



بنك الاتحاد
Bank al Etihad

Bank al Etihad's 2021 Sustainability Report

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About this report

GRI [102-53]

Welcome to Bank al Etihad's first Sustainability Report. This report illustrates our overall Environmental, Social, and Governance (ESG) performance from January 1st, 2021, to December 31st, 2021, across all of our branches and offices. We issue this report to transparently share our sustainability performance and commitment to shaping a more sustainable future for our company, employees, and the communities we are dedicated to serving.

Reporting Standards

GRI [102-54]

This report has been prepared in accordance with the GRI Standards: Core Option. The GRI content index can be found in Appendix C.

Reporting Frameworks

GRI [102-46]

At a global level, we support the mission of the UN Global Compact (UNGC - to which we are a participant) and the UN Sustainable Development Goals (UNSDGs) since the principles and goals that they focus on allow for lasting long-term and collaborative action. At a national level, Jordan's Economic Modernisation Vision, Jordan's National Vision 2025, and the Amman Stock Exchange Guidance on Sustainability Reporting have also influenced our approach to sustainability.

In reporting our performance, the company has also been guided by other recognised sectoral, local, regional, or global best practice standards and frameworks where these have been relevant and useful.

Reporting Boundaries

GRI [102-45]

All financial data shown in this report is for Bank al Etihad Group, unless stated otherwise. All non-financial data in the report covers Bank al Etihad headquarters and branches.

We welcome all stakeholders to provide feedback on our report's content and our sustainability performance via the following channels. Your feedback is welcome and only takes a few minutes.

Email: sustainability@bankaletihad.com

Facebook: <https://www.facebook.com/BankalEtihadJo/>

Instagram: <https://www.instagram.com/bankaletihadjo/?hl=en>

LinkedIn: <https://www.linkedin.com/company/bankaletihadjo>

Phone: +(962) 6 5600444

Address: Abdel Al Rahim al Waked Street- Shmeisani

Cautionary Message

This report contains statements that may be deemed as "forward-looking statements" that express the way in which Bank al Etihad 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.

Bank al Etihad has made every effort to ensure that this report is as accurate and truthful as possible. However, by their nature, forward-looking statements are qualified to inherent risks and uncertainties surrounding future expectations that could cause actual results to differ materially from these projected or implied statements. Such statements are subject to risks that are beyond Bank al Etihad's ability to control and therefore do not represent a guarantee that events implied in these forward-looking statements will actually occur.

CEO message

GRI [102-14]

I'm delighted to introduce you to Bank al Etihad's first sustainability report. At this pivotal time, we are reminded that we only prosper when the communities around us prosper as well. In order to ensure this happens, we're taking meaningful actions, making bold commitments, and dedicating all of our resources and talent to this task.

The last two years have been fraught with challenges – the reverberations of which continue to be felt. Compound crises that include the COVID-19 pandemic, and global conflict, necessitate the creation of sustainable and resilient economies and communities.

As we look optimistically towards a post-pandemic future, inclusive and sustainable growth must be our path forward. The Environmental, Social, and Governance (ESG) priorities and outcomes described in this report are important for our communities, our economy, and our bank. Nonetheless, this report is a reaffirmation of the Bank al Etihad's efforts to support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

The steps we took at Bank al Etihad to minimise the impact of COVID-19 deterred the adverse effects of the pandemic on our customers. We put systems in place and created initiatives that focused on the needs of customers. We remain a bedrock of support to our entrepreneurs and SMEs, enabling women's economic participation and equipping young people with the skills they need to unlock their full potential.

We're proud of our commitment towards building a more inclusive, low-carbon, and environmentally sustainable economy. The bank is an ecosystem player, recognising the required collective effort of government, investors, companies, their employees, and society.

We're constantly developing new products and services to streamline banking for our customers. Concurrently, we're looking for novel ways to address our environmental impact.

In 2020, we launched our green initiative Plastiqua, which stems from the critical need to reduce plastic waste. Through Plastiqua, we upcycled over 50,000 expired plastic bank cards and repurposed them into handcrafted accessories and art pieces. The bank also implemented a solar system project that enabled us to reduce CO2 emissions by 26,169,486 kg, produce 17,153,443 kWh in energy and cover the energy needs of 47 of our buildings and branches since the inception of this project.

In the past, companies too often took a short-sighted view on integrating ESG factors into decision-making out of concern for increased costs. I'm proud that today, at the bank, and among our partnering institutions a far more holistic and long-lensed approach is considered wise. This demonstrates a veritable shift in the way our society is approaching the future, considering our environment, our resources, and the well-being of our community.

Sustainability and the bottom line can indeed sit side-by-side. This is evident in our growth in 2021, even as we shifted to more sustainable business practices. The value of our assets increased by 18.7% in 2021 against the previous year, while customer deposits have also grown by 22.7%. Net credit facilities, portfolio shares, and shareholder equity are also growing. Our customer base is also expressing interest in our ESG activities, demonstrating increased intangible value to our brand, our credibility, and our customers' trust in the bank.

Our ESG strategy, which is under development, will be implemented at different levels of the organisation and will work on incrementally integrating sustainability into our business practices. We also aim to establish a sustainability department that will bring together the experience and talent of colleagues working on ESG initiatives.

This report will provide you with more insights into these policies and initiatives and our milestones in 2021. We're proud of what we've achieved thus far and we're working hard, alongside our clients and partners, to continue to mobilise banking towards sustainable solutions that meet clients' long-term needs.

I am enthusiastic about the work that lies ahead about the team at Bank al Etihad that is wholeheartedly invested in this work, and the results we'll be able to show you next year.

Nadia Helmi Hafez Al-Saeed

Chief Executive Officer

About Bank al Etihad

GRI [102-2], [102-3], [102-4], [102-5], [102-6], [102-16]

Bank al Etihad was established in Jordan in 1978 and has since grown to become one of the leading banking groups operating in Jordan. Built on family values, we want to help the people and communities around us prosper.

Our group is made up of a central exchange unit, a financial brokerage company (Etihad Brokerage), a financial leasing company (Etihad Leasing), and a financial technology company (Etihad Financial Technology Company). In 2017, the bank acquired a controlling stake in Safwa Islamic Bank, making it its arm in the Islamic banking sector. We're focused on implementing state-of-the-art digital solutions and have a growing network of 57 branches and 135 ATMs across the Kingdom.

Our values

- Endlessly entrepreneurial

We're ambitious, forward-thinking, and courageous. We firmly believe that optimism drives possibility, and we work hard to help our customers find new business opportunities, markets, and ideas with the most advanced resources and support available.

- Always learning

Knowledge is empowering. As a trusted guide, we're constantly asking the right questions and seeking the right information so that we can help our customers find the right solutions for their needs.

- Championing creativity

We champion art and culture because they help us grow as individuals and communities. Creativity increases our imaginations, inspires fresh perspectives to traditional problems and helps us discover what makes a business or investment truly special.

- Community spirited

We see our customers as part of our family and always have their best interests in mind. We're committed to supporting them through whatever challenges they face, and we're ready to share our vast business network, banking tools, and expertise to help them succeed.

Our purpose: To empower and engage

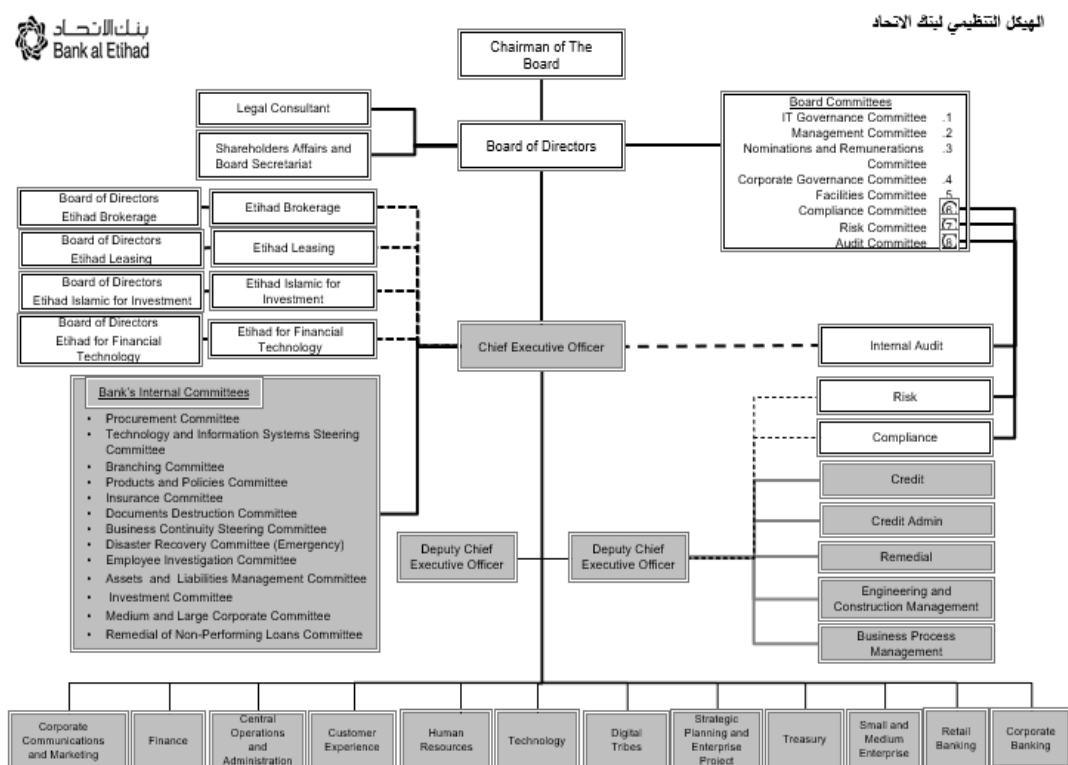
We exist to help our customers grow and achieve their ambitions by giving them the ability to bank on their terms; anyhow, anywhere, anytime. Whether it's saving for a holiday or retirement, buying a house, or starting a new business, we're committed to supporting their every need.

Our promise: To shape your future

We empower our customers to shape their future. By championing innovation, entrepreneurialism, and new technology. Money management shouldn't be a challenge, we put our customers first and are committed to helping them build a bright future.

Bank al Etihad's organisational structure:

[102-18]



Our strategy

Simply put, we aim to be the leading digital bank in Jordan. We approach our work by focusing on fundamental questions. What matters most to our customers? And where can we make the most significant impact?

Our digitisation strategy stems from our belief in economic empowerment and the importance of democratising access to finance. It means making the most of all our resources to boost efficiency without affecting customer experience and working productively to stay ahead of trends, launch exciting new products, and serve our customers more dynamically.

Sustainability is at the heart of our business, we work with people and the planet in mind through our commitment to sustainable finance, financial literacy initiatives, diversity, equity and inclusion policies, and supporting entrepreneurs and SMEs. We are in the process of developing our ESG strategy to broaden our reach and impact and tap into new opportunities for growth.

Memberships

GRI [102-13]

Member of the Jordan Strategy Forum (JSF)	Member of the Bureau Van Dijk
Member of the Financial Alliance for Women	Board Member of Injaz
Member of the Association of Banks in Jordan	Board Member at EDAMA Association for Energy, Water, & Environment
Member of the Institute of Banking Studies	Board Member at Endeavor

Recognition

The Bank received the following seven international awards in 2021:

- The “Best Consumer Digital Bank” in Jordan from New York’s “Global Finance” magazine to distinguish our mobile banking application.
- The “Most Innovative Digital Bank” in Jordan from New York’s “Global Finance” magazine in recognition of our efforts in innovation and technology.
- The “Best Information Security and Fraud Management” in Jordan from New York’s “Global Finance” magazine in appreciation of our efforts in implementing the highest standards of protection and security.
- The “Best Bill Payment and Presentment” in Jordan and the Middle East from New York’s “Global Finance” magazine in recognition of our efforts to provide the best online payment experience.
- The “Access to Finance Champion” award from the Financial Alliance for Women (FAFW) in recognition of our efforts towards enhancing women’s economic participation.
- The “Most Active Issuing Bank in Jordan” in the implementation of international trade operations award from the European Bank for Reconstruction and Development (EBRD) for the fourth time

in a row.

