

TOGETHER WE GROW  
**MORE.**



COMMUNITY • SUSTAINABILITY • PROSPERITY

*Smart beginnings start with awareness about others  
...the society and the world.*

*Your Partner Bank*

**Al Baraka Banking Group B.S.C.**

Al Baraka Headquarters - Bahrain Bay  
P.O. Box 1882  
Manama, Kingdom of Bahrain  
(Licensed as an Islamic Wholesale Bank by CBB)

[albaraka.com](http://albaraka.com)

All pictures used in this report are original images received from Al Baraka Units from across the globe.

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*Finding happiness in giving, means compassion.*



### **Our Vision**

“We believe society needs a fair and equitable financial system: one which rewards effort and contributes to the development of the community.”

### **Our Mission**

“To meet the financial needs of communities across the world by conducting business ethically in accordance with our beliefs, practicing the highest professional standards and sharing the mutual benefits with the customers, staff and shareholders who participate in our business success.”

TOGETHER  
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# Methodology



Sustainability and Social Responsibility is an integral part of Al Baraka's Vision and its business model, and it means to be relevant in the prosperity of the communities in which we operate.<sup>1</sup> By this report, we seek to update Al Baraka Banking Group's stakeholders about our commitment, dedication and contribution towards sustainability and social responsibility.

It is our endeavor to implement sustainability and social responsibility through various Al Baraka Sustainability and Social Responsibility Programs (these programs are explained in detail in this Report).

By way of the process, we send questionnaires to our banking subsidiaries along with well-developed guidelines in order to facilitate accurate data collection. We receive both qualitative and quantitative data from the subsidiaries. While with the quantitative data we present information in relation to the amounts spent on various programs, the qualitative data focuses on the benefits of these programs.

We conduct basic data checks and seek clarifications as appropriate prior to analysis. In order to enable detailed interpretation of the responses, we conduct explanation sessions with the respondents concerned via emails, audio and video conferencing.

<sup>1</sup>We measure our impact on the real economy and the communities based on different considerations. Quantitative information includes: education financing and donation, affordable housing project financing and donation, vocational training, arts, culture and literature sponsorship, promotion and development of scholarly works in Islamic law, banking and finance, youth engagement and sports, environmental and sustainable energy related investments, sponsorship for individuals with special-need, economically challenged communities sponsorship, Qard Hasan, industry & mining financing, construction financing, consumer financing, government financing, technology, media and telecommunications financing, general trade financing, agriculture, fishing and forestry financing, transportation service financing, tourism, hotels and restaurants financing, public service facilities financing, scientific and professional equipment financing, transportation equipment financing, machines, equipment and electric accessories financing, basic metal productions financing, lime and cement financing, glass-related and glass products financing, pottery and ceramics financing, plastic productions financing, rubber productions financing, petroleum refining financing, industrial chemicals financing, paper and paper productions financing, clothing financing (ready-made or otherwise), commercial real estate financing, furniture and wood productions financing, shoes productions financing, services financing, weaving and spinning financing, and export and import financing. Quantitatively, we collect a separate set of information on many of the above economic sectors to measure our contribution. In addition, we receive quantitative and qualitative data on our Al Baraka (SDG) Goals including the number of new jobs created, total amount funded and financed to education and healthcare sectors.



*We never stop asking where and why!*

“

The concept of Sustainability and Social Responsibility fits easily with the business ethics of Islam and therefore, with Al Baraka's traditional principles and philosophy.

**SHAIKH SALEH ABDULLAH KAMEL**

**Chairman**

*Al Baraka Banking Group B.S.C.*

“

We believe that Global Goals of Sustainable Development and Islamic finance are based on inherent shared values that Al Baraka will continue to follow and cherish.

**ADNAN AHMED YOUSIF**

**President & Chief Executive**

*Al Baraka Banking Group B.S.C.*

” TOGETHER ”

# Board Social Responsibility Committee

**Dr. Bassem Awadallah** *Chairman*

**Mr. Saleh Mohammed AlYousef** *Member*

**Mr. Abdual Elah Sabbahi** *Member*

The Board Committee for Social Responsibility oversees the activities of Al Baraka's Sustainability and Social Responsibility Program, and its role is to:

1. Maintain the continuity of Al Baraka's Sustainability and Social Responsibility Program and update it with the most recent international research and popular strategies to enhance Shari'a objectives.
2. Manage and supervise Sustainability and Social Responsibility Program implementation of Al Baraka Group.
3. Ensure that the Program remains one of the leading Programs within the Islamic banking and finance industry in general, by developing new researches in Shari'a and economic analyses on the subject.
4. Provide appropriate guidance for the implementation of Al Baraka Program of Sustainability and Social Responsibility.
5. Compile, consolidate and publish annual and other periodic Sustainability and Social Responsibility Reports.
6. Develop and update procedures that may result in enhancing the adequacy and effectiveness of the Program at Group level.
7. Exercise all necessary powers in relation to the Program to achieve the objectives and remain consistent with the rationale of the Committee.
8. Coordinate with other local and international Social Responsibility Programs.



# SUSTAINABLE DEVELOPMENT GOALS

# TOGETHER WE CAN DO MORE





# President & Chief Executive Statement

We are pleased to share our efforts and contributions towards sustainability and social responsibility for 2017.

First of all, we firmly believe that Global Goals of Sustainable Development and Islamic finance are based on inherent shared values, and we continue to explore this common space with passion.

At the start of 2016, we pledged our commitment to fund and finance around US\$635 million for Al Baraka (SDG) Goals (2016-2020). The Al Baraka (SDG) Goals are integrated with seven (7) Global Goals for Sustainable Development.

As for our commitment and pledge towards the Global Goals for Sustainable Development, we have exceeded our targets for healthcare and education financing as reflected in the pages below.

We are now in the process of adding the environmental targets to our Al Baraka (SDG) Goals. We are continuing to increase our financing portfolio for alternate and green energy projects. For this, we are supporting our

banking subsidiaries in various ways. Also, we have further increased our afforestation campaigns across the Group, along with increased measures to conserve energy in our operations and buildings.

Our sustainability and social responsibility programs seek to deliver our contribution towards society, and this approach is embedded in our business model. For example, the amount spent towards our Economic Opportunities and Social Investments Program is measured around US\$4 billion during 2017.

In addition to our commitment to the Global Goals for Sustainable Development, we are equally proud of our continued commitment to the Ten Principles of the UN Global Compact (on Human Rights, Labour, Environment and Anti-Corruption).

**Adnan Ahmed Yousif**

**President & Chief Executive**  
Al Baraka Banking Group B.S.C.

## Al Baraka (SDG) Goals (2016-2020)

Jobs	Education	Healthcare
1. Creating 51,000 new jobs within the countries that we operate in through providing financial needs for our existing and new clients.	2. Financing and funding education with US\$191 million through financing public and private educational institutes.	3. Financing and funding healthcare with US\$434 million through financing public and private healthcare projects and initiatives.





This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

# Overview of Al Baraka Sustainability and Social Responsibility Programs

Al Baraka's deep-rooted commitment to sustainability and social responsibility are derived from the core values of the Islamic banking and finance. This Report highlights our continuous pursuit inspired by these values. With this Report, we seek to demonstrate our contribution to the real economy and the impact on the communities where we operate.

Part ONE of the Report highlights the progress on our pledge for supporting the Sustainable Development Goals through our Al Baraka (SDG) Goals (2016-2020). Part TWO reports our progress on our broader sustainability and social responsibility programs (including: (i) the Philanthropic Program, (ii) the Economic Opportunities and Social Investment Program, (iii) the Qard Hasan Program, and (iv) the Time Commitment Program). Part THREE summarizes

the qualitative impact of our sustainability and social responsibility programs.

The objective of this Report is to inform our customer and other stakeholders about our commitment and continued progress towards sustainability and social responsibility. We look forward to continuing with this long-term journey, and contributing to the sustainable economic growth with our business.

**Dr. Ali Adnan Ibrahim**

**First Vice President**

*Head of Sustainability & Social Responsibility*



# Worldwide Activities

## Al Baraka Pakistan receives The Shaukat Khanum Social Responsibility Award in Lahore, Pakistan



Shaukat Khanum Memorial Cancer Hospital and Research Centre is Pakistan's largest cancer hospital and its home to the largest radiation oncology center. Founded by the legendary cricketer and famous political figure, Mr. Imran Khan, Shaukat Khanum has been a beacon of hope for millions of cancer patients across Pakistan and beyond since 1994. To run a state-of-the-art facility of such magnitude is

capital intensive, gargantuan task especially where all patients are treated for free. Al Baraka Bank (Pakistan) Limited has always been a fore-runner in extending support to such initiatives through the CSR department. In a recent award ceremony Shaukat Khanum recognized its patrons /partners and Al Baraka Pakistan was also awarded a shield of recognition at the event held at PC Lahore. Mr. Amjad Ali (Group Head Commercial & SME Banking) received the award on behalf of the Bank from Mr. Imran Khan and Mr. Ali Zafar.





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## Part 1 - Al Baraka (SDG) Goals (2016-2020)

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Al Baraka has prioritized its focus for Sustainability and Social Responsibility activities during 2016 through 2020 on Job Creation, Education and Healthcare.



