

Building a **sustainable** **bank** for the future

WORLD

**BANK ABC JORDAN SUSTAINABILITY
DISCLOSURES REPORT 2023**

 **BankABC**

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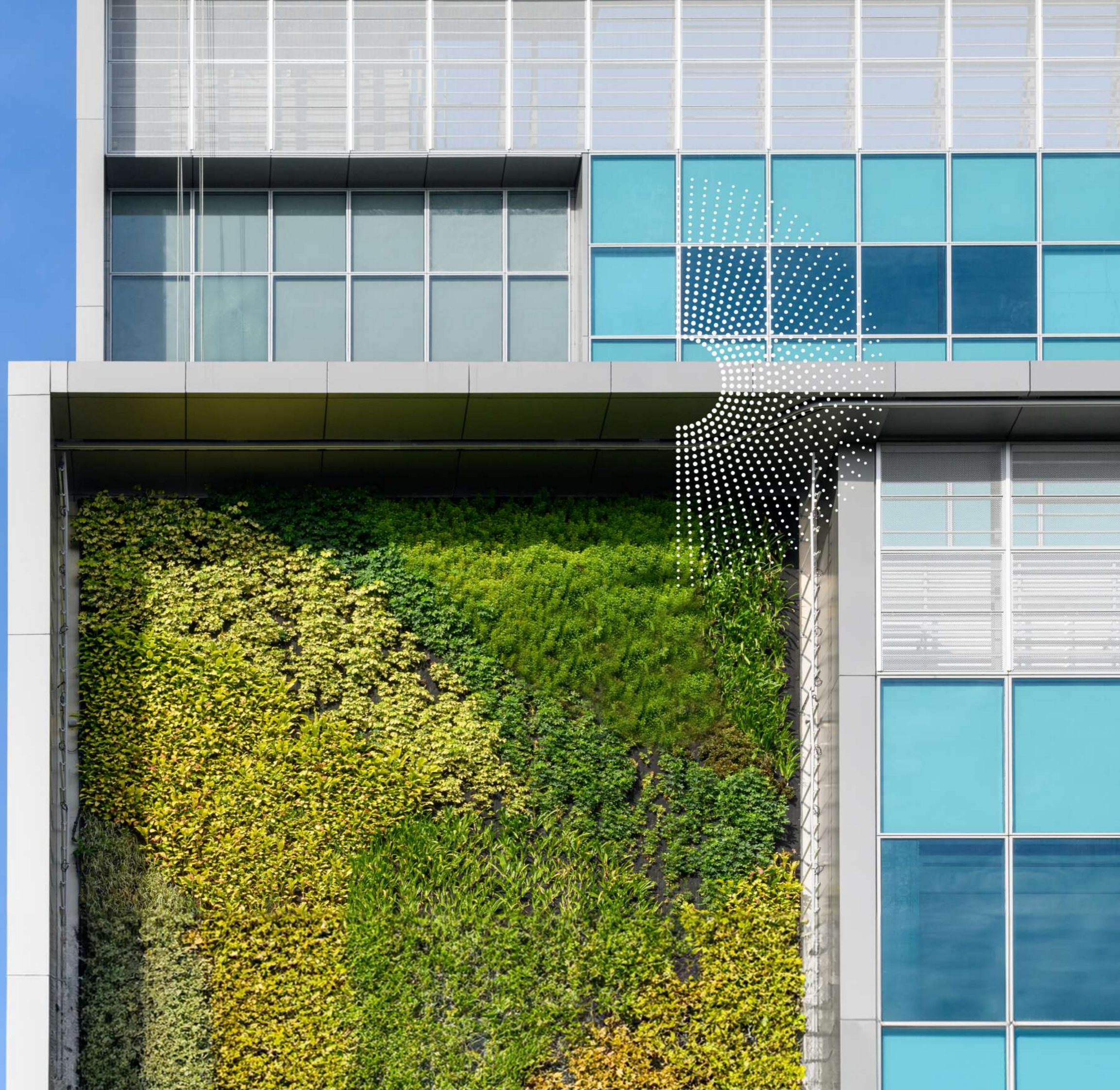
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01

Introduction



1.1 About the Report

Bank ABC Jordan is pleased to publish its first inaugural sustainability disclosures report. As part of our commitment to addressing climate change and transparency, our sustainability report lays out the Bank ABC Group's Sustainability Strategy, its key objectives, a rolling 3-year roadmap of initiatives, achievements since launch and our material ESG Key Performance Indicators (KPIs).

The information set out in the report reflects Bank ABC Jordan's activities for the financial year 2023 (1st January to 31st December 2023). The report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021 and Amman Stock Exchange Guidance on Sustainability Reporting 2022.

The ESG KPIs set out in this report allow Bank ABC Jordan to measure and report on its material sustainability risks and opportunities as defined by the materiality assessment that was undertaken in the development of the Group Sustainability Strategy. These have been calculated in line with industry best practice. Our GHG emissions covering scope 1, 2 and 3 (excluding financed emissions) have been measured using GHG Protocol, UK Defra and US EPA methodology. Added comfort has been provided by the onboarding of a leading ESG database solution. The solution provider has independently validated our approach and methodology.

Additional information about Bank ABC Jordan can be found on our website: (bank-abc.com) or for more information on Bank ABC Jordan's sustainability initiatives, please contact us at: sustainability.jo@bank-abc.com

The Baseline year for Bank ABC Jordan is 2023

Taking Jordan's Regulations into Context

Jordan's national commitments and priorities: Bank ABC Jordan closely aligns with Jordan's national commitments and priorities. We fully endorse the updated Nationally Determined Contributions (NDC) document's objective to reduce greenhouse gas emissions by 31% by 2030. Additionally, we advocate for the integration of climate change considerations into long-term strategic plans through the National Climate Change Policy. Moreover, we actively support Jordan's green vision, including initiatives such as the National Green Growth Plan for Jordan, Jordan's Economic Modernization Vision.

Amman Stock Exchange Sustainability Reporting Guidance: Bank ABC Jordan's report is aligned with Amman Stock Exchange Guidance on Sustainability Reporting & ESG disclosure requirements.

Central Bank of Jordan Green Finance Strategy: Bank ABC Jordan will be aligning with Central Bank of Jordan's direction toward Green Finance which is outlined in CBJ's Green Finance Strategy.

1.2 General Manager Welcome Message



George Farah Sofia
Bank ABC Jordan General Manager

On behalf of the Board of Directors of Bank ABC Jordan (Arab Banking Corporation - Jordan), we are honored to present our first Sustainability Report for the year 2023. This report marks a pivotal moment in our journey towards embedding sustainable practices within our operations. Aligning with national and international standards, including the UN Sustainable Development Goals (SDGs), GRI standards, Amman Stock Exchange reporting guidelines. Bank ABC Jordan will be aligning with Central Bank of Jordan's direction toward Green Finance which is outlined in CBJ's GreenFinance Strategy. The report highlights our accomplishments and our unwavering commitment to integrating ESG principles into our business model.

As global temperatures rise and natural disasters become more frequent, we find ourselves at a critical juncture. The environmental, social, and economic challenges posed by climate change demand decisive action. This awareness drives our strategic approach and shapes every initiative we undertake.

Achieving net zero in the banking sector by 2050 will require an additional global investment of US\$3.0-5.0 trillion per annum. Locally, we are rising to meet this challenge through strategic investments designed to align with this global financial goal. These efforts are part of our broader commitment at the group level, where we prioritize sustainability and contribute to actionable solutions that facilitate the transition to a low-carbon economy. Our responsible banking ambition includes reallocating capital to foster

a more inclusive and sustainable global economy.

In 2023, Bank ABC Group launched its Sustainable Finance Framework, which guides the investment decisions to align with long-term environmental and social sustainability goals. It also measured the baseline GHG emissions, energy, and water usage. Additionally, Bank ABC Group initiated sustainability training for the Wholesale, Credit, and Risk teams, with plans to intensify these efforts in 2024, preparing for the implementation of key initiatives across business-generating divisions.

With escalating environmental pressures, it is imperative for Bank ABC Jordan to embed sustainability into its operations and be fully equipped to support the economy, communities, and customers effectively. In 2023, we identified and addressed key sustainability issues relevant to Bank ABC Jordan and our stakeholders. Through our community initiatives, we funded a total of 18 Community Projects, investing JOD330,630. These projects reflect our commitment to making a positive impact on society.

Building on our strong market presence and recognizing the shift towards digital banking, we introduced "ila"— Bank ABC Jordan's digital mobile-only application—in 2022. This innovative platform provides a comprehensive suite of digital services, designed to meet the evolving needs of our customers and ensure they benefit from seamless, modern banking solutions.

2024 presents a pivotal moment in our sustainability journey. As we look ahead, we are determined to harness this momentum to reaffirm our commitment to advancing sustainability and supporting the broader transition towards a greener, more equitable world. Guided by a robust strategy that embeds ESG principles into our operations, culture, risk management, and decision-making, we aim to catalyze growth and pave the way for a brighter future for all.

We hope you enjoy reading Bank ABC Jordan's 2023 Sustainability Report. We invite you to find out more about our commitment to sustainability and our journey thus far. As we embark on this path, we are eager to tackle future challenges and embrace opportunities with the same dedication and enthusiasm that have brought us to this milestone. We look forward to sharing further updates on our progress in the coming year and beyond.

In 2023, we made significant strides in identifying and addressing key sustainability issues relevant to Bank ABC Jordan and our stakeholders. Through our community initiatives, we funded a total of 18 Community Projects, amounting to an investment of JOD330,630.

1.3 About Bank ABC Jordan

Bank ABC Jordan, founded in 1990, operates as a Jordanian public shareholding company listed in Amman Stock Exchange. As a part of Bank ABC Group, one of the leading international banks in the MENA region, Bank ABC Jordan (87% owned subsidiary of Bank ABC BSC) is a full-fledged commercial bank provides all banking services through its main headquarters in Amman and its 23 branches and 52 ATMs spread across the kingdom.

Additionally, the bank offers investment services and brokerage activities in securities (locally, regionally, and internationally) on behalf of its clients, along with financial consulting through its wholly owned subsidiary namely, ABC Investments. In 2022, the bank launched ila Bank, which is digital mobile-only bank. Powered by Bank ABC Jordan, ila Bank brings a wide range of smart banking products and services to customers 24X7, with simply a swipe on their mobile screens.

Renowned as one of the Middle East and North Africa's (MENA's) leading international banks, Bank ABC (incorporated as Arab Banking Corporation BSC) was founded in 1980 and is headquartered in Manama, Kingdom of Bahrain. It's vast global network spans 15 countries across the Middle East, North Africa Europe, the Americas and Asia and actively covers 25 markets.

Bank ABC pioneers new technologies and streamline processes to create a seamless, bespoke and agile banking experience, tailored to cater to the client's evolving needs.



Bank ABC Group A global footprint



Bank ABC Jordan's Profile

Established in
1990

Headquarters in Amman, the Kingdom of Jordan

Employee Size
500+

Ownership Structure

of Bank ABC Jordan
(Shareholders who own 1% or more of the bank's capital)



A Strategic Vision that enables Stakeholder impact

Our Vision

Our strategic vision is to become the Leading International Bank in the Middle East and North Africa.

Our Core Values

Client Centric

We are committed to knowing our customers and developing long-term relationships.

Collaborative

We work together as one team across our international network, providing a superior client experience.

Consistent

We are trusted to deliver every time in the right way, demonstrating integrity to all our stakeholders.

Our Strategic Objectives

- Build focus to unlock the full potential of our global Wholesale Bank.
- Digitize Retail Banking in MENA and grow our Commercial Banking in Brazil.
- Enhance the Group's operating model to increase resilience and strengthen culture.
- Seek inorganic opportunities to address our model constraints and improve Group returns.



SHAREHOLDERS

Creating greater value and sustained returns for our shareholders.



CUSTOMERS

Keeping customers at the heart of our operations, offering seamless and bespoke banking services.



PARTNERS

Collaborating with our partners to achieve our collective sustainability goals.



COMMUNITIES

Striving to deliver long-term impact for our communities.



EMPLOYEES

Committed to diversity and inclusion, giving employees an equitable platform for growth and development.

Stakeholder impact

Our Economic Performance

Net profit

Our net profit clocked at JOD5 million as compared to JOD6.67 million in previous year.

Revenue and capital

We saw a surge of 34% in our revenue reaching JOD103 million, reflecting a strong market presence and operational efficiency.

Our capital adequacy ratio stood at a robust 17.20%, displaying our ability to absorb potential losses.

Shareholders confidence

Our company reported a total equity of JOD165 million, indicative of the value attributable to the shareholders. It further strengthens their faith in our business operations and governance. With a positive return, our Return on Equity stood at 3.04% as compared to 4.02% of previous year.

Financial Highlights (as of YEAR 2023)

Total Assets

JOD**1,395** million

Increased from Last Year

Total Deposits

JOD**876** million

Increased from Last Year

Total Equity

JOD**165** million

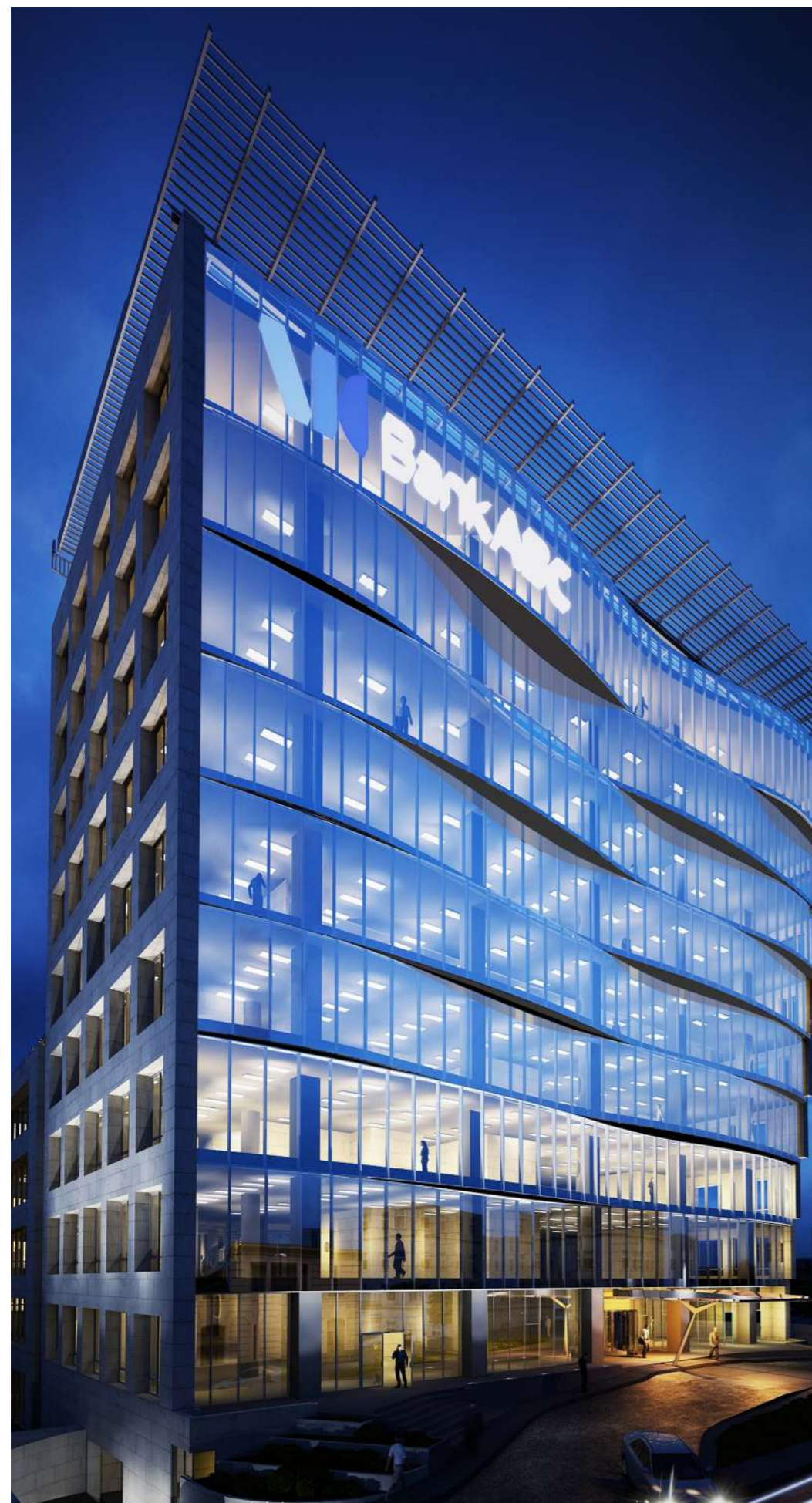
Increased from Last Year

Investment grade Rating

Capital
Intelligence

November 2023 - Positive

B+/B



2023 Sustainability Snapshot



1,410

Beneficiaries from our CSR projects



75%

of spending on local suppliers



52%

of paper recycled



JOD0.303m

of sustainable finance for electric vehicles (EVs) and hybrid vehicles.



100%

Renewable energy as % of total energy



6%

Gender pay gap ratio



91%

Employee survey achieved 91% response rate.