- The “Best Socio-Economic Impact Bank” award from “Business Vision” magazine.

2021 Highlights

Received the highest rating possible for compliance with the Institute of Internal Auditors (IIA) Standards	2X increase in digital transactions compared to 2020 and 74% of the bank's processes were automated	Launched our green initiative, 'Plastiqua'. Through it, we collaborated with women artisans from disadvantaged areas in Jordan to upcycle expired bank cards and turn them into art pieces and jewellery.	Implemented a far-reaching accessibility project, including ramps, voice assisted ATMs, and sign language interpretation
Zero recorded instances of corruption during 2021	50,000 customer experiences measured and analysed, with a customer satisfaction score (CSAT) of 8.6/10	45% female inclusion rate in the workforce, one of the highest in Jordan's banking sector	\$30 million in loans supporting SMEs throughout the pandemic
Zero reported data security breaches in 2021, for the third consecutive year	70% of all bank accounts in 2021 were opened digitally through our mobile application	94% of power requirements came from solar energy	Supported Central Bank of Jordan to reach more than 800,000 children with financial literacy curriculum in schools
88% of our employees received compliance training	Launched a new business banking platform	Donated 840 kg of e-waste for reuse	Funded the development of an e-learning portal for Al Hussein Society
Automated the process of reviewing technology operating systems compliance, which cut audit time by 30%	Our mobile app is the most highly rated app on both the iOS and Android stores in Jordan with a score of 4.9 out of 5	28% reduction in water consumption	25 annual university scholarships awarded to students that exhibit academic excellence

Sustainability at Bank al Etihad

Putting sustainability at the heart of our business.

Our Sustainability Beliefs

Our work starts with understanding our impact on the world around us, the change we can lead, and the future we can shape together. Sustainability is at the heart of everything we do and a key driver of growth.

A sustainable economy depends on sustainable practices

The way we serve and engage with customers and partners can help shape the future of our community. ESG risk management will help drive stability and support economic growth while considering the impact of our decisions on the environment and society.

Influencing sustainable growth

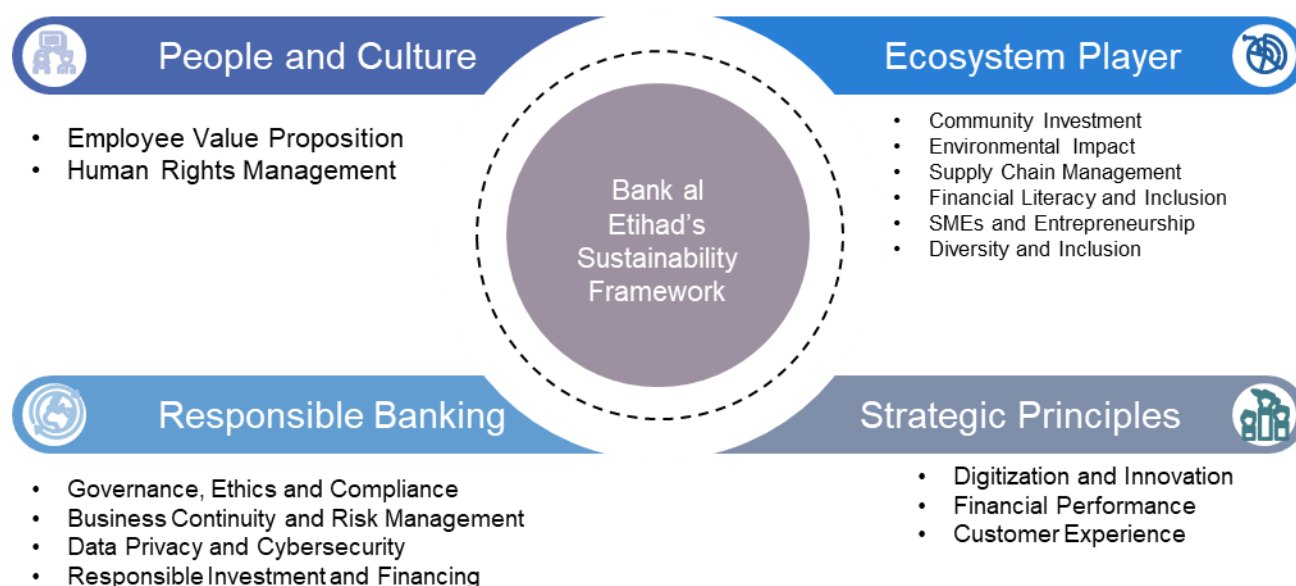
Taking on new challenges is one of the things we're best known for. We take action on sustainability by leveraging our brand to build a better future-for customers, communities, and our planet. We are committed to being an ecosystem player and helping our customers transition to more sustainable business practices.

We're in it for the long haul

We are continuously learning in this environment of constant disruption. ESG and stakeholder capitalism frameworks are guiding us in building resilience and creating long-term value for the bank, our customers, partners and community.

Sustainability framework

Our strategy is built on four pillars. We created a comprehensive framework that ensures we're continually working towards goals that benefit and support our people, enrich our economy, and protect our natural environment.



Stakeholder engagement and materiality

GRI [102-40], [102-42], [102-43]

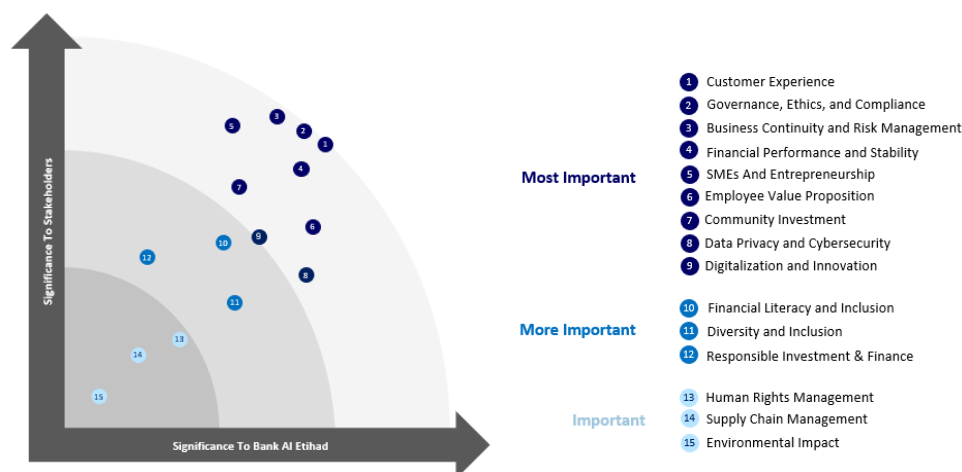
Understanding which issues are important for us but also for our stakeholders, engaging them in the conversation and being responsive and transparent is critical to building a sustainability strategy that is relevant and inclusive.

Governmental and regulatory bodies	Customers	Employees	Suppliers	The local Community	Shareholders and Investors
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Materiality: Reporting on what matters

GRI [102-44], [102-46], [102-47]

To make sure we're on the right track with our sustainability activities, we have carried out a comprehensive materiality assessment. As recommended by the GRI Standards, our report discloses information on specific topics that are most significant to our organisation and our stakeholders. Using international sustainability standards, peer reviews, and internal engagement, we developed a list of 15 priority material issues. Each material issue is classified as important, more important, or most important to us and to our stakeholders.



Aligning with national and international priorities

Sustainability goes beyond our business, and we know we have a responsibility to drive positive change throughout our industry and society overall. Therefore, we're committed to promoting wider sustainability goals, frameworks, and agendas, such as the Economic Modernisation Vision, Jordan National Vision 2025 and the UN Sustainable Development Goals (SDGs).

Economic Modernisation Vision

The Jordanian Economic Modernisation Vision along with its road map represents a comprehensive approach that considers the necessary short-, medium- and long-term actions to be taken to advance Jordan's position and help achieve several goals. Based on two strategic pillars: accelerated growth

through unleashing Jordan's full economic potential and improved quality of life for all citizens, with sustainability serving as the key component of this future vision.



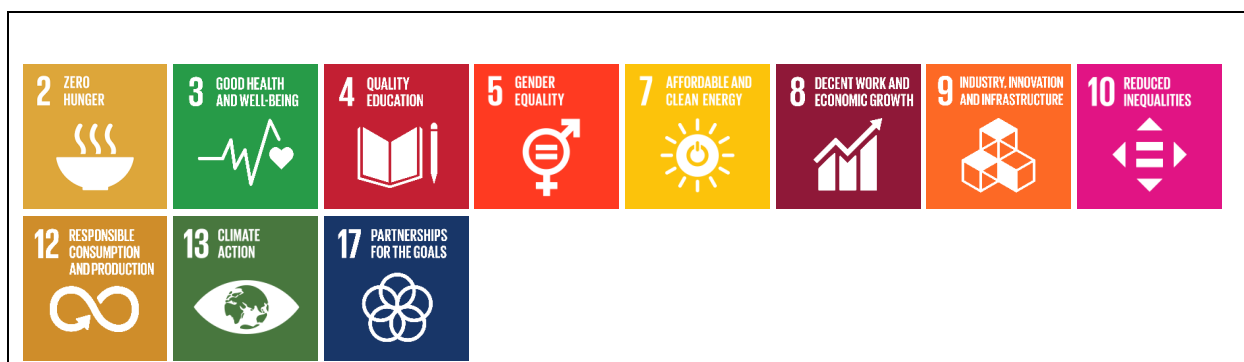
The Jordan National Vision 2025

The Jordan National Vision 2025 is part of a long-term roadmap designed to revitalise the economy of Jordan. It aims to achieve economic growth and reduce poverty, unemployment, and the public debt, with special attention given to small and medium-sized businesses, gender equality, and the support of those with additional needs. The objectives of the Jordan National Vision are central to our decision-making and help us in making a meaningful contribution to national priorities.



The United Nations' Sustainable Development Goals (SDGs)




The United Nations SDGs are a collection of 17 interlinked global goals designed to act as a blueprint to achieve a better and more sustainable future. We believe that by focusing on the SDGs that are most relevant to Bank al Etihad, we can make the biggest contribution to sustainable development across Jordan and the world. Our SDGs of focus include but are not limited to:



Chapter 1 – Page divider

Strengthening our governance

Our strategic principles capture the essence of Bank al Etihad's internal mechanisms. We are committed to upholding the highest standards of business ethics and compliance and conducting meticulous audits to ensure our systems run smoothly. Customer centricity, digitisation, and innovation breathe life into everything we do. Our financial performance and business continuity are a direct result of our commitment to run our processes seamlessly.

Material topics: <ul style="list-style-type: none"> • Governance, ethics, and compliance • Business continuity and risk management • Financial Performance • Digitalisation and Innovation • Data privacy and cybersecurity
Jordan's Economic Modernisation Vision: <ul style="list-style-type: none"> • Strengthen Jordan's international competitiveness • Create sustainable and inclusive economic growth
Jordan National Vision 2025: <ul style="list-style-type: none"> • Efficient and effective government
Sustainable development goals: <div>    </div>

Board of directors

Our board is made up of 11 members, each with extensive experience. All members play an active role in raising, reviewing, and discussing our sustainability challenges and activities. The Board of Directors and the management of Bank al Etihad are committed to leadership in corporate governance.

We have designed our corporate governance policies, principles, and practices to focus on our responsibilities to shareholders and other relevant stakeholders and on creating long-term shareholder value. We recognise the importance of the engagement of directors with shareholders on areas core to the board's mandate.

Since the inception of the Shorouq program in 2014, Bank al Etihad has been disclosing its internal gender indicators in alignment with initiatives such as UN Women, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), and the UN Global Compact, among others. Although Bank al Etihad has no formal Board Diversity Policy, we are working towards achieving the targets recommended by the Central Bank of Jordan aiming for no less than 20% women on its board of directors from the current 9%. Bank al Etihad ensures that our board nomination process reflects all genders, ethnicities, and cultural backgrounds.

