by Mr. Haethum Buttikhi, Chief Executive Officer. We aim, through such events, to support employees to develop their athletic skills, and increase their awareness of the importance of sports and maintaining a healthy lifestyle. JKB's staff attended all the games in August and September 2021 to cheer the team, resulting in winning the Best Audience Award for 2021 from the Championship organizers.



15 LIFE ON LAND

The Environment

As part of our responsibility to the preservation of the environment, and in line with the SDGs, we recycled outdated leaflets and paper in collaboration with BE Environment, a company that specializes in recycling of plastic, timber, and other recyclable

and reusable materials. Additionally, we participated in various clean-up campaigns, where a number of employees contributed to cleaning up several areas within the Kingdom, to preserve the environment and communities.



Community Service

As part of our continued role in combating poverty and hunger, we organized a campaign in coordination with Tkiyet Um Ali, which aims to provide food to those in need. Through the campaign, food baskets were distributed to 100 underprivileged families during the Holy month of Ramadan, with the help of 14 JKB employees.

Through more than 550 Children's Villages, SOS offers orphaned and abandoned children a family and a loving home, with someone to care for and support in a safe environment where their needs for food, health and shelter are met. SOS Children's Villages also

keep families together through skill trainings and community development, offering self-sufficiency and helping prevent children from being abandoned. JKB is proud to provide annual sponsorship for SOS, knowing that our funding helps the organization carry out its vital work, benefiting thousands of individuals each year.



Gender Equality

We have joined UN Women initiatives that support the empowerment of women and their rights in the labor market and community. As part of this, we have conducted a gender equality gap assessment using the Women's Empowerment Principles' analysis tool, alongside hosting a workshop with UN Women to discuss gender equality and women's empowerment. Internally, we have established a dedicated Steering Committee to take our gender equality work forward, with representatives from JKB's Strategy & Corporate Communication, Procurement and HR departments.

We have signed a partnership agreement with Global Girl Project – an international organization that works to create true community change in the developing world, through training, education and

empowerment of young women. Our sponsorship has helped fund Madrasati, a blended learning leadership initiative for two cohorts of ten girls from underprivileged backgrounds to build community cohesion. In all, 20 girls aged 13 to 18 were selected from Al Murooj Secondary School in Shafa Badran and Al Maysaloon Elementary School in Irbid, Al Husn. Female JKB employees also took part, helping to organize the program's activities, which will support the girls over six months, through training sessions related to banking (held virtually in 2021 due to the pandemic). They also participated in the program's closing ceremony in each of the schools, honoring the girls and emphasizing our role in supporting educational initiatives in the community.



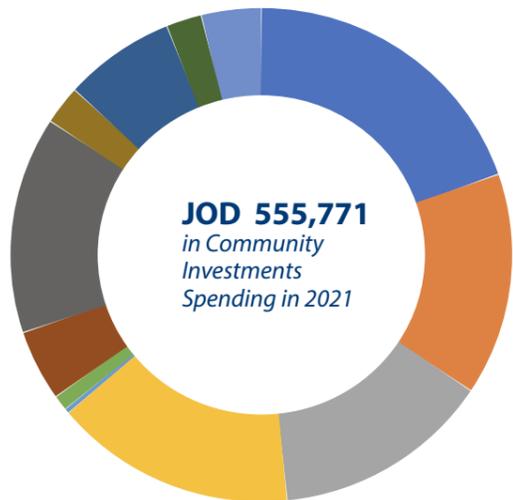
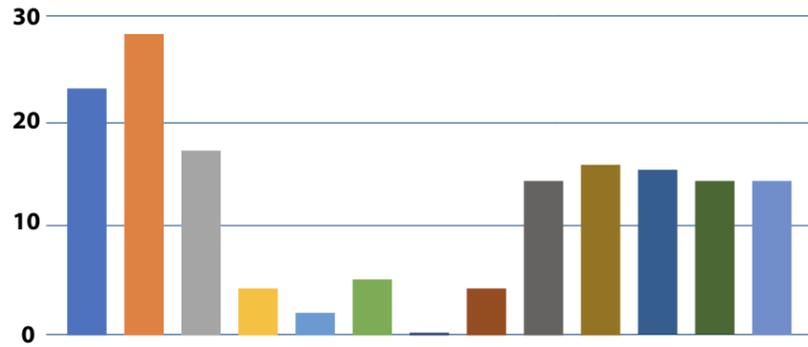
“Gender equality is a moral responsibility. Today with 38% of our work force being female, we have not reached the optimal level that we, at JKB, aspire to be. We are constantly working towards fully achieving gender equality, as it is an important aspect to any workplace in today's world and believe that our commitment in empowering women in the banking sector and economy at large is paramount to create growth to the local community.”