JOD0.331m

CSR investment JOD330,630, 6.6% of profit after tax

1.4 Progress in 2023

In recognition of the urgency and challenge facing the planet, we have been focused on accelerating our sustainability agenda with exciting progress on multiple fronts.

During the year Bank ABC Group invested in specialist resources, set up a Group Sustainability team and launched the Group Sustainability Strategy. The ambition is to reduce the Bank’s environmental impact and strengthen the support for our customers, people and communities is fast taking shape.

The strategy’s first year has been focused on measuring the Group’s environmental and social footprint, or ‘baseline,’ and developing the processes and frameworks required to drive the change.

These foundations will provide a robust platform to accelerate the necessary improvements in 2024 and beyond.

For Customers

- 🌿 **The launch** of the ila application.
- 🌿 **Implementation** of a 3-year Cyber and Information Strategic Program.
- 🌿 **Implementation** of a 3-year Data Protection Strategic Roadmap.
- 🌿 **Masa program** for women.



For Community

- 🌿 **An investment of JOD330,630** was made for community projects.
- 🌿 **Donations to 18 various entities** within Jordan.



For Environment

- 🌿 **100% of Bank ABC Jordan electricity** sourced from Renewable energy.
- 🌿 **75% proportion** of spending on local suppliers.
- 🌿 **Establishment of an obligor ESG risk assessment.**
- 🌿 **52% of consumed paper** is recycled.
- 🌿 **Environmental footprint** of operations widened to capture scope 3 emissions of suppliers.



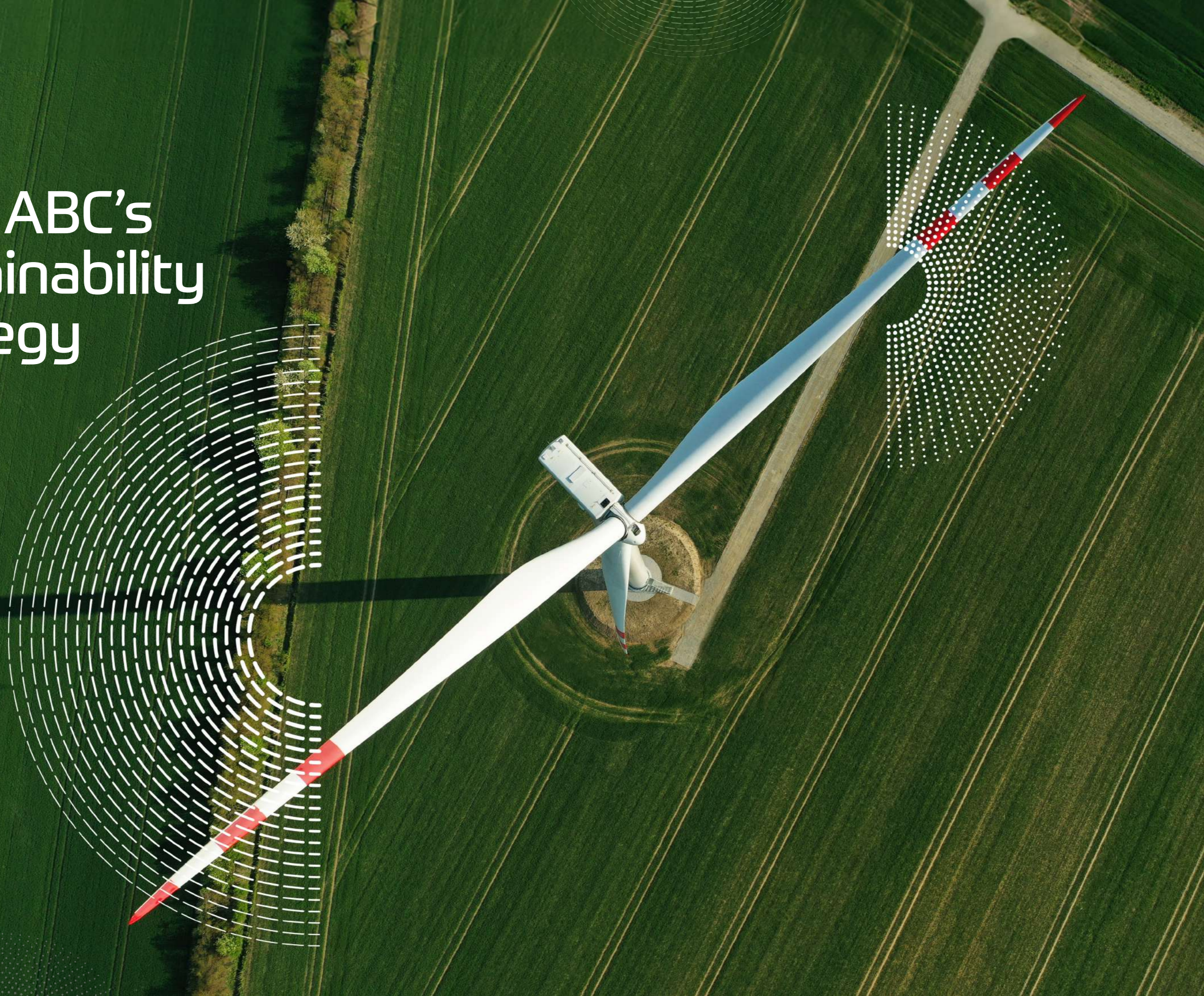
For Employees

- 🌿 **The total training hours** of full-time employees is 10,765 hours.
- 🌿 **Employee survey achieved 91%** response rate.
- 🌿 **Developed a leadership program** for high-potential female staff.



02

Bank ABC's Sustainability Strategy



2.1 Our Sustainability Strategy

Sustainability Unlocks Value and Builds Resilience



2.1.1 Our Sustainability Beliefs

It is important to make a distinction between ‘sustainability’ and ‘Environmental, Social and Governance’ (ESG). In reality, ESG is a narrower and more inward looking focus when compared to sustainability. In contrast, sustainability not only captures ESG but also includes more outward looking growth opportunities. In effect, ESG is a subset of sustainability.

Sustainability versus ESG



The Bank’s strategy has been deliberately defined as a ‘sustainability’ strategy due to our objectives of not only mitigating ESG risks but also **capturing the more outward focused growth opportunities generated by enhanced product innovation and client engagement.**

Bank ABC Group’s sustainability strategy has been clearly defined and underpinned by a core set of beliefs.

The starting point of our approach is full alignment between our sustainability strategy and our overall business strategy. This ensures that both strategies are working in synergy to generate the greatest impact. There is also a deep recognition that integrating sustainability will help to unlock value and be an important driver of innovation and business generation. This is good news for stakeholders as reducing our environmental impact should lead to meaningful cost reductions, increased efficiency and greater resilience. To maximise the full benefits, it’s equally important that the business development opportunities, generated from enhanced capability, product innovation and client engagement, are also captured. This will ensure that we remain relevant to our customers and are ‘fit for purpose.’

Embedding sustainability into our business model will also enhance our ability to adapt to the increased environmental pressures. The uncertainty surrounding the timing and scale of those pressures, doesn’t negate the need for action. These pressures will require bold and ambitious leadership to ensure we effectively manage those risks and are able to prosper. Through close collaboration with our stakeholders we believe our sustainability strategy can support and empower our clients, employees and communities.

Bank ABC Group’s Sustainability Beliefs



“... it’s equally important that the business development opportunities, generated from enhanced capability, product innovation and client engagement, are also captured. This will ensure that we remain relevant to our customers and are ‘fit for purpose’ ”.

2.1.2 Our Sustainability Objectives

As the push for decarbonising accelerates, the role of the banking sector in providing the necessary finance to facilitate the transition will be paramount. Bank ABC Jordan has responded to the challenge by elevating sustainability as a strategic priority to ensure we serve as part of the solution and play a pivotal role in supporting our customers and communities to successfully navigate the shift to a more sustainable low carbon economy.

A comprehensive sustainability strategy has been set out to integrate sustainability across our global value chain, supported by technology adoption, to deliver on three overriding objectives. Importantly, all three objectives can be readily measured, thereby allowing progress to be evaluated, managed and reported to our stakeholders.

Embedded within the strategy is a rolling 3-year roadmap of clearly defined initiatives that allow us to turn our strategic ambition into credible actions. This enables our sustainability strategy to be integrated across all Group Functions and geographical Units to not only mitigate the risks but also capture the growth opportunities.

This will allow Bank ABC Jordan to deliver on the strategy's three overarching objectives and empower our clients, employees, and communities to drive the transition to an inclusive and sustainable low-carbon economy.



1

Reduce our environmental impact

Bank ABC Group is committed to reducing the environmental footprint of our operations, suppliers and financing, to the benefit of our stakeholders, communities and the planet. We are working to deliver reductions through investment in our operations and close collaboration with our suppliers and customers.



2

Ensure we are 'fit for purpose'

A key pillar of the strategy is to ensure Bank ABC Group is 'fit for purpose' and can support our clients' financing needs. Environmental pressures are causing significant structural shifts in how our clients operate across their entire value chain. Bank ABC Group needs to respond to those structural shifts by strengthening our capability, enhancing product innovation and deepening the collaboration with our clients.



3

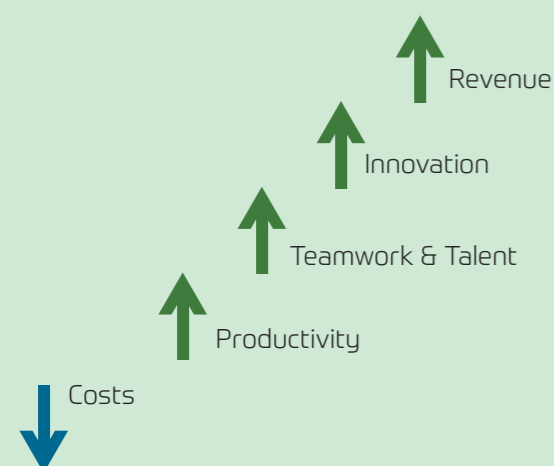
Source of value creation

Reducing our environmental impact is not only the 'right' thing to do for the planet, but it is also an important source of value creation due to the close linkage between environmental risk and financial impact. The strategy has been specifically structured to capture real economic benefits from greater efficiency, innovation, and revenues.

2.2 Source of Value Creation

The close linkage between environmental risk and financial impact should ensure that, integrating sustainability across our Group Functions and Units, translates to meaningful value creation for the Bank and our stakeholders. Embedding sustainability across our business model allows us to capture the benefits of improved financial performance. Our strategy has been structured to generate value by reducing costs, increasing efficiencies, enhancing resilience, improving teamwork, fostering innovation, and boosting revenues. This is important as the concept of sustainability can be subjective and involve longer time horizons. Linking our sustainability initiatives to their related costs and benefits should translate to greater understanding from all our stakeholders.

Sustainability Unlocks Value and Build Resilience



Integrating sustainability unlocks value: increases efficiency, builds capability, drives innovation and boosts revenues

Reducing Our Operating Costs

Reducing the environmental impact of the Bank’s operations and supply chain should naturally lead to consuming less resources, reducing costs and becoming more efficient. Although the benefits of the strategy should gain more momentum in 2024 and beyond, we have already achieved early successes.

At Bank ABC Jordan we exhibited a notable change in our reliance on renewable energy sources as our total electricity used amongst our operations was 100% from renewable energy and that was found to be cost efficient, as it aided in reducing the amount of JOD805,126 from our total electricity bill and supported us to have a bigger hand in becoming more proactive towards sustainable development. Furthermore, several energy efficiency projects were rolled out such as centralizing and optimizing the operations of our buildings, installing LED lighting, optimizing HVAC systems, integrating smart energy management sensors, and upgrading to energy-efficient appliances and equipment.

Strengthening Collaboration and Talent

Embedding sustainability into a company’s business model, processes and the way employees interact creates opportunities for innovation, productivity, and greater teamwork. It also brings increased purpose to a business. This comes at a time when employees across all age groups are becoming more purpose driven. A recent survey of over 7,000 employees across 10 countries and 15 industries found that 71% believed climate action was important to their motivation and wellbeing at work.

An area of particular focus is strengthening our approach to D,E&I. Greater diversity will foster improved idea generation, leading to greater collaboration and a more supportive working environment. Creating an inclusive culture that values all talent irrespective of background is a requirement for Bank ABC Jordan to continue to attract and retain top talent.

Technological Innovation Supporting Sustainability

Innovation and sustainability are closely aligned as both target improved efficiency and resilience through the application of technology and collaboration. In fact, technological innovation is proving to be a powerful enabler of the shift to a low carbon economy.

Bank ABC Group’s Innovation team is leading several initiatives to make various processes faster, cheaper and more client friendly. The majority of these support the reduction of Bank ABC Jordan’s environmental impact by using less energy and paper.

Bank ABC Jordan offers a digital application called “ila”. Our smartphone-only banking application is supported by Bank ABC Group, ila’s design utilizes artificial intelligence and data analytics, making it easy to use and achieving its goal of appealing to millennials and older demographics and reaching out to a wider range of users and provide them with services. ila’s current services include a fully digitized account opening process, an instant virtual card to be used for online transactions, a physical debit card or credit card, a multi-currency account,

and a current account with no minimum balance or term limit, and a customized “Pot” feature, which typically encourages saving for financial aspirations, and fixed deposit accounts with competitive interest rates. ila also offers secure and easy ways to transfer and pay instantly through Apple pay and other local services to make it smoother for customers to utilize our services.

Enhancing our Revenue

Many of the Bank’s clients are facing structural shifts in their business models as they adapt to environmental and social pressures that include increased regulation, technological disruption, shifts in market demand, and the introduction of carbon taxes.

A key pillar of the sustainability strategy is integrating various initiatives across our client-facing Wholesale, Treasury, and Retail divisions. These should strengthen our capability, enhance client engagement, and support product development. In parallel, a training program to upskill our Wholesale and Credit teams also commenced and is to be accelerated in 2024. The end game is a win-win for Bank ABC Jordan, its customers, and the environment.



2.3 Materiality Assessment

The process of developing Bank ABC Jordan’s sustainability, which is aligned with the Group sustainability strategy, has involved extensive stakeholder engagement. Building understanding and support, while ensuring the participation of all functions and business lines, was fundamental to maintaining an objective and independent evaluation process.

A materiality assessment was undertaken at Group level to define and evaluate the material issues that were most important to Bank ABC Jordan and its stakeholders. This process involved a detailed gap analysis across all Group Functions and Units. This was overlaid with a peer group analysis in not only Jordan but also across MENA and globally. A comparison of industry best practice was made in MENA and globally. This process allowed for our material topics to be identified across five strategic pillars:

1. Governance

2. Operations

3. Risk Management

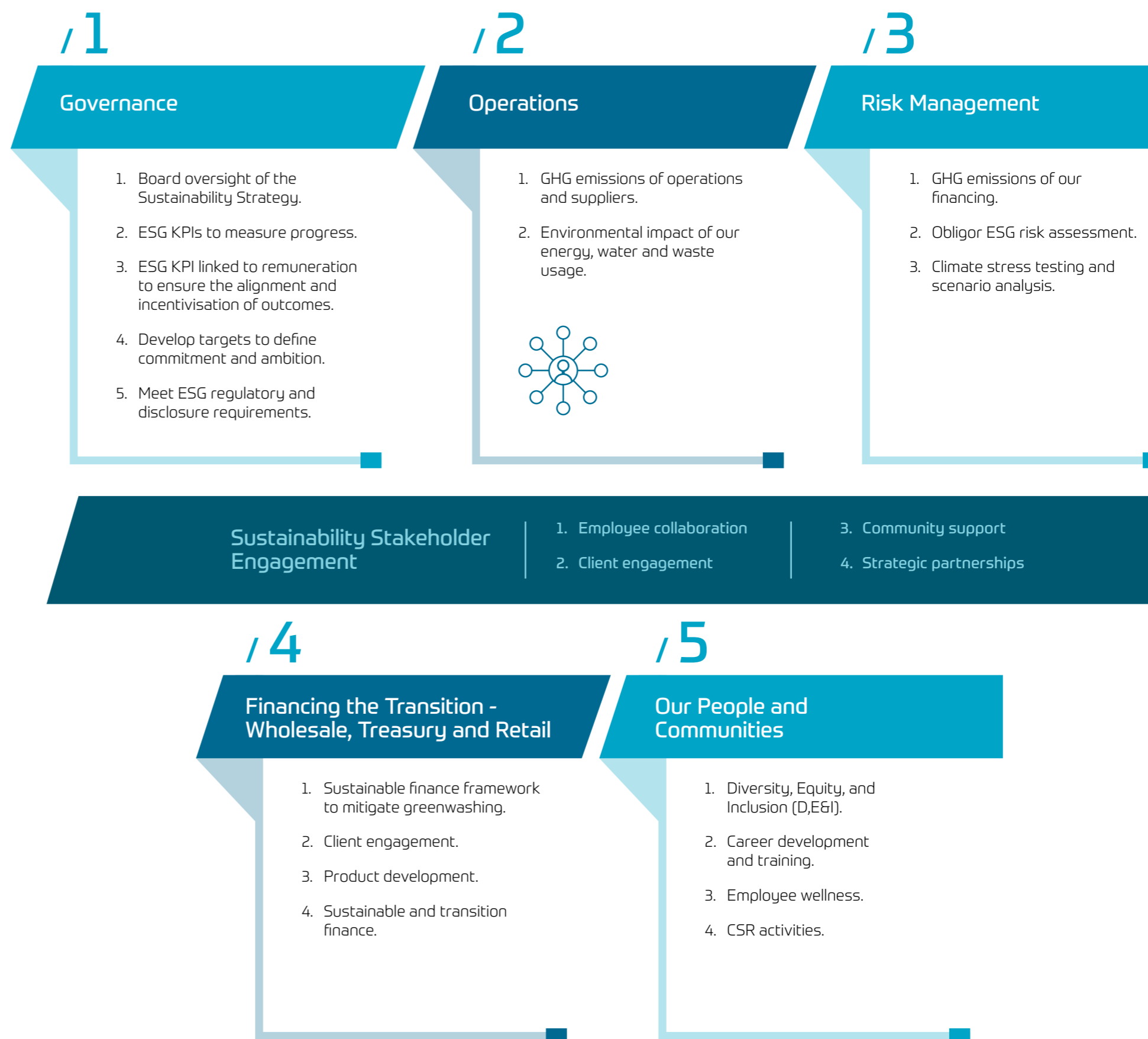
4. Financing the Transition

5. Our People and Communities

Specific material topics were then identified within each of these material strategic pillars. Throughout this process the views and inputs of stakeholders were captured to verify the significance of each materiality topic. The additional material topic of ‘sustainability stakeholder engagement’ ran through all five strategic pillars resulting in it being embedded into each of the pillars. Working groups were then established for each of these strategic pillars to not only identify the gaps but also help to develop action plans to close those gaps. This process ensured that sustainability topics were clearly defined, prioritised and action plans developed to address those gaps.