Bank al Etihad has a two-tier board structure, including independent directors and non-executive directors with a board tenure of four years.

Board of Directors	Units	2019	2020	2021
Percentage of board seats occupied by women	(%)	9	9	9
Percentage of board seats occupied by independent directors	(%)	36	36	36
Executive members of the Board of Directors	(#)	0	0	0
Non-executive members of the Board of Directors	(#)	11	11	11
Female members of the Board of Directors	(#)	1	1	1
Male members of the Board of Directors	(#)	10	10	10
Independent members of the Board of Directors	(#)	4	4	4
Non-independent members of the Board of Directors	(#)	7	7	7

Governance, ethics, and compliance

While reaching our business goals is critical to our success, how we achieve them is equally important. That's why the actions of our employees are subject to a number of internal policies, standards and guidelines. Our code of conduct is built on the core values of integrity, respect, and equality. All of which aims to maintain responsible business ethics at all levels throughout the organisation.

Compliance

Our compliance committee works diligently to oversee that our processes and procedures are compliant with laws and regulations. Its responsibilities can be summarised as follows:

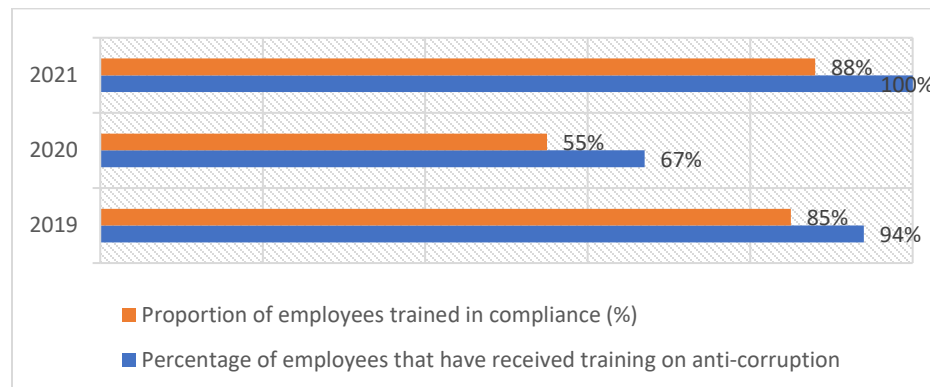
1. Ensuring the compliance department is well-staffed and fully independent
2. Listing and approving the main roles of the compliance department
3. Upholding a strict policy that keeps the bank fully compliant with all applicable regulations

To uphold our compliance standards, we carry out annual assessments and urge our employees to anonymously report any cases of non-compliance via our grievance hotline. In 2021, we had two incidents of non-compliance related to breaches of our code of conduct which we dealt with as per the international standards of best practices, minimising the likelihood of such breaches to occur in the future.

Our regulatory technology team also conducts weekly productivity analyses of compliance monitoring solutions, in order to optimise the productivity of all our platforms and screening solutions.

Employees are constantly reminded of applicable policies and procedures during mandatory annual training and other training sessions during the year, and by regular communications of regulatory changes.

In 2022, 88% of the organisation's employees received extensive compliance trainings to ensure that employees are well versed in compliance best practices.



Ethics and anti-corruption practices

Safeguarding the bank's reputation as ethical and trustworthy is the responsibility of every employee and is key to our continued growth. By acting ethically and with integrity, we can prevent corruption and financial crimes by taking preventative measures such as:

- Regular risk assessments in accordance with industry best practice
- Full compliance with Financial Action Task Force (FATF) recommendations
- Comprehensive screening of all our customers before on boarding
- Real-time transaction monitoring
- Best-in-class fraud-prevention and anti-corruption tools and technologies
- Anti-fraud training for all employees
- Strict legal and disciplinary measures taken against employees committing fraudulent activities

Bank al Etihad and its subsidiaries are committed to detecting and deterring persons engaged in money laundering from using our products or services. In 2021, there were no instances of corruption within the organisation, due to documented policies and procedures put in place that address both enterprise policy and applicable anti-money laundering and countering the finance of terrorism (AML/CFT). All employees are trained annually to ensure Bank al Etihad is up to date with global standards and best practices. In 2021, 100% of employees were trained on AML/CFT and looking ahead, we intend to continue focusing on mitigating regulatory breaches and AML matters.

Business continuity, risk management, and internal audit

Business continuity

Throughout COVID-19, our top priority has been supporting our customers. Despite the challenges of the pandemic, our solid technological infrastructure helped us respond quickly and dynamically to ensure we continued to provide the best experience for our customers. Similarly, to the rest of the world, we were able to provide secure remote access to employees with the necessary resources, technology, and infrastructure to ensure business continuity.

During periods of lockdown, we were able to direct customers to our digital services and encouraged the use of digital payments instead of cash. As per the instructions of the Central Bank of Jordan, we postponed loan and credit card payments without imposing fines or late fees and lowered interest rates on credit facilities. We also launched new features on our mobile banking app, enabling our customers to manage their credit facilities, such as postponing or rescheduling payments, to help them better manage their finances in such unprecedented times.

For our SME customers, as with all of our customers, we invested time in identifying their most important needs and developing plans to quickly respond to their requirements. Through the Central Bank of Jordan's financing programme, and in partnership with the Jordan Loan Guarantee Company (JLGC), we managed to extend loans to many affected SMEs to help them keep their businesses afloat during the pandemic.

Systematic risk management

GRI [102-11]

Our business faces several risks, each presenting its own unique challenges. Every employee has a responsibility in managing the bank's risks through understanding (that is, identify, assess and measure) and mitigating the potential impact of a variety of risks in the financial services sector that may impact our customers, employees, and stakeholders. These include traditional financial risks inherent to banking such as credit and interest rate risk, non-financial risks such as climate change and cybersecurity threats, and unpredictable events such as social unrest and global pandemics.

Additionally, the banking regulatory landscape is in a constant state of flux, with new regulations or amendments to existing regulations constantly being made in response to political turmoil, emerging technology, and the ongoing impact of COVID-19.

Our Operational Risk Framework enables us to identify, assess, monitor, measure, report, and communicate on all operational risks to the business. The methodology for assessing operational risks applies to all our products, services, and processes, including fraud risks, bribery and corruption, as well as money laundering. We have identified a list of the most probable and heightened risks that the bank is subject to, and we have tailored our processes to mitigate them in the most efficient and diligent manner.

Risk Identified	Our Activities
Information and Cybersecurity	We've adopted a comprehensive cybersecurity framework that allows us to monitor, detect, and prevent any suspicious activity and cyberattacks. We're continually testing our cyber resiliency strategy to ensure it responds rapidly to new and emerging cybersecurity threats.

Business Continuity Risk	<p>Our operational resilience framework enables us to identify potential threats and failures, to protect, respond, adapt to, recover, and learn from disruptive events in order to minimise their occurrence.</p> <p>Our Business Continuity Management plan ensures that we consider multiple possible scenarios and prepare accordingly.</p>
Climate Change	<p>We understand that climate change represents a significant threat to all areas of society, particularly in the reorganisation of the economy, including carbon pricing and changes in consumer behaviour.</p> <p>We are working to identify the climate risks that pose a threat to our business model and to clients' industries and sectors that are generally more vulnerable to the carbon transition and/or physical risks arising from climate change.</p> <p>This will also help us uncover business opportunities related to the low-carbon transition, as well as the management of physical hazards associated with a changing climate.</p> <p>We are also developing and embedding an Environmental and Social Policy Framework (ESPF) into credit and investing decisions that will limit our exposure to climate change risks, align the bank's lending and investing decisions with our overall sustainability vision, and limit the bank's exposure to potential financial and reputational risks associated with high-risk clients.</p>
Asset Quality and Profitability	<p>Our strategy is focused on growing fee-based income by expanding customer services through trade finance, wealth management, a mobile app trading platform, and insurance products. These diverse offerings are an important part of our future profitability targets, particularly given the current pressure on interest rate spreads.</p>
Fraud	<p>Financial fraud represents a significant risk to all banking operations and is one that we take extremely seriously. We have a wide range of processes in place to mitigate this risk, including best-in-class anti-fraud technologies and comprehensive training. In 2021, we introduced a new financial crime system, Fiserv.</p>

	We conduct regular fraud risk assessments to detect and prevent potential and emerging fraud risks.
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In 2021, we implemented several initiatives to further mitigate risk and ensure the continuity of our business. Firstly, we developed a recovery plan in line with best practices, designed to enhance our ability to maintain our financial position and reduce negative impacts associated with market and economic instability.

We also hired an external consultant to review our enterprise risk management framework, which resulted in practical recommendations and methodologies to enhance our overall risk management process and helped align our risk appetite framework with our overall strategic objectives.

We have also begun to explore how to best promote financial sustainability, and how we can incorporate environmental, social, and governance (ESG) factors into our financing and investment choices. We are now working on a roadmap to support renewable energy and green lending initiatives, products that we already price preferentially.

Case study: ESPF for more ethical lending and investing

We want sustainability to be at the core of everything we do, which is why we're committed to implementing an environmental and social policy framework (ESPF) for our investment and financing activities. The ESPF will allow us to determine, assess and manage our environmental and social risks, and outline the standard for responsible decision-making. Through the ESPF we aim to promote sustainable business, increase transparency, and ensure our risk management processes are aligned with the industry's good practice.

It's important to us that any lending and investment activities under consideration are both environmentally and socially sound and sustainable. The ESPF will ensure that every reasonable effort is made to identify any possible adverse environmental or social consequences associated with every potential investment, which we will then carefully consider.

The benefits of this approach are significant, both for our business and for our overall sustainability mission. Centring sustainability in our investment decisions enhances our ability to access capital, as environmental and social monitoring is becoming standard across the industry. Additionally, our ESPF will help improve access to markets with robust environmental regulations and help to mitigate legal, operational, and financial risks.

Internal audit

We rely on our internal audit strategy to provide a third line of defence, ensuring that other lines of defence that lie with business and process owners, risk management, and compliance are effective. Our auditing plan is divided into four parts:

- Departments and subsidiaries
- Branches
- Technology
- Governance and follow-up

The auditing process for each of the four parts has different timelines depending on the needs and priorities of each, but all significant compliance policies, procedures, and systems throughout our business are covered, in addition to other resources such as staff, technology, training, and the digitisation and automation of the audit process itself.

Our auditing process is overseen by Bank al Etihad's Audit Committee, which consists of five board members that reconvene on a quarterly basis. In accordance with our Audit Committee charter, the majority of members on the committee should be independent, and the committee chairperson must not be the chairperson of any other committee.

The main responsibility of the Audit Committee is to assist the board of directors in conducting their oversight responsibilities related to financial statement preparations, internal controls, internal and external audits, compliance with regulations, and following up on emerging risks.

Following an external assessment by PricewaterhouseCoopers (PwC), the internal audit department achieved the highest rating possible for compliance with the Chartered Institute of Internal Auditors (IIA) standards.

In its pursuit of achieving a risk-based audit approach, the department focuses on auditing the effectiveness of controls over non-compliance and fraud risks, reviewed quarterly or during seasonal audits.

In the same context and for faster identification of risks, the department has adopted continuous audit by introducing data analytics. Internal audit has also boosted the impact of communication with stakeholders by replacing hard-copy audit reports with automated, paperless online real-time audit reports. This enhanced agility allows senior management and audit committee members to view audit sprints and their statuses quickly and easily to issue prompt recommendations if needed.

As with all our business processes, the COVID-19 pandemic affected our audit plans. Internal audits were disrupted during work-from-home and lockdown mandates, with the auditing team communicating remotely. We spent a great deal of time reflecting on lessons learned during lockdown and have now turned our attention to the future of auditing. We have been exploring opportunities to automate both offsite and onsite audits.

Applying our own audit methodology helped us achieve the required strategic KPIs and we plan to keep building on our quarterly risk reassessment and continuous auditing by utilising data analytics processes.