Haethum Samih Buttikhi, CEO



Types of Community Investment Projects in 2021

Number of Projects in 2021*



Financial Literacy	2019	2020	2021
Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers			
JKB / LOYAC internship program**	14	0	0
Donations and social responsibility	844,696	2,563,441	555,771

Employee volunteering	2018	2019	2020***	2021
Total number of employee volunteering hours	13 hours	1	0	23
Number of employees participating in volunteering programs	30	40	0	53

* No initiatives for Tourism & Heritage Fields due to COVID-19 governmental regulations.

** No LOYAC internships due to COVID 19 for 2020 and 2021

*** Due to the coronavirus pandemic, 2020 was subject to restrictions on many areas of professional, social, and cultural life. As a result, the Bank was unable to participate in any volunteering activity in the year.

Direct Environmental Impact

In the reporting year, we focused on reducing greenhouse gas (GHG) emissions, working towards ISO 14001 certification for environmental management, and working on opening the first LEED Gold building in Jordan's banking industry.

Climate and Energy

Our strategic priorities to reduce our GHG emissions include making our buildings more energy-efficient, increasing our use of renewable energy and reducing business travel. In addition to our HQ, in 2021 we improved our air conditioning scheduling across our sites. We are also installing motion sensors for lighting in public areas. With 8,712 solar panels (with a capacity of 2,300 kW) saved more than 90% in electricity consumption of JKB. Electricity production in 2021 was approximately 4 million Kilowatt hours.

In mid-2021, we released a new product for e-vehicles (EV), encouraging employees and customers to buy electric cars. We are currently in the process of installing EV charging stations for employees and customers.

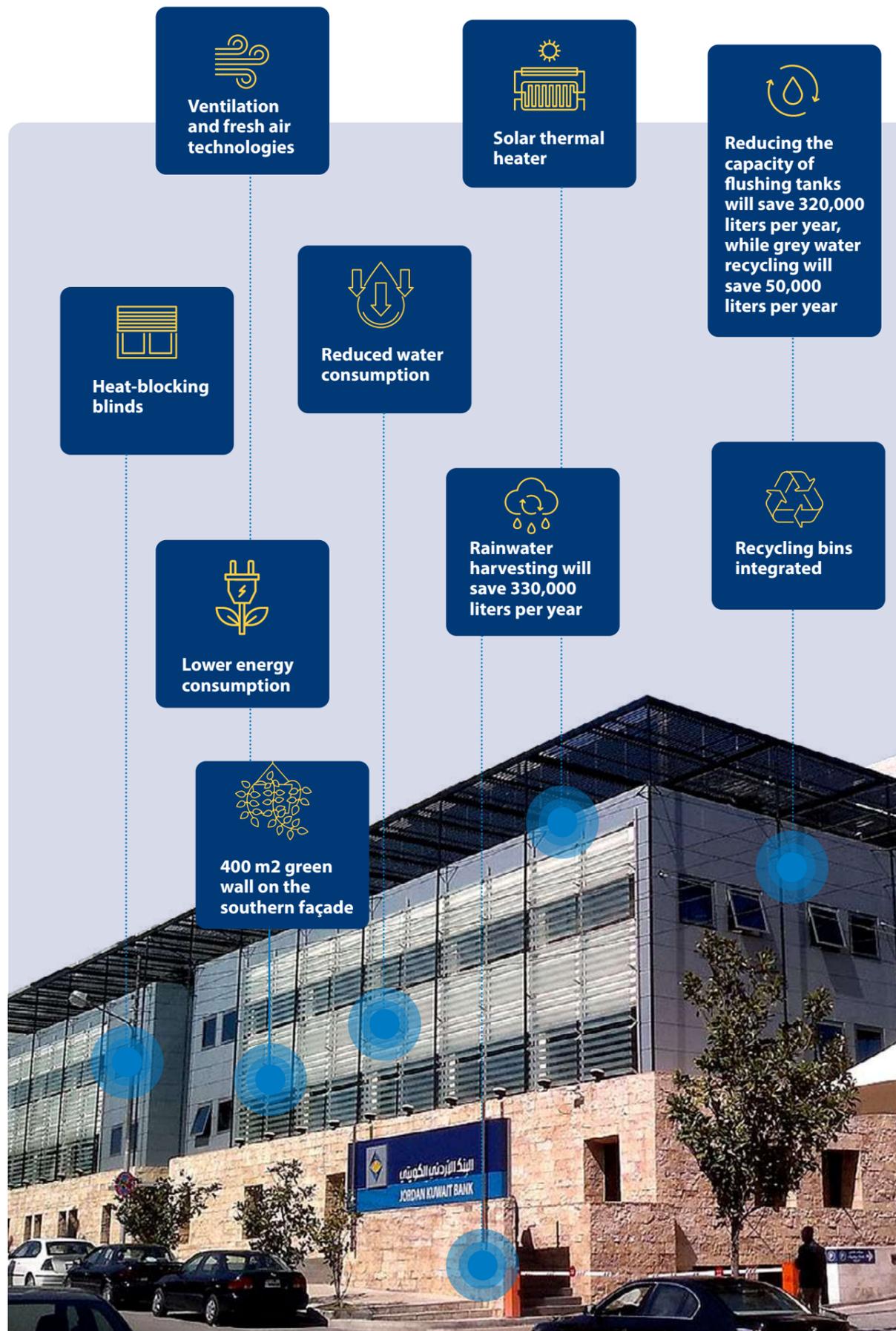
Energy Consumption	2018	2019	2020	2021
Total petrol consumption by vehicles (liters)	N/A	N/A	N/A	23,150
Total diesel consumption by vehicles (liters)	N/A	N/A	N/A	40,275
Total diesel consumption in Head Office building (liters)	7000	4500	0	0
Energy consumption from fuel consumption (GJ)	252	162	0	3,250
Total electricity consumption (kWh)*	3,830,000	1,470,000	1,320,000	1,750,000
Energy consumption from electricity (GJ)	13788	5,292	4,752	6,300
Total energy consumption (GJ) **	14,040	5,454	4,752	9,550
Energy intensity (GJ/employee)	11.68	4.40	3.79	7.23

