

Social Responsibility  
& Sustainability Report

2020





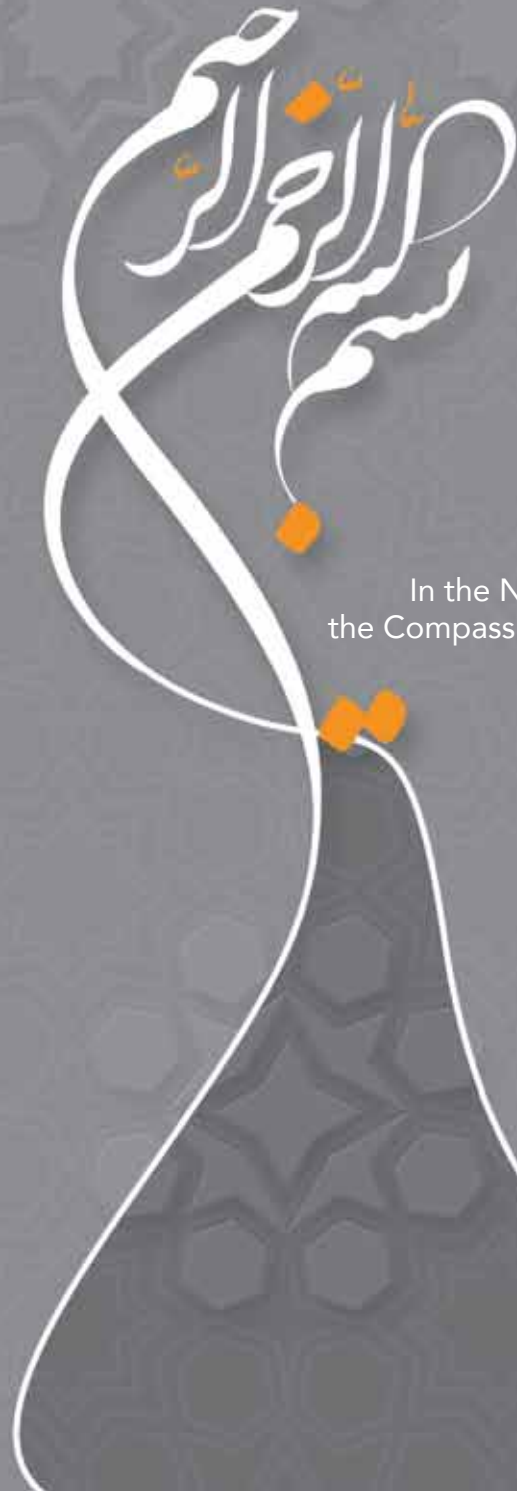


**His Majesty  
King Abdullah II bin Al Hussein**





**HRH Prince Hussein bin Abdullah  
Crown Prince**



In the Name of Allah,  
the Compassionate, the Merciful

# Jordan Islamic Bank

Public Shareholding Limited Liability Company

Established in Amman - the Hashemite Kingdom of Jordan and registered as a public shareholding limited liability company in the Companies Registry on 28/11/1978 under reference No. 124 pursuant to the requirements of the by-then effective Companies Law and in accordance with the provisions of Jordan Islamic Bank temporary Law No. 13 of 1978, which was superseded by the Banks Law No. 62 of 1985 that was abolished pursuant to the Banks Law No. 28 of 2000 effective as of 02/08/2000, which included a special chapter on Islamic Banks and as amended in 01/05/2019.


## Social Responsibility & Sustainability Report For the Year 2020







## Our Mission

 **Commitment** to consolidate the values of the Islamic Sharia by dealing with all people according to the teachings and principles of the Islamic Law (Sharia) to serve the public interest of the society.

 **Commitment** to equally serve the interests of all stakeholders including shareholders, investors, borrowers and employees.

 **Commitment** to attain the latest innovative products in banking industry and technology, as well as looking forward to gaining the trust of all people in our distinguished services that are in line with recent developments and changes within the framework of compliance with our Islamic Sharia.