EMPLOYMENT



EDUCATION



HEALTHCARE

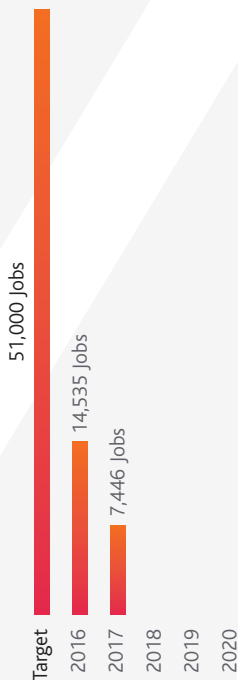


# Al Baraka (SDG) Goals 2016-2020

CREATING  
**51,000**  
JOBS

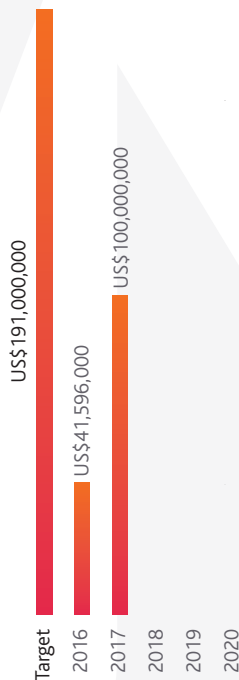
PLEDGING  
**US\$635**  
MILLION

## EMPLOYMENT 5-year target **51,000 Jobs**



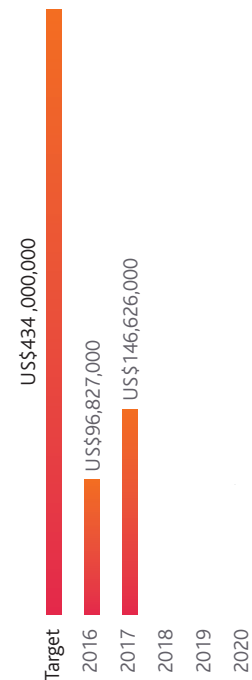
(2016-2017) 21,981 Jobs  
**ACHIEVED 43%**  
of five year target

## EDUCATION 5-year target **US\$191 M**



(2016-2017) US\$141,596,000  
**ACHIEVED 74%**  
of five year target

## HEALTHCARE 5-year target **US\$434 M**



(2016-2017) US\$243,453,000  
**ACHIEVED 56%**  
of five year target





## EMPLOYMENT

**51,000** JOBS

Creating new 51,000 Jobs within the countries that we operate in through providing financing for our existing and new clients.

2017 TARGET OF  
JOB CREATION

**10,207**

**15%**

of 5 years' target

TOTAL JOBS CREATED

**7,446**

**73%**

of 2017 target



## EDUCATION

**US\$191 M**

Financing and funding public and private educational institutes.

2017 FINANCING/  
FUNDING TARGET

**US\$38,173,398**

**52%**

of 5 years' target

AMOUNTS FINANCED/  
FUNDED

**US\$100,000,000**

**261%**

of 2017 target



## HEALTHCARE

**US\$434 M**

Financing and funding public and private health care projects and initiative.

2017 FINANCING/  
FUNDING TARGET

**US\$86,700,977**

**34%**

of 5 years' target

AMOUNTS FINANCED/  
FUNDED

**US\$146,626,000**

**169%**

of 2017 target



## Al Baraka (SDG) Goals 2016-2020 - Progress

### Al Baraka Banking Group B.S.C. - Headquarters

Al Baraka Goals	ABG			ABG	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Education-Donations	US\$978,000	US\$195,600	US\$23,873	2%	12%
Healthcare-Donations	US\$978,000	US\$195,600	US\$14,589	1%	7%
<b>Total</b>	<b>US\$1,956,000</b>	<b>US\$391,200</b>	<b>US\$38,462</b>	<b>2%</b>	<b>10%</b>

### Jordan Islamic Bank

Al Baraka Goals	Jordan			Jordan	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Job Creation	3,500	700	754	22%	108%
Education-Financing	US\$40,655,840	US\$8,131,168	US\$15,458,300	38%	190%
Education-Donations	US\$916,784	US\$183,357	US\$285,700	31%	156%
Healthcare-Financing	US\$122,355,224	US\$24,471,045	US\$26,523,500	22%	108%
Healthcare-Donations	US\$194,640	US\$38,928	US\$28,500	15%	73%
<b>Total</b>	<b>US\$164,122,488</b>	<b>US\$32,824,498</b>	<b>US\$42,296,000</b>	<b>26%</b>	<b>129%</b>

### Al Baraka Bank Egypt

Al Baraka Goals	Egypt			Egypt	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Job Creation	10,000	2,000	648	6%	32%
Education-Financing	US\$31,926,442	US\$6,385,288	US\$144,529	Not measured	2%
Education-Donations	US\$638,463	US\$127,693	US\$60,996	10%	48%
Healthcare-Financing	US\$19,156,843	US\$3,831,369	US\$13,286,414	69%	347%
Healthcare-Donations	US\$2,553,855	US\$510,771	US\$171,803	7%	34%
<b>Total</b>	<b>US\$54,275,603</b>	<b>US\$10,855,121</b>	<b>US\$13,663,742</b>	<b>25%</b>	<b>126%</b>

### Al Baraka Bank Tunisia

Al Baraka Goals	Tunisia			Tunisia	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Job Creation	2,808	562	Not measured	Not Measured	Not Measured
Education-Financing	US\$136,323	US\$27,265	US\$1,827	1%	7%
Education-Donations	US\$36,515	US\$7,303	US\$186,706	511%	2557%
Healthcare-Financing	Not measured	Not measured	US\$2,030	Not Measured	Not Measured
Healthcare-Donations	US\$73,030	US\$14,606	US\$11,766	16%	81%
<b>Total</b>	<b>US\$245,868</b>	<b>US\$49,174</b>	<b>US\$202,330</b>	<b>82%</b>	<b>411%</b>



## Al Baraka (SDG) Goals 2016-2020 - Progress (Continued)

### Al Baraka Islamic Bank B.S.C. (C) - Bahrain

Al Baraka Goals	Bahrain			Bahrain	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Job Creation	500	100	Not measured	Not Measured	Not Measured
Education-Financing	US\$3,978,780	US\$795,756	Not measured	Not Measured	Not Measured
Education-Donations	US\$83,554	US\$16,711	US\$158,751	190%	950%
Healthcare-Financing	US\$6,631,300	US\$1,326,260	Not measured	Not Measured	Not Measured
Healthcare-Donations	US\$464,191	US\$92,838	US\$55,093	12%	59%
<b>Total</b>	<b>US\$11,157,825</b>	<b>US\$ 2,231,565</b>	<b>US\$ 213,844</b>	<b>2%</b>	<b>10%</b>

### Al Baraka Bank Sudan

Al Baraka Goals	Sudan			Sudan	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Job Creation	4,000	800	1,200	30%	150%
Education-Financing	US\$4,790,725	US\$958,145	US\$339,321	7%	35%
Education-Donations	US\$63,876	US\$12,775	US\$64,908	102%	508%
Healthcare-Financing	US\$3,992,271	US\$798,454	US\$13,422,883	336%	1681%
Healthcare-Donations	US\$79,845	US\$15,969	US\$183,108	229%	1147%
<b>Total</b>	<b>US\$8,926,717</b>	<b>US\$1,785,343</b>	<b>US\$14,010,220</b>	<b>157%</b>	<b>784%</b>

### Al Baraka Turk Participation Bank

Al Baraka Goals	Turkey			Turkey	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Job Creation	20,000	4,000	1,717	9%	43%
Education-Financing	US\$50,000,000	US\$10,000,000	US\$81,335,570	163%	813%
Education-Donations	US\$2,500,000	US\$500,000	US\$1,411,673	56%	282%
Healthcare-Financing	US\$180,000,000	US\$36,000,000	US\$74,925,881	42%	208%
Healthcare-Donations	US\$250,000	US\$50,000	US\$10,053	4%	20%
<b>Total</b>	<b>US\$232,750,000</b>	<b>US\$46,550,000</b>	<b>US\$157,683,177</b>	<b>68%</b>	<b>339%</b>

### Al Baraka Bank Limited - South Africa

Al Baraka Goals	South Africa			South Africa	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Job Creation	2,500	500	517	21%	103%
Education-Financing	US\$1,091,099	US\$218,220	Not measured	Not Measured	Not Measured
Education-Donations	US\$10,911	US\$2,182	US\$17,952	165%	823%
Healthcare-Financing	US\$3,636,430	US\$727,286	US\$2,675,526	74%	368%
Healthcare-Donations	US\$10,911	US\$2,182	Not measured	Not Measured	Not Measured
<b>Total</b>	<b>US\$4,749,351</b>	<b>US\$949,870</b>	<b>US\$2,693,478</b>	<b>57%</b>	<b>284%</b>

## Al Baraka (SDG) Goals 2016-2020 - Progress (Continued)

### Banque Al Baraka D'Algerie

Al Baraka Goals	Algeria			Algeria	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Job Creation	3,400	680	Not measured	Not Measured	Not Measured
Education-Financing	US\$22,000,000	US\$4,400,000	US\$234,600	1%	5%
Education-Donations	US\$93,000	US\$18,600	US\$30,360	33%	163%
Healthcare-Financing	US\$11,000,000	US\$2,200,000	US\$5,042,000	46%	229%
Healthcare-Donations	US\$930,000	US\$186,000	US\$120,000	13%	65%
<b>Total</b>	<b>US\$34,023,000</b>	<b>US\$6,804,600</b>	<b>US\$5,426,960</b>	<b>16%</b>	<b>80%</b>

### Al Baraka Bank (Pakistan) Limited

Al Baraka Goals	Pakistan			Pakistan	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Job Creation	1,500	300	724	48%	241%
Education-Financing	US\$7,888,000	US\$1,577,600	Not Measured	Not Measured	Not Measured
Education-Donations	US\$240,000	US\$48,000	US\$90,346	38%	188%
Healthcare-Financing	US\$5,255,000	US\$1,051,000	US\$7,292,765	139%	694%
Healthcare-Donations	US\$575,000	US\$115,000	US\$122,918	21%	107%
<b>Total</b>	<b>US\$13,958,000</b>	<b>US\$2,791,600</b>	<b>US\$7,506,029</b>	<b>54%</b>	<b>269%</b>

### Al Baraka Bank Lebanon S.A.L

Al Baraka Goals	Lebanon			Lebanon	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Job Creation	1,075	215	1,198	111%	557%
Education-Financing	US\$12,500,000	US\$2,500,000	US\$99,135	1%	4%
Education-Donations	US\$35,000	US\$7,000	US\$4,047	12%	58%
Healthcare-Financing	US\$50,000,000	US\$10,000,000	US\$937,265	2%	9%
Healthcare-Donations	US\$60,000	US\$12,000	US\$24,850	41%	207%
<b>Total</b>	<b>US\$62,595,000</b>	<b>US\$12,519,000</b>	<b>US\$1,065,297</b>	<b>2%</b>	<b>9%</b>