*Approximate number after subtracting energy produced by solar energy project

**JKB enhanced the reporting methodology for calculating fuel consumption for vehicles. The figures 2021 will be used as a baseline to reduce and assess our consumption in the upcoming years.

GHG Emissions	2018	2019	2020	2021
Direct GHG emissions (Scope 1) (tonnes of CO2eq)	18,880	12,137	0	640
Indirect GHG emissions (Scope 2) (tonnes of CO2eq)	2,714	1,042	935	1,240
Total GHG emissions (tonnes of CO2eq)	21,594	13,179	935	1880
GHG emissions intensity (tonnes of CO2eq/employee)	17.23	10.52	0.75	1.422
SOx emissions (tonnes)*	NA	NA	NA	1
NOx emissions (tonnes)*	NA	NA	NA	15

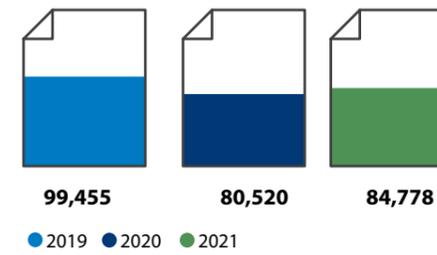
* Numbers were calculated based on the Minnesota Pollution Control Agency's (MPCA)



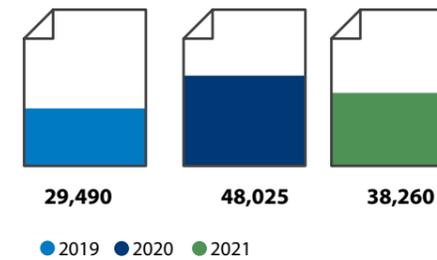
Materials and Waste

Materials Consumption and Waste:

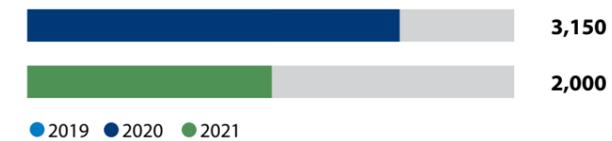
Total paper consumption (kg)



Total paper recycled (kg)