Material Sustainability Topics

Materiality topics identified across our five strategic pillars. The material topics identified within ‘Sustainability Stakeholder Engagement’ have been embedded into the five pillars.



2.4 Our 3-Year Sustainability Roadmap



Embedded within our sustainability strategy is a rolling 3-year roadmap of clearly defined initiatives that allow us to translate our strategic objectives into credible action plans. It allows us to integrate sustainability into our five strategic pillars:

- (i) Governance, (ii) Operations, (iii) Risk Management, (iv) Financing the Transition and (v) Our People & Communities.

These initiatives were developed by working groups set up to identify the material risks and opportunities in each of our strategic pillars and develop a roadmap of action plans to mitigate and capture them. Proportionality was built into the approach in recognition of the divergence between geographies and regulatory requirements.

Each of our five pillars has an overall objective, a 3-year roadmap of action plans to deliver on those objectives and ESG KPIs to monitor progress. The process of setting out our material ESG KPIs was based on the principle of “you can’t manage what you don’t measure”. We also recognise that any successful sustainability strategy requires internal and external collaboration

and partnerships. In recognition, an ongoing programme of stakeholder engagement has been structured to ensure that the strategy implementation is a collaborative process that can deliver meaningful impact. An important next step is to develop credible targets, linked to our material ESG KPIs, that define our commitment and ambition.

	Strategic Pillars 	2023 Achievements 	2024-2025 Roadmap 	2026 Objectives 
Pillar 1	Governance	<ul style="list-style-type: none"> Dedicated Group Sustainability team reporting to GCEO Sustainability Steering Committee established to oversee strategy Measured material ESG KPIs to monitor progress Launched Sustainability training programme 	<ul style="list-style-type: none"> Publish 2023 Group Sustainability Report Develop ESG targets ESG KPIs linked to remuneration 	<ul style="list-style-type: none"> Reduce the environmental impact of operations and suppliers. Measure and mitigate the environmental risk of financing. Strengthen our capability. Accelerate our sustainable and transition finance. Greater diversity, equity and inclusion. Meet our ESG regulatory and disclosure requirements.
Pillar 2	Operations	<ul style="list-style-type: none"> Captured environmental KPIs of operations and suppliers Launched Critical Infrastructure Review of major operations 	<ul style="list-style-type: none"> Implement environmental reduction plan Introduce Group-wide procurement system 	
Pillar 3	Risk Management	<ul style="list-style-type: none"> Developed ESG risk assessment methodology Reviewed climate scenarios based on NGFS scenarios 	<ul style="list-style-type: none"> ESG risk assessment for clients and industry sectors Measure Scope 3 financed emissions 	
Pillar 4	Wholesale & Group Treasury	<ul style="list-style-type: none"> Developed Sustainable Finance Framework (SFF) Launched training programme Wfor client-facing teams. 	<ul style="list-style-type: none"> Accelerate sustainability training programme ESG assessment into client engagement Increase sustainable & transition finance 	
	Retail	<ul style="list-style-type: none"> Green products launched in MENA 	<ul style="list-style-type: none"> Widen green product offering in MENA 	
Pillar 5	Our People & Communities	<ul style="list-style-type: none"> Measured social-related ESG KPIs Strengthened approach to D,E&I Conducted employee engagement survey 	<ul style="list-style-type: none"> Implement actions to improve D,E&I Review approach to CSR investment 	

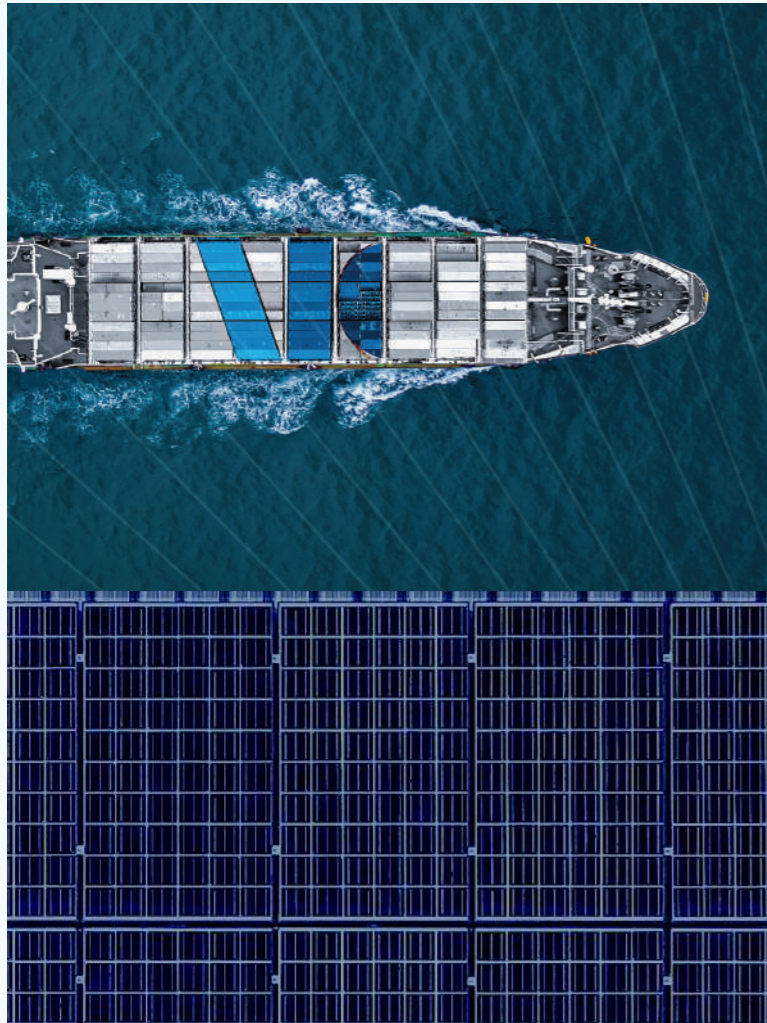
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Sustainability Performance



Sustainability Performance

With the resolute commitment from the Board and management towards the sustainability agenda, Bank ABC Jordan has made exemplary progress in the early execution of its sustainability strategy in 2023, with notable achievements across all five strategic pillars. The Bank strengthened its sustainability governance, measured its environmental impact, bolstered its approach to risk management, expanded its sustainable finance portfolio, and continued to support its people and communities. Moving forward, Bank ABC Jordan will further accelerate its pursuit of comprehensive objectives and targets across all these pillars.



The Baseline year for Bank ABC Jordan is 2023

3.1 Pillar 1 Governance

Governance Objectives

- Enhance Board oversight of the sustainability strategy.
- Define ESG KPIs to measure progress and develop targets that set out ambition.
- Meet ESG regulatory and disclosure requirements across all jurisdictions.

Effective governance is a key driver of any successful sustainability strategy. A company's governance structure is typically a lead indicator of its commitment to manage and mitigate its environmental and social impact. Equally important is ensuring the appropriate level of sustainability capability and experience across the executive team and Board members.

To facilitate this, oversight and management of sustainability related issues have been embedded within our governance structure. This allows the Board and senior management to have visibility of the sustainability strategy, progress on implementation, risk appetite and culture.

Performance measurement is a crucial enabler for effective governance. The material ESG KPIs across all functions have been captured to enable timely reporting and allow us to meet our ESG regulatory requirements across

all our jurisdictions. A leading ESG database solution has been onboarded at Group level and captures all of Bank ABC Jordan's ESG KPIs to ensure data integrity and timely reporting. A significant next step is developing targets that outline our ambition and commitment. To ensure alignment and incentivisation of outcomes, management remuneration will be linked to certain pre-defined targets to ensure alignment and the incentivisation of positive outcomes.



Board Committees

Nominations and Remuneration Committee

Audit Committee

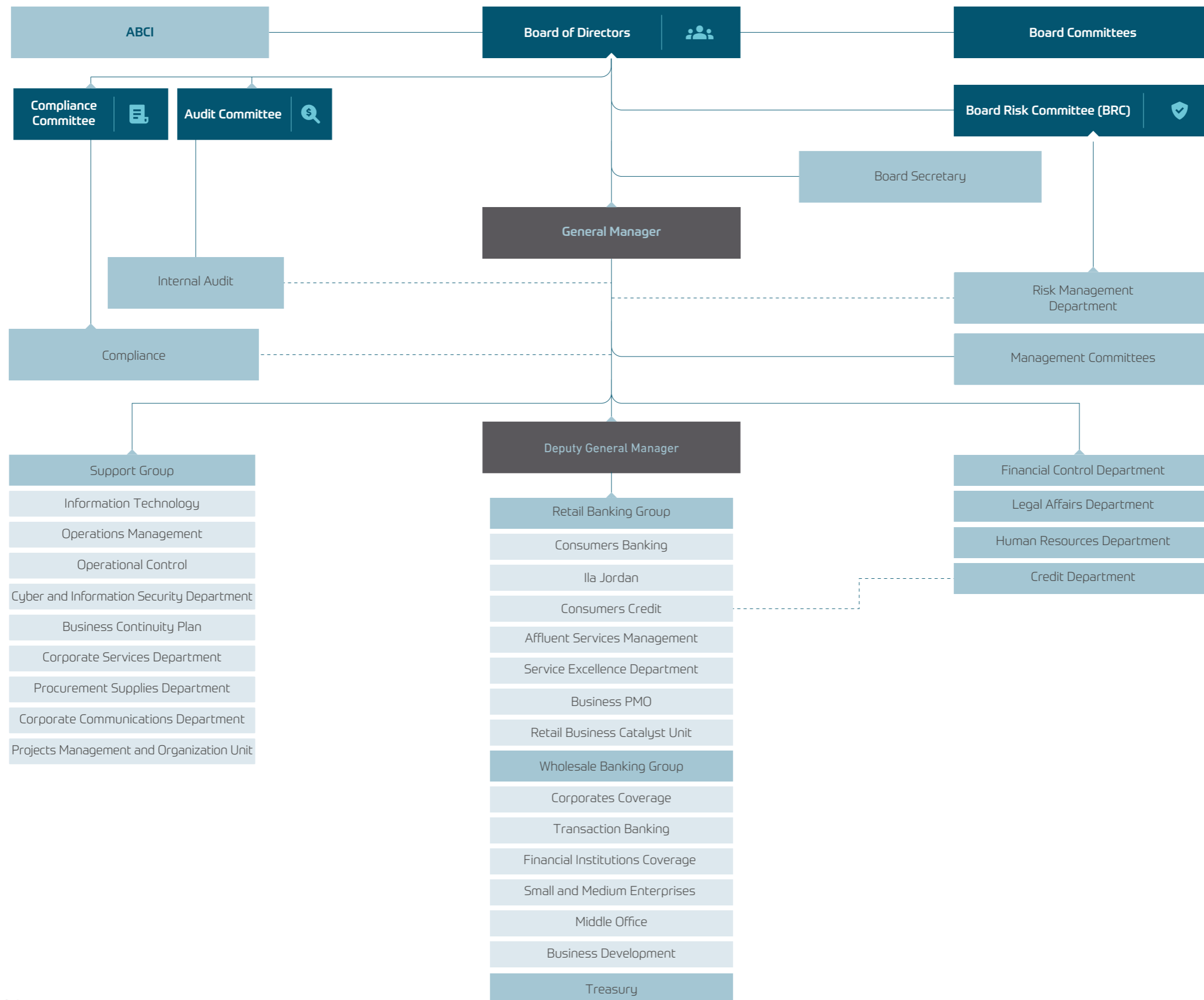
Corporate Governance Committee

Compliance Committee

Board Risk Committee

IT Governance Committee

Bank ABC Jordan Organizational Structure





Bank ABC Jordan’s Board of Directors (BoD)

The ultimate authority lies with our Board of Directors who ensures the establishment and enforcement of effective corporate governance. They are responsible for establishing strategic long-term objectives and evaluating the performance of senior executives in implementing these objectives.

In addition, they are entrusted with the duty to ensure the interests of various stakeholders such as shareholders, depositors, creditors, employees, and others are taken care of. They assure efficient operation of internal control systems and must ensure that all the bank’s operations comply with the laws and regulations of the regions they operate in.

All our Board of Director members, who are also shareholders, are chosen for a four-year period. Their election is subject to the laws and regulations and requires approval from both the Central Bank of Jordan and the bank’s General Assembly.

Board of Directors	2021	2022	2023
Percentage of independent directors in the Board	36%	36%	36%
Total members of the Board	11	11	11
Total members of the Board (Males)	10	10	9
Total members of the Board (Females)	1	1	2

For the Board to carry out its work efficiently and effectively, the following 6 committees are formed:

Our Board Committees	Purpose and Responsibility
<p>Nominations and Remuneration Committee</p>	<p>Assesses the efficiency of top-tier governance bodies using self-evaluations and impartial reviews. The Board, bringing together a wealth of experience in management, banking, finance, insurance, economics, and law, is incredibly diverse.</p>
<p>Corporate Governance Committee</p>	<p>The committee supervises the preparation and approval of the governance report, establishes procedures for governance instructions, and oversees the annual update of the bank's corporate governance manual.</p>
<p>Audit Committee</p>	<p>The committee's role is to assist the board in supervision, coordinate with auditors, ensure audit independence, provide objective information, monitor internal controls, and recommend improvements.</p>
<p>Compliance Committee</p>	<p>The committee's role is to assist the board in its supervisory role, acting as a liaison between the board and the compliance monitoring department. It provides the board with objective, professionally neutral information, monitors the bank's compliance with regulatory instructions, and suggests recommendations for addressing any deficiencies or weaknesses.</p>
<p>Board Risk Committee</p>	<p>The committee's role is to ensure a risk management policy is in place at the bank and to review the strategies and plans addressing these risks annually. It manages, reviews, and monitors all the risks that the bank might face, checks the effectiveness of the internal control system in reducing risks, and sets the strategy for acceptable risk limits. It also reviews and approves the acceptable risk thresholds provided by the bank's risk management.</p>
<p>IT Governance Committee</p>	<p>The main aim of this committee is to align IT strategy with the bank's objectives, improve IT risk management, achieve added value at minimal costs, and manage cyber security risks.</p>

3.2 Pillar 2: Operations

Operations Objectives

- Reduce the environmental impact of operations and suppliers.
- Develop reduction targets for Scope 1, 2 and 3 GHG emissions, energy, water and waste.

3.2.1 Reducing Environmental Impact

At Bank ABC Jordan, we have adopted a comprehensive approach to measuring and reducing its environmental impact, focusing not only our direct operations but also our supply chain. A comprehensive plan has been developed to reduce the environmental impact of our operations, covering scope 1, 2, and 3 emissions, energy, water and waste usage. Furthermore, we are proactively collaborating with our suppliers to evaluate their emissions and assist them in decreasing their social and environmental impact.

Bank ABC Jordan's Environmental KPIs

KPIs	2022	2023	Change (% YoY)
GHG emissions: Scope 1, 2 & 3 (tCO2e)	NA	6,782	-
GHG emissions intensity (tCO23 per JOD m revenue)	NA	73	-
GHG emissions (tCO2e) per FTE	NA	11.8	-
Energy usage (KWh)	2,496,013	2,629,735	5%
Energy usage (KWh) per FTE	4,514	4,577	1%
Renewable energy as % of total energy	100%	100%	0%
Water usage (m3)	NA	3,749	-
Water usage (m3) per FTE	NA	6.5	-

3.2.2 Measuring Bank ABC Jordan's Environmental Footprint

Measuring the Bank ABC Jordan's environmental footprint, or 'baseline' of our operations, is a critical first step in developing and implementing a reduction plan. The Bank has already made significant progress in measuring its environmental impact as well as developing a plan to reduce that impact. The scope and integrity of our environment data has greatly improved, with Bank ABC Jordan's GHG emissions, energy, water, and waste now capturing head office and all branches. More specifically, our Scope 1, 2 & 3 GHG emissions now captures the emissions generated by our suppliers.