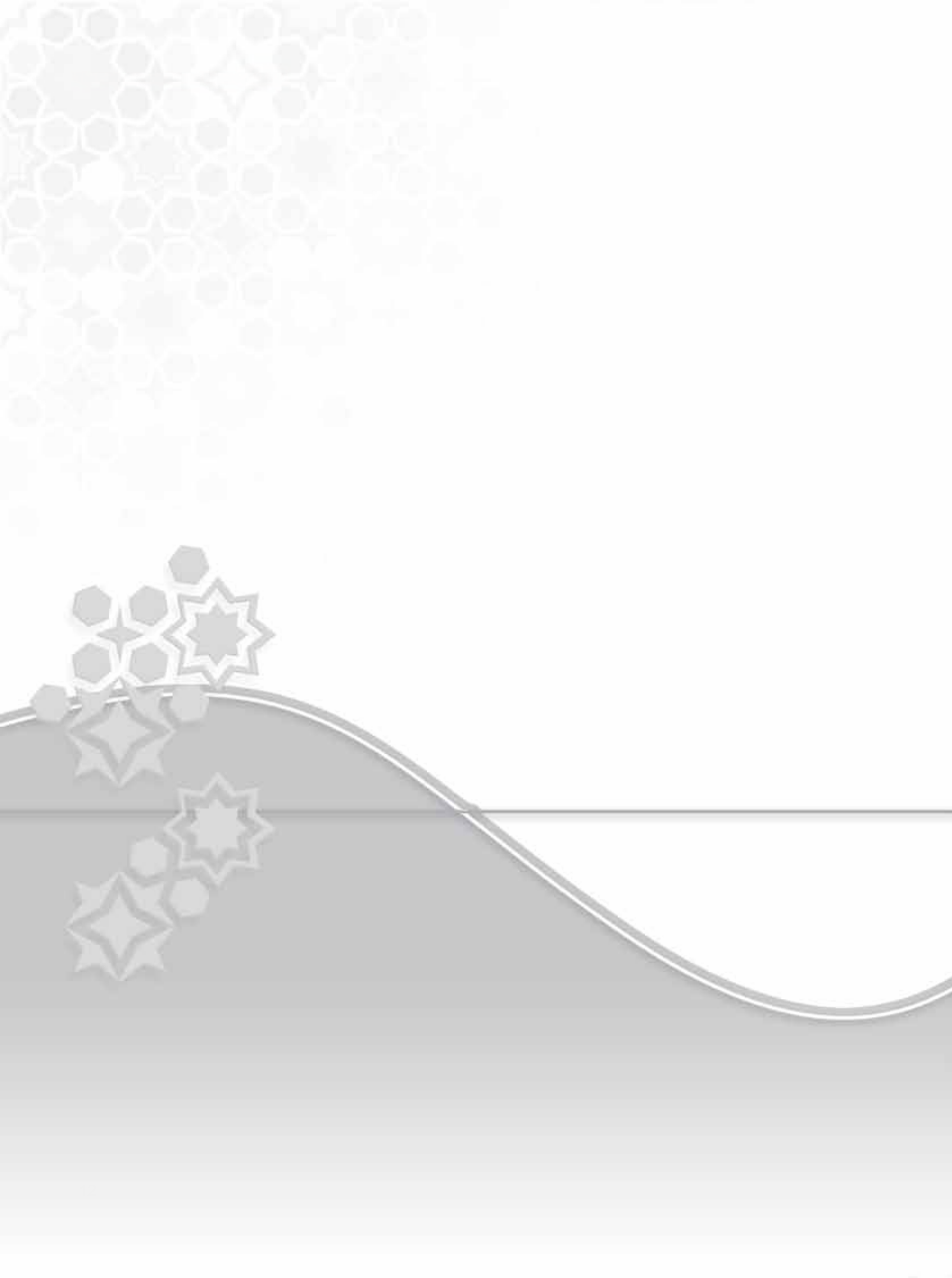
## Members of the Social Responsibility and Sustainability Committee


*"A committee of the Executive Management"*


---

 <b>Dr. Abdul Hamid Abdallah Ahmad Abu-Saqri</b> Assistant General Manager	Chairman
 <b>Mr. Bassam Ahmad Abdullah Abu Ghazalah</b> Manager of the Studies and Social Responsibility and Sustainability Department	Member
 <b>Mr. Ahmad Mohammad Ahmad Abdul Karim</b> Manager of Public Relations Department	Member
 <b>Mr. Rashad "Mohammad Rashid" Rashad Alhalawani</b> Banking Marketing Unit Officer	Member

---





 **Some of the Bank's Key  
Indicators at the end  
of 2020**

## Some of the Bank's Key Indicators at the end of 2020

Item	Accumulative up to the end of 2020	During 2020
------	------------------------------------	-------------

### ● Branching Network

Number of operating branches	83	Three offices were transformed into branches
Number of operating banking offices	25	-