Case study: Automating repetitive audit tasks

Many audit tasks are repetitive and time-consuming, so we introduced robotic process automation to reduce the time spent on particular tasks and allow our staff to concentrate on other responsibilities. Using best practice guidelines, we created a script that automates the process of reviewing technology operating systems compliance, which cut audit time by 30%. We're now exploring other ways of introducing similar processes into other department and branch auditing.

Data privacy and cybersecurity

Our customers trust us to safeguard their personal information, and this remains a top priority for Bank al Etihad. We actively monitor and manage security and privacy risks, thereby enhancing our ability to mitigate them through enterprise-wide programs, industry-standard practices and threat and vulnerability assessments and responses. Our Information and Cybersecurity policies and our privacy commitments outline some of the organisational controls we have in place to help protect information. Our other security measures include firewalls, data encryption and around-the-clock monitoring to help maintain the quality of our technology systems and help identify unusual customer account activity.

We recognise that our employees are in close proximity to sensitive information, so we have strict measures in place to ensure data privacy and security, including training, password policies, bring-your-own device guidelines, and employee identification procedures.

All of our policies are built on industry best practices and align where necessary with ISO27001, ISO27017, the Payment Card Industry Data Security Standard (PCI DSS), the National Institute of Standards and Technology's (NIST) Cybersecurity Framework, as well as the new cybersecurity framework recommended by the Central Bank of Jordan. A range of top-level tools and technologies, designed to minimise security threats, underpins all.

We use a security information and event management system to detect and alert any potential suspicious events and incidents. In addition, we have a card fraud management system in place to monitor card transactions and use enterprise data security and a cybersecurity solution to monitor our network and systems.

We also use a system for threat detection and response that provides holistic protection against cyberattacks, unauthorised access, and misuse. This year also saw us introduce the financial crime system, Fiserv.

We regularly conduct stress tests and vulnerability assessment (VA) to evaluate the security of the bank's Information Technology (IT) infrastructure as part of our cybersecurity incident response plan. This plan describes the bank's organisational and operational structure, required processes and procedures, so that in the event of a security incident, we can respond quickly and efficiently. The plan also ensures we are up to date with cybersecurity-related trends and technologies.

We are happy to report zero data security breaches in 2021, for the third consecutive year.

Case study: Online business banking "Etihad for Business"

Following the continued success of our digital banking platform for individuals, 2021 saw us build and launch a new digital banking platform for businesses.

We developed the platform in-house through a rigorous process of prototyping, testing, evaluating and refining. Once we had finalised the platform, we migrated more than 80% of our existing business banking users to the new offering, before rolling it out to all our business users.

Throughout the year, we gathered feedback from our customers, designed dashboards and restructured the project roadmap to cater for our needs, and to enable business banking to reach its full potential. Now we have an agile platform that can be enhanced and revised easily and in response to changing trends, and customer demand. Customer surveys show a satisfaction rate of 4.1/5 with the new platform, with nearly half of those surveyed (46%) logging in at least once a day.

We intend to continue building on our business banking platform to incorporate additional features, such as loan and cheque management and the ability to manage personal and business accounts side-by-side. We're also working on the launch of social media channels for our business customers.

"Etihad for Business has helped us manage our day-to-day banking, from paying bills to making transfers. It's reliable and very easy to use!" – Bunni Coffee Roasters

Financial performance

GRI [102-7]

Company's Name	Ownership of the Bank	December 31, 2021		Nature of Operation	Date of Acquisition	Location	For the year ended December 31, 2021			
		Paid-up Capital	Investment amount				Total Assets	Total Liabilities	Total Revenues	Total Expenses
		%	JD	JD			JD	JD	JD	JD
Al-Etihad for Financial Brokerage Company L.L.C.	100	5,000,000	5,000,000	Financial Brokerage	2006	Jordan	12,161,447	794,693	677,899	(371,542)
Al-Etihad for Financial Leasing Company L.L.C.	100	10,000,000	10,000,000	Finance leasing	2015	Jordan	27,088,634	14,955,670	2,315,753	(1,409,692)
Al-Etihad Islamic Investment Company L.L.C.*	58	113,039,028	65,562,636	Acquisition of bonds and shares in companies and borrowing the necessary funds from banks	2016	Jordan	114,197,423	29,427	3,742,215	(7,500)
Al-Etihad for Financial Technology Company	100	100,000	100,000	Manufacturing, programing development and supplying programs	2019	Jordan	747,564	661,663	376,736	(414,104)
TOTAL		128,139,028	80,662,636							

*Etihad Islamic Investment Company owns 62.4% of Safwa Islamic Bank where the total asset amounted to JOD 2,336,135,319, total liability amounted to JOD 432,048,569, total revenue amounted to JOD 49,198,762, and total expenses amounted to JOD 26,381,582.

Despite the impact of the COVID-19 pandemic both globally and within Jordan, the bank achieved successful financial results in the 2021 financial year, including a 23% increase in customer deposits, 19% increase in total assets, 38% increase in net income and a 39% increase in profits (before tax) compared to last year.

For more information on our financial performance, please refer to our [2021 Annual Report](#).

Digitalisation and innovation

Throughout the years, the bank witnessed a great acceleration in the adoption of digital banking services that enabled us to improve productivity, increase efficiency and deliver the best customer experience. Our new mobile app was key in strengthening our presence in the retail space, presenting the Bank as a customer-centred and modern banking institution. The application contributed to the growth of the bank's customer base, with digitally onboarded customers representing the majority of new customers and contributing to the bank eventually tripling its customer base.

We believe in leveraging digital capabilities, which is why we went from outsourcing 90% of our technology to bringing it in-house and owning 100% of our digital channels. We were also able to implement our enterprise business process management platform (BPM) as the core for designing a new digital customer experience through the automation and transformation of front-end and back-end operations across the organisation.

Our decisions and operations are led by our aim to become the leading digital bank in Jordan, while achieving our vision of empowering and delivering value to our customers. We strive to give our customers the ability to bank on their terms – anyhow, anywhere, and anytime.

Our efforts did not go unrecognised as New York's Global Finance Magazine (2021) awarded us "Best Digital Bank in Jordan" and "Most Innovative Digital bank in Jordan and the Middle East".

Our mobile banking app is the most highly rated app on both the Apple and Google Play stores in the country, with an exceptional rating of 4.9 out of 5. Our iterative approach to the development of our features allowed us to achieve the following:

- 70% of all accounts in 2021 were opened digitally through the mobile application
- 2X growth in digital transactions resulting in a 63% drop in financial transactions made through the branches in the year 2021

Just as much as we focus on investing in our digital channels, we invest in our back-end processes to ensure that we meet our commitment to our customers. We follow an iterative approach to enhancing and automating processes. 78% of the bank processes were automated in a few years, leading to the elimination of paper waste, increasing productivity, and achieving KPIs.

In 2020, the bank decided to play an active role in developing the ecosystem, supporting national efforts to democratize access to financial services through the establishment of a financial technology company under the name of "Finto. Finto aims to empower today's innovators to create the next generation of digital financial products and services.

We made a wide range of digital achievements throughout 2021 as we continued our overall digital transformation journey. Highlights include:

- Extending our digital experience to our business customers by launching a new business banking platform that is tailored to cater the needs of businesses

- We became the first bank to fully on-board Jordanians living abroad in the GCC countries digitally, where customers can instantly open an account and receive their card delivered to them in just 3 days
- Issuing the “pre-approved loans” product to our existing customers, where customers were able to instantly issue and receive loans based on predetermined criteria, an automated scoring engine and a prediction model.

Team competency

With digitalisation at the core of our operations, it's crucial that our employees are properly trained and fully aware of emerging technologies in our industry. We provide comprehensive training and certifications on all aspects of fintech, from cybersecurity to ISO27001, to the employees whose roles require it. Additionally, all employees across the company are provided with regular sessions and training guides on topics such as data collection and privacy awareness. Previously, we had set a target to achieve 1,200 certifications in both 2020 and 2021. Our current certifications rest at 1,095, with 91.25% of our target met. We are committed to improving our employees' awareness of emerging technologies in the sector.

Chapter 2 – Page divider

Nurturing our people

To become the leading digital bank in Jordan through offering the best possible customer experience, we need to attract, develop, and nurture the best talent. With more individuals driven to work for organisations that align with their values, we believe it is our purpose to empower our employees to grow, become leaders and provide opportunities to help them create impact at work and in their communities.

Material topics: <ul style="list-style-type: none"> • Employee value proposition • Human rights management • Diversity and inclusion • Customer experience
Jordan's Economic Modernisation Vision: <ul style="list-style-type: none"> • Create Economic Opportunities for Jordanians • Strengthen Jordan's international competitiveness
Jordan National Vision 2025: <ul style="list-style-type: none"> • Active and empowered citizens
Sustainable development goals:



Employee value proposition

GRI [102-7], [102-8]

At Bank al Etihad, we recognise that employees play an integral role in our success and ability to fulfil our vision. We are committed to providing our people with an inclusive environment and the tools they need to achieve their professional goals. Bank al Etihad invests in its employees to help them build the skills needed to learn and grow today and for the future.

A key challenge in this arena has been the COVID-19 pandemic. However, our adaptability and resilience has meant that we were able to respond to our employees' needs promptly.

We supplied COVID-19 testing kits to all our employees and were the first bank in Jordan to offer COVID-19 vaccinations to all employees and their families, with optional booster vaccinations. We also successfully leveraged our Jira software to roll out a 'Stay Close' function, enabling us to continue supporting our colleagues as they worked from home.

Total Number of Workforce

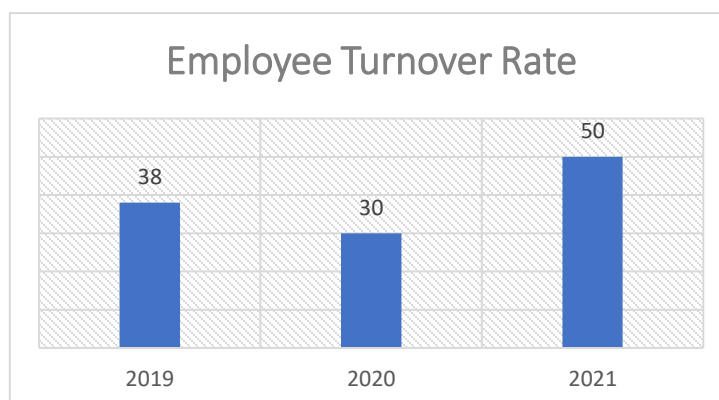


Talent attraction and retention

Fostering an innovative work environment emphasises the need to attract and retain talent, invest in training, and career development opportunities, provide equal opportunities, and implement diversity and inclusion policies. These policies aim to preserve the rights of employees and clarify their responsibilities, nonetheless they aim to provide a workplace that guarantee equal opportunities to all employees and eliminate discrimination as well as prohibiting acts of harassment. The bank maintains an appropriate level of awareness for employees on these policies and provides instructions on disciplinary measures in cases of violations.

Our internship programme is a central source of new talent, which we run in conjunction with local universities and schools. We're committed to offering rewarding employment opportunities to young professionals and new graduates interested in both our organisation and the wider finance industry.

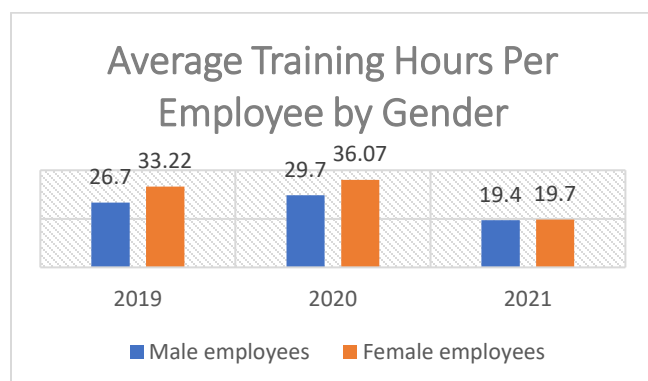
This year, we also began working on a new internal mobility programme that will enable existing employees to develop their skill set across other areas of the organisation. This will play a key role in talent retention going forward, creating clear pathways and advancement opportunities for all of our employees.