Equally meaningful is the Critical Infrastructure Review (CIR) of our operations. The review commenced late last year and has already been completed. The CIR is a critical element of our multi-year plan to reduce energy and water usage in Bank ABC Jordan's operations. The review was carried out by external consultant engineers and sets out a detailed plan to reduce our energy and water usage. We expect to start implementing the action plan in the second half of this year with a view to delivering multi-year reductions in the GHG emissions, energy, and water usage of our operations.



The Baseline year for Bank ABC Jordan is 2023

At Bank ABC Jordan, we are currently in the process of initializing a responsible procurement procedure, there are numerous sustainable procurement practices that we are proud of:

1. Local Suppliers

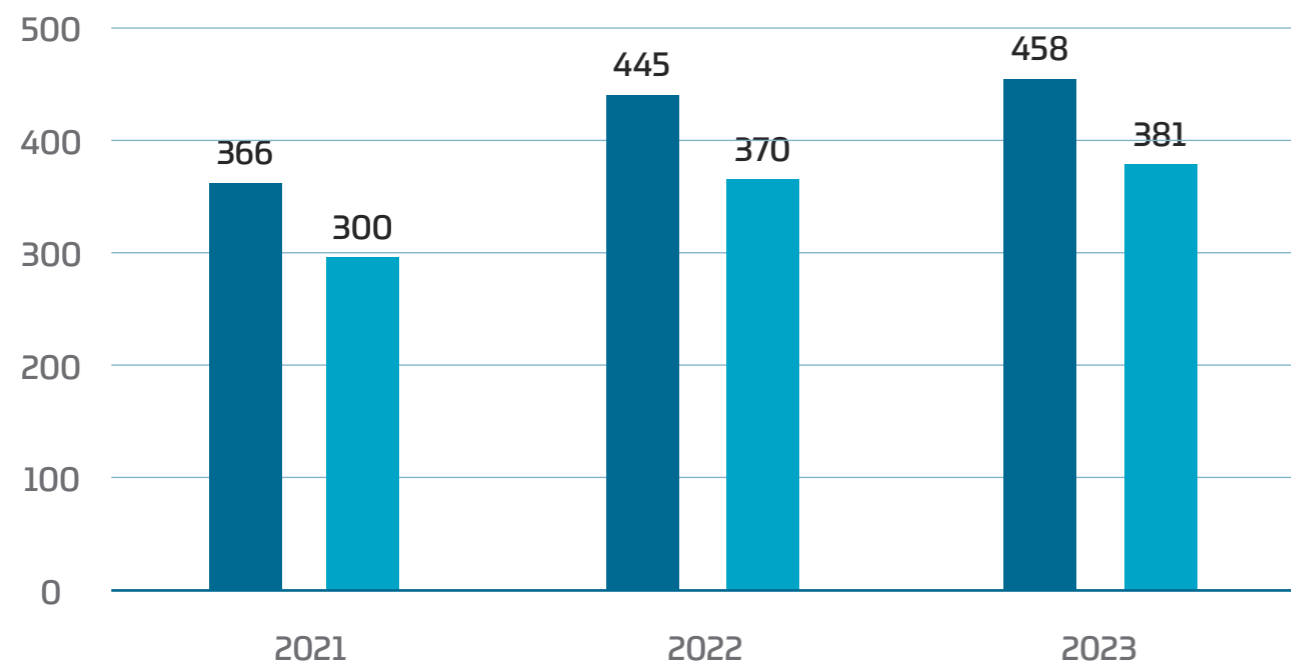
In 2023, Bank ABC Jordan's local suppliers played a significant role, making up 75% of our overall procurement expenditure. This highlights our devotion to nurturing economic progression within Jordan, concurrently affirming our resolve to boost local enterprises.

Looking at our number of local suppliers, we have successfully followed an upward trajectory by frequently hiring more local suppliers, a 21% increase from 300 local suppliers in 2021 to 381 in 2023 demonstrates this.

2. Bank ABC Jordan's Head Office Printing Infrastructure initiative:

We extended invitations to chosen vendors to propose a solution intended to enhance the Bank's Head Office Printing Infrastructure by implementing an agile Print Management system with the latest technological components. The suggested solution features a robust design, scalable architecture, high performance, and user-friendly interface, which adequately addresses Bank ABC Jordan's changing business requirements towards secure printing and sustainable growth.

Implementing such an initiative had several goals to aid our operations such as lowering costs, saving time, freeing up office space, and reducing the quantity of paper used for printing.



■ Total number of suppliers engaged ■ Total number of local suppliers engaged





The Baseline year for Bank ABC Jordan is 2023

3.2.3 Scope 1, 2 & 3 GHG Emissions

Scope 1, 2 & 3 GHG Emissions (excludes scope 3 financed emissions)

GHG emissions (tCO ₂ e)	2023	% of 2023 total
Scope 1	107	-
Scope 2	7	0.1%
Scope 3	6,668	98.3%
Total GHG emissions: Scope 1, 2 & 3	6,782	-
GHG emission intensity (tCO ₂ per JOD m revenue)	73	-
GHG emission (tCO ₂ e) per FTE	11.8	-

3.2.4 Renewable Energy

Office location	2023
Bank ABC Jordan	100%

In 2018, our Bank ABC Jordan operation completed an agreement with Kawar Energy and Jordan Electric Power to acquire a photovoltaic (PV) solar power plant to supply 100% of Bank ABC Jordan’s energy requirements. The payback period on the initial investment was two years with projected cost savings of JOD14.86 million over 25 years.

Our energy audits are conducted by trained professionals who meticulously analyze energy consumption patterns, identify

areas of inefficiency, and recommend improvement measures. These may include equipment upgrades, behavioral changes, and operational optimizations. Common findings often reveal energy waste attributed to outdated equipment, inefficient building envelopes, and excessive energy usage during non-peak hours.

To promote energy-saving behaviours among employees, Bank ABC Jordan conducts awareness campaigns and incentivization programs. These initiatives encourage actions like turning off lights and equipment when not in use, adjusting thermostats for energy efficiency, promptly reporting maintenance issues, and actively participating in energy conservation initiatives.

3.2.5 Water

Bank ABC Jordan is taking significant steps to reduce water usage despite its relatively low consumption of 3,749 m³. These steps include installing low-flow fixtures such as faucets and toilets, implementing leak detection and repair programs, and educating occupants on water-saving practices.

Water Usage

	2023
Water usage (m ³)	3,749
Water intensity (m ³ per FTE)	7

3.2.6 Waste

Bank ABC Jordan Waste

A dual approach to reducing our waste is being adopted; reducing overall usage and increasing the amount we recycle. Hence, recycling bins were distributed to all floors of the Bank’s Head Office building, so that all

employees can keep recyclable waste (paper, plastic, metal containers) in its designated area; in order to preserve the environment, which will help recycle, reuse and reduce the adverse impact of waste on the environment, in addition to raising employees’ environmental awareness.

Waste in 2023

	2021	2022	2023
Total waste (KG)	52236	48492	48360

Bank ABC Jordan’s successful implementation of paper recycling initiatives has resulted in the recycling of 52% of consumed paper. Coupled with additional paper reduction efforts, such as digitized employee onboarding and electronic signature processes, we’ve notably decreased our environmental footprint.

Paper Consumption in 2023

	2023
Paper consumed (Mt)	31.68
Paper recycled (Mt)	16.41
% recycled	52%

3.2.7 Cyber Security

At Bank ABC Jordan we follow Bank ABC Group’s Cyber Security Framework which is fully aligned with international standards, such as the National Institute of Standards and Technology’ Cybersecurity Framework.

The mission of the Bank’s Framework is to support its digital transformation and to consolidate and reinforce the cyber-resilience of the Group’s operations against internal and external security threats.

The Framework comprises a Board-approved strategy, a Group Information Security Policy, as well as supporting standards, procedures, processes, tools, and staff training.

Together, these enforce the Bank’s security and privacy-by-design for new systems and technologies, as well as its resilience and ability to govern, detect, respond, contain, and recover from cyber-attacks.

The Framework also ensures the Bank’s compliance with relevant legal, regulatory, and industry requirements, such as SWIFT CSP and PCI-DSS, as well as protection for its customers, brand, and reputation.

The Cyber Security Framework consists of the following strategic pillars:



1 Data Security: Protect business, sensitive, proprietary or personal data



2 Threat and Vulnerability Management: Detect and remediate cyber security and vulnerabilities to critical information technology assets



3 Monitoring: Prevent, detect, respond, contain, and recover from security events and incidents



4 Identity and Access Management: Control access to systems and data, enforcing the principle of least privilege



5 Infrastructure Protection Services: Ensure security to all network components, including applications, servers, and endpoints, among other connected devices



6 Governance, Risk Management and Compliance: Manage strategy, policies, risks and controls, and compliance with legal, regulatory, and industry standard requirements



7 Maturity: Support continuous process improvement and measure maturity

In 2023

We implemented a new project as part of our agenda, which is putting into action a three-year Cyber and Information Strategic Program for the years 2023 to 2026. This program is designed to strengthen our defenses against cyber threats and streamline our information management processes. Through this development, we aim to bolster our cybersecurity infrastructure, improve threat detection and response times, and ensure the safety and integrity of our clients’ information. By investing in this comprehensive strategic program, we reaffirm our commitment to maintaining a secure digital environment for all our banking services.

We are proud to report that we did not encounter any data breaches or instances where data was lost for the third consecutive year, which is a testament to the Bank’s robust data security protocols.

	2021	2022	2023
The total count of detected data leaks, thefts, or losses concerning client information	0	0	0
The total proportion of data breaches that impacted customers’ personal data	0	0	0

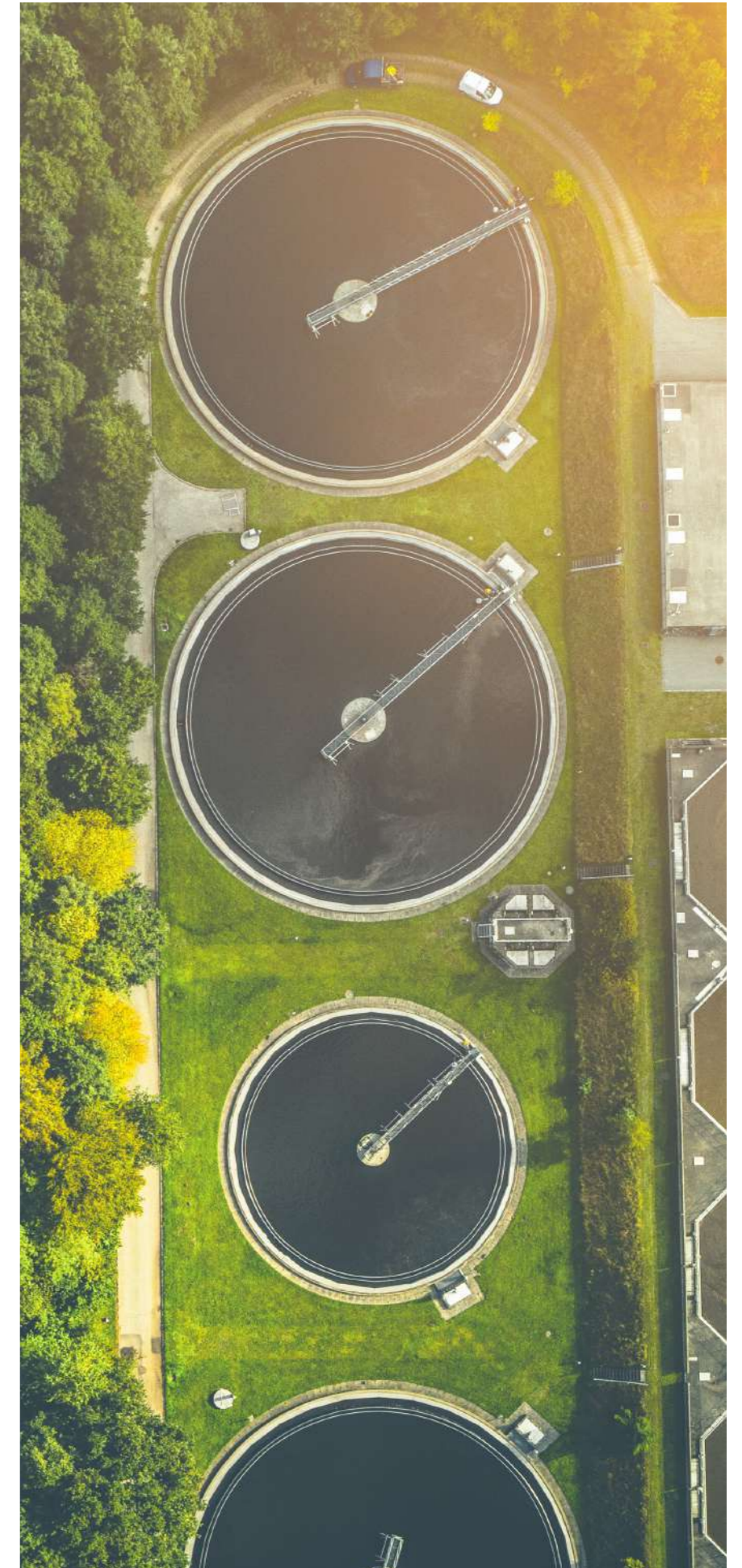
This has been done through our various security procedures:

- Prevent any unauthorized access to data processing premises and facilities (physical access control)
- Prevent any unauthorized access to data processing systems (logical access control)
- Guarantee only authorized access to data while preventing unauthorized editing or deletion and confirm data recipients.
- Require segmentation for data collected for different purposes or different principals.
- Protect personal data against accidental destruction or loss (availability control)
- Require the personal data processed based on a commissioned processing of personal data are processed solely in accordance with the directions of the data exporter (job control)

3.2.8 Business Continuity

Bank ABC Jordan continues to augment its business continuity and disaster recovery abilities across the Group, ensuring provisions are in place to remain responsive and to accommodate increasing business needs. This is attained through rigorous testing of business continuity, as well as disaster recovery plans and training activities for employees.

In 2023, Bank ABC Jordan adopted operational resilience activities with the intention of positioning with leading industrial bodies. This further advanced the Bank’s ability to withstand extreme disruptions and reinforced its strong commitment to robust governance, social diversity, and sustainability. Looking ahead, we will uphold our focus on developing and promoting a culture of operational efficiency and resilience through business continuity, disaster recovery, and effective crisis management, which will serve as a foundation for continued strategic growth and value creation.



In 2023

To ensure extreme level data privacy we implemented a new 3-year data Protection Strategic Roadmap 2023-2026. This comprehensive plan will guide our proactive efforts to enhance data security. It will outline our strategic objectives, as well as our milestone timelines and key performance indicators. This roadmap will serve as a blueprint for our data protection initiatives, ensuring we uphold the highest standards of privacy and security for our customers’ data in the coming years.

3.3 Pillar 3: Risk Management

Risk Management Objectives

- Include obligor ESG risk assessment into lending process.
- Develop Industry Environmental Risk Rating.
- Measure Scope 3 financed emissions.
- Strengthen our approach to climate scenario analysis.

The ESG risk metrics for our operations has already been defined and are being monitored to ensure they are within their pre-defined threshold.

Bank ABC Jordan’s most material ESG-related risk, specifically climate risk, arises from the activities of the clients we finance and those generated by their respective value chains.

These financed emissions fall within the general definition of scope 3 GHG emissions and equate to over 90% of our total emissions.

Given their significance, Bank ABC Jordan is developing a collaborative approach with clients, industry experts and regulators to manage the related risks.