### Al Baraka Bank Syria S.A.

Al Baraka Goals	Syria			Syria	
	5 Year Target	2017 Target	Achieved 2017	Achieved Percentage of 5 years target	Achieved Percentage of 2017 target
Job Creation	1,000	200	688	69%	344%
Education-Financing	US\$264,808	US\$52,962	US\$28,750	11%	54%
Education-Donations	US\$38,874	US\$7,775	US\$22,190	57%	285%
Healthcare-Financing	US\$5,296,160	US\$1,059,232	US\$1,768,349	33%	167%
Healthcare-Donations	US\$12,181	US\$2,436	US\$5,539	45%	227%
<b>Total</b>	<b>US\$5,612,023</b>	<b>US\$1,122,405</b>	<b>US\$1,824,828</b>	<b>33%</b>	<b>163%</b>

## Al Baraka (SDG) Goals (2016-2020)

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# Employment

2016-2020 Target

**51,000**



In 2017 we helped create new

**7,446 Jobs**

Country	Jobs
Turkey	1717
Sudan	1,200
Lebanon	1,198
Jordan	754
Pakistan	724
Syria	688
Egypt	648
South Africa	517

## Al Baraka (SDG) Goals (2016-2020) (Continued)

# Education

2016-2020 Target

**US\$191 Million**



In 2017 we financed and funded education by

**US\$100,000,000**

Country	US\$000
Turkey	82,747
Jordan	15,744
Tunisia	189
Sudan	404
Pakistan	90
Algeria	265
Egypt	206
Bahrain	159
Lebanon	103
Syria	51
ABG	24
South Africa	18

## Al Baraka (SDG) Goals (2016-2020) (Continued)

# Healthcare

2016-2020 Target

**US\$434 Million**



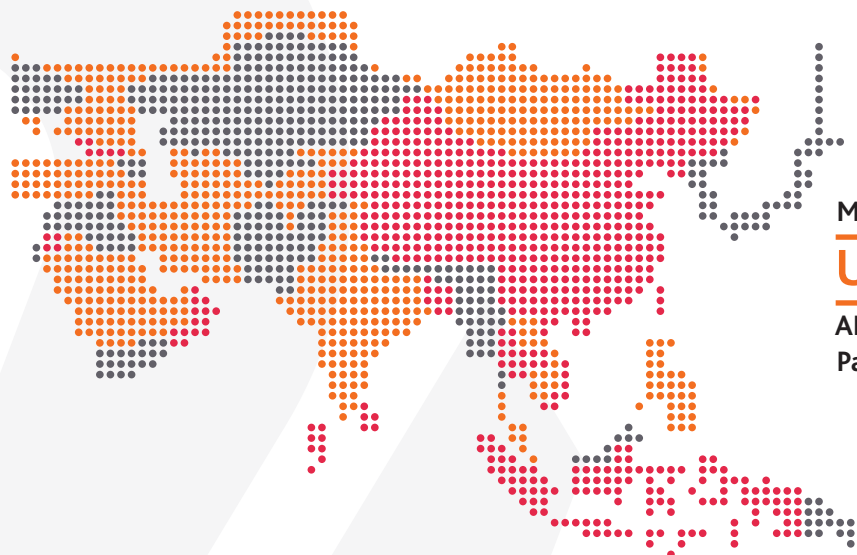
In 2017 we financed and funded healthcare by

**US\$146,626,000**

Country	US\$000
Turkey	74,936
Jordan	26,552
Sudan	13,606
Egypt	13,458
Pakistan	7,416
Algeria	5,162
South Africa	2,676
Syria	1,774
Lebanon	962
Bahrain	55
ABG	15
Tunisia	14

## Part 2 - Global Programs

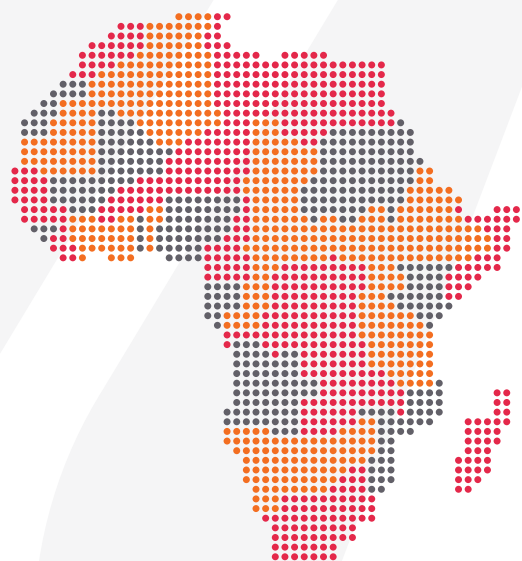
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MIDDLE EAST & ASIA

**US\$1,124,550,000**

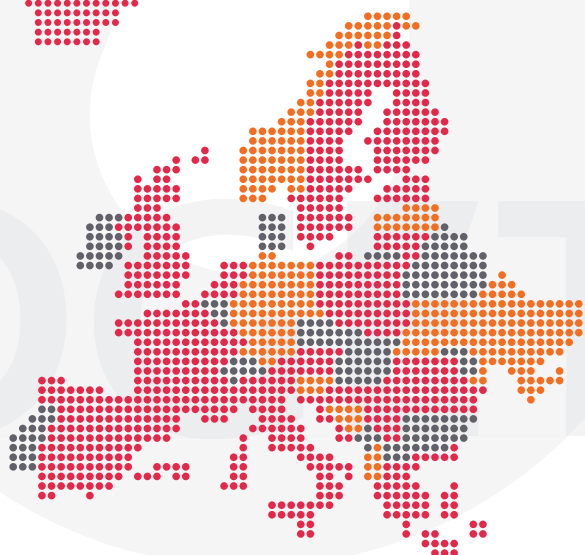
ABG, Bahrain, Jordan, Lebanon,  
Pakistan, Syria



AFRICA

**US\$352,344,000**

Algeria, Egypt, South Africa,  
Sudan, Tunisia



EUROPE

**US\$3,297,944,000**

Turkey

## Global Programs

Units	Philanthropic Program (US\$000)	Qard Hasan Program (US\$000)	Economic Opportunities and Social Investments Program (US\$000)	Total (US\$000)	Time Commitment Program (Hours)
ABG	116	814	Not measured	930	Not measured
Jordan	1,241	8,087	394,978	404,306	121,933
Egypt	359	1,093	47,274	48,726	1240
Tunisia	485	Not measured	55	540	Not measured
Bahrain	382	Not measured	24,628	25,010	Not measured
Sudan	330	539	181,044	181,913	Not measured
Turkey	2,014	43,353	3,252,577	3,297,944	379
South Africa	28	77	115,223	115,328	474.5
Algeria	722	193	4,921	5,836	Not measured
Pakistan	299	530	559,083	559,912	Not measured
Lebanon	138	523	120,557	121,218	Not measured
Syria	174	Not measured	13,000	13,174	1408
<b>Total</b>	<b>6,288</b>	<b>55,209</b>	<b>4,713,340</b>	<b>4,774,837</b>	<b>3,623</b>

## Kingdom of Bahrain

Al Baraka Banking Group B.S.C. - Headquarters (ABG)

ABG has participated in the Al Baraka Sustainability and Social Responsibility Program quite actively. ABG participated in the Philanthropic Program by funding various activities and initiatives with an expenditure of US\$116 thousand, ranging from education, community development projects, assisting special needs people as well as contributions to support youth and sports activities.

Philanthropic Program 2017	US\$000
Education	24
Community Development Projects	
Healthcare	15
Arts, Culture and Literature	31
Promotion and Development of Scholarly Works	27
Youth Engagement and Sports	16
Economically Challenged Communities	3
<b>Total</b>	<b>116</b>

ABG provided Qard Hasan of US\$814 thousand towards various activities to 23 Individuals.

Total of Programs by ABG  
(Philanthropic and Qard Hasan)

# US\$930,000



ABG Philanthropic Program - 2017

## US\$116,000

Arts, Culture and Literature	27%
Promotion and Development of Scholarly Works	23%
Education	20%
Youth Engagement and Sports	14%
Community Development Projects	13%
Economically Challenged Communities	3%





# The Hashemite Kingdom of Jordan

## Jordan Islamic Bank



Jordan Islamic Bank has participated in the Al Baraka Sustainability and Social Responsibility Program quite actively during 2017 involving Al Baraka Philanthropic Program, Al Baraka Qard Hasan Program, Al Baraka Economic Opportunities and Social Investments Program as well as the Time Commitment to Sustainability and Social Responsibility Program.

The Philanthropic Program, has involved funding various activities and initiatives and remained a positive impact on the society with an amount totalled to US\$1,241 thousand. The Philanthropic Program, involved funding infrastructure at existing educational institutions, scholarship programs for the talented and needy students, community development projects programs, and Individuals with Special Needs. Also, Jordan Islamic Bank has funded of US\$8,087 thousand in Qard Hasan Program which was given to 20,900 people.

Philanthropic Program 2017	US\$'000
Education	286
Community Development Projects	
Healthcare	28
Any Others	887
Arts, Culture and Literature	4
Individuals with Special Needs	36
<b>Total</b>	<b>1,241</b>

Jordan Islamic Bank has also participated in the Economic Opportunities and Social Investments Program and provided Shari'a-compliant financing of US\$ 394,978 thousand towards a range of activities related to community development projects and local industries, Micro and SMEs as follows:

Economic Opportunities and Social Investments Program 2017	US\$'000
Community Development Projects	
Healthcare	26,522
Housing	158,660
Local Industries, Micro, and SMEs	
Agriculture, Fishing and Forestry	7,171
Industrial	25,971
Textile	3,222
Transportation	22,021
Construction and Real Estate	10,414
Natural Resources	528
Consumer Good Trading	129,362
Commercial Qard Hasan	11,107
<b>Total</b>	<b>394,978</b>

Jordan Islamic Bank's Time Commitment Program has witnessed 121,933 hours that were contributed by 1,009 staff in activities related to training sessions, a seminar, workshops, meetings, a conference and community services initiatives. The beneficiaries of this program were Jordan Islamic Bank employees and clients of JIB, local community students and employees and students from national communities.