Training and development

We're passionate about unlocking people's potential and we strongly believe in employee development. In addition to the regular coaching and feedback provided by managers, all our employees have access to on-the-job training and a variety of tools and resources. In 2021, we delivered more than 25,500 hours of training to employees, both in-house and via our e-learning systems. Our training comprises a mix of certifications, online courses, job shadowing and mentoring. In addition, we have launched "Spark" in Sweifieh Village, a new space that acts as the Bank's training centre for employees.

This year, we took a more employee-centric approach to our workforce training. We carried out a comprehensive training needs assessment and developed a training plan for each department. This will enable us to best identify training opportunities for all our employees, including those wishing to develop subject specific skills such as environmental and social risk analysis or sustainability leadership. We now offer these courses through a customised learning platform, Salalem, which helps us drive growth through a tailor-made, strategic approach to development and training programmes.



Employee performance

We want all our employees to fulfil their potential and be the best they can be, which is why everyone who works at Bank al Etihad receives an annual performance and career development review. We believe this process plays an important role in ensuring our employees feel supported and motivated to pursue their career aspirations, whilst helping us ensure our people are working as efficiently as possible.

Performance	Units	2019	2020	2021
Performance review				

Performance	Units	2019	2020	2021
Percentage of employees who received a performance and career development review	(%)	100%	100%	100%

Employee Engagement and Wellbeing

We want our employees to thrive within the organisation and safeguarding their mental and physical health and wellbeing is vital. Throughout 2021, we maintained our efforts to sustain and improve employee wellness, particularly through our Family Matters program, which addresses all aspects of health and wellbeing for both our employees and their families, including topics related to relationships, pregnancy, raising children, and caring for elderly parents. We have also extended our work from home policy to enable remote working and flexible hours, and have increased our parental support initiatives, to better facilitate work/life balance for our staff.

Parental leave

We offer expectant mothers 70 days paid leave, while fathers receive three days paid parental leave. In 2021, 79 expecting parents took parental leave, and we saw a 100% retention and return-to-work rate for our new mothers.

Parental leave	Units	2019	2020	2021
Parental leave		81	98	79
Number of female employees that took parental leave	(#)	36	47	43
Number of female employees who returned to work after parental leave ended (return to work)	(#)	36	47	43
Number of female employees returned from parental leave who were still employed twelve months after return to work (retention)	(#)	36	47	43
Return to work rate	(%)	100%	100%	100%
Retention rate	(%)	100%	100%	100%

Human rights management

In all our operations and across our businesses, we are committed to supporting and respecting the protection of human rights. Bank al Etihad understands the important role that it plays in ensuring the rights of our employees, customers, and the communities in which we operate, and we aim to avoid contributing to adverse human rights impacts through our business activities and internal policies.

We adhere to strict policies, regulations and measures to prevent any kind of abuse, harassment, or discrimination. In addition, our employees have several channels through which they can safely and

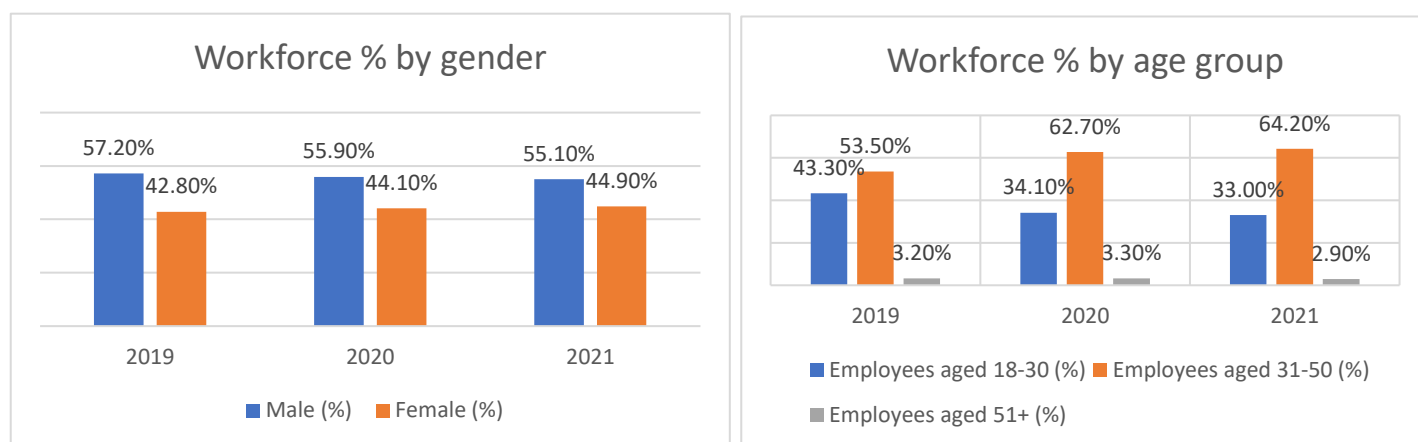
anonymously raise their concerns, supported by our whistleblowing policy, which encourages employees to voice their concerns and ultimately aims to protect the Bank and its employees from acts of misconduct and malpractice.

Non-discrimination

We condemn any kind of discrimination and are committed to the prevention of any kind of discrimination at Bank al Etihad. We have implemented an Internal Equal Opportunity and Anti-Harassment Policy to institutionalize anti-discrimination efforts.

Diversity and inclusion

For Bank al Etihad, we make a conscious effort to build a workforce that is inclusive and respectful to every individual regardless of their age, gender, ethnicity, religion, or disability and firmly believe that doing so will provide a competitive advantage, enhance decision-making and the overall performance of the workplace.



Bank al Etihad is committed to fostering a safe, uplifting, and encouraging workplace. We were among the first to implement diversity and inclusion policies, and we've renewed our commitment to the United Nations Women Empowerment Principles ("WEPs"), ranking higher than the average MENA score in gender gap analysis.

Nationalisation

We are committed to creating a strong workforce with meaningful long-term jobs for those in our communities, thereby promoting local and sustainable development in line with the Jordan National Vision 2025. We are particularly focused on recruiting Jordanian youth, which we do through local job fairs, headhunting and career days in partnership with universities.

Key Performance Indicators (KPIs)	Units	2019	2020	2021
Nationalisation - Jordan				
Nationalisation of senior management	(%)	100%	100%	100%

Key Performance Indicators (KPIs)	Units	2019	2020	2021
Nationalisation among total workforce	(%)	99.7%	99.8%	99.8%
Total number of national employees	(#)	1,152	1,196	1,257
Number of female national employees	(#)	493	528	565

Female empowerment

We believe the true essence of diversity and inclusion is to provide a safe and productive environment where every individual feels comfortable at work. Our diversity and inclusion activities and our success are visible through our inclusion rate, which is one of the highest in Jordan's entire banking sector.

Female empowerment	Units	2019	2020	2021
Female employment				
Female employees in middle management	(#)	58	58	55
Female employees in senior management	(#)	3	3	3

Customer Experience

The bank firmly believes that being customer driven is the only way to successfully navigate market dynamics and continue the growth of our business. To that end, we put customer service at the centre of our business.

Customer experience is embedded in the bank's vision and is one of our strategic objectives and key results. The customer experience metrics are linked with employees' performance measurement and incentives. These metrics are coordinated and evaluated by a dedicated customer experience department.

As a crucial element of managing customer experience is understanding and designing the products for the customer, we have processes in place to systematically collect and analyse customer feedback across all touchpoints and evaluate such data to provide insights into decision making processes.

Over the last two years, customers' Net Promoter Score (NPS) has improved from 55 to 61, placing Bank al Etihad as the most customer centric company in Jordan. No other company enjoys such high customer experience scores.

Despite the outbreak of the COVID-19 pandemic in 2020, Bank al Etihad demonstrated its commitment to providing services without interruption, focusing its efforts on meeting customers' growing and changing needs through introducing new features and through increased levels of automation, aimed at increasing efficiency. Our strategy also focused on assisting entrepreneurs and SMEs on their recovery from the

COVID-19 pandemic, through access to advisory and coaching services or access to funding on preferential terms.

We eliminated late payment fees and launched a new Easy Payment Plan product, providing our customers a convenient and cost-effective way to repay purchases with a 0% interest rate for up to 36 months. We've also focused on services that help to achieve wider social and economic benefits, such as low interest rate loans for projects in undeveloped areas and those focusing on green energy solutions.

But while we are very much a digital bank, we don't overlook the human element of our services. For example, 2021 saw us implement a far-reaching accessibility project to better accommodate people with disabilities, including wheelchair ramps and braille and sign language services. We expanded the operating models of our branches – and launched new ones – to fully serve all customer segments and hosted a few “wow moments”, going the extra mile for customers celebrating special occasions, or who were dissatisfied with any part of their experience.

Providing exceptional customer service starts with listening to what our customers have to say; in 2021 alone, we measured and analysed over 50,000 customer experiences, conducting satisfaction surveys for a range of banking actions, such as visiting branches, opening accounts, and using our mobile app.

Our results are consistently positive, with a customer satisfaction score (CSAT) of 8.6/10. We are committed to following up any instance of negative feedback directly with the customer within 24 hours and strive to swiftly resolve any issues. This year we also conducted a comprehensive root cause analysis of customer complaints, resulting in a significant 66% reduction in complaints compared to 2020.


Customer experience	Units	2019	2020	2021	Target
Overall customer satisfaction	(Out of 10)	8.5	8.7	8.6	8.8
NPS (Net Promoter Score)	(From -100 to 100)	-	43.1	53.8	56

Chapter 3 – Page divider

Serving our community and environment

At Bank al Etihad, we are committed to serving our community and playing a vital role in strengthening the economic ecosystem in the kingdom through supporting start-ups, elevating financial literacy and taking care of our community. Moreover, we are devoted to minimising the negative environmental effects caused by our operational activities. **Material Topics:**

- SME and entrepreneurship
- Responsible investment
- Financial literacy and inclusion

<ul style="list-style-type: none"> • Community investment • Supply chain management • Environmental impact
<p>Jordan's Economic Modernisation Vision:</p> <ul style="list-style-type: none"> • Apply sustainability principles to quality of life • Apply sustainability principles to economic growth • Strengthen Jordan's international competitiveness
<p>Jordan National Vision 2025:</p> <ul style="list-style-type: none"> • Efficient and effective government • Dynamic and globally competitive private sector • Proud and vibrant society
<p>Sustainable development goals:</p> 

SMEs and entrepreneurship

SMEs make up the majority of businesses in Jordan, contribute more than 50% of the country's GDP, and employ 60% of the Jordanian workforce. Entrepreneurship is becoming the ultimate option for youth under the increasing rate of unemployment in Jordan, by starting their own businesses and creating jobs for themselves and others. We believe that helping start-ups and SMEs grow and expand will have a broad effect on the growth of the Jordanian economy, in turn contributing to the Jordan National Vision 2025.

We take a holistic approach to supporting entrepreneurship and SMEs, starting the relationship early with our clients and growing with them step by step, moving away from traditional forms of lending by developing innovative products that go beyond collateral. We actively collaborate with the SME support programs, Fintechs and MFIs, whether as investors or as lenders.

We worked hard to ensure SMEs were supported throughout the pandemic. We partnered with the Dutch entrepreneurial development bank FMO, through the NASIRA programme, to guarantee loans to affected Jordanian SMEs. The value of the programme amounted to USD 30 million. We postponed loan and credit card payments without imposing fines or late fees and lowered interest rates on credit facilities.

We also learned the importance of non-financial services to help build capacity for SMEs. In 2021, we partnered with a legal firm to ensure new business owners receive the knowledge and support they need when registering their business. Entrepreneurs get access to more than four hours of online legal advice, plus guidance on all aspects of establishing and registering a business. So far, we've helped 174 entrepreneurs get going.

We established a Venture Capital fund to invest in high growth start-ups, signed an agreement to contribute to the Innovative Start-ups and SMEs Fund (ISSF), and financed youth-led start-ups in cooperation with 'Inhad', the national programme for self-employment, providing them with lending opportunities. Our efforts combined increased the number of startups that bank with us by more than 200%.