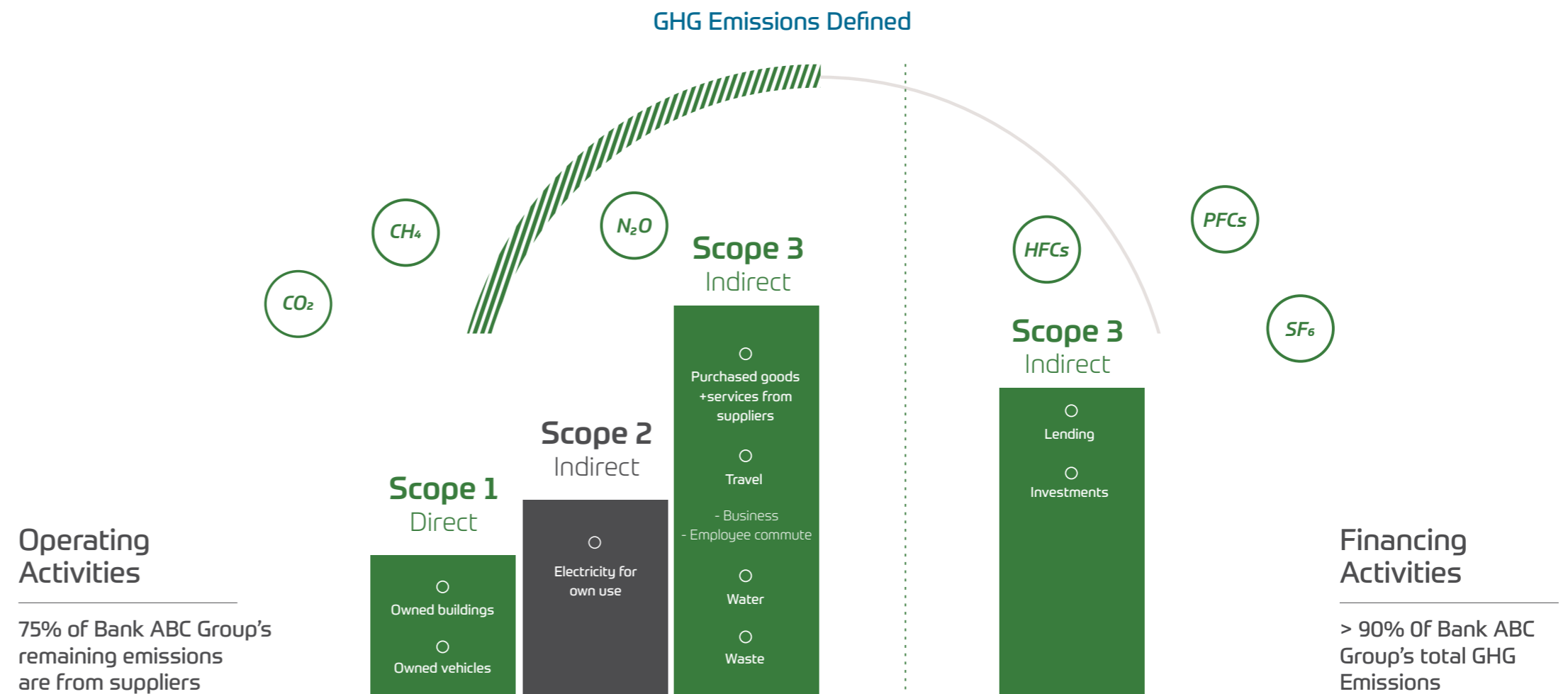
Our sustainability strategy has outlined a comprehensive set of initiatives that will provide a deeper understanding of our scope 3 financed emissions, the ESG risks facing our clients and their plans to mitigate those risks. We expect this to translate to improved understanding of our ESG risks, closer client engagement and greater ability to reduce those emissions through the financing of our clients’ transition strategies.

3.3.1 Risk offers opportunities

We strongly believe that a deeper understanding of the ESG risks across our value chain will lead to a greater ability to support our clients’ financing requirements.

Bank ABC Jordan’s sustainability strategy, which is aligned with Bank ABC Group’s sustainability strategy, sustainability strategy has set out specific action plans to embed sustainability throughout our risk management system.

This encompasses credit, treasury, operations and reputational risks. It includes defining our risk appetite and setting out risk metrics and thresholds to monitor those risks.





3.3.2 Obligor ESG Risk Assessment

In the simplest form, lending and investing are comprised of three factors:

- 1. Risk
- 2. Return
- 3. Impact

While the third factor, impact, has historically been ignored by the finance sector, this is no longer viable due to the rapidly increasing environmental and social pressures affecting all industries. Environmental pressures are causing tectonic shifts in how many of our customers are managing their operations, supply chains, sourcing of raw materials, manufacturing processes, transportation, and shifts in customer demand. Integrating a client ESG risk assessment into our lending process provides enhanced evaluation and understanding of the environmental and social risks facing our clients and their mitigation plans. In turn, this will lead to closer client engagement and enhanced ability to support our customers' financing requirements.

Bank ABC Group obligor ESG risk assessment approach, which is based on a proprietary client questionnaire, that assesses risk and identifies financing opportunities across four areas:

- **Management quality**
- **Environmental and social impact**
- **Environmental and social disputes, fines or prosecution**
- **Transition plans**

The approach has already been successfully pilot tested across the business. Ahead of implementation later this year, a training programme is being deployed across our client-facing teams. This will be an ongoing process aimed at strengthening capabilities and skillsets across the Group.

3.3.3 ESG Industry Risk Rating

Bank ABC Jordan is developing an ESG industry risk rating to support the client ESG questionnaire. This will be based on quantitative data and qualitative analysis that provides a deeper understanding of the environmental and social risks facing each industry and how they are managing the transition to net zero. This is intended to provide valuable knowledge in better understanding our clients' transition strategies within the context of industry trends and best practices.

In alignment with the Bank ABC Group's framework and appetite, Bank ABC Jordan's risk appetite statement for 2024 incorporates Environmental, Social, and Governance (ESG) triggers. This latest addition to risk considerations includes environmental factors such as financial risk from climate change, social aspects like diversity and inclusion, and governance concerns focusing on reputational risk.

As outlined in our Bank ABC Jordan's RAS, ESG factors will be incorporated into our credit analysis process starting 2024. Our process will guide how we utilize resources to aid our

clients on their sustainability journey. We will measure ESG risk parameters by assessing the greenhouse gas emissions produced by both our bank and our suppliers, which includes Scope 1, 2, and 3 emissions. These important measures play a significant role in determining our credit analysis and decision-making processes.

3.3.4 Climate Stress Testing

Aligned with CBJ guidelines, we have reviewed our climate stress testing processes to better manage and prepare for potential climate-related physical and transition risks. Our emphasis is on strengthening our approach towards climate scenario analysis to understand how risks and opportunities could evolve. We have also contributed to the review of the Draft Green Finance Strategy 2023 – 2028 requested by the CBJ. This showcases our proactive approach to risk management viewed through a sustainability perspective.

3.3.5 Risk Management Department

The independent Risk Management Department at Bank ABC Jordan manage credit, operational, market and IT risks in accordance with a comprehensive methodology that is based on identifying the volumes and types of risks to which the Bank is exposed. The Risk Management Department manages and implements the general risk management framework in coordination with the Bank's

departments by identifying, measuring, assessing, and monitoring financial and non-financial risks that can have an adverse impact on Bank's performance, reputation, or objectives, in addition to ensuring that the Bank achieves the optimal returns through risk aversion.

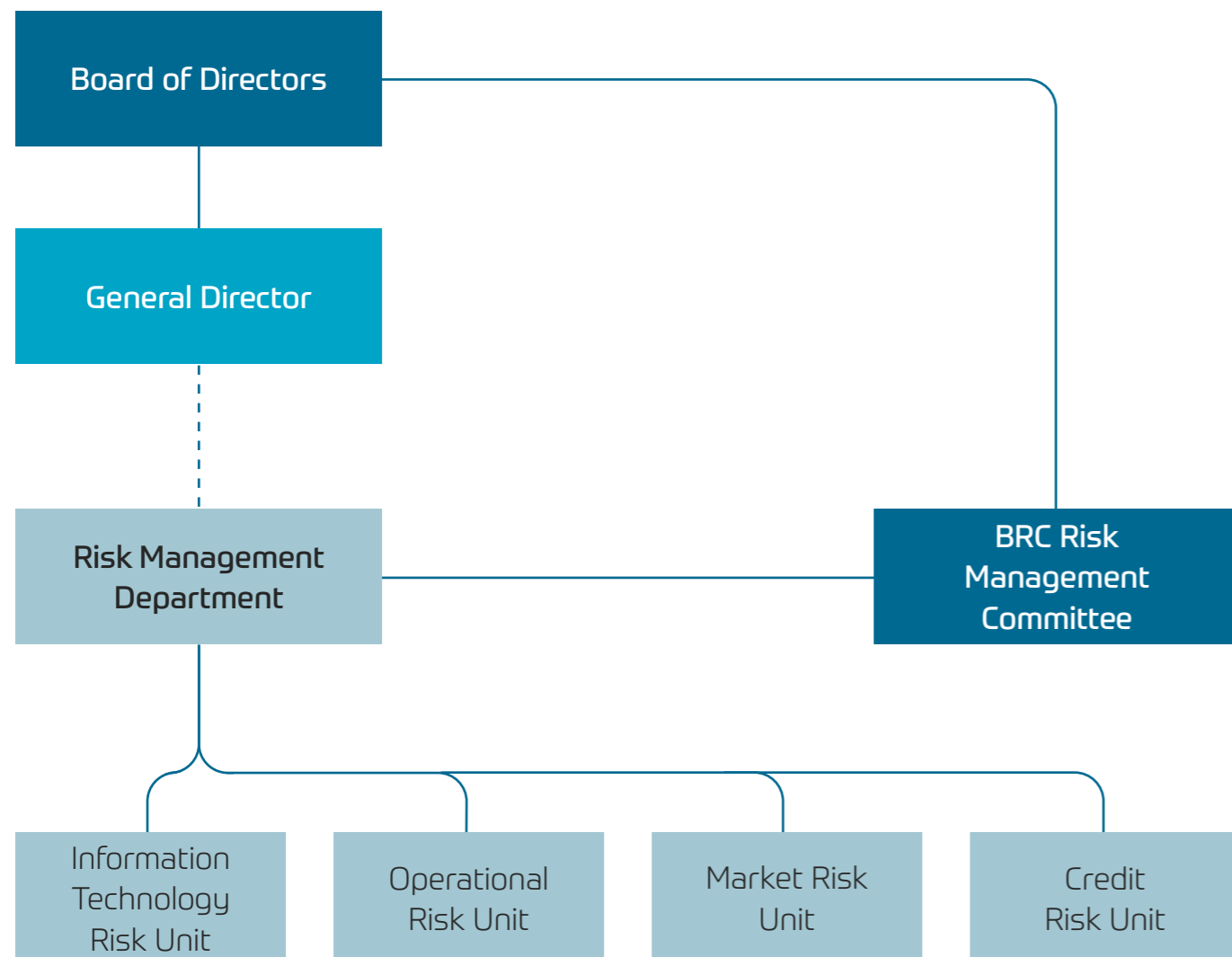
The Risk Management Department also adopts the best practices, means and procedures to ensure the implementation of applicable policies and procedures issued by the Central Bank of Jordan or parent organization in Bahrain or the requirements of Basel Committee.

The Risk Management Department has

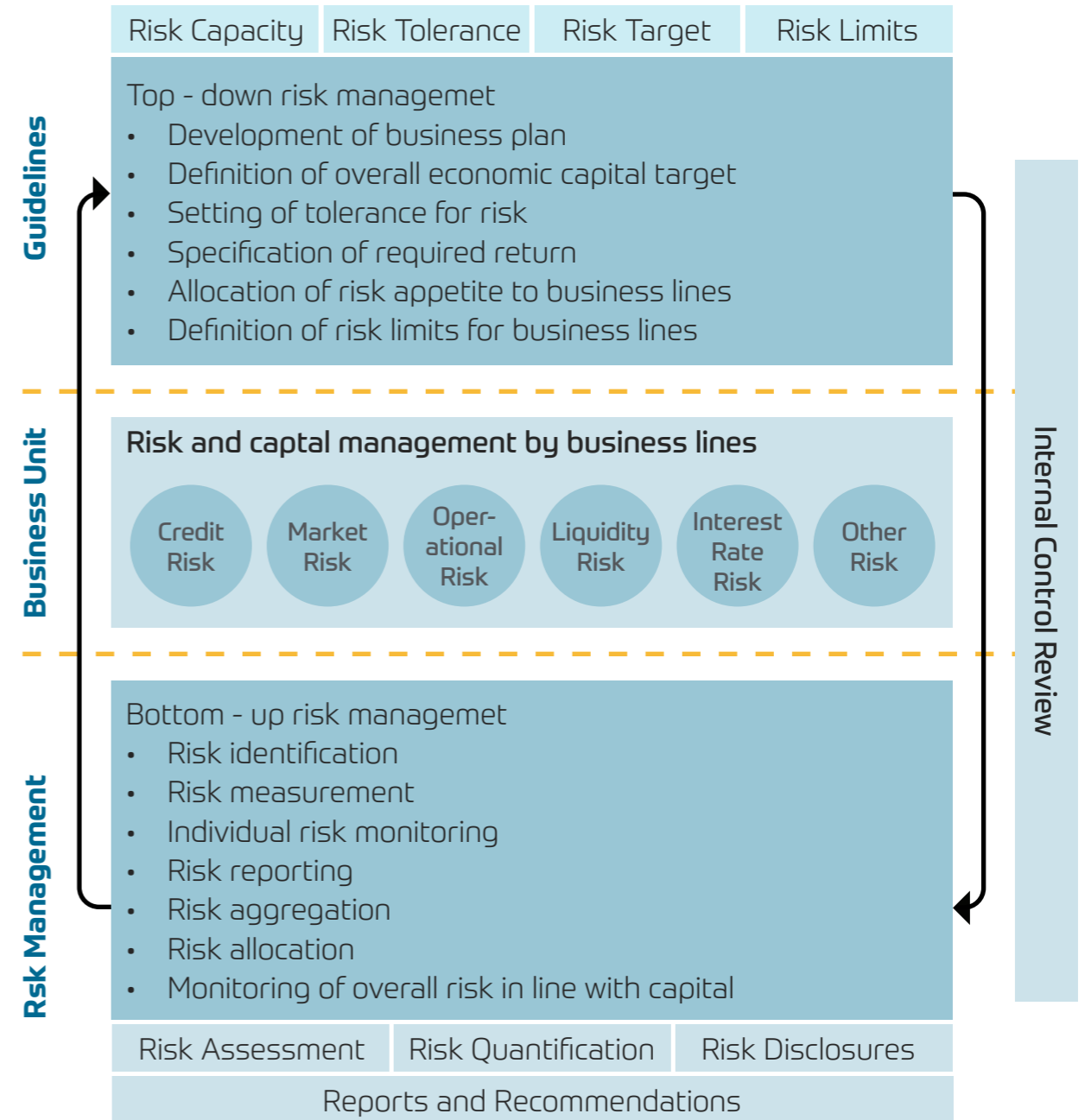
linked administratively to the CEO and functionally to the Risk Committee of the Board of Directors.

3.3.6 Risk Management Framework

Our Risk Management Framework is a comprehensive methodology that identifies, manages, and mitigates varying levels and types of potential risks. Additionally, the department is entrusted with the effective management and implementation of our overall Risk Appetite Framework (RAF), which is accomplished through collaborations with other departments within the Bank.



BoD and Senior Management



The Risk Appetite Framework (RAF) includes our policies, processes, systems, and controls that help in defining, communicating, and monitoring our risk appetite.

This includes outlining the roles and responsibilities of those implementing and overseeing the RAF, establishing risk capacity, forming risk appetite statements, and setting risk thresholds and limits.

It considers the bank's significant risks as well as the potential impact on our reputation with customers and other stakeholders.

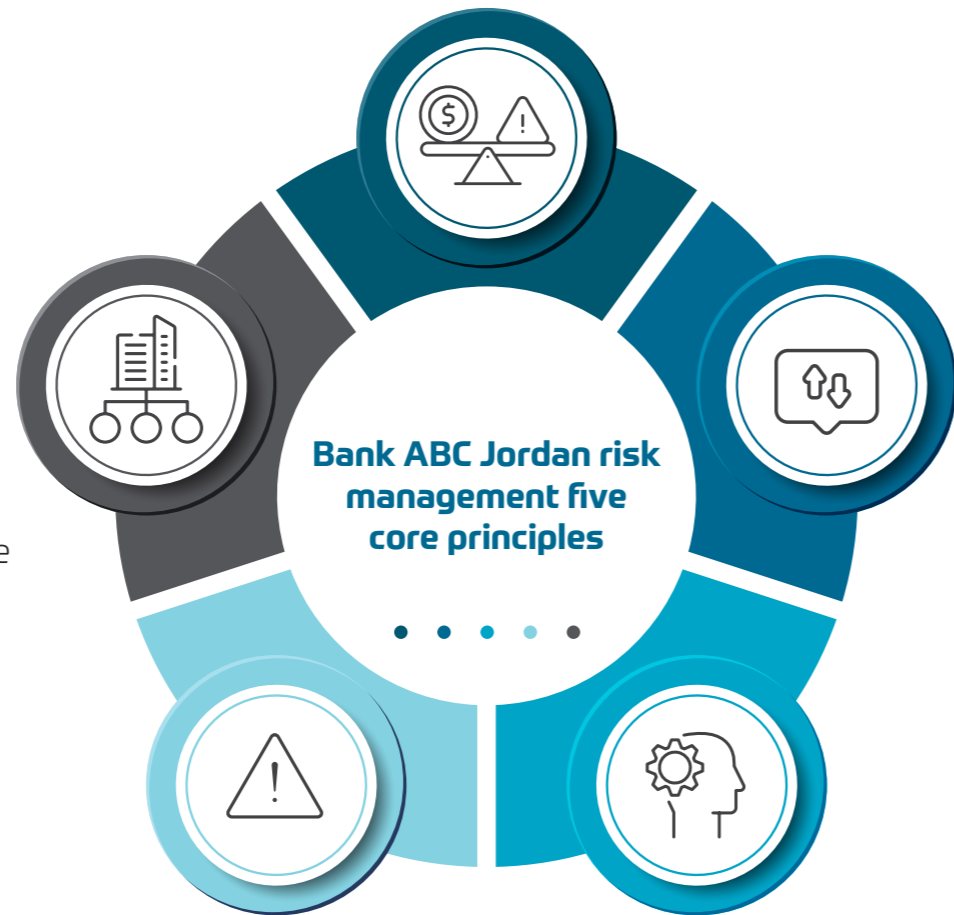
Additionally, the RAF provides a framework for measuring and observing actual risk positions relative to our Risk Appetite Parameters, while also offering potential adjustments to risk thresholds as needed.