### ● ATM Machines

Number of ATMs in Operation	266	10
-----------------------------	-----	----

### ● Employment and System

Total Number of Employees	2 434	(6)
Number of courses and conferences held in the Bank's Academy- Face-to-Face or Online	4 050	136
Number of employees who participated in courses and conferences held in the Bank's Academy - Face-to-Face or Online	61 473	2 127
Number of employees dispatched to training centers In Jordan- Face-to- Face or Online	12 781	196
Number of employees trained through the e-training licenses	3 507	1 502

### ● Donations (Within the Hashemite Kingdom of Jordan)

Amount of granted donations	JD 14.9 Million	JD 2.8 Million
-----------------------------	-----------------	----------------

### ● Al Qard AlHasan

Amount of Al Qard AlHasan, granted	JD 382 Million	JD 79.6 Million
Number of beneficiaries of Al Qard AlHasan	516 Thousand Beneficiaries	20 Thousand Citizen
● Amount of Al Qard Al Hasan granted in cooperation with Al Afaf Charitable Society	JD 6.6 Million	JD 310 Thousand
● Number of beneficiaries of Al Qard Al Hasan granted in cooperation with Al Afaf Charitable Society.	10.8 Thousand Beneficiaries	311 Citizen
● Amount of Al Qard Al Hasan granted under the Agreement with the Teacher's Association	JD 12.5 Million	JD 1.2 Million
● Number of beneficiaries of Al Qard Al Hasan granted under the Agreement with the Teacher's Association	19.4 Thousand Beneficiaries	2.1 Thousand Beneficiaries
● Number of beneficiaries of Al Qard Al Hasan granted in response to the CBJ's program to face Corona crisis and the medium-term agreement	JD 63 Million	JD 63 Million
● Number of beneficiaries of Al Qard Al Hasan granted in response to the CBJ's program to face Corona crisis and the medium-term agreement	845 Beneficiaries	845 Beneficiaries

Item	Accumulative up to the end of 2020	During 2020
------	------------------------------------	-------------

● **Mutual Insurance Fund**

Amount of Compensation Disbursed	JD 14.5 Million	JD 1.5 Million
Number of Cases in which Compensation was Disbursed	3135 Cases	218 Cases
Total Funds of Subscribers in Mutual Insurance Fund	JD 1.5 Billion	JD 168 Million
Number of Subscribers in Mutual Insurance Fund	164.5 Thousand Subscribers	5.9 Thousand Subscribers

● **Training students and other employees from non-Jordanian banks**

Number of students trained at the Bank	19 668	383
Number of employees trained from non-Jordanian banks	459	

● **Capital Investments in National Companies**

Number of National Companies Invested In	33	-
Value of Capital Investments in National Companies	JD 100 Million	-

● **Financing with Tangible Impact on Societal Life as a whole, and on the National Economy and its development**

Gross Financing for the Ministry of Finance, and Ministry of Supply in US Dollar (for the Purchase of Rice, Corn, Sugar, Oil, Barley and Other Food stuff)	JD 254 Million	-
Gross Financing for Jordan Petroleum Refinery Company in JD and US Dollar (for the Purchase of Crude Oil)	JD 366 Million	JD 59 Million
Gross Financing for a Number of Local Electricity Companies, Private and Public	JD 2.39 Billion	JD 303 Million
<ul style="list-style-type: none"> <li>• Portion of said Financing Allotted to Rural Electricity Projects</li> </ul>	JD 6 Million	-
Gross Financing for the Water Authority (for the Purchase of Requirements to Transport, Pump, and Distribute Water)	JD 13 Million	-
Total Murabaha financing for the purchase of housing, lands or building materials	JD 3,1 Billion	JD 169 Million
Number of beneficiaries of Murabaha financing for the purchase of housing, lands or building materials	353 Thousand Citizen	14.3 Thousand Citizen
Murabaha financing for the purchase of transportation means	JD 3 Billion	JD 164 Million
Number of beneficiaries of Murabaha financing for the purchase of transportation means	352 Thousand Citizen	15 Thousand Citizen
Murabaha financing for the purchase of furniture	JD 345 Million	JD 15.6 Million
Number of beneficiaries of Murabaha financing for the purchase of furniture	148 Thousand Citizen	5.7 Thousand Citizen









 **Chairman's  
Message**





## Chairman's Message

In the Name of Allah, Most Gracious, Most Merciful

Peace be upon you

Praise be to Allah, Lord of the Worlds, And Prayers and Peace be upon Mohammed His Servant and Messenger, his Kinsfolk and all his companions.