Recognising and celebrating entrepreneurs and impactful SMEs is at the heart of our annual SME Awards. Launched in 2014, our annual award evaluates applicants based on their impact on society and the environment, as well as their financial strength, creativity, and business sustainability. There are three categories – Best SME, Businesswoman of the Year, and Best Start-up – which come with awards of JOD 25,000, JOD 25,000, and JOD 10,000 respectively.

Throughout 2021 we also hosted a series of workshops for SMEs and entrepreneurs, covering topics with the greatest impact on their business during the pandemic, including human resources, cash flow management, institutional flexibility, legal affairs, and the search for new markets in light of these adverse conditions. More than 500 people attended the workshops, with more than 50,000 viewing the recordings on YouTube.

indicators (KPIs)	Units	2019	2020	2021
Small and medium-sized enterprises	JOD	160,414,291	201,552,664	226,516,619

Responsible investment

International economies are facing persistent socio-economic imbalances, pandemic-related concerns, and the urgent need to change to a low-carbon economy to tackle climate change and its ongoing effect on our planet and resources. As such, we're focused on initiatives and opportunities that will address climate change, further encourage equitable growth, and identify the different approaches the world is undertaking to deliver the green transition.

Over the last few years, we have slowly begun integrating ESG factors into all stages of our investment processes, from pre-investment analysis and due diligence screening (for which we use Bloomberg's ESG Performance Scorecard) to ongoing monitoring. In 2021, we established a dedicated Wealth Management Department and have since delivered a wide range of investment products, portfolios, solutions, and

analyses for conscientious clients who aim to generate both market return and positive environmental and social impact.

We are currently establishing a dedicated Environmental and Social Policy Framework (ESPF) for our investment and financing activities and are aiming to introduce an ESG scorecard to our clients and suppliers. The ESPF will allow us to determine, assess and manage our environmental and social risks, and outline the standard for responsible decision-making.

We are also in the process of negotiating a Green Economy Financing Facility (GEFF) of USD 10 million and have entered a term sheet with the European Bank for Reconstruction and Development (EBRD). Through this we aim to establish sustainability more firmly within all our business activities.

Financial literacy and inclusion

Our goal is to help young people facing financial barriers to succeed and gain financial independence. Concretely, that means helping them gain confidence through mentorships, workshops, and access to financial literacy.

We want to empower people by helping them understand money and take control of their finances, by equipping them with knowledge and resources in order to make better financial decisions. We take the role of supporting people from all walks of life very seriously and enhancing financial literacy is a central social objective for Bank al Etihad. Over the years, we've launched impactful initiatives to educate people about money management to gain financial freedom and stability.

We partnered with 'Nahji', a social enterprise that focuses on financial literacy through play-based and experiential education. We trained nine employees from different departments to become our financial literacy ambassadors and deliver a financial literacy puppet show titled "Dream Bank" to 6–12-year-old children across Jordan.

We also supported the Central Bank of Jordan and Injaz in their initiative to include financial literacy in the national curriculum in schools across the Kingdom. Since the programme's launch in 2015, almost 3.7 million students have received financial literacy education, with the curriculum reaching over 800,000 children between 2021 and 2022 alone. For older youth, we partnered with 'Wasel for Education and Awareness' to support and train 30 unemployed youths in developing start-up business plans, with 18 of them receiving further start-up support from local business incubators.

Our MoneySmart workshops engaged 160 women, giving them the right tools and resources to identify their financial status, readiness, appetite for investment, and ways to manage their finances in general. Our 'Unlocking Markets' programme, in partnership with Endeavor, provided female-led businesses with tools, coaching and networking opportunities to support their expansion into foreign markets.

Additionally, we run regular capacity-building workshops for SMEs, and in 2020, we launched our own financial literacy blog, covering everything from the basics of money management and banking to the future and technologies shaping finance and the banking industry. In 2021 we published 100 bilingual articles which had more than 45,720 reads in both languages combined.

Key Performance Indicators (KPIs)	Units	2019	2020	2021
Financial inclusion				

Number of branches in low populated and economically disadvantaged areas	(#)	13	15	16
Number of ATMS in low populated and economically disadvantaged areas	(#)	36	36	36

Our aim is to democratise access to finance, and one of our key digitisation initiatives is the “Digital Onboarding” service, which allows customers to open a bank account, manage their finances and gain access to a variety of digital services entirely through their mobile banking app, without the requirement to physically visit a branch. This allows us to service the biggest number of customers possibly, without the physical presence of branches.

Community investment

GRI [102-12]

At Bank al Etihad, social responsibility is at the heart of our corporate culture. As an organisation aiming towards a more sustainable tomorrow, we're always learning and continuously evolving our areas of focus to reflect the needs of our stakeholders and community and to achieve this we recently redefined our priorities for our Corporate Social Responsibility (CSR) Strategy.

Environment

We sponsored the development and digitalisation of an environmental awareness curriculum, ‘I Can’, in collaboration with environmental initiative “Himmeh Wa Lammeh”. The curriculum targets youth aged through an interactive learning programme to increase awareness of fundamental environmental challenges, and to promote waste management best practices in the home.

We expanded the scope of our own green initiative, ‘Plastiqua’, which supports a group of vulnerable women to upcycle our expired bank plastic bank cards and turn them into handcrafted art pieces and jewellery that they sell and generate income from.

To help populate Jordan with more green and open spaces, we established a strategic partnership with Al Ahliyyah School for Girls and Bishop School for Boys to adopt and renovate a public park in the Jabal Amman area. This collaborative partnership aims to enhance and deepen community involvement across all activities and phases of the project. Construction and community engagement activities in the park will commence in 2022.

Case study: Plastiqua

Plastic represents 15% of all waste produced in Jordan. Bank cards – made of PVC – are almost never addressed in the recycling conversation, so we explored innovative uses for this waste material.

“Plastiqua” is a green initiative by Bank al Etihad in collaboration with local fashion designer Petra Orfali and 7 vulnerable women from Jabal al Nathif, which turns old bank cards into attractive accessories. The sales proceeds of all the Plastiqua items – on sale at Swefieh Village’s Hotspot

concept store and by direct orders – go directly to the community of women who produce them in Jabal al Nathif, providing them with a source of income.

As part of Plastiqua's launch, we undertook several waste awareness initiatives, including collaborating with the Haya Cultural Centre to work on an artistic garden project. We also visited schools to talk to children about environmental awareness, tackling important topics such as recycling, how to reduce waste, and the different types of plastics.

Other activities included the creation of art kits for children to make their own upcycled items at home, and the launch of a fundraising 'Think Pink' line of products in partnership with the King Hussein Cancer Foundation, to spread awareness of breast cancer.

Between September 2020 and June 2021, the initiative upcycled more than 50,000 expired bank cards to create 2,000 accessories and art pieces.

Women's economic participation

We're inspired and shaped by the women we work with every day. We believe in financial freedom and security for all and have curated a suite of tools to empower women to achieve their business ambition. At Bank al Etihad, we are committed to promoting gender equality in the workplace, marketplace, and community.

In efforts to promote women's economic participation, we have rolled out several initiatives and partnered with entrepreneurial ecosystem players to provide women with non-financial opportunities such as:

We launched our Shorouq women's banking proposition in 2014, adding a gender lens to our offerings and D&I practices.	→	Through this proposition, we've seen a marked increase in the number of women engaging with the bank: 20% growth in 2020 and a 17% increase in 2021. This represents nine times more female customers since the inception of the program.
Under the umbrella of the Shorouq proposition, we launched our Shorouq Career Comeback Programme, designed to enable women to resume their professional journeys following a voluntary career break, and comprises training, mentorship, networking, and an internship within different departments within the bank	→	45% of participants got employed after the programme, and 20% opened their own businesses
In partnership with EVENTA, we have hosted multiple 'MoneySmart' workshops for women, which provided key insights into financial literacy, planning, and growing their wealth.	→	More information on 'MoneySmart', can be found on page XX.
We have also partnered with Amam Ventures to launch 'Get on Board', which aims to promote diversity on corporate boards and support the next generation of female board members in Jordan.		

Community wellbeing

We funded the development of an online e-learning portal system for the Al Hussein Society, which provides comprehensive rehabilitation services and education opportunities for all students with disabilities at home.

To promote and facilitate vaccination throughout the pandemic, we launched two major campaigns in collaboration with Careem, a ride hailing company, and the Ministry of Health, facilitating the at-home vaccination of the elderly and people with disabilities.

Our efforts extended to virtual platforms as well, where we launched three major social media and mobile app donation campaigns to collect food parcels, toys, and winter clothes from the community and were able to serve 6,000 families with the donations received.

Moreover, and as part of our strategic partnership with the King Hussein Cancer Foundation, we sponsored 'Run for life' and the Piggy Bank campaign, to raise funds and create awareness of cancer amongst students in private and public schools in Jordan.

Furthermore, Bank al Etihad has been engaged in a strategic partnership with Tkyet Um Ali ever since 2015, through which an annual donation is made which is dedicated to buying food packages 8 underprivileged families every year. We've also raised some donations from our clients through our mobile app during Ramadan in 2021, where the amount was allocated to purchasing 1,295 hot meals for families in need during the holy month in addition to 104 food packages.

Education and workforce readiness

In 2021, we awarded 25 annual scholarships to outstanding students to support them as they continued their university education in both Jordan and Palestine.

In addition, we provided financial support to public and UNRWA-funded schools to teach children programming skills at home.

Our 'Back to School' campaign also saw employees donate new school bags to over 200 vulnerable students at Al Wahdat refugee camp.

We also support a variety of educational initiatives under the Queen Rania Foundation for Education including Madarasti, Children Museum, and Al Aman Fund for the Future of orphans.

Arts and culture

We're committed to supporting local and Arab talent so that the cultural landscape of Jordan continues to thrive. We have seen a plethora of Arab films get nominated for prestigious awards, so we were honoured to sponsor the 2021 Amman Film Festival, which showcased 51 new films from 26 Arab and non-Arab countries

To support the diverse and expanding Jordanian and Arab art scene, we sponsored the Dar Art Fair in Sweifieh village, which showcased work from more than 160 Jordanian and Arab artists. Additionally, we were delighted to sponsor the 35th season of the Jerash Festival of Culture and Arts, held in the ancient city of Jerash, which aims to enrich cultural activities in Jordan.

We continued to support the Petra National Trust, Jordan's oldest national organisation for cultural heritage preservation, in its extensive implementation of national cultural activities.

Volunteering

In 2021, as the majority of our employees continued working remotely because of the pandemic, we continued to offer an array of virtual and contact free volunteer opportunities.

During Ramadan, we partnered with the Jordanian volunteering platform 'Naua' and the United Nations Volunteers Programme to provide online volunteering opportunities for our employees. More than 277 children and adults virtually joined 25 workshops covering topics such as arts and crafts, storytelling, resume writing, time management, entrepreneurship, sustainability, and recycling.

Furthermore, we held sessions hosted by our own HR experts for young adults aged 18-29 years focused on writing and updating resumes, preparing for job interviews, and transforming a skill into a business. We also held sessions on financial literacy, which focused on spending, saving, budgeting, and planning for a future with financial stability.

Volunteering	Units	2019	2020	2021
Employee volunteering				
Total number of employee volunteering hours	Hours	1,147	910	282
Number of employees participating in volunteering programs	Volunteers	500	36	111

For a detailed list of our community engagement initiatives, please refer to our [2021 Annual Report](#).

Sponsorship and Donation policy

Our CSR and donation framework clearly indicates the pillars and impact statements that we as a bank abide with, that indicate the bank's commitment to play a positive role in the community and consider the environmental and social impact of its business decisions, through incorporating ESG and SDG considerations within its internal decision-making processes. All partners seeking sponsorship or donations must complete a form that will help us identify the impacts associated with the project and how it fits our CSR priorities.

	Units	2019	2020	2021
Sponsorship and donations				
Number of projects sponsored	(#)	93	89	107

Key Performance Indicators (KPIs)	Units	2019	2020	2021
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Amount of community investment	JODs	784,965	2,025,570	742,032
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Supply chain management

GRI [102-9]

Our sustainability activities don't end with us. We look to include socially responsible suppliers within our supply chain wherever possible and place importance on our long-term partnerships in order to create shared value for all parties.