Managing Risks Based on Expertise and Infrastructure

Our risk management relies on subject matter expertise, experience, and our IT system data. Data from historical events, industry knowledge, & system-generated information guide our risk limit and tolerance setting. Moreover, it ensures that our risk appetite statement is defined in line with the Bank's business goals and objectives.

Embedding Risk Appetite in Organizational Culture

The effective embedding and communication of Bank ABC Jordan's risk appetite statement shifts the view of risk from the mindset of 'loss minimizing' to one of optimizing the organization's risk-return profile.



Combining Top Down and Bottom Up Communication

We adopt a combination of "top-down" and "bottom-up" communication methods for risk appetite, promoting transparency, accountability, and well-grounded expectations for our stakeholders.

Leveraging Risk Appetite for Strategic Decision

Bank ABC Jordan uses its risk appetite as a leverage for strategic and tactical decisions.

Establishing Early Warning Indicators

We maintain vigilance over risk tolerance levels via early warning indicators of risk limits and thresholds.



3.3.7 Risk Management Key Activities in 2023

The Risk Management Department undertakes several key activities:



REPORTING

Preparing and submitting periodic reports to the Risk Committee of the Board of Directors. Assessment process (ICAAP) reports, Capital adequacy ratio (CAR) reports, Liquidity Coverage Ratio (LCR) Reports,

Net Stable Funding Ratio (NSFR) Reports related to reviewing the existing credit portfolios of Bank's assets of all types and developments therein. Additionally, preparing reports that fall within the responsibility of the Risk Management on the governance and management of information and related technologies following COBIT instructions.



PRODUCT ASSESSMENT

Approving and reviewing documents associated with retail and loan portfolio products. Regularly evaluates the portfolio, ensuring alignment with each product's specified risk appetite.



POLICY APPROVAL & UPDATES

Approving changes to the credit policy of Arab Co-operation Financial Investments Co. and renewing cash transaction and margin finance products.

Ensuring alignment of the Bank's risk management policies and procedures with directives from the Board of Directors' Risk Committee.



STRESS TESTING

Conducting assessments to test the Bank's resilience against high-risk scenarios and potential shocks.



EMPLOYEE AWARENESS

Increasing and enhancing employee knowledge of risk management through sharing leading practices and standards in the banking sector.



COORDINATION

Cooperating with the parent organization's Risk Management Group to calculate expected credit loss (ECL) in compliance with IFRS 9 and CBJ instructions.

As well as preparing and submitting IFRS 9 reports to relevant committees. Clearly communicate the Bank's risk profile across various business units at the Bank.



INVESTMENT & TRADING LIMITS DOCUMENT APPROVAL

Approving the updated Investment and Trading Limits document for 2024.



INFORMATION PROVISION

Providing the information needed for the required risk reports for disclosure purposes.



STRATEGY IMPLEMENTATION

Implementing the risk management strategy while developing and monitoring work procedures that manage all types of risks.



IT RISK ANALYSIS

Analyzing potential IT risks and establishing appropriate controls to minimize potential risks.

3.4 Pillar 4: Financing the Transition

Financing the Transition Objectives

- Sustainable finance framework for robust measurement of sustainable/transition finance.
- Embed sustainability into our client engagement.
- Training programme to strengthen our capability.

Supporting Clients' Transition

The transition to a low-carbon economy presents an unparalleled opportunity for growth and innovation. Global banks such as Bank ABC Group are in a unique position to help accelerate the transition by working with companies as they re-engineer their business models and value chains. Supporting our clients' transition strategies will not only require us to accelerate green and social finance but also greatly expand the amount of transition finance we provide to our high-emitting clients.

Bank ABC Group's sustainability strategy has been specifically structured to ensure the Bank plays a pivotal role in meeting our customer demand for sustainable and transition finance. To ensure we are fit for purpose, the strategy has several initiatives across Wholesale, Treasury, and Retail Divisions to support the sustainable and transition financing requirements of our clients.

Bank ABC Group's Financing the Transition Objectives – Wholesale, Treasury and Retail:

- Sustainable finance framework to ensure robust measurement of sustainable finance.
- Embed sustainability into client engagement and product development.
- Training programme to strengthen capabilities and skill sets.
- Provide sustainable and transition financing to our clients.

Sustainable Finance Framework

Bank ABC Group's Sustainable Finance Framework is a key enabler of our growth strategy. It ensures a robust approach to measuring and reporting the sustainable finance that we provide to our clients, thereby mitigating the risk of greenwashing. It also provides the potential to diversify our funding base.

The Framework was developed in collaboration with ISS, a leading global provider of ESG analysis and ratings. It outlines the methodology for categorising sustainable finance products and services, including how the Group defines green, social, sustainable, and sustainability-linked finance.

It also provides the scope, criteria, environmental, and social due diligence requirements, as well as the verification approach.

As part of Bank ABC Group's commitment to good governance and transparency, ISS carried out a Second Party Opinion which validated that our sustainable finance framework fully aligned with ICMA/LMA sustainable finance principles and the UN SDGs.

Building Our Experience

We recognise that our employees play a crucial role in advancing the Group's sustainability strategy and objectives, as well as those of its clients. Employees throughout our global network, across all divisions and positions, are core to the Bank's sustainability mission. A key element of our sustainability strategy is supporting and facilitating our global workforce to integrate sustainability into their roles by providing learning opportunities and creating channels for them to actively contribute to the Bank's sustainability agenda.

An important component of this is strengthening the capabilities of our client-facing Wholesale, Treasury and Credit teams. The Bank launched training sessions for our Wholesale, Treasury and Credit teams in 2023 which were supported by external specialist institutions, including the International Finance Corporation and multilateral development banks.

The training programme to upskill our capability will be a continuous journey that is to be meaningfully accelerated in 2024.



Green Retail Finance

At Bank ABC Jordan, we embark on a journey of promoting sustainable practices and encouraging our customers to invest in ESG opportunities.

Our ambition is to assist customers in managing their environmental and social risks, lending to businesses that contribute to sustainable development goals, enhancing access to finance for SMEs and underserved groups, and providing responsible customer service.

Moreover, we are pioneering the tracking of sustainability credentials across our loan and investment portfolios. This enables us to offer our customers with tailored products and services that help address an environmental or social challenge.

Jordan is progressively incentivising the shift away from fossil fuels to renewable energy. As a result, Jordan is one of the few countries globally where EVs are cheaper than combustion engine cars. In 2022, EV auto imports in the country increased threefold, while hybrid and combustion engine automobiles experienced a decline of 32% and 21%, respectively.

Hence, in 2023, the total financing dedicated to electric vehicles (EVs) and hybrid vehicles was JOD303,979, assisting clients in minimizing their environmental impact and boosting their societal contributions.

Sustainable finance in 2023		JOD
EV auto finance		303,979

Financial inclusion





As we finance the sustainable and transition finance needs of our clients, the Bank recognises the need to sustain and support livelihoods across its communities.

A just transition is essential for achieving the goals of the Paris Climate Agreement, with financial resources, new technology, and enhanced capacity required to support those most vulnerable.

At Bank ABC Jordan, we promote financial literacy to our customers by taking active steps to safeguard their accounts and by boosting the awareness of our financial products.

We regularly conduct awareness campaigns to enhance the understanding of fraud prevention and financial security.

Through constant education and transparency, the following approaches will underscore our various tactics to cultivate it.

-  Education Materials & Resources
-  Brochures & Pamphlets Articles
-  Online Guides
-  Branches

Key initiatives we implemented at Bank ABC Jordan to ensure inclusiveness

1 Branches and their accessibility

We have nearly established our presence with branches in every city across Jordan. This distribution of our branches reflects our promise to reaching as many customers as possible, providing accessible/convenient banking solutions. Moreover, ATMs at some of our branches are equipped with various accessibility measures such as: wheelchair ramps and Braille language configuration.

We have incorporated such accessibility measures into our infrastructure, to demonstrate our commitment to providing inclusive services to our customers and to facilitate ease of access to our banking services for all individuals, ensuring that we are catering to the diverse needs of all our customers.

2 Bank ABC Jordan and SMEs

Bank ABC Jordan, aims to grow its reach with focus on SMEs which represent the largest bulk of companies in the Jordan, and as a part of our efforts to promoting financial inclusion, the bank signed an agreement with the European Investment Bank (EIB) through which the EIB avails funds that are to be dedicated to SME and midcaps with a financial advantage to customers.

3 Masa Program for women

This program is focused on women empowerment, particularly in regions where access to financial services is limited and to allow women to overcome societal barriers by providing them with the necessary financial tools: such as personal loans with special interest rates.

4 Play it Right Campaign

Bank ABC Jordan allocated environment friendly products, through commencing the finance of electrical vehicles and offered eight cash prizes to be distributed amongst eight winners at the end of the Play it Right campaign.

3.5 Pillar 5: Our People and Communities

Our People and Communities Objectives

- Strengthen our approach to D,E&I.
- Deliver greater impact from our CSR investments.

Supporting Employees and Society

Bank ABC Jordan considers the social agenda of our sustainability strategy to be critical. Employees are our most valuable asset, and their aspirations are shifting to become increasingly purpose driven.

Strengthening our approach to D,E&I, career development, and training are priorities that are fundamental to the Bank’s ability to attract and retain talent.

A critical step in this journey has been defining and capturing the relevant KPIs. Understanding our baseline allows us to develop a more focussed and productive remedial plan. As an example, our gender pay gap ratio was measured at 6% in 2023. Ideally, we would like to get our gender pay gap ratio to zero. We also recognise the vital role the Bank plays in supporting and developing the community. In 2023 we invested JOD330,630 spread across 18 entities.

Our People and Communities: ESG KPIs

ESG KPIs	2023
Diversity, Equity and Inclusion:	
Gender ratio: employees	36%
Gender ratio: boards	18%
Gender pay gap ratio	6%
Employee turnover: total	9%
Employee turnover: male	9%
Employee turnover: female	10%

ESG KPIs	2023
Training and Wellness:	
Total training hours	10,765
Training hours per FTE	19 Hours
Employee survey: response rate	91%
Employee survey: engagement rate	55%
CSR Activities:	
Community investment (JOD)	330,630

3.5.1 Our People Diversity, Equity & Inclusion

At Bank ABC Jordan, we recognize the value of diversity, equity, and Inclusion. We aim to embed these principles within our bank, ensuring that our practices are free from bias and promote fairness across all spectrums of the workforce. We strive to uphold objective standards, recognizing and nurturing talent regardless of an individual’s race, ethnicity, gender, or abilities.

We embrace diversity and inclusion as part of our core values. We believe leveraging our employees’ diverse experiences makes us more effective in serving our clients and creates a collaborative workplace.

An overview of our diversity-focused efforts

- Recruitment and Selection
- Internal Hires and Promotions



Recruitment and Selection: Consistent with our Group’s hiring practices and commitment to cultivating a diverse team, we strive to present a varied range of candidates on our shortlists. We also endeavor to include at least one female candidate in the interview process for each open position, however, this is aspirational and may not always be feasible for certain roles.

Inclusivity efforts also extend to the hiring of individuals with disabilities - a domain in which we are actively seeking to increase representation. As of December 31st, 2023, Bank ABC Jordan, has employed 3 individuals with special needs.

Internal Hires and Promotions: We maintain a merit-based system for career growth, with transparent, fair practices for all employees.

This includes providing equal access to promotions and internal hiring opportunities, avoiding any considerations based on personal characteristics.

Moreover, we have a diverse employment culture where we ensure to employ individuals from various age groups, this can help us add value by allowing various experience levels to be shared amongst our operations.

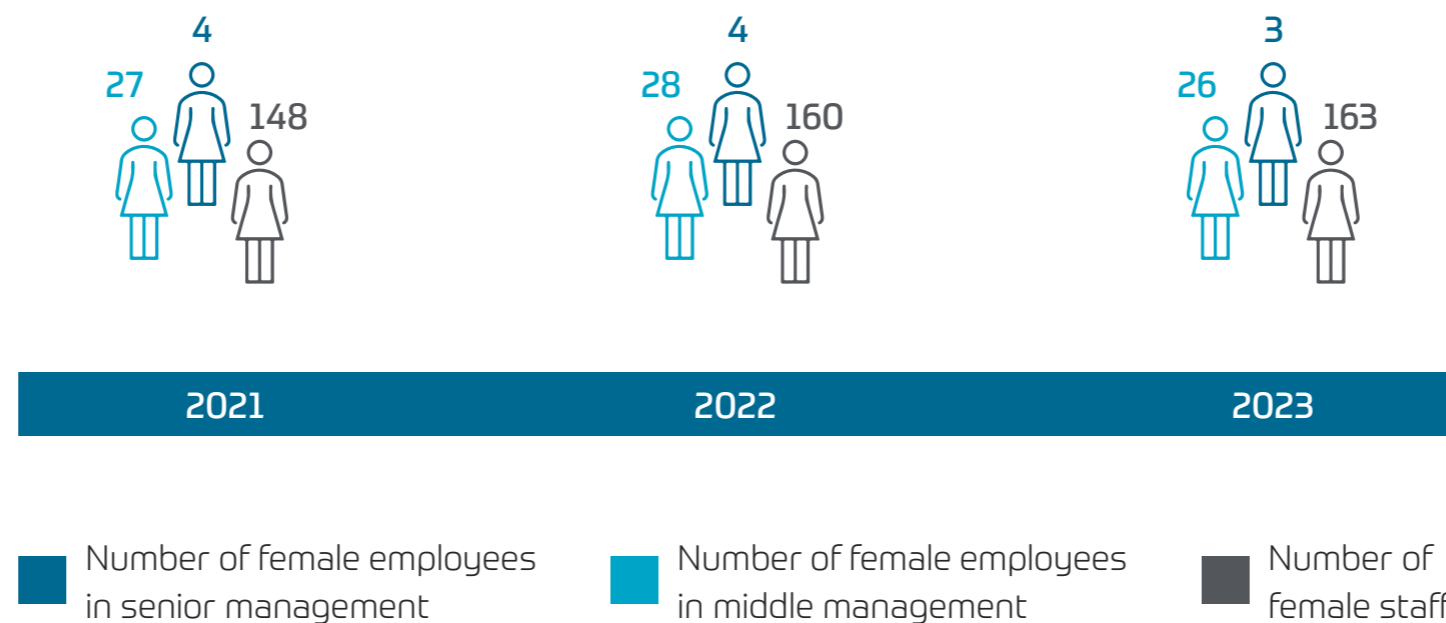
Percentage of employees per employee age group in each of the following diversity categories

	2021	2022	2023
Total under 30 employees	20%	20%	16%
Total between 30-50 employees	72%	72%	75%
Total 50+ employees	8%	8%	9%

We aim to include at least one female candidate in every job opening shortlist, recognizing that while this may not be possible in every instance, it remains a critical goal.

Additionally, to further support the professional development of female employees, we provide specialized training

Total Number of Female Employees:



and development initiatives aimed at equipping them with the skills necessary for career advancement.

The mentoring program at Bank ABC Jordan, has had demonstrable success, helping high-potential female employees to develop professionally and step into roles with greater responsibility.

A Deeper Look

Bank ABC Group developed a targeted leadership program for its high-potential female staff, incorporating mentorship from senior bank leaders and focused coaching sessions. The initiative, primarily aimed at fostering female talent in the Compliance and Wholesale Banking sectors, yielded significant career advancements for participants. This strategic move has demonstrated the bank’s commitment to enhancing its corporate culture by investing in diverse and inclusive leadership growth.

Career Development and Training

We lay a strong emphasis on the professional growth and career advancement of our employees; thus, the bank has set a range of measures to promote continuous learning and development:

Digital Academy

- The Academy enables staff to access top finance and banking modules from around the world at any time. The library supports Continuous Professional Education competencies and bolsters leadership and management development.

Masterclass and Internal courses

- These courses are focused on the job’s technical aspects and conducted internally all year round. This specialized training is typically delivered by experienced employees to their colleagues.
- Staff are also encouraged to attend external conferences and training courses.

Leadership courses for executives

- A structured series of assessment and coaching sessions, which are currently engaging the top 100 leaders in an effort to reinforce the bank’s corporate culture.

Compliance training

- Compliance training is mandatory and includes topics such as code of conduct and cyber security.
- Every staff member completes a minimum number of hours training per annum.

The number of training hours has increased each year, this growth highlights our commitment to the professional development of our employees.

Training	2021	2022	2023
Total training hours of full-time employees	6,419.5 hours	9,204 hours	10,765 hours
Average hours of training per employee	12.6 hours	17.2 hours	19.0 hours
By job category (Senior management)	173 hours	245 hours	205 hours
By job category (Middle management)	1,577 hours	1,929 hours	1,839 hours
By job category (Staff)	4,665 hours	7,028 hours	8,721 hours

At Bank ABC Jordan four mandatory e-learning modules must be conducted by all our employees to ensure the full understanding and adherence to the rules, regulations, and policies of the bank.