### Total of Programs by Jordan Islamic Bank (Philanthropic, Qard Hassan and Economic Opportunities and Social Investments)

# US\$404,306,000

#### Philanthropic Program - 2017

## US\$1,241,000



Community Development Projects	74%
Education	23%
Individuals with Special Needs	3%

#### Economic Opportunities and Social Investments Program - 2017

## US\$394,978,000



Local Industries, Micro and SMEs	50%
Community Development Projects	47%
Commercial Qard Hasan	3%

# Egypt

## Al Baraka Bank Egypt (Al Baraka Egypt)



Al Baraka Egypt has been an active participant of the Al Baraka Sustainability and Social Responsibility Program through the funding of several projects on different levels. Most of these projects in the Philanthropic Program recorded for the year of 2017 have focused on Education and Community Development Projects with a result of US\$359 thousand.

Philanthropic Program 2017	US\$'000
Education	60
Community Development Projects	
Healthcare	186
Vocational Training	113
<b>Total</b>	<b>359</b>

Al Baraka Egypt participated in the Economic Opportunities and Social Investments Program and provided Shari'a-compliant financing of US\$47,274 thousand for SMEs and Micro businesses in the field of industries, trade, and local industries.

Economic Opportunities and Social Investments Program 2017	US\$'000
Community Development Projects	
Healthcare	6,013
Housing	1,406
Local Industries, Micro and SMEs	
Industrial	9,661
Textile	4,952
Transportation	51
Construction and Real Estate	2,390
Manufacturing	1,736
Technology, Media and Telecommunications	763
Consumers Goods Trading	20,302
<b>Total</b>	<b>47,274</b>

Al Baraka Egypt provided Qard Hasan of US\$1,093 thousand towards various activities which was provided to 399 individuals. Additionally, as for Al Baraka Egypt's Time Commitment to Sustainability and Social Responsibility, the unit invested 1240 man hours towards contributions and initiatives towards social responsibility program with the contribution of 6 employees.

Total of Programs by Al Baraka Egypt  
(Philanthropic, Qard Hasan and Economic Opportunities and Social Investments)

## US\$48,726,000

Philanthropic Program - 2017

## US\$359,000



Philanthropic Program

Community Development Projects	83%
Education	17%

Economic Opportunities and Social Investments Program - 2017

## US\$47,274,000



Micro, SMEs, and Local Industries	84%
Community Development Projects	16%

# Tunisia

Al Baraka Bank Tunisia (Al Baraka Tunisia)



As a part of its commitment to the Al Baraka Sustainability and Social Responsibility Program, Al Baraka Tunisia participated in the Philanthropic Program as follows during 2017, with a total of US\$485 thousand:

Philanthropic Program 2017	US\$000
Education	97
Community Development Projects	
Healthcare	4
Vocational Training	79
Arts, Culture and Literature	38
Individuals with Special Needs	9
Scholarly and Literary Works	15
Youth Engagement and Sports	0.2
Economically Challenged Communities	243
<b>Total</b>	<b>485</b>

Al Baraka Tunisia spent US\$55 thousand for Economic Opportunities and Social Investments, towards Local Industries, Micro and SMEs as follows:

Economic Opportunities and Social Investments Program 2017	US\$000
Local Industries, Micro and SMEs	
Industrial	1
Agriculture, Fishing and Forestry	4
Textile	8
Transportation	16
Construction & Real Estate	17
Natural Resources	5
Consumer Good Trading	2
Any Others	2
<b>Total</b>	<b>55</b>

Total of Program by Al Baraka Tunisia  
(Philanthropic and Economic Opportunities  
and Social Investments)

## US\$540,000

Philanthropic Program - 2017

## US\$485,000

Philanthropic Program

Economically Challenged Communities	50%
Education	20%
Community Development Projects	17%
Arts, Culture and Literature	8%
Scholarly and Literary Works	3%
Individuals with Special Needs	2%

Economic Opportunities and  
Social Investments Program - 2017

## US\$55,000

Construction & Real Estate	31%
Transportation	29%
Textile	14%
Natural Resources	9%
Agriculture, Fishing and Forestry	7%
Any Others	4%
Consumer Good Trading	4%
Local Industries, Micro and SMEs	2%

## Kingdom of Bahrain

Al Baraka Islamic Bank B.S.C. (C) (Al Baraka Bahrain)

Al Baraka Bahrain has participated in Philanthropic Program, Economic Opportunities and Social Investments Program and Qard Hasan Program, under the broad title of Al Baraka Sustainability and Social Responsibility Program during 2017. The total amount contributed in Philanthropic Program is US\$382 thousand which was invested in Education, Community Development Projects and Economically Challenged Communities.

Philanthropic Program 2017	US\$000
Education	159
Community Development Projects	
Healthcare	55
Economically Challenged Communities	168
<b>Total</b>	<b>382</b>

Al Baraka Bahrain participated in the Economic Opportunities and Social Investments Program by Shari'a compliant financing to the tune of US\$24,628 thousand where US\$7,800 thousand spent on Community Development Projects and US\$16,828 thousand on SMEs and Micro businesses on 2017.

Economic Opportunities and Social Investments Program	US\$000
Community Development Projects	
Healthcare	7,800
Local, Micro. and SMEs	
Industrial	10,828
Construction and Real Estate	6,000
<b>Total</b>	<b>24,628</b>

Philanthropic Program - 2017

**US\$382,000**



Economically Challenged Communities	44%
Education	42%
Community Development Projects	14%

Total of Programs by Al Baraka Bahrain  
(Philanthropic, Qard Hasan and Economic Opportunities and Social Investments)

**US\$25,010,000**



Economic Opportunities and Social Investments Program - 2017

**US\$24,628,000**



Local, Micro and SMEs	68%
Community Development Projects	32%

# Sudan

Al Baraka Bank Sudan (Al Baraka Sudan)



Al Baraka Sudan has participated in the Al Baraka Sustainability and Social Responsibility Program quite actively in 2017, especially investing in the Philanthropic Program through funding a total of US\$330 thousand. The Philanthropic Program funding is as follows:

Philanthropic Program 2017	US\$000
Education	261
Community Development Projects	
Healthcare	50
Housing	11
Individuals with Special Needs	2
Economically Challenged Communities	6
<b>Total</b>	<b>330</b>

Al Baraka Sudan participated in the Economic Opportunities and Social Investments Program through providing Shari'a-compliant financing to community development projects by financing projects that supports healthcare, Micro and SMEs businesses in the areas of agriculture, trade, transportation and local industries. The total amount contributed in this Program is around US\$181,044 thousand.

Economic Opportunities and Social Investments Program 2017	US\$000
Community Development Projects	
Healthcare	339
Micro, SMEs, Local industries	
Agriculture, Fishing and Forestry	18,930
Industrial	27,589
Textile	2,612
Transportation	4,848
Construction and Real Estate	6,890
Manufacturing	392
Consumer Goods Trading	119,444
<b>Total</b>	<b>181,044</b>

Al Baraka Sudan provided Qard Hasan of US\$539 thousand towards various activities benefiting 417 people.

Total of Programs by Al Baraka Sudan  
(Philanthropic, Qard Hasan and Economic Opportunities and Social Investments)

## US\$181,913,000

Philanthropic Program - 2017

## US\$330,000



Philanthropic Program

Education	79%
Community Development Projects	18%
Economically Challenged Communities	2%
Individuals with Special Needs	1%

Economic Opportunities and Social Investments Program - 2017

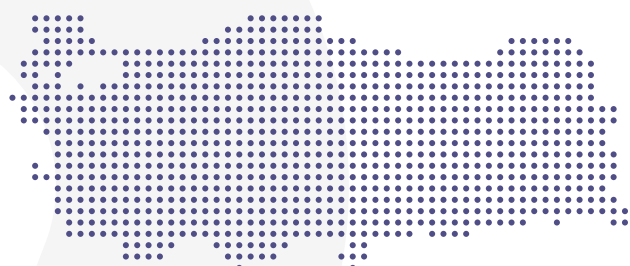
## US\$181,044,000



Micro, SMEs, and Local Industries	100%
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# Turkey

## Al Baraka Turk Participation Bank (Al Baraka Turkey)



Al Baraka Turkey achieved a milestone this year, with a total of US\$2,014 thousand invested in the Al Baraka Philanthropic Program:

Philanthropic Program 2017	US\$000
Education	1,378
Community Development Projects	
Healthcare	12
Arts, Culture and Literature	291
Scholarly and Literary Works	224
Youth Engagement and Sports	5
Environment & Sustainability Energy	84
Individuals with Special Needs	20
<b>Total</b>	<b>2,014</b>

Al Baraka Turkey also contributed to the Qard Hasan Program with an amount equal to US\$43,353 thousand given to 12,695 people and contributed US\$3,252,577 thousand to the Economic Opportunities and Social Investments Program.

Economic Opportunities and Social Investments Program 2017	US\$'000
Community Development Projects	
Healthcare	152,723
Local Industries, Micro and SMEs	
Agriculture, Fishing and Forestry	76,529
Industrial	327,090
Textile	247,774
Transportation	115,532
Construction and Real Estate	558,798
Manufacturing	113,889
Natural Resources	52,590
Technology, Media and Telecommunication	15,601
Consumer Goods Trading	1,592,051
<b>Total</b>	<b>3,252,577</b>

Al Baraka Turkey dedicated 379 hours to the Time Commitment Program with 1903 employees taking part in Sustainability and Social Responsibility Programs including Social Responsibility Project Competition, Book Donations Campaign, Beach Clearance

Total of Programs by Al Baraka Turkey  
(Philanthropic, Qard Hasan and Economic Opportunities)

# US\$3,297,944,000

Activity, Blood Donation Campaign and Ecological Footprint Survey and Awareness Campaign. As a result, the beneficiaries of the Sustainability and Social Responsibility Program were people with special needs, people in need and children, university students, 1287 people who needed blood transfer and finally bank staff and their families.