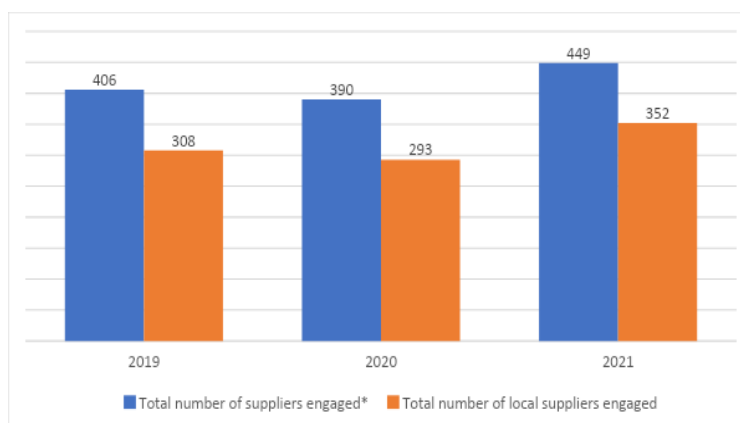
Similarly, to sustainable investment, we have recently begun to look more closely at sustainable procurement. Our supplier evaluation process already ensures that third party providers for cleaning, security and maintenance services adhere to policies governing minimum wage, annual and sick leave, medical insurance, enrolment in social security, and equal hiring opportunities for women and those from local communities.

We also take into account environmental factors and standards for equipment and materials, such as counting machines, computers, and office supplies. Looking forward, however, we intend to create a dedicated policy to monitor those in our supply chain more closely and ensure their values align with our own.

In terms of overall procurement, we have seen a number of achievements this year, due in part to the procurement department's transfer under the arm of the central operations department. This has given the procurement department more effective control over budgets and spending.

Three of our suppliers were subject to audits this year, with one agreeing on improvements as a result of the audit. This involved renewing supplier contracts with specific terms to better enhance and control labour practices, ensuring that suppliers providing these services adhere to policies governing minimum wage, annual and sick leave, medical insurance, enrolment in social security, and equal hiring opportunities for women and those from local communities. This action has resulted in more women in these roles (from 8 in 2020 to 15 in 2021), and greater employment of Jordanian nationals (47 in 2020, 58 in 2021).

Looking ahead, we want to better engage with our suppliers and encourage them to increase female participation and empowerment and improve their environmental practices. We will also be rolling out a survey to internal customers and suppliers to obtain their feedback on ways to boost efficiencies as well as explore opportunities for beneficial partnerships.



Environmental impact

The 2021 report from the United Nations Intergovernmental Panel on Climate Change (IPCC), dubbed a “code red for humanity”, re-emphasises the need for urgent, collective, inclusive, and global action on climate change and the move toward a low-carbon future. Through our action plan, we are working to embed climate considerations in everything we do to tackle the pressing issue of climate change. We’re responding through initiatives designed to drive down environmental impact.

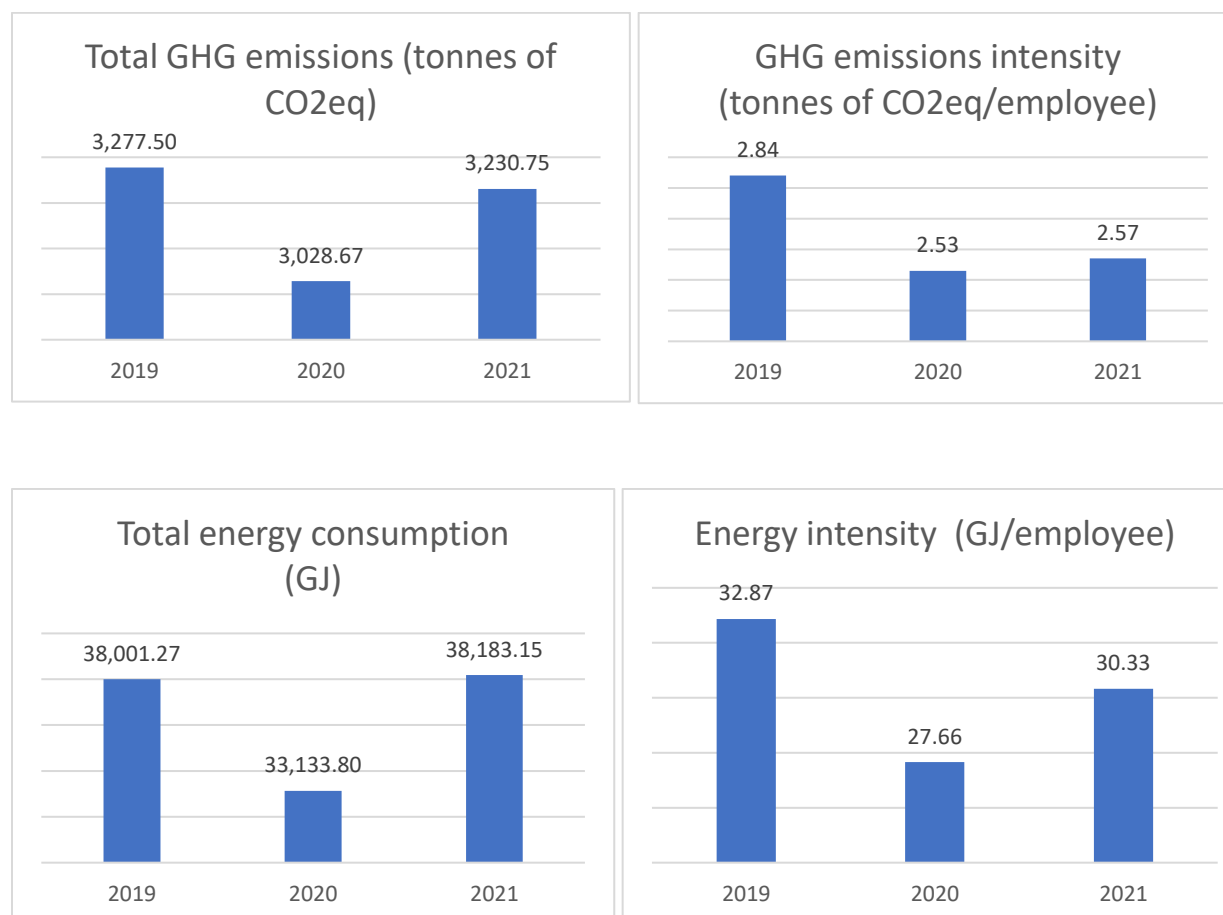
Becoming Jordan’s leading digital bank means looking after the planet as well as the people we serve. We’re just setting out on our sustainability journey, and we know there’s a lot to be done, but we already made meaningful changes in our use of energy, water, and material consumption. We’re proud to be making progress in preserving our natural environment for generations to come.

Carbon footprint and energy use

It’s vital that we all work to reduce our carbon footprint if we are to meet the goals of the Paris Climate Agreement, which aims to keep the global temperature increase below 1.5°C, thereby mitigating the worst impacts of climate change.

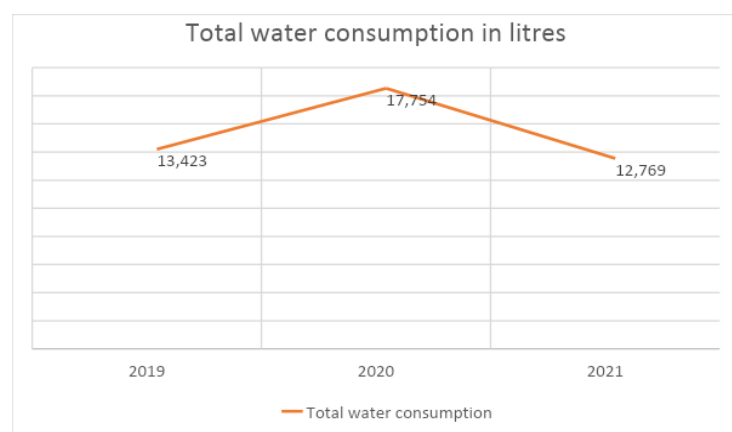
Renewable energy from solar farms accounts for 94% of our power requirements, with solar panels on branch rooftops contributing 400kW in 2021. This resulted in the reduction of our greenhouse gas emissions by 59% compared to 2020. Investing in solar energy is a serious issue for us and we hope to be able to increase the proportion of renewable energy we use in our electricity consumption as we expand the organisation through new branches and ATMs.

We’ve also made a further dent in our energy consumption with the replacement of light fixtures in all our branches, swapping fluorescent lighting fixtures for LED technology.



Water management

Few resources are as essential to human health and wellbeing as water. We believe that clean, safe water is a basic human right and that all water sources – particularly in the Middle East – must be managed responsibly. Our water consumption in 2021 was lower than pre-pandemic levels as we make water conservation part of our developing sustainability strategy.



Waste management

Paper represents the biggest waste challenge within our operations, so we've taken several measures to reduce our paper consumption, thereby saving valuable natural resources.

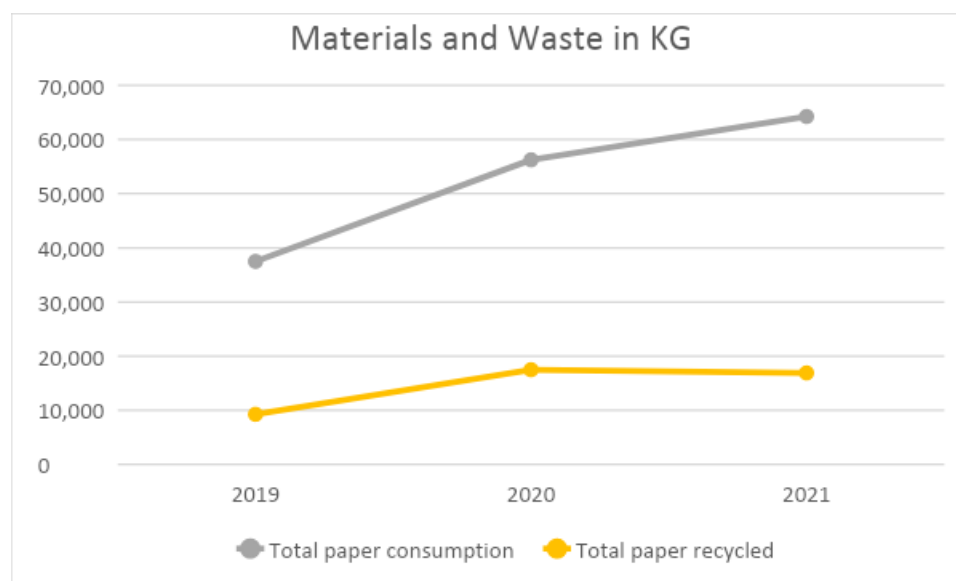
We have restricted colour printing and have enabled two-sided printing on documents to reduce the number of paper waste. We've increased the number of shared printers in our headquarters and central operations departments, and we've redesigned transaction slips so that they now print on plain paper instead of carbon forms in duplicate copies.

Additionally, the completion of our enterprise resource planning (ERP) system in 2019 has had a beneficial impact on our paper use. The handling, archiving, and storage of files and documents is now performed electronically in the system without the need to physically print copies.

We are continuing to explore further measures to reduce our waste consumption.

We also signed a strategic partnership agreement with environmental initiative 'The Illumine', which focuses on developing an electronic waste reuse and recycling project in Jordan under the name ISTINARA. The programme aims to offset the negative environmental, social, and financial impacts of the growing e-waste challenge facing Jordan by creating a visionary, made-in-Jordan, circular economy model that produces luxury handicrafts from recycled by-products. This in turn provides jobs for members of marginalised communities, with a focus on women and young people aged 18-25.

As a result of our partnerships with such environmental initiatives, we were able to donate 840 kg of e-waste in 2021.