-  **Anti Money Laundering**
-  **Global Sanctions**
-  **Whistleblowing**
-  **Code of Conduct**

Employee Wellness

An important element of our approach to evaluate employee wellness, satisfaction and commitment was executing a comprehensive staff engagement survey through Bank ABC Group HR, which aimed to gain insight on several factors related to employee wellness. We utilized our employees’ feedback to inform the planning of actionable employee engagement initiatives.

These initiatives are designed to be assessed against specific KPIs, ensuring an objective measure of their success.

Additionally, we plan on continuously developing future engagement surveys that will continue to serve as indicators of our progress in nurturing our organizational culture.

Moreover, we value open communication and encourage our team to engage with HR, offering various channels that support both direct and anonymous dialogue, including a whistleblowing process.

We introduced the Fikra portal - a platform where employees can submit innovative ideas or suggest improvements, promoting a proactive culture.

Non-Discrimination

At Bank ABC Jordan we follow Bank ABC Group’s approach to non-discrimination which is out within the Groups’ Employee Relations policy document.

The document outlines the Corporation’s policy to offer equal treatment to all job applicants and employees, not to discriminate on the grounds of race, color, nationality, ethnic or national origin, sex or marital status.

There is non-discrimination in the terms and conditions of service offered to employees, and the sole criteria for selection or promotion is the suitability of the applicant for the job.

All the Corporation’s employees are required to maintain good standards in both their personal and professional conduct and performance. Each employee has a duty not to discriminate.

The practice of discrimination by an employee, at any level, will be regarded as a disciplinary offence dealt with under the disciplinary procedure. It also addresses cases of harassment of employees and customers with, setting out clearly defined disciplinary procedures.

Compliance & Business Ethics

Code of Conduct

At Bank ABC Jordan, we are committed to maintaining the highest standards of ethical and professional conduct.

The Code of Conduct sets out the minimum standards of behavior that are expected from all Bank ABC Jordan employees. The Code of Conduct is also supported by various policies and standards.

- Anti-Bribery and Corruption Standard**
- Business Entertainment Standard**
- Business Travel Standard**
- Chinese Wall and Insider Trading Standard**
- Conflicts Management Standard**
- Customer Complaints Handling Standard**
- Customer Conduct Standard**
- Data Retention Standard**
- Donations Policy**
- Employment of Relatives and Connected Persons Standard**
- Escalation Standard**
- Financial Crime Policy**
- Health and Safety Procedures**
- Fraud Policy**
- Gifts and Entertainment Standard**
- Human Resources Policies**
- Information Security Policy**
- Media Policy**
- Outsourcing Standard**
- Personal Data Protection Policy**
- Sanctions Policy**
- Whistleblowing Policy**

Showcasing some of Bank ABC Jordan’s policies that serve as the foundation of our commitment to operating within legal and regulatory boundaries:

Whistleblowing

We are committed to maintaining the highest standards of ethical and professional behaviour across all our operations and locations. At Bank ABC Jordan, all employees undergo trainings on joining and annually in relation to the Whistleblowing Policy to ensure abidance. We follow the Group’s whistleblowing policy, which includes a whistleblowing hotline.

The policy aims to:

- **Guard against internal misconduct and fraud,**
- **Provide a confidential and transparent process for raising concerns, and**
- **Ensure concerns can be raised without fear of suffering retribution.**

Anti-Bribery and Corruption Standard

At Bank ABC Jordan we adhere to Bank ABC Group’s Anti-Bribery and Corruption Standard which is applicable to all employees. They also apply to all third parties as a condition of the engagement with the bank. The purpose of the Group Anti-Bribery and Corruption (ABAC) Standard is to ensure that:

- All Employees of Bank ABC Jordan understand the ABAC principles, the responsibilities and obligations placed on Bank ABC Group to comply with relevant Bribery and Corruption laws and/or regulations.
- Bank ABC Jordan’s reputation is protected by taking all reasonable measures to prevent Bank ABC Jordan’s involvement in Bribery and Corruption.
- An ABAC culture is established which would actively seek to prevent Bribery and Corruption; reasonable and proportionate measures are established and maintained to understand and prevent Bribery and Corruption, and to detect, monitor, report and respond appropriately to any incidences of Bribery and Corruption which may occur.
- Business is conducted with integrity and transparency in compliance with applicable laws, and in accordance with the values and Code of Conduct established by Bank ABC Group.
- Any suspicion or instance of Bribery and Corruption is reported and investigated, and where appropriate, information and assistance are provided to the relevant external authorities. Bank ABC Jordan is committed to satisfying the requirements of these standards and the supporting Group Financial Crime Compliance Policy, and to continuously improving the approach towards mitigating Bribery and Corruption risk.

Anti-financial crimes

At Bank ABC Jordan we follow Bank ABC Group’s Financial Crime Compliance Policy which is designed to achieve several key objectives:

- Ensuring consistent adherence to statutory, regulatory, and supervisory requirements, including industry codes;
- Establishing and maintaining robust financial crime compliance risk management and control systems, incorporating monitoring and reporting mechanisms;
- Delineating the responsibilities of the Board of Directors, Senior Management, and all employees regarding financial crime compliance; and
- Ensuring uniform application and oversight of the Bank ABC Jordan Financial Crime Compliance Framework across the entire group.

Gift and Entertainment

Bank ABC Jordan follows a Gift and Entertainment standard to guide employees in making unbiased decisions and ensuring business integrity. While the exchange of business gifts and entertainment can enhance professional relationships, this standard underscores our commitment to ethical and transparent business practices.



Customer Engagement & Experience

Utilizing various engagement tactics allows us to keep our customers consistently informed about product changes, service upgrades, and any alterations that may impact them.

We are implementing various initiatives to enhance our customer experience as the following:



Increased the supply of high-tech, self-service machines and ATMs throughout Jordan, streamlining banking transactions and enhancing customer loyalty. This expansion boosts operational efficacy and reduces costs, contributing to lowering carbon emissions through less customer transport.



Implemented a 24/7 call center, enhancing customer service and complaint management. Skilled professionals provide personalized support, answering queries regarding simple and complex issues, recommending tailored services, and conducting upselling activities. This initiative comes with various goals which aim to improve customer satisfaction and retention, ensuring around-the-clock accessibility of services, reduces customer complaint numbers, and creates local employment opportunities.



Introduced a customer satisfaction survey to track Net Promoter Score and to develop the analytical process for customer complaints.

3.5.2 Our Communities

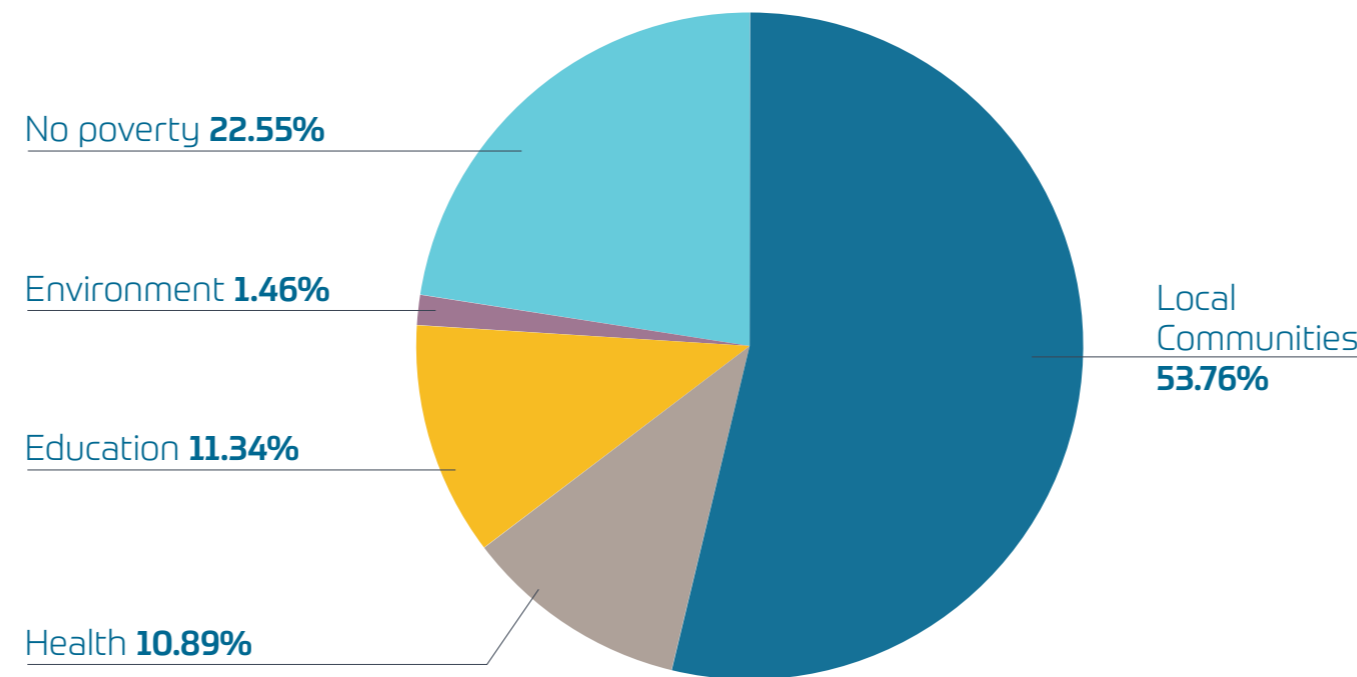
We are proud to share that our investments in Community projects have seen a substantial increase from previous years.

Since 2023, we have escalated our community investment expenditure by 153.6% and our Donations were spread across 18 different entities within Jordan.

Which lead to a total of JOD330,630 thousand being donated to the community in 2023, accounting for 6.6% of our net profit after taxes.

	2021	2022	2023
Amount Invested (IN JORDANIAN DINARS)	131,000	130,400	330,630

CSR investment in 2023 split by category



Our Societal Contribution

We invested in various community initiatives for the year of 2023 within several sectors which have benefited around 1,410 beneficiaries as shown in the tables below.

ENVIRONMENT (Beneficiaries: 517)

- The Royal Society for the Conservation of Nature
- Arab Group for The Protection of Nature
- Jordan Environment Society
- Green Prints Initiative for Paper Recycling
- Promoting Environmentally and Community-based Sustainable Development

HEALTH (Beneficiaries: 421)

- Gift of Life- Association
- Operation Smile Jordan
- King Hussein Cancer Centre
- Al Malath Foundation for Palliative Care
- Free Medical Day

NO POVERTY (Beneficiaries: 352)

- National Aid Fund
- Tkiyet Um Ali
- Jordan Hashemite Charity Organization / Charity Clothing Bank
- The Children’s Museum Jordan
- Mental Health society

LOCAL COMMUNITIES (Beneficiaries: 100)

- National Forum for Awareness and development
- The Royal Hashemite Court
- Tkiyet Um Ali

EDUCATION (Beneficiaries: 20)

- Queen Rania Foundation for Education and Development
- Financial Awareness and Education Activities
- Young Muslim Women’s Association Center for Special Education

Employee volunteering

in 2023 employees participated in the Friends of the King Hussein Cancer Foundation program to support the treatment of cancer patients. Coinciding with the Cancer Awareness month, we initiated a 'Charity Shop' within our premises, featuring and selling unique items at affordable prices.

Which the proceeds from these sales were wholly donated at King Hussein Cancer Center.

Serving the local community and actively engaging in humanitarian efforts we visited children who had undergone open-heart surgeries.

We assessed their post-surgical health situations alongside the Gift of Life Charity, underlining our support to children in need.

Furthermore, we aim to strengthening our active role in eradicating poverty and hunger and endorsing the spirit of volunteerism and charity work throughout Jordan, we collaborated with Tkiyet Um Ali to organize a charity parcel packing activity.

A team of our employees partook in this communal act, preparing and packaging food parcels for distribution to the needy and respectable families across the kingdom.

Conducted an orphan children iftar event. This event was held in coordination with the children's museum Jordan, with volunteers from our bank participating to support the museum team in hosting the event.



Corporate Social Responsibility Highlights in 2023

The following investments we made in 2023 in the various Community sectors are interconnected with our commitment to lending substantial assistance towards achieving the United Nations Sustainable Development Goals (UNSDG).



Healthcare

- / We have extended our support to the Gift of Life Association, encapsulating our aim to respond to societal needs, underpin their mission, and deliver indispensable therapeutic procedures for disadvantaged children necessitating heart surgeries. Concurrently, we persist to stand by the Operation Smile Jordan, acknowledging its cardinal role in delivering comprehensive healthcare and premium medicinal services to patients coping with cognitive anomalies such as cleft lip, cleft palate, and burns. Our sustained support also envelopes the King Hussein Cancer Center as part of our contribution to the assistance of cancer patients. Furthermore, our aid resonates with the Refuge Al-Malath Foundation for Palliative Care, underscoring our dedication to tackling pressing humanitarian needs by offering support to patients dealing with chronic diseases and advanced stages, mitigating their suffering and anguish.
- / As part of its commitment to employee well-being and community education on eye diseases, particularly those related to diabetes and ocular hypertension (the silent thief of sight), the bank organized a free medical day. This event aimed to raise awareness, promote health conscious culture, improve employees' quality of life, reduce harmful practices and prevent diseases.



Environment

- / We have supported the Royal Society for the Conservation of Nature by contributing to the refurbishment of the solar energy system in Dibeen Forest Reserve. This aims to ensure ongoing efficacy in environment and nature protection whilst mitigating climate change risks and carbon emissions.
- / We have extended our support to the 'Green Caravan' initiative under the umbrella of the Arab Group For The Protection Of Nature, promoting tree planting for advancing food security and community growth. This initiative aligns with the objective of achieving economic sustainability by fostering job opportunities, particularly benefiting small-scale farmers crucial in fortifying Jordan's food security.
- / Our supportive efforts also encompassed the Jordan Environment Society by endorsing the national clean-up campaign 'Clean Up the World'. This initiative seeks to raise awareness about the importance of maintaining the quality of our homeland's soil, reducing pollution's adverse effects, encouraging voluntary work across societal strata, and inspiring behavioral changes that steer towards sustainable development.
- / The Green Prints Initiative for Paper Recycling is of particular importance to the Bank, due to its social and environmental implications and positive impact on the Jordanian society; as it supports education by providing government schools with their needs of papers, while protecting the environment by recycling damaged papers; in order to preserve energy and reduce paper manufacturing costs; as damaged papers are replaced with new papers and distributed to schools free.
- / Our commitment to social responsibility includes a strong focus on environmental preservation and sustainable development within our communities. We are committed to promoting environmentally and community-based sustainable development, improving sustainable practices and reducing waste generation. To enhance cooperation on environmental issues and elevate environmental quality, recycling bins have been distributed to all floors of the Bank. This initiative aims to encourage recycling, minimize the adverse impact of waste on the environment, and raise awareness among our employees about environmental conservation.



Local Communities

- / Contributing to sustainable development and positive impact on the environment and society, and based on our commitment to achieving long-term goals, Bank ABC Jordan was keen to participate in local community development initiatives by supporting the National Forum for Awareness and Development, and Royal initiative “Waqfiyyat- Al Mustafa for Khatm Al Quran Al Karim in Al Aqsa Mosque”. Its contribution extends beyond direct aid, fostering deeper change, empowerment, and development within local communities. One of the most rewarding aspects of our community engagement is the transformative effect it induces; on the organizations we support.
- / Furthermore, we aim to strengthening our active role in eradicating poverty and hunger and endorsing the spirit of volunteerism and charity work throughout Jordan, we collaborated with Tkiyet Um Ali to organize a charity parcel packing activity. A team of our employees partook in this communal act, preparing and packaging food parcels for distribution to the needy and respectable families across the kingdom.



Education

- / We at Bank ABC Jordan proactively ensure our contributions towards the academic needs of students in Jordan, particularly focusing on enhancing their skills, nurturing creativity, and broadening their knowledge base. We have reaffirmed our alliance with the Queen Rania Foundation for Education and Development by extending our support to Al-Aman Fund for the Future of Orphans. Our support bolsters Al- Aman Fund's efforts to offer scholarships for orphaned students for higher studies and manage their personal expenses. Simultaneously, it backs the Early Childhood Program, which concentrates on empowering parents of young children with essential knowledge and tools to accelerate their children's educational attainment and holistic growth.
- / Furthermore, Bank ABC Jordan partakes in the Financial Awareness and Education Activities conducted by the Central Bank of Jordan across the various university campuses in the Kingdom to commemorate the Arab Day for Financial Inclusion. Our involvement emanates from our conviction in disseminating financial literacy within the Kingdom and raising financial awareness amongst university students. At Bank ABC Jordan we have contributed by having our “ila” Bank's application provide ten “open accounts” rewards for university students who demonstrated outstanding performance in the Central Bank of Jordan's assessment to gauge financial literacy amongst the student's populace. Motivated by compassion and a commitment to its national duty towards children, particularly those with special needs, we sustained our support for the Young Muslim Women Association Center for Special Education by covering the expenses of two students. This initiative aims to provide them with humanitarian and social services, fostering their development into creative and productive citizens.