Philanthropic Program - 2017

# US\$2,014,000

Education	68%
Arts, Culture and Literature	14%
Scholarly and Literary Works	11%
Environment & Sustainability	4%
Community Development Projects	1%
Individuals with Special Needs	1%
Youth Engagement and Sports	1%

Economic Opportunities and Social Investments Program - 2017

# US\$3,252,577,000

Micro, SMEs, and Local Industries	95%
Community Development	5%

## South Africa

Al Baraka Bank Limited - South Africa (Al Baraka South Africa)



Al Baraka South Africa participated in the Al Baraka Sustainability and Social Responsibility Program with engagement in the Philanthropic, Economic Opportunities and Social Investments and Time Commitment to Sustainability and Social Responsibility Programs. Al Baraka Bank South Africa participated in the Philanthropic Program by funding various activities and initiatives accounting for US\$28 thousand. This involved efforts towards funding infrastructure in existing educational institutions, environmental and sustainable energy and others, as follows:

Philanthropic Program 2017	US\$'000
Education	18
Environment and Sustainability Energy	0.4
Other	10
<b>Total</b>	<b>28</b>

Al Baraka South Africa also funded the Economic Opportunities and Social Investments Program amounting to US\$115,223 thousand. The Unit provided Shari'a-compliant financing towards Community Development Projects activities, supporting Micro and SMEs projects in a variety fields such as, manufacturing, construction and real estate and consumer good trading, as shown below:

Economic Opportunities and Social Investments Program 2017	US\$'000
<b>Community Development Projects</b>	
Healthcare	2,669
Housing	972
<b>Local Industries, Micro and SMEs</b>	
Construction and Real Estate	62,295
Manufacturing	17,512
Consumer Good Trading	31,775
<b>Total</b>	<b>115,223</b>

For Al Baraka South Africa's Time Commitment to Sustainability and Social Responsibility, the unit invested 474.5 man hours with 188 staff sponsoring activities and events related to education, which benefited underprivileged learners; community services, which helped underprivileged people and children.

Moreover, the bank has financed one Qard Hasan facility with an amount equal to US\$77 thousand to one facility.

Total of Programs by Al Baraka South Africa  
(Philanthropic, Qard Hasan and Economic Opportunities and Social Investments)

# US\$115,328,000

Philanthropic Program - 2017

## US\$28,000



Education	64%
Other	36%

Economic Opportunities and Social Investments Program - 2017

## US\$115,223,000



Local Industries, Micro and SMEs	97%
Community Development Projects	3%

# Algeria

## Banque Al Baraka D'Algerie (Al Baraka Algeria)

Al Baraka Algeria has participated in the Al Baraka Sustainability and Social Responsibility Program with efforts in the Philanthropic Program, Al Baraka Qard Hasan Program and Economic Opportunities Social Investments Program.

The participation in the Philanthropic Program included funding various activities and initiatives with the total of US\$722 thousand towards education, in particular scholarly and literary works, and community development projects through funding projects that support affordable housing and healthcare:

Philanthropic Program 2017	US\$000
Education	439
Community Development Projects	
Healthcare	102
Housing	7
Vocational Training	1
Economically Challenged Communities	172
<b>Total</b>	<b>722</b>

Al Baraka Algeria provided Qard Hasan for various activities in the range of US\$193 thousand to 31 people.

Economic Opportunities and Social Investments Program 2017	US\$000
Community Development Projects	
Healthcare	4,921
<b>Total</b>	<b>4,921</b>

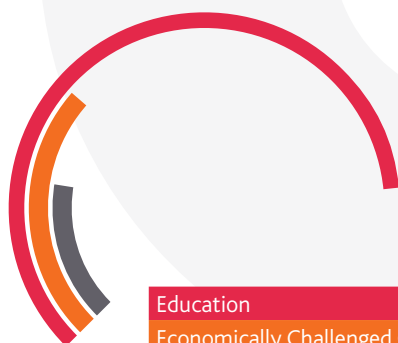
**Total of Programs by Al Baraka Algeria  
(Philanthropic, Qard Hasan and Economic Opportunities and Social Investments)**

# US\$5,836,000



Philanthropic Program - 2017

## US\$722,000



Economic Opportunities and Social Investments Program - 2017

## US\$4,921,000





# Pakistan

## Al Baraka Bank (Pakistan) Limited (Al Baraka Pakistan)

Al Baraka Pakistan participated in the Al Baraka Sustainability and Social Responsibility Program with a range of activities during 2017, covering Philanthropy, Economic Opportunities and Social Investments, as well as the Qard Hasan Program. Al Baraka Bank Pakistan participated in Education through the funding of infrastructure at new and existing educational institutions, and through its contribution to the Al Baraka Scholarship Program for talented and needy students and Community Development Projects. Also it funded Community Development Projects, scholarly works, arts, culture and literature, youth and sport, special needs and Economically Challenged Communities. The total Philanthropy Program contributions were US\$299 thousand:

Philanthropic Program 2017	US\$000
Education	64
Community Development Projects	
Healthcare	123
Vocational Training	2
Scholarly and Literary Works	5
Arts , Culture and Literature	12
Youth and Sports	5
Individuals with Special Needs	32
Environment and Sustainable Energy	10
Economically Challenged Communities	46
<b>Total</b>	<b>299</b>

Al Baraka Pakistan has also provided Qard Hasan of US\$530 thousand to 395 people and funded the Economic Opportunities and Social Investments Program with US\$559,083 thousand which included contributions to community development projects of housing and healthcare and also local industries, Micro and SMEs projects, such as real estate, manufacturing, technology, media, telecommunications, agriculture, transportation services, consumer goods trading and others as follows:

Economic Opportunities and Social Investments Program 2017	US\$000
Community Development Projects	
Healthcare	7,293
Housing	3,324
Local, Micro and SMEs	
Agriculture, Fishing and Forestry	21,791
Industrial	66,749
Textile	72,574
Transportation	109,702
Construction and Real Estate	40,610
Manufacturing	6,052
Natural Resources	20,364
Technology, Media and Telecommunications	1,787
Consumer Goods Trading	208,837
<b>Total</b>	<b>559,083</b>

### Total of Programs by Al Baraka Pakistan (Philanthropic, Qard Hasan and Economic Opportunities and Social Investments)

# US\$559,912,000



#### Philanthropic Program - 2017

## US\$299,000

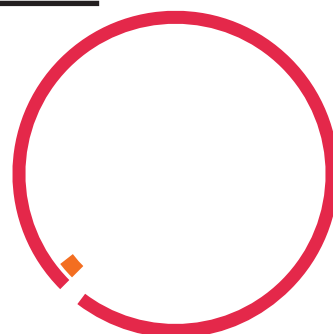
#### Philanthropic Program

Community Development Projects	42%
Education	21%
Economically Challenged Communities	15%
Individuals with Special Needs	11%
Arts, Culture and Literature	4%
Environment and Sustainable Energy	3%
Scholarly and Literary Works	2%
Youth and Sports	2%

#### Economic Opportunities and Social Investments Program - 2017

## US\$559,083,000

Local, Micro and SMEs	98%
Community Development Projects	2%



# Lebanon

## Al Baraka Bank Lebanon S.A.L (Al Baraka Lebanon)

Al Baraka Lebanon has participated in the Al Baraka Sustainability and Social Responsibility Program through Al Baraka Philanthropic Program, Al Baraka Qard Hasan Program and Al Baraka Economic Opportunities and Social Investments Program during 2017.

As part of the Philanthropic Program, Al Baraka Bank Lebanon funded US\$138 thousand through funding educational institutions and scholarship programs for talented and needy students, community development projects initiatives, the promotion of art, culture, and literature, in addition to environment and sustainable energy initiatives.

Al Baraka Lebanon's contribution to the Philanthropic Program is as follows:

Philanthropic Program 2017	US\$'000
Education	3
Community Development Projects	
Healthcare	25
Vocational Training	63
Arts, Culture and Literature	38
Environment and Sustainable Energy	2
Individuals with Special Needs	7
<b>Total</b>	<b>138</b>

Al Baraka Lebanon also funded the Economic Opportunities and Social Investments Program with Shari'a compliance financing of US\$120,557 thousand in the areas of Local, Micro and SMEs businesses, as follows:

Economic Opportunities and Social Investments Program 2017	US\$'000
Community Development Projects	
Healthcare	937
Local, Micro, and SMEs	119,619
<b>Total</b>	<b>120,557</b>

Al Baraka Lebanon provided Qard Hasan of US\$523 thousand towards various activities which was provided to 21 people.