Most Distinguished Ladies and Gentlemen,

The year 2020 was a challenging year, especially with the Coronavirus pandemic, which affected the global economy as a whole. As a result, strict measures were imposed to prevent the spread of the virus, such as imposing full quarantine in most countries and suspending works in most economic sectors, which increased the unemployment rates and led shareholders to refrain from entering new investments.

Likewise, Jordan's economy has suffered from the pandemic, which led the government to mitigate measures and launch several initiatives to return the situation to its right place. JIB has responded to the call of duty by donating an amount of JD 2 million to HemmatWatan Fund, JD 100 thousand to the Ministry of Health, and JD 50 thousand to the Crown Prince Foundation/ NAUA for Sustainable Development- help the per diem employees, and provide support to the national campaign carried out by the foundation.

With all the hard events that happened during 2020, JIB continued developing its various indicators. By the end of the year, the assets have reached an amount of JD 4.8 Billion, and the total of saving schemes reached JD 4.2 Billion. Meanwhile, the financial operations reached JD 3.8 Billion, and the shareholders' equity reached JD 474 million. The Bank operates 83 branches, 25 offices, and 266 ATMs. Moreover, the Bank currently employs around 2400 employees. Throughout the year, the Bank expanded its development and updated operations in all banking technologies areas by implementing various projects.

The Bank will continue to follow its rightful approach to serve its mission, interacting with the national economy and local community's needs, contributing to every good deed possible.

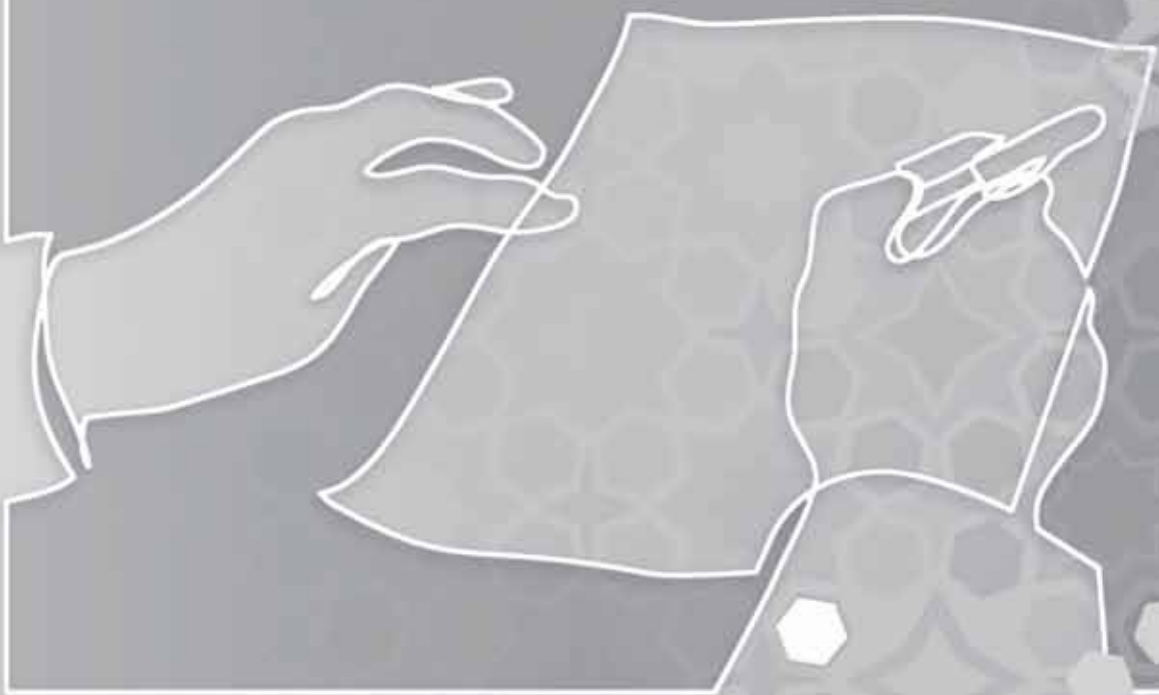
In conclusion, we ask Allah Almighty to guide us in the completion of this process, which has made the Bank an example in serving the community and the country as an effective economic player and our contribution to the advancement prosperity of the local community.

**Musa Abdelaziz Shihadeh**  
Chairman of the Board





# CEO / General Manager's Message





## CEO / General Manager's Message

In the name of Allah, Most Gracious, Most Merciful

Peace be Upon You, so as Allah's Mercy and Blessings,