No Poverty

- / To promote solidarity and cooperation within society, we participated in initiatives aimed at supporting the National Aid Fund, demonstrating our commitment to serving the local community and aiding disadvantaged groups. We also continued our support for Tkiyet Um Ali, by participating in the 2023-2024 winter campaign (Dafa), striving to ensure a warmer winter. Within this framework, we remained dedicated to supporting the Charity Clothing Bank, a project by the Jordan Hashemite Charity Organization, aimed at providing clothing to needy families. The bank also facilitates Charity Iftars for orphan children during the holy month of Ramadan in collaboration with the Children's Museum/ National Children Museum Society and provided support to Al Amal Center for Special Education (center affiliated with Mental Health Society), catering to individuals with special needs aged 12 – 60 years.



04

Appendices



Appendices

Appendix 1: Data Table

Data	2023
Energy	
Renewable Electricity (Solar) (GJ)	2825 MWH
Energy usage (KWh)	2629735 KWH
Energy usage (KWh) per FTE	4577 KWH
Renewable energy as % of total energy	100%
Non-renewable Electricity (Heating) (GJ)	0
Non-renewable Electricity (Cooling) (GJ)	0
Non-renewable Fuel (Gasoline) (GJ)	13544 / Liter
Non-renewable Fuel (Diesel) (GJ)	6663 / Liter
Waste	
Waste generated (kg)	48360
Paper consumed (Mt)	31.68
Tonnes of paper recycled (Mt)	16.41
Water	
Water Consumed (m3)	3,749
Water usage (m3) per FTE	6.5
Emissions	
Scope 1GHG emissions (tCO2e)	107
Scope 2 GHG emissions (tCO2e)	7
Scope 3 GHG emissions (tCO2e)	6,668
Total GHG emissions (tCO2e)	6782
GHG emissions intensity (tCO2 per JOD revenue)	73
GHG emission (tCO2e) per FTE	11.8
Procurement Practices	
Total number of suppliers engaged	458
Total number of local suppliers engaged	381
Proportion of spending on local suppliers	75%
Total Workforce	
By employment type (Full-time)	550
By employment type (Part-time)	3
By job category (Senior management)	14
By job category (Middle management)	110
By job category (staff)	426
Total Females Employees	192
Total Males Employees	358
Females Employees By job category (Senior management)	3
Females Employees By job category (Middle management)	26
Females Employees By job category (staff)	163
Males Employees By job category (Senior management)	11
Males Employees By job category (Middle management)	84
Males Employees By job category (staff)	263

Data	2023
Permanent Employees	
Total number of permanent employees	550
• by gender (Females)	192
• by gender (Males)	358
Temporary Employees	
Total number of Temporary employees	28
• by gender (Females)	14
• by gender (Males)	14
Workers who are not employees	
Total number of workers who are not employees and whose work is controlled by the organization	133
New Hires	
Total number of new hires	66
• by gender (Females)	18
• by gender (Males)	48
By job category (Senior management)	0
By job category (Middle management)	7
By job category (staff)	59
Turnover	
Turnover rate (%)	9%
Total turnover	50
• by gender (Females)	19
• by gender (Males)	31
By age (Under 30)	13
By age (Between 30 and 50)	31
By age (50+)	6
By job category (Senior management)	1
By job category (Middle management)	9
By job category (staff)	40
Parental Leave	
Number of employees who are entitled to parental leave: By Gender (Females)	192
Number of employees who are entitled to parental leave: By Gender (Males)	358
Number of employees who took parental leave : By Gender (Females)	11
Number of employees who took parental leave : By Gender (Males)	18
Returnees from parental leave: : By Gender (Females)	9
Returnees from parental leave: : By Gender (Males)	18
Returnees from parental leave who were still working for the bank 12 months later : By Gender (Females)	0
Returnees from parental leave who were still working for the bank 12 months later : By Gender (Males)	0
Percentage of Individuals within the Organization's Leadership: (Board)	
By gender (Females)	18%
By gender (Males)	82%
By age (Under 30)	0%

Appendices

Appendix 1: Data Table (Continued)

Data	2023
Percentage of Individuals within the Organization's Leadership: (Board)	
By age (Between 30 and 50)	25%
By age (50+)	75%
Percentage of Employees per Employee Category in each of the following Diversity Categories	
Total under 30 employees	16%
Total Between 30-50 employees	75%
Total 50+ employees	9%
Senior Management By age (Under 30)	0%
Senior Management By age (Between 30 and 50)	1%
Senior Management By age (50+)	1%
Middle Management By age (Under 30)	0%
Middle Management By age (Between 30 and 50)	15%
Middle Management By age (50+)	5%
Staff By age (Under 30)	31%
Staff By age (Between 30 and 50)	41%
Staff By age (50+)	5%
Ratio of Basic Salary and Remuneration of Women to Men	
By job category (Senior management)	17.0%
By job category (Middle management)	22.6%
By job category (staff)	36.9%
Training	
Total training hours of full-time employees	10765 hours
Average hours of training per employee	19 hours
By gender (Females)	3246 hours
By gender (Males)	7519 hours
Total training hours of part-time, contract & intern employees	44 hours
By job category (Senior management)	205 hours
By job category (Middle management)	1839 hours
By job category (staff)	8721 hours
Employee survey: engagement rate	55%
Employee survey: response rate	91%
Sustainability Performance	
Sustainability Performance Percentage of total staff who received regular review of performance	100%
Internal Volunteering Program	
Total number of employee volunteering hours	89
Number of volunteers	27
Number of events	6
Board of Directors	
Percentage of independent directors in the Board	36%
Total members of the Board	11
Total members of the Board (males)	9
Total members of the Board (Females)	2

Data	2023
Occupational Health and Safety	
Total number of injuries and fatalities relative to workforce.	1
Percentage of individuals within organisation's governance bodies by:	
Male	12
Female	3
Anti-corruption: Total percentage of employees that the organization's anti-corruption policies & procedures have been communicated to, broken down by employee category and region:	
Senior Management	100%
Middle Management	100%
Staff	100%
Customer privacy : Total number of substantiated complaints received concerning breaches of customer privacy, categorized by:	
Total number of complaints confirmed and received regarding customer privacy violations	2
Economic performance	
Total economic value distributed (Costs)	57,236,868
Operating costs*	24,844,406
Employee wages and benefits	14,760,139
Payments to government by country	1,229,641
Community investment (JOD)	330,630
EV auto finance	303,979
Economic value retained (Revenues less costs)	5,000,420
Financial Performance (JOD)	
Total equity	165,331,549
Total assets	1,395,946,455
Total shareholders' equity	165,331,549
Employee Benefits	15,786,698
Income tax expense	1,229,641
Capital adequacy ratio (%)	17.20%
Return on equity ratio (%)	3.04%
Loans	854,489,744
Net loans and advances	763,168,055
Total deposits	876,623,475
Ratio of loans to deposits (%)	97.48%
Net profit after taxes	5,000,420

Appendices

Appendix 2: GRI Index

Statement of use: Bank ABC Jordan has reported in reference with the GRI Standards for the period 1 January 2023 to 31 December 2023.

GRI 1 used: GRI 1: Foundation 2021

Applicable GRI Sector Standard(s): Not applicable

GRI standard/ other source	Disclosure	Location	GRI standard/ other source	Disclosure	Location
General Disclosures			GRI 201: Economic performance 2016		
GRI 2: General Disclosures 2021	2-1 Organizational details	Pages 5-7	GRI 3: Material Topics 2021	3-3 Management of material topics	Page 9
	2-2 Entities included in the organization's sustainability reporting	Page 4	Economic performance	201-1 Direct economic value generated and distributed	Page 46
	2-3 Reporting period, frequency and contact point	Page 4	GRI 203: Indirect Economic Impacts 2016		
	2-4 Restatements of information	No restatements	GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 10, 40-43
	2-5 External assurance	No external assurance	Indirect Economic Impacts	203-2 Significant indirect economic impacts	Pages 40-43
	2-6 Activities, value chain and other business relationships	Pages 6-9	GRI 204: Procurement Practices 2016		
	2-7 Employees	Pages 36-38	GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 25
	2-8 Workers who are not employees	Page 45	Procurement Practices	204-1 Proportion of spending on local suppliers	Page 10, 11-25, 45
	2-9 Organizational structure and composition	Page 21	GRI 205: Anti-corruption 2016		
	2-10 Nomination and selection of the highest governance body	Pages 21-23	GRI 3: Material Topics 2021	3-3 Management of material topics	Page 39
	2-11 Chair of the highest governance body	Page 21	Anti-corruption	205-1 Operations assessed for risks related to corruption	Page 39
	2-12 Role of the highest governance body in overseeing the management of impacts	Pages 21-23		205-2 Communication and training about anti-corruption policies and procedures	Page 39
	2-13 Delegation of responsibility for managing impacts	Pages 22-23	GRI 302: Energy 2016		
	2-14 Role of the highest governance body in sustainability reporting	Pages 22-23	GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 24
	2-15 Conflicts of interest	Not Applicable	Energy	302-1 Energy consumption within the organization	Pages 10, 24, 26, 45
	2-16 Communication of critical concerns	Page 21-23		302-2 Energy consumption outside of the organization	Pages 24-26
	2-17 Collective knowledge of the highest governance body	Pages 21-23	GRI 305: Emissions 2016		
	2-18 Evaluation of the performance of the highest governance body	Pages 21-23	GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 24, 26
	2-19 Remuneration policies	Not Applicable	Emissions	305-1 Direct (Scope 1) GHG emissions	Pages 26, 45
	2-20 Process to determine remuneration	Not Applicable		305-2 Energy indirect (Scope 2) GHG emissions	Page 26, 45
2-21 Annual total compensation ratio	Not Applicable		305-3 Other indirect (Scope 3) GHG emissions	Page 26, 45	
2-22 Statement on sustainable development strategy	Pages 18		305-4 GHG emissions intensity	Page 24, 26, 45	
2-23 Policy commitments	Pages 38-39	GRI 306: Waste 2020			
2-24 Embedding policy commitments	Pages 38-39	GRI 3: Material Topics 2021	3-3 Management of material topics	Page 26	
2-25 Processes to remediate negative impacts	Pages 21, 38-39	Waste	306-3 Waste generated	Page 26, 45	
2-26 Mechanisms for seeking advice and raising concerns	Pages 38-39	GRI 303: Water and Effluents 2018			
2-27 Compliance with laws and regulations	Pages 38-39	GRI 3: Material Topics 2021	3-3 Management of material topics	Page 26	
2-28 Membership associations	Not Applicable	Water	303-5 Water consumption	Pages 26, 45	
2-29 Approach to stakeholder engagement	Page 8	GRI 401: Employment 2016			
2-30 Collective bargaining agreements	Not Applicable	GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 36	
Material topics			Employment	401-1 New employee hires and employee turnover	Page 45
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 17		401-3 Parental leave	Page 45
	3-2 List of material topics	Page 17			

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Appendix 2: GRI Index (Continued)

GRI standard/ other source	Disclosure	Location
GRI 404: Training and Education 2016		
Training and Education	404-1 Average hours of training per year per employee	Page 38, 46
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 37
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 46
GRI 405 Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 36
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pages 36-37
GRI 406: Non-discrimination 2016		
Non-discrimination	3-3 Management of material topics	Page 38
GRI 413: Local Communities 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 40-43
Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Pages 40-43
GRI 418: Customer Privacy 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 28
Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 28, 46
Compliance and ethical conduct		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 38



Appendices

Appendix: 3: ASE Index

Indicators	Measurement	Page Number (s) and/or Direct Answer
Environmental		
GHG Emissions	E1.1) Total amount, in CO2 equivalents, for Scope 1 (if applicable)	107 tCO2e
	E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable)	7 tCO2e
	E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)	6,668 tCO2e
Emissions Intensity	E2.1) Total GHG emissions per output scaling factor	73 (tCo2 per m JOD revenue)
	E2.2) Total non-GHG emissions per output scaling factor	NA
Energy Usage	E3.1) Total amount of energy directly consumed	2,629,735 KWh
	E3.2) Total amount of energy indirectly consumed	2825.00 MWh
Energy Intensity	Total direct energy usage per output scaling factor	4781 (KWh per FTE)
Energy Mix	Percentage: Energy usage by generation type	100% renewable energy as % of total energy
Water Usage	E6.1) Total amount of water consumed	3,749 m3
	E6.2) Total amount of water reclaimed	NA
Environmental Operations	E7.1) Does your company follow a formal Environmental Policy? Yes, No	No
	E7.2) Does your company follow specific waste, water, energy, and/or recycling polices? Yes/ No	No
	E7.3) Does your company use a recognized energy management system? Yes/No	No
Environmental Oversight	Does your Board/Management Team oversee and/or manage climate-related risks? Yes/No	Yes
Environmental Oversight	Does your Board/Management Team oversee and/or manage other sustainability issues? Yes/No	Yes
Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development?	NA
Social		
CEO Pay Ratio	S1.1) Ratio: CEO total compensation to median FTE total compensation	20.19%
	S1.2) Does your company report this metric in regulatory filings? Yes/No	Yes
Gender Pay Ratio	Ratio: Median male compensation to median female compensation	1.3%
Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees	9%
	S3.2) Percentage: Year-over-year change for part-time employees	NA
	S3.3) Percentage: Year-over-year change for contractors and/or consultants	0%
	S4.2) Percentage: Entry- and mid-level positions held by men and women	97% (women & men)
Temporary Worker Ratio	S4.3) Percentage: Senior- and executive-level positions held by men and women	3% (women & men)
	S5.1) Percentage: Total enterprise headcount held by part-time employees	0.5%
	S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	NA
Non-Discrimination	Does your company follow a sexual harassment and/or non-discrimination policy? Yes/No	Yes

Indicators	Measurement	Page Number (s) and/or Direct Answer
Social		
Injury Rate	Percentage: Frequency of injury events relative to total workforce time	1%
Global Health & Safety	Does your company follow an occupational health and/or global health & safety policy? Yes/ No	Yes
	Child & Forced Labor	S9.1) Does your company follow a child and/or forced labor policy? Yes/No
	S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	No
Human Rights	S10.1) Does your company follow a human rights policy? Yes/No	Yes
	S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	Yes
Governance		
Board Diversity	G1.1) Percentage: Total board seats occupied by men and women	Women: 18% Men: 82%
	G1.2) Percentage: Committee chairs occupied by men and women	NA
Board Independence	G2.1) Does company prohibit CEO from serving as board chair? Yes/No	Yes
	G2.2) Percentage: Total board seats occupied by independents	36%
Incentivized Pay	Are executives formally incentivized to perform on sustainability? Yes/No	No
Collective Bargaining	Percentage: Total enterprise headcount covered by collective bargaining agreement(s)	NA
Supplier Code of Conduct	G5.1) Are your vendors or suppliers required to follow a Code of Conduct? Yes/ No	Yes
	G5.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	NA
Ethics & Anti-Corruption	G6.1) Does your company follow an Ethics and/or Anti-Corruption policy? Yes/No	Yes
	G6.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?	100%
Data Privacy	G7.1) Does your company follow a Data Privacy policy? Yes/No	Yes
	G7.2) Has your company taken steps to comply with GDPR rules? Yes/No	Yes
Sustainability Reporting	G8.1) Does your company publish a sustainability report? Yes/No	Yes
	G8.2) Is sustainability data included in your regulatory filings? Yes/No	Yes
Disclosure Practices	G9.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No	No
	G9.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/ No	Yes
	G9.3) Does your company set targets and report progress on the UN SDGs? Yes/No	No
External Assurance	Are your sustainability disclosures assured or validated by a third party? Yes/No	No

Appendices

Appendix 4: Abbreviations



Term	Definition
ABAC	Anti Bribery and Corruption
ABC	Arab Banking Corporation BSC
ABCJ	Arab Banking Corporation Jordan
BoD	Board of Directors
CAR	Capital Adequacy Ratio
CBJ	Central Bank of Jordan
CEO	Chief Executive Officer
CIR	Critical Infrastructure Review
CSR	Corporate Social Responsibility
D,E&I	Diversity, Equity, and Inclusion
ECL	Expected Credit Loss
EIB	European Investment Bank
ESG	Environmental, Social, and Governance
EV	Electrical vehicles
FTE	Full Time Employees
GHG	Greenhouse Gas
GM	General Manager
GRI	Global Reporting Initiative
HR	Human Resources
ISS	Institutional Shareholder Services group of companies

Term	Definition
IT	Information Technology
JOD	Jordanian Dinars
KG	Kilogram
KPIs	Key Performance Indicators
KWH	Kilo-Watt Hour
LCR	Liquidity Coverage Ratio
Mt	Metric Ton
NDC	Nationally Determined Contributions
NGFS	Networking for Greening the Financial System
NSFR	Net Stable Funding Ratio
PCI -DSS	Payment Card Industry Data Security Standard
PV	Photovoltaic
RAF	Risk Appetite Framework
RAS	Risk Appetite Statement
SMEs	Small Medium Enterprises
SPO	Second Party Opinion
SWIFT CSP	Systems for international financial transactions Customer Security Program
tCO2e	Tons of Carbon Dioxide equivalent
UNSDGs	United Nations Sustainable Development Goals



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