### Philanthropic Program - 2017

## US\$138,000



Community Development Projects	64%
Arts, Culture and Literature	28%
Individuals with Special Needs	5%
Education	2%
Environment and Sustainable Energy	1%

### Total of Programs by Al Baraka Lebanon (Philanthropic, Qard Hasan and Economic Opportunities and Social Investments)

## US\$121,218,000



### Economic Opportunities and Social Investments Program - 2017

## US\$120,557,000



Local Industries, SMEs and Micro	99%
Community Development Projects	1%

# Syria

Al Baraka Bank Syria S.A. (Al Baraka Syria)



Al Baraka Syria has participated in the Philanthropic Program by funding various initiatives and activities accounting for US\$174 thousand in 2017. The funding was done in the following areas:

Philanthropic Program 2017	US\$000
Education	22
Community Development Projects	
Healthcare	3
Vocational Training	107
Arts, Culture and Literature	23
Scholarly and Literary Works	1
Youth Engagement	2
Environment and Sustainable Energy	1
Individuals with Special Needs	4
Economically Challenged Communities	11
<b>Total</b>	<b>174</b>

Al Baraka Syria also contributed to the financing of the Economic Opportunities and Social Investments Program with amount of US\$13,000 thousand which was provided to financing local industries, Micro and SMEs projects in accordance with Islamic law and in the context of supporting economic development efforts in Syria in various fields. The following is expenditure details to this category:

Economic Opportunities and Social Investments Program 2017	US\$'000
Community Development Projects	
Healthcare	5,195
Housing	7,009
Local Industries, Micro and SMEs	
Industrial Chemicals	57
Transportation	69
Construction and Real Estate	245
Technology, Media and Telecommunications	5
Consumer Goods Trading	420
<b>Total</b>	<b>13,000</b>

Total of Programs by Al Baraka Syria  
(Philanthropic and Economic Opportunities  
and Social Investments)

## US\$13,174,000

Philanthropic Program - 2017

## US\$174,000



Community Development Projects	63%
Education	13%
Arts, Culture and Literature	13%
Economically Challenged Communities	6%
Individuals with Special Needs	2%
Environment and Sustainable Energy	1%
Scholarly and Literary Works	1%
Youth Engagement	1%

Economic Opportunities and  
Social Investments Program - 2017

## US\$13,000,000



Community Development Projects	94%
Local Industries, Micro and SMEs	6%

## Morocco

### BTI Bank S.A. (Al Baraka Morocco)

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Al Baraka Morocco launched its operations during December 2017. Al Baraka Morocco is committed to the values of Sustainability & Social Responsibility same as the rest of the Group.

## Saudi Arabia

### Itqan Capital

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Itqan Capital is committed to the values of Sustainability & Social Responsibility same as the rest of the Group.



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# STORY

## JORDAN



### Jordan Islamic Bank 's Pulse in Renewable Energy (Case Study)

#### Preface

Since its establishment in 1978, Jordan Islamic Bank (JIB) has contributed to the consolidation of Islamic banking in Jordan and abroad and supporting the national economy. It has achieved a leading position in the Islamic business and banking world and has been keen to fulfill its social and banking responsibilities side by side. Articles of Association and Memorandum of Association provided for under purposes and works item: "JIB aims to meet economic and social needs in the area of banking services....".

The Bank has provided since its incorporation distinguished programs that are characterized by sustainability, community raising and increased productivity, including renewable energy and environment protection, within an integrated system that emphasizes the Bank's commitment to contribute to serving and meeting the needs of the society in line with the Bank's mission and values.

#### Interest in Renewable Energy

The issue of renewable energy is one of the most important roles played by the bank in the field of social responsibility and contributes to support the Jordanian government in its quest to reduce the bill of local energy, and reduce energy, expenditures because of the high cost to the bank. On 30/7/2013, the first branch of Jordan Islamic Bank (Hai Nazal within the Capital Governorate of Amman) was operated according to Photovoltaic system in the generation of electric power. Thus, Jordan Islamic Bank is the first bank in the Hashemite Kingdom of Jordan to take advantage of renewable energy sources in generating electricity from solar cells. Since the success of this experiment, the bank has embarked on its plan for this purpose to benefit from renewable energy in 21 branches until the beginning of 2018. The cost of the systems purchased for this purpose amounted to JD (674)thousand. These systems generated about (2) million and (876) thousand (kwh), its savings of the bank's electricity bills amounted to JD (817) thousand so far, more than the cost of purchase. The bank recovered all its expenses on the systems and this was reflected in the increase in the bank's profits from the savings of electricity costs from these energy saving systems, which will continue to provide the branches with power for twenty five years, thus saving the costs of the bank's bills and expenses in this field.

#### JIB's Solar Power Plant Project and its phases

When the Jordanian government approved laws to allow local enterprises to produce renewable energy and to make concessions to the electricity distribution companies operating in the Kingdom according to Wheeling, the Bank has undertaken the necessary studies aimed at benefiting more from renewable energy through the establishment of power plants. These stations are distributed to the local power distribution companies, the franchisee in the Kingdom.

These stations aim to cover the bank's energy bills or most of them, thus reducing energy expenses.

In the year 2017, the bank started the establishment of the Jordan Islamic Bank's power station using renewable energy which was implemented under the supervision of Energy Team at Jordan Islamic Bank. Work on the plant took about nine months to complete, its actual operation was on 21/5/2018 where its official opening was on 25/7/2018 under the patronage of H.E Mr. Adnan Ahmed Yousif. However, The project is located in land owned by the bank at the site of the Bank's Bonded Center in Sahab, King Abdullah II Industrial City on a land of 45 donums. The plant is considered the largest rooftop project in the Hashemite Kingdom of Jordan where the site has been optimally invested (construct open Hangers for Bonded, multi-purpose underground warehouses and construction of the plant above the Hangers), including (four Hangers, the space of one Hanger is 4750 square meters) and (four Hangers, the space of one Hanger is 3750 square meters). The solar panels of the station area is 20 thousand square meters above five hanger and with a generating capacity of 2.7MWP (peak megawatt). The plant covers 75% of the electricity consumption in the branches, offices and management of the bank and 100% of the consumption of 38 branches and offices of JIB located in Amman, Zarqa, Madaba and Balqa Governorate, as well as the three buildings of the head office (Shemisani and Wadi Saqra). In the future, this plant will be expanded through the exploitation of the rest of the Hangar surfaces to install solar cells to cover the entire branches of Amman by 100%.

The cost recovery period of the plant is estimated to be approximately one and a half years. The latest technology was used to build the station and it is estimated to have a life span of approximately 25 years. It is estimated that the annual cost of the electricity bill after the installation of the plant will be reduced by one million and one hundred thousand Jordanian Dinars annually. The plant produced from the date of its actual operation on 21/5/2018 until 21/7/2018, about (800,330 kW) and a saving of approximately (228) thousand.

#### Strategic objectives of renewable energy projects

In accordance with the strategic sustainability plan of Jordan Islamic Bank, relying on 50% of the bank's consumption of renewable energy, protecting the environment, reducing the negative impact on it and in support of the national economy, JIB has started adopting renewable and clean energy in the management of its business which is among the projects of JIB to reduce the costs of energy use, and to reduce the import of traditional power generation inputs that put pressure on foreign currencies, also it contributes to the promotion of the use of new technology to preserve the environment and the economy at the macro level, thus saving the Jordanian government's budget in the purchase of oil to produce electricity for the quantity produced, which serves the treasury of the Kingdom and saves foreign exchange.



### The Bank's Projects and Products in the Field of Renewable Energy

The Bank has provided initiatives in the field of renewable energy to address the energy problem, which is one of the challenges facing the national economy, including:

- Continuation of the Bank's adoption of alternative energy saving projects at its headquarters.
- Opening power plant using renewable energy for the branches of Amman on 25/7/2018.
- Work is underway to establish a station of energy generating in Irbid to cover the electricity consumption of JIB's branches, and offices at the Northern Governorates (Irbid, Ramtha, Jerash, Ajloun and Mafraq) with a generating capacity of (999) (kwh) and will be opened in 2019, God's willing.
- JIB replaced traditional lightening units with energy-saving lightening units (LED) characterized with longer operational age compared to traditional lightening units. That will result in reducing maintenance costs. The energy-saving lightening units (LED) provides better lightening, low thermal emissions and very low level of ultraviolet radiation. This will lead to reduce lightening negative-impacts and saves 35% of electricity consumption value on a yearly basis. By mid- 2018, LED units are present at 71 branch and office as well as head office Building and Disaster Recovery Center. The work is underway to install LED units at the remaining JIB's branches and offices.
- Using of Variable refrigerant flow (VRF) systems which save 25% of electricity consumption annually compared to other air conditioning systems. This system can be controlled centrally. Therefore, it provides optimal solutions, saves more electricity and reduces maintenance costs. VRF systems are present at 43 branches and offices as well as Head office Building and one of the bank's subsidiary companies. The work is underway to install VRF systems at the remaining JIB's branches and offices.
- JIB installed water-saving tools in 2015 upon conducting the necessary checks to identify places of panels installation . By mid-2018, Those tools are installed at 39 branches and offices as well as Head Office Building and three investment complexes and one of the subsidiaries.
- To enhance the social role of the Bank by providing support and contribution to various initiatives that contribute to the establishment of sustainable development bases, particularly in the field of environment and energy, JIB has provided support to the National Program to enable multiple agencies (schools, mosques and others) to cover their electricity needs with clean and inexpensive technology. Where it contributed to support the installation and operation of solar power units to generate electricity for several mosques and Al-Ma'mourah elementary and secondary school for females in the southern Jordan Valley region, which lies within the remote areas of Jordan and the poorest, and supporting the national program to enable the kingdom's schools

in remote areas to cover their needs of electricity with clean and inexpensive technology to alleviate the material burden and to provide a better learning environment for students to improve their academic level.

- The Bank provides financial and advisory solutions to enable citizens to access their needs by providing environmentally friendly and affordable financing for projects and products, thereby enhancing environmental behavior and motivating the various sectors to adopt a sustainable approach to environmental conservation including Hybrid and Electrical Vehicles which are economic in fuel consumption and ensure clean environment.
- The bank has launched "Our Sun" product to finance renewable energy systems for individuals, companies and factories to install renewable energy systems, feasibility study and suitability of the system for the unit (residential, commercial, etc.) at which the panel will be installed in cooperation with the seller company of the system and on easy terms.
- The Bank has executed financing for electricity generation projects using cells in the mode of Islamic financing (Istisna'a contract) in accordance with the provisions and principles of Islamic Shari'a Such as the financing provided to the Islamic Charity Center for about JD (5) million, in addition to signing agreements to support renewable energy projects with Jordan Renewable Energy & Energy Efficiency Fund and the Jordan Loan Guarantee Company to guarantee the risks of renewable energy financing for individuals and government institutions and small, medium and large enterprises (SMEs).