Appendices

Appendix A: Acronyms



بنك الاتحاد
Bank al Etihad

AML	Anti-money Laundering
ATM	Automated Teller Machine
BI	Business Intelligence
CBJ	Central Bank of Jordan
CEO	Chief Executive Officer
CFT	Countering the Finance of Terrorism
CO2eq	Carbon dioxide equivalent
COVID-19	Coronavirus Disease
CSAT	Customer Satisfaction Score
CSR	Corporate Social Responsibility
CSR	Corporate social responsibility
EBRD	European Bank for Reconstruction and Development
EP	
ERP	Enterprise Resource Planning
ESG	Environmental, Social, and Governance
ESPF	Environmental and Social Policy Framework
FATF	Financial Action Task Force
FMO	Dutch Entrepreneurial Development Bank
GEFF	Green Economy Financing Facility
GHG	Greenhouse Gas
GICS	Global Industry Classification Standard
GJ	Gigajoule
GRI	Global Reporting Initiative
HR	Human Resource

IIA	Institute of Internal Auditors
IT	Information Technology
JLGC	Jordan Loan Guarantee Company
JOD	Jordanian Dinar
kWh	Kilowatt Hour
LED	Light-emitting diode
m ²	Square Meter
NA	Not Applicable
NIST	National Institute of Standards and Technology
NPS	Net Promoter Score
PCI DSS	Payment Card Industry Data Security Standard
POS	Point of Sale
PVC	Polyvinyl chloride
PWC	PricewaterhouseCoopers
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goals
SDLC	Software Development lifecycle
SME	Small and medium-sized enterprises
TCFD	Task Force on Climate-Related Financial
UN	United Nations
UNRW A	The United Nations Relief and Works Agency
USD	United States Dollar
UX	User Experience
VA	Vulnerability Assessment
WPS	Wages Protection System)

Appendix B: Data Performance Tables

Governance and Risk Management Performance

Compliance, laws and regulations	Units	2019	2020	2021
Incidents of non-compliance				
Total incidents of non-compliance with laws and regulations	#	1	5	2
Total number of non-monetary sanctions	#	0	0	0
Internal compliance	Units	2019	2020	2021
Number of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system	#	0	0	1
Percentage of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system that were substantiated	%	0	0	0

Human Resources Performance

Key Performance Indicators (KPIs)	Units	2019	2020	2021
Percentage of employees that have received training on anti-corruption	%	94%	67%	100%
Proportion of employees trained in compliance (%)	%	85%	55%	88%

Key Performance Indicators (KPIs)	Units	2019	2020	2021
Workforce overview				
Total workforce (excluding trainees, students and outsourced staff)	(#)	1156	1198	1259
Full time employee equivalents (FTEs)	(#)	1156	1198	1259
Workforce by job category:				
Senior management employees	(%)	1.4%	1.3%	1.2%
Middle management employees	(%)	16.4%	15.6%	14.1%
Non-management employees	(%)	82.2%	83.1%	84.7%

Workforce by gender:				
Male	(%)	57.2%	55.9%	55.1%
Female	(%)	42.8%	44.1%	44.9%
Workforce by age:				
Employees aged 18-30	(%)	43.3%	34.1%	33.0%
Employees aged 31-50	(%)	53.5%	62.7%	64.2%
Employees aged 51+	(%)	3.2%	3.3%	2.9%
Workforce by nationalities				
Jordanian	(%)	99.7%	99.8%	99.8%
Palestinian	(%)	0.3%	0.2%	0.2%
Number of employees with disabilities	(#)	3	2	2
Number of trainees and sponsored students*	(#)	105	46	76

*From universities, schools, partnership NGOs who support the youth

New hires and turnover	Units	2019	2020	2021
Total New employee hires	(#)	76	100	140
Total new employees by age:				
Age 18-30	(%)	65.8%	82.0%	82.9%
Age 31-50	(%)	32.9%	18.0%	17.1%
Age 51+	(%)	1.3%	0.0%	0.0%
Total new employees by gender:				
Male	(%)	60.5%	45.0%	46.4%
Female	(%)	39.5%	55.0%	53.6%
Employee turnover (voluntary and involuntary)	(#)	65	59	85
Employee turnover by age:				
Age 18-30	(%)	47.7%	30.5%	48.2%
Age 31-50	(%)	41.5%	55.9%	37.6%
Age 51+	(%)	10.8%	13.6%	14.1%
Employee turnover rate by gender:				
Male	(%)	53.8%	64.4%	56.5%
Female	(%)	46.2%	35.6%	43.5%
Employee turnover by job category:				
Senior management	(%)	0.0%	1.7%	0.0%
Middle management	(%)	18.5%	23.7%	20.0%
Staff	(%)	81.5%	74.6%	80.0%

Employee turnover (voluntary and involuntary) (%)	(%)	5.06%	4.90%	6.75%
Employee turnover rate (voluntary):	(#)	38	30	50
By age:				
Age 18-30	(%)	63.2%	43.3%	62.0%
Age 31-50	(%)	34.2%	53.3%	38.0%
Age 51+	(%)	2.6%	3.3%	0.0%
By gender:				
Male	(%)	55.3%	66.7%	52.0%
Female	(%)	44.7%	33.3%	48.0%
By job category:				
Senior management	(%)	0.0%	3.3%	0.0%
Middle management	(%)	10.5%	16.7%	16.0%

Training and development	Units	2019	2020	2021
Training				
Total training delivered	(days)	10,752	20,400	12,679
Total training delivered	(hours)	35,510	39,848	25,520
Total training hours delivered by job category:				
Senior management employees	(hours)	1,016	522	596
Middle management employees	(hours)	1,683	1,382	623
Staff	(hours)	32,810	37,944	24,301
Total training hours delivered by gender:				
Male employees	(hours)	17,875	20,367	13,372
Female employees	(hours)	16,346	19,117	11,283
Average training per employee by job category:				
Senior management employees	(hours/employee)	72.5	37.2	42.5
Middle management employees	(hours/employee)	37.4	30.7	13.8
Staff	(hours/employee)	25.8	29.8	19.18
Average training per employee (hours) by gender:				
Male employees	(hours)	26.7	29.7	19.4
Female employees	(hours)	33.22	36.07	19.7

Training and development	Units	2019	2020	2021
Average training per employee (hours)	(hours/employee)	28.2	31.22	19.13

Procurement Performance

Supplier Audits	Units	2019	2020	2021
Supplier Audits (Labour Practices)				
Number of suppliers that are subject to audit	(#)	N/A	N/A	3
Number of suppliers identified as having significant actual and potential negative impacts	(#)	N/A	N/A	0
Suppliers with which improvements were agreed upon as a result of audit	(#)	N/A	N/A	1
Suppliers with which relationships were terminated as a result of audit	(#)	N/A	N/A	0

Procurement indicators	Units	2019	2020	2021
Local procurement				
Total number of suppliers engaged*	(#)	406	390	449
Percent of local suppliers engaged	(%)	75.9%	75.1%	78.4%
Percentage of spending on local suppliers	(%)	54%	51%	60%
Percent of suppliers assessed against sourcing code of conduct	(%)	93.6%	100.0%	100.0%

* The reported number includes suppliers that Bank al Etihad resumed/selected to do business with (i.e., issued a final PO), and not all the suppliers that we contacted throughout the year

Environmental Performance

Energy indicators	Units	2019	2020	2021
Energy consumption				
Total area of space across all Bank al Etihad's facilities (branches, offices, etc.)	(m ²)	15,050	15,800	17,550
Energy consumption from fuel consumption	(GJ)	380	304	380

Energy indicators	Units	2019	2020	2021
Total electricity consumption	(kWh)	5,566,825	5,149,811	5,486,784
Energy consumption from electricity	(GJ)	20,040.57	18,539.31	19,752.42
Renewable energy consumption (office, storage, facility, etc.)	(GJ)	18,001.27	14,594.49	18,430.73
Total energy consumption	(GJ)	38,001.27	33,133.80	38,183.15
Energy intensity	(GJ/employee)	32.87	27.66	30.33
Energy intensity	(GJ/ m ² of space)	2.525	2.097	2.176

Emissions	Units	2019	2020	2021
GHG emissions				
Direct GHG emissions (Scope 1)	(Tonnes of CO ₂ eq)	26.47	21.18	26.47
Indirect GHG emissions (Scope 2)	(Tonnes of CO ₂ eq)	3,251.03	3,007.49	3,204.28
Total GHG emissions	(Tonnes of CO ₂ eq)	3,277.50	3,028.67	3,230.75
GHG emissions intensity	(Tonnes of CO ₂ eq/employee)	2.84	2.53	2.57

Water indicators	Units	2019	2020	2021
Water consumption				
Total water consumption	(litres)	13,423	17,754	12,769
Water consumption intensity	(litres / employee)	11.6	14.6	10.0

Materials and waste	Units	2019	2020	2021
Material consumption and waste				
Total paper consumption	(kg)	37,500	56,250	64,250

Materials and waste	Units	2019	2020	2021
Total paper recycled	(kg)	9,270	17,495	16,910
Personal computers	(kg)	1,670	2,095	840
<i>* Noting that the bulk was donated instead of destroyed</i>				

Appendix C: GRI Content Index

This report has been prepared in accordance with the GRI Standards: Core option.

GRI Standard	Disclosure	Report Section
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	Organizational profile	
	102-1 Name of the organization	Bank al Etihad
	102-2 Activities, brands, products, and services	About Bank al Etihad
	102-3 Location of headquarters	About Bank al Etihad
	102-4 Location of operations	About Bank al Etihad
	102-5 Ownership and legal form	About Bank al Etihad
	102-6 Markets served	About Bank al Etihad
	102-7 Scale of the organization	Financial performance Employee value proposition
	102-8 Information on employees and other workers	Employee value proposition
	102-9 Supply chain	Supply chain management
	102-10 Significant changes to the organization and its supply chain	There have been no significant changes to the organization or its supply chain during the reporting period
	102-11 Precautionary Principle or approach	Systematic risk management
	102-12 External initiatives	Community investment
	102-13 Membership of associations	About Bank al Etihad
	Strategy	
	102-14 Statement from senior decision-maker	CEO message
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	About Bank al Etihad
	Governance	

102-18 Governance structure	About Bank al Etihad
Stakeholder engagement	
102-40 List of stakeholder groups	Stakeholder engagement and materiality
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	Stakeholder engagement and materiality
102-43 Approach to stakeholder engagement	Stakeholder engagement and materiality
102-44 Key topics and concerns raised	Materiality: Reporting on what matters
Reporting practice	
102-45 Entities included in the consolidated financial statements	About this report
102-46 Defining report content and topic Boundaries	Materiality: Reporting on what matters
102-47 List of material topics	Materiality: Reporting on what matters
102-48 Restatements of information	There have been no restatements of information.
102-49 Changes in reporting	There were no changes during the reporting period.
102-50 Reporting period	About this report
102-51 Date of most recent report	This is the first Sustainability Report for Bank al Etihad
102-52 Reporting cycle	Annual
102-53 Contact point for questions regarding the report	About this report
102-54 Claims of reporting in accordance with the GRI Standards	About this report
102-55 GRI content index	Appendix C: GRI content Index
102-56 External assurance	Bank al Etihad doesn't seek external assurance for its Sustainability Report.

Appendix D: United Nations Global Compact Communication on Progress Index

Bank al Etihad supports the United Nations Global Compact's 10 principles on human rights, labour, environmental protection and anti-corruption.

The table below highlights our efforts related to each of the UNGC Principles, and where you can find them in this report.

Topic	Section
Human Rights	

Topic	Section
<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2: make sure that they are not complicit in human rights abuses.</p>	Human rights management
<u>Labour</u>	
<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>Principle 4: the elimination of all forms of forced and compulsory labour;</p> <p>Principle 5: the effective abolition of child labour; and</p> <p>Principle 6: the elimination of discrimination in respect of employment and occupation.</p>	Nurturing our people
<u>Environment</u>	
<p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8: undertake initiatives to promote greater environmental responsibility; and</p> <p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>	Environmental impact
<u>Anti-Corruption</u>	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	Strengthening our governance