Printer cartridges (number)*



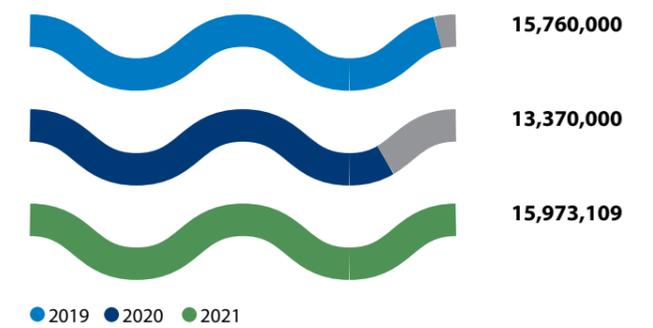
*Approximated

Water

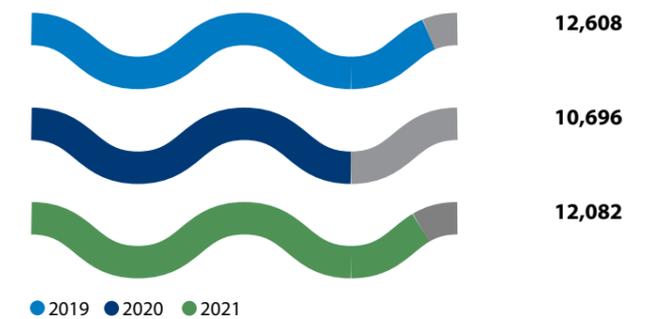
While we are not a water-intensive business, we recognize that we operate in a region of water scarcity. In addition to our water harvesting system at HQ, we installed sensors on all water fixtures and further reduced the flow of water from these fixtures. We aim to reduce water consumption by 100,000 liters a year.

Water Consumption:

Total water consumption (litres)



Water consumption intensity (litres / employee)



Sustainable Procurement

Our Supply Chain Department manages procurement, contracts, and inventory with a centralized approach to serve the needs of all internal stakeholders. Currently, the Department intends to automate its budget-to-pay cycle through an Enterprise Resource Planning (ERP) system to offer more effective ways to manage procurement and

supply of products, services, and other resources across the chain. Despite the market conditions and presence of COVID-19 in 2021, we developed a plan to ensure the availability of all items at all times. Where possible, we work with local suppliers to improve economic development in communities close to our operations.

Local Procurement	2019	2020	2021
Total number of suppliers engaged	270	295	303
Total number of local suppliers engaged	260	282	288
Total number of startup suppliers engaged	0	0	1
Total number of women-owned suppliers engaged	6	6	6
Total procurement spending (JOD)	2,953,671	4,776,788	4,781,173
Procurement spending on local suppliers (JOD)	1,122,355	4,760,000	4,770,073
Percentage of spending on local suppliers (%)	100%	99.50%	99.76%
Number of suppliers assessed against sourcing Code	0	0	0



Next Steps for Communities & Environment

We will continue to work towards ISO 14001, while achieving our environmental LEED targets. On transport, we will deploy GPS tracking and routing systems for all vehicles to optimize fuel consumption and reduce emissions. On solar, we aim to produce another 500,000 kilowatts. With regard to sustainable procurement, we are aiming to automate budget-to-pay cycles through an enterprise resource planning system to offer more effective ways to manage procurement and supply of products, services, and other resources across the chain.

Appendix A Acronyms

Abbreviation	Full form
ABC	Anti-Bribery & Corruption
AI	Artificial Intelligence
AML/CTF	Anti-Money Laundering and Counter Terrorist Financing
ATM	Automated Teller Machine
BCP	Business Continuity
CBJ	Central Bank of Jordan
CEO	Chief Executive Officer
CSR	Corporate Social Responsibility
DR	Disaster Recovery
ECO	Economic sectors
ERM	Enterprise Risk Management
ESG	Environment, Social, And Governance
EU	European Union
GHG	Greenhouse Gas
GJ	Giga Joules
GRI	Global Reporting Initiative
HQ	Headquarters
HR	Human Resources
ISO	International Organization For Standardization
IT	Information Technology
ITM	Interactive teller machine
JKB	Jordan Kuwait Bank
JLGC	Jordan Loan Guarantee Corporation
JOD	Jordanian Dinar
KHCF	King Hussein Cancer Foundation
kWh	Kilowatt Hours
KIPCO	Kuwait Project company holding
LEED	Leadership in Energy and Environmental Design
PRB	Principles for Responsible Banking
QA	Quality Assurance
RPA	Robotic Process Automation
SASB	Sustainability Accounting Standards Board
SDGs	Sustainable Development Goals
SME	Small and Medium-Sized Enterprises
UN	United Nations

Appendix B

GRI Content Index



This report has been prepared in accordance with the GRI Standards: Core 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. This service was performed on the English version of the report.