### Enhance the Bank's position in the Jordanian market

The initiatives of Jordan Islamic Bank in the use of renewable energy (mentioned previously) are practical applications for the Bank to assume its social, economic and developmental responsibilities to be characterized by effective contributions to support the economy, national industry and the rules of development and social security and its components through finding alternative and environmentally safe sources of energy to meet the various challenges. It is also an achievement for the Jordanian banking sector among the various sectors in the field of innovation projects that contribute to support the national economy and alleviate the crisis that has cast a shadow over the economic and social sector with a high energy bill has been imposed on citizens and state institutions in both public and private sectors, in order for JIB to be the first Jordanian bank introduces solar energy to its business since 2013, thus achieving a precedent and achievement in the field of renewable energy as a model for other Jordanian institutions and companies, urging them to use renewable energy in the management of their business.



# STORY

## TURKEY



### ALBARAKA GARAJ

Our journey of innovation started with Bigbang in the institution for the first time. An innovation portal allowed employees to easily reveal their ideas and enabled us to manage them. With Bigbang, all employees were able to share their ideas with the call method. Bigbang enabled us to bring together and manage ideas, choose the talented ideas among them, and incorporate them into business processes.

With Bigbang, we have issued six calls containing the needs of different units and in this way, 899 ideas were produced until now. 26 of these ideas have been realized. A saving of TRY 1.3 million has been made with the ideas that have been realized.

As the result of these studies. However, the commercialization rate remained at 1% whereas 7% of the ideas generated as a result of the calls made for innovation over the past 2 years, passed to the concept phase.

Because of this low rate, we have started to work on improving our current corporate innovation program by focusing on new methods and techniques. We have reconsidered many issues; and have understood our shortcomings, which have prevented us from progressing. We found out that we needed a new set of applications to express the importance of our innovation program better and more clearly. Our mission; was to consolidate institutional objectives on a common basis, to set up stronger links with the masses, and to

create a solid corporate innovation program for growth.

During this time, it helped us to design the right models by discovering our shortcomings in making and managing innovations. Although we thought everything was going well, but we could not reach the level we have targeted at the end of the innovation process. Thus, we have created 3 different solutions by reviewing the whole innovation process in order to increase the efficiency of the innovation program.

### Bigbang Version 2: Open Innovation Platform

Our first solution was to update the Bigbang innovation portal by redesigning and adding new functions so that employee interaction will be enhanced and customer engagement will be provided to ensure the generation of innovative and quality ideas.

Open Innovation, which is the socialized model of innovation realized with masses, is a new paradigm that produces unexpected business values. When you bring together the masses outside your company with the right mechanisms and the right motivational elements, the masses can produce outputs above expectations. We have transformed Bigbang into a structure where our customers, business partners and large masses can participate and share ideas. By adding new functions, we have made a more functional and user-friendly interface by opening the way of free sharing ideas with a cell-based structure.

### Albaraka Keşfet: Employee Participation and Entrepreneurship

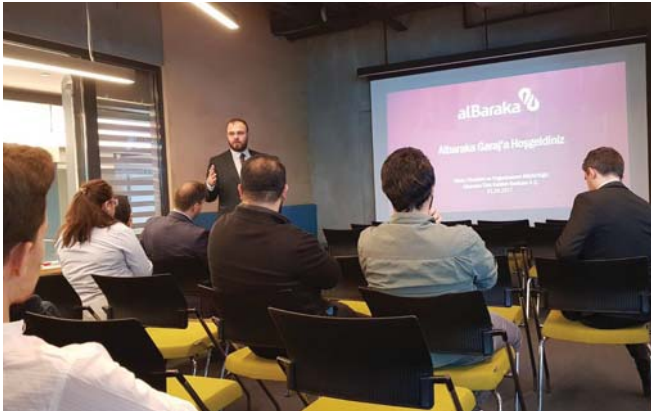
Our second solution was about the difficulties faced in implementing the ideas. In order to concentrate on business model innovations and product/service innovations, we have designed and implemented our program called Keşfet: (explore in Turkish) "Intrapreneurship" i.e. In-House Entrepreneurship, where ideas can be realized directly by employees with an entrepreneurial approach.

Our Kesfet Intrapreneurship program, which we launched last year to move Bigbang forward and to complete it with employee applications, offers an environment where employees can realize their ideas in person.

With the "Albaraka Keşfet: Program", our goal was to implement customer-focused innovations by upskilling the employees in the field of innovation with such methods as spreading innovation and entrepreneurship spirit within the organization, accelerating innovation processes by increasing the interaction of the employees with the executive management, incorporating employees into innovation processes, lean start-up and design-oriented thinking.

Employees working in this program submit their ideas as an entrepreneur to the Top Management. The Top Management, as an angel investor, decides whether or not to invest in these initiatives. The necessary





resources for the project can be provided from within the institution or services can be purchased from outside the institution. The main goal of this program is to create an atmosphere of entrepreneurship in the corporate culture. In the first program that we have done, we have clearly seen that this has happened. Our employees who have trained themselves as Entrepreneurs are able to create entrepreneurial storms in the institution.

Our third solution was to put the Albaraka Garaj Acceleration Center into practice to collaborate with the startups to experience their high-efficiency innovation models. We have located Garaj in our Headquarters building to provide a positive contribution to the innovation culture.

Al baraka Garaj is the first Startup Acceleration Center established by a participation bank where entrepreneurs with technology-based business ideas and projects are supported by incubation and acceleration opportunities.

With the experience we got internally and externally through our innovation journey we have designed Albaraka Garaj, the first startup acceleration center in the world built within a participation bank, as an original model that fits our corporate dynamics and strategic priorities, Albaraka Garage has six major goals. These are:

#### **New Collaborations and Technology Transfer**

Our major goal in Albaraka Garaj is to match

the entrepreneurs with the appropriate units according to the needs of the institution and to ensure that common projects are produced. The main objective we have prioritized is to transfer new technology to AL Baraka with strategic collaborations via enabling the entrepreneurs to test their products with conducting Proof of Concept (PoC) studies in a real company environment and at the same time to bring technologies that are still very new to Albaraka and much faster than normal processes.

#### **Social Responsibility**

AL Baraka Garaj helps to provide the financial development of the society by offering unrequited service to the community. It plays an important role in undertaking the financial burden on entrepreneurs' projects by donating grants to the selected entrepreneurs. Since among the projects that it supports, are the areas related to mass funding and social responsibility, the projects themselves also consider the public interest. Some of these projects may be entirely for community purposes. The most important target of our goal is to support the entrepreneurship ecosystem to spread the Start-up culture.

#### **Added Value to Our Customers**

To introduce expert and innovative products and services in their fields to our own customer pool and to provide added value to them.

#### **Paving the Way for Creative Ideas**

Together with the services we offer, we



aim to move people's mind further to teach them the creative thinking system. Against destructive creativity, our agile creativity model paves the way to ideas that will keep pace with emerging technologies and pass them forward. At the same time, we provide the opportunity of introducing the institution to new technologies and enabling the rapid adaptation of new technologies to our Bank.

#### **Innovative Corporate Culture**

In order to open a new horizon for the traditional banking thinking style, we nurture the innovative side of our corporate culture by bringing the entrepreneurship ecosystem to our bank.

#### **Talent Hunting**

We aim to ensure the contribution of our acceleration centre to our employer brand with the purpose of hunting talented entrepreneurs by helping talented young minds meet our institution, and be assessed a Human Value (We use the term human value instead of human resources).



### Route to the Future: Albaraka Garaj and Insha

Mobile and Internet Technologies has changed lives of people more than many great turning points of the history. This change significantly differentiated channel usage and priorities of consumers in reaching banking services. Banks are facing new customer demands and expectations stemming from changing consumer sociology.

Fintech startups have a great potential to shake the banking industry. Banks are facing the risk of losing 30% of their sector revenues due to fintechs. Fintech Startups have a growth trajectory far above the growth rate of banks.

In today's world, in an increasingly competitive environment, companies struggle to learn how to innovate and grow. As Albaraka Türk, we launched the Albaraka Garaj Acceleration Center, where we can collaborate with startups to experience efficient innovation models. We have placed Albaraka Garaj in our headquarters in order to ensure the formation of innovation culture that we consider as the vital component of a company's innovation journey. Albaraka Garaj also provides a range of opportunities for entrepreneurs working on technological applications in order to bring innovative solutions to the banking and finance sector, and at the same time, it nourishes a culture of entrepreneurship and technology within the institution.

How does that happen? Since the startups we have chosen are in the field of finance and technology, we are able to transfer their know-how directly to the corporation. Because we work directly with entrepreneurs,





adaptation of internal projects is easier and more efficient. At the same time, it contributes to the personal development of the employees.

In our Bank where the spirit of entrepreneurship and innovation is on the rise, 'Insha' has been set out to solve the banking problems that Muslim Community is facing in Europe. Insha is a shari'a compliant digital banking account and we will only do interest-free mobile and online banking. By introducing Insha, Albaraka Türk moves one step further in its vision of becoming the world's best participation bank.

#### Rising on a Unique Business Model!

Insha received the necessary approvals and licenses from Bundesbank of the Federal Reserve Bank of Germany. It is a platform bank that will provide participation banking services in continental Europe with a modular structure using the infrastructure of SolarisBank AG, the world's first and only BAAS (Banking As A Service) bank. By using SolarisBank AG's banking license and infrastructure, Albaraka Türk finds the opportunity of using its own brand in Europe.

In this first phase of our banking service, basic banking services such as account opening, account management, payments and money transfer will be provided. Turkish, German and English support services and a one-click Call Center service will be offered. Money transfer services from Germany to Turkey will also work 5/24. In the next stage, the main products of participation banking, insurance products, investment banking products will be included in the system. In the final stage, banking license will be taken and participation banking will be fully realized.

Insha does not only provide mobile and internet banking services but also provides various digital services such as prayer reminder, mosque map, zakat calculator that Muslims need.

In its first stage, Insha will serve in Germany and will soon start serving in France, Italy, Austria, the Netherlands, Spain and Belgium, and finally will spread to all continental Europe.

#### A Startup Spirit!

Insha demonstrates a completely new working model that has not been tested yet, regarding to both its organizational model and its way of delivering products and services.

Insha, on this journey as a progressive attempt, welcomes the fintech revolution in the financial industry in its homeland. It does not just welcome, it dreams of being the pioneer of this revolution. Insha represents both Turkey and participation banking by moving our digital participation banking service to Europe.

Banking sector apparently continues to focus on digitization and also provides various services through various channels to satisfy especially new generations. As Albaraka Türk, we aim to lead the digitization process in Islamic Banking by diversifying our channels. In our digitization journey, we closely follow the developments in financial technologies which has a great potential to serve a broader customer base through service channels which are accessible, user friendly, fast, secure and low-cost. Struggling to realize that potential, Insha is a solid proof of our competence in financial technologies sphere.

## STORY

## LEBANON



#### A cooperation agreement between Al Baraka Bank and Haigazian University to develop staff capabilities

The world today is very competitive in providing services and in dealing with customers professionally, and this is evident in the banking sector. Therefore, Al Baraka Bank seeks to develop capabilities and skills for its employees to enhance their ability to do their job completely.

In this regard, Al Baraka Bank has signed a cooperation agreement with Haigazian University to train its employees on the latest means of communication with customers and to develop the capabilities and information for successful banking.

Over 50 employees attended the program through various training sessions and workshops during last year, for which they received a degree from the University.

This program has had a good impact on improving performance and customer service.



# STORY

## SYRIA



### "Mothers are our blessing 2 - CSR Project"

For the 2nd year, successively AL Baraka Bank Syria honored 16 ideal mothers from 5 Syrian provinces.

The project aimed to empower Syrian mothers and to provide them with tools that will assist them in establishing their microfinance businesses with the ultimate goal of achieving financial independence for them and to the orphans they are raising.

The startups ranged from sewing & knitting, kindergarten, hairdresser shop, grocery market and raising sheep projects.

This project was implemented in the countryside of Damascus in cooperation with the initiatives of the people living in Sham that gathers more than 70 charities in the countryside of Damascus, and in the provinces in cooperation with a number of leading associations.





# Part 3 - The Al Baraka Impact

## The Al Baraka Philanthropic Program

Al Baraka's total funding and contribution for the Philanthropic Program was US\$6,288 thousand in 2017. The efforts can be classified into the following sub sectors and their impact:

### Education

Education is one of the most important and effective activities in Al Baraka Philanthropic Program. The total contribution to the education sector was US\$2,811 thousand. Education is considered as one of the most active and vital activities in Al Baraka Charity Program. The amount spent on new and existing education institutions was US\$1,056 thousand while US\$1,643 thousand was spent on scholarships.

#### Funding Existing Educational Institutions:

Al Baraka
ABG
Algeria
Egypt
Jordan
Pakistan
South Africa
Sudan
Syria
Tunisia
Turkey

US\$000  
656

#### Impact

- 57 educational institutions sponsored
- 108,833 new students joined and benefited from the institutions
- 8,035 full-time employees worked

#### Al Baraka Scholarship Program:

Al Baraka
Bahrain
Jordan
Lebanon
Pakistan
Sudan
Syria
Turkey

US\$000  
1,643

#### Impact

- 2,063 students benefited



## The Al Baraka Philanthropic Program (Continued)

### COMMUNITY DEVELOPMENT PROJECTS

Community Development Projects are another significant and vital activities and key elements of the Philanthropic Program and all units of Al Baraka Group contributed effectively to the program. Community Development Projects include vocational training, funding projects that support affordable housing, healthcare, and any other form of development that would

be beneficial to the community. Total contributions towards these activities were US\$1,872 thousand. Total amount sponsored on existing and new healthcare is US\$603 thousand. The total amount contributing to vocational training was US\$364 thousand.

### VOCATIONAL TRAINING

Funding New and Existing Institutions

Al Baraka
Algeria
Egypt
Lebanon
Pakistan
Syria
Tunisia



#### Impact

- 758 vocational training participants (605 fresh graduates and 153 employees)
- 7 vocational training institutes provided by units

### HEALTHCARE

Funding New and Existing Healthcare Institutions:

Al Baraka
ABG
Algeria
Bahrain
Egypt
Jordan
Lebanon
Pakistan
Sudan
Turkey
Tunisia
Syria



#### Impact

- 34 healthcare institutes sponsored
- 380,028 patients benefited from healthcare services
- 7,758 full-time employees worked in healthcare institutions

# The Al Baraka Philanthropic Program (Continued)

## ARTS, CULTURE AND LITERATURE

### Arts and Crafts Activities:

Al Baraka
ABG
Syria
Turkey



### Culture Activities:

Al Baraka
ABG
Jordan
Pakistan
Syria
Tunisia
Turkey



### Literature Activities:

Al Baraka
Turkey



### Impact

- 44 projects of arts, culture and literature and scholarly and literary works
- 33 conferences and programs of arts and culture and literature and scholarly literary works
- 2010 publications of arts and Islamic scholarly work sponsored
- 19,804 total individuals benefited from these sponsorships

## SCHOLARLY AND LITERARY WORKS

### Islamic law Scholarly works:

Al Baraka
ABG
Pakistan
Turkey



### Banking and Finance Scholarly works:

Al Baraka
Algeria
Syria
Turkey



## The Al Baraka Philanthropic Program (Continued)

### YOUTH ENGAGEMENT AND SPORTS

Al Baraka
ABC
Syria
Turkey
Pakistan
Tunisia

US\$000  
28

#### Impact

- 4 projects sponsored
- 5 events and activities sponsored
- 52 individuals benefited from sponsorships

### ENVIRONMENT AND SUSTAINABILITY

Al Baraka
Lebanon
Pakistan
Syria
Turkey
South Africa

US\$000  
96

#### Impact

- 15 individuals benefited

### INDIVIDUALS WITH SPECIAL NEEDS

Al Baraka
Jordan
Lebanon
Pakistan
Sudan
Syria
Tunisia
Turkey

US\$000  
109

#### Impact

- 15 projects sponsored to individuals with special-needs
- 1,274 individuals with special needs benefited from these projects

## The Al Baraka Philanthropic Program (Continued)

### ECONOMICALLY CHALLENGED COMMUNITIES

Al Baraka
ABG
Algeria
Bahrain
Pakistan
Sudan
Syria
Tunisia

US\$000  
**406**

#### Impact

- 24 projects sponsored
- 6,384 individuals sponsored

### Philanthropic Program - 2017

Turkey	32%
Jordan	20%
Algeria	11%
Tunisia	8%
Bahrain	6%
Egypt	6%
Sudan	5%
Pakistan	5%
Syria	3%
ABG	2%
Lebanon	2%



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## The Al Baraka Qard Hasan Program

The Qard Hasan Program is another significant part of the Al Baraka Sustainability and Social Responsibility Programs. ABG, Algeria, Egypt, Jordan, Lebanon, Pakistan, South Africa, Sudan, Turkey offered this program with a total contribution of US\$55,209 thousand in 2017 which was given to a 34,882 individuals.

Al Baraka
ABG
Algeria
Egypt
Jordan
Lebanon
Pakistan
South Africa
Sudan
Turkey



**Impact**

- 34,882 individuals benefited

### Qard Hasan Program - 2017

Turkey	79%
Jordan	15%
Egypt	2%
ABG	1%
Lebanon	1%
Pakistan	1%
Sudan	1%



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## The Al Baraka Economic Opportunities and Social Investments Program

The Economic Opportunities and Social Investments Program is the third Program in Al Baraka's Sustainability and Social Responsibility Report. Al Baraka units contributed towards Economic Opportunities and Social Investments with US\$4,713,340 thousand in 2017.

This program contains community development projects like healthcare and community housing and also the local Industries, Micro and SMEs of the sub-sectors:

### Healthcare

Al Baraka
Algeria
Egypt
Jordan
Lebanon
Pakistan
South Africa
Sudan
Syria
Turkey

US\$000  
206,611

### Community Housing

Al Baraka
Bahrain
Egypt
Jordan
Pakistan
South Arica
Syria

US\$000  
179,172

### Impact

#### Healthcare:

- 297 institutes financed
- 32,387 patients benefited from healthcare projects
- 100 patients benefited from healthcare institutions
- 1,528 full time employees worked in healthcare institutions

#### Community Housing:

- 16,683 housing projects were provided

### Local Industries, Micro, Small and Medium Enterprises

Local industries, Micro & SMEs is the second sub sector that falls within the Economic and Social Investments Program. To ensure a better understanding of the finance types that are provided for these projects, Micro, small and medium projects have been distributed by economic sectors:

#### Distribution by Economic Sectors

The economic sectors highlighted by Al Baraka Group include a high concentration on agriculture, farming, industrial sector, manufacturing, services, constructions, real estate, trade, tourism, transportation, craftsmanship, handicraft as well as other sectors. Al Baraka's contribution to these sectors for Micro and SMEs financing was US\$4,316,449 thousand.

## The Al Baraka Economic Opportunities and Social Investments Program (Continued)

### Local Industries, Micro and SMEs

Al Baraka
Bahrain
Egypt
Jordan
Lebanon
Pakistan
South Africa
Sudan
Syria
Tunisia
Turkey



### Impact

#### Local Industries, Micro and SMEs

- 74,012 business created including the low income areas
- 813,499 full-time employees worked in these business

### Economic Opportunities and Social Investments Program - 2017

Turkey	69%
Pakistan	12%
Jordan	8%
Sudan	4%
Lebanon	3%
South Africa	2%
Egypt	1%
Bahrain	1%



## The Al Baraka Time Commitment Program

### Volunteering Hours for Social Impact

Al Baraka
Egypt
Jordan
South Africa
Syria
Turkey



*Strength with passion moves people ...  
and therein lies the beginnings of true partnerships.*

TOGETHER  
MCO