GRI Standard	Disclosure	Page number(s) and/or direct answer
GRI 101: Foundation 2016		
General Disclosures		
Organizational profile		
	102-1 Name of the organization	8
	102-2 Activities, brands, products, and services	8
	102-3 Location of headquarters	8
	102-4 Location of operations	8
	102-5 Ownership and legal form	8, 11
	102-6 Markets served	8
	102-7 Scale of the organization	7, 8
	102-8 Information on employees and other workers	8, 48
	102-9 Supply chain	8, 72
	102-10 Significant changes to the organization and its supply chain	No significant changes in the reporting period.
	102-11 Precautionary Principle or approach	19
	102-12 External initiatives	60-68
	102-13 Membership of associations	58, 59
Strategy		
GRI 102: General Disclosures 2016	102-14 Statement from senior decision-maker	5, 6
Ethics and integrity		
	102-16 Values, principles, standards, and norms of behavior	8, 9
Governance		
	102-18 Governance structure	17
Stakeholder engagement		
	102-40 List of stakeholder groups	14
	102-41 Collective bargaining agreements	The Bank complies with the laws and regulations applied in Jordan, in relation to collective bargaining agreements.
	102-42 Identifying and selecting stakeholders	14, 15
	102-43 Approach to stakeholder engagement	14, 15
	102-44 Key topics and concerns raised	13, 15
Reporting practice		
	102-45 Entities included in the consolidated financial statements	8, 11
	102-46 Defining report content and topic Boundaries	4
	102-47 List of material topics	13, 15

GRI Standard	Disclosure	Page number(s) and/or direct answer
GRI 102: General Disclosures 2016	102-48 Restatements of information	There was no restatement of information during the reporting period.
	102-49 Changes in reporting	There were no changes during the reporting period.
	102-50 Reporting period	4
	102-51 Date of most recent report	4
GRI 102: General Disclosures 2016	102-52 Reporting cycle	4
	102-53 Contact point for questions regarding the report	4
	102-54 Claims of reporting in accordance with the GRI Standards	4
	102-55 GRI content index	74
	102-56 External assurance	Jordan Kuwait Bank does not require external assurance for its sustainability reports.
Material Topics		
GRI 200 Economic Standard Series		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13, 28
	103-2 The management approach and its components	28
	103-3 Evaluation of the management approach	28
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	28
Procurement Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13, 72
	103-2 The management approach and its components	72
	103-3 Evaluation of the management approach	72
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	72
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	23
	103-2 The management approach and its components	23
	103-3 Evaluation of the management approach	23
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	24, 26
GRI 300 Environmental Standards Series		
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13, 69
	103-2 The management approach and its components	69
	103-3 Evaluation of the management approach	69
GRI 302: Energy 2016	302-1 Energy consumption within the organization	69
	302-2 Energy consumption outside of the organization	69
	302-3 Energy intensity	69
	302-4 Reduction of energy consumption	69
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13, 69
	103-2 The management approach and its components	69
	103-3 Evaluation of the management approach	69

GRI Standard	Disclosure	Page number(s) and/or direct answer
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	69
	305-2 Energy indirect (Scope 2) GHG emissions	69
	305-4 GHG emissions intensity	69
	305-5 Reduction of GHG emissions	69
Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	71
	103-2 The management approach and its components	71
	103-3 Evaluation of the management approach	71
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	71
	306-2 Management of significant waste-related impacts	71
	306-4 Waste diverted from disposal	71
GRI 400 Social Standards Series		
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13, 45, 46, 49, 52
	103-2 The management approach and its components	13, 45, 46, 49, 52
	103-3 Evaluation of the management approach	13, 45, 46, 49, 52
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	46, 47
	401-3 Parental leave	43
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	19, 45, 51
	103-2 The management approach and its components	19, 45, 51
	103-3 Evaluation of the management approach	19, 45, 51
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	45
	403-3 Occupational health services	45, 51
	403-6 Promotion of worker health	45, 51
	403-8 Workers covered by an occupational health and safety management system	51
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	52
	103-2 The management approach and its components	52
	103-3 Evaluation of the management approach	52
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	52
	404-2 Programs for upgrading employee skills and transition assistance programs	52, 53
	404-3 Percentage of employees receiving regular performance and career development reviews	53
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13, 42
	103-2 The management approach and its components	42
	103-3 Evaluation of the management approach	42
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	42

GRI Standard	Disclosure	Page number(s) and/or direct answer
Non-discrimination		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	44
	103-2 The management approach and its components	44
	103-3 Evaluation of the management approach	44
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13, 55
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	55, 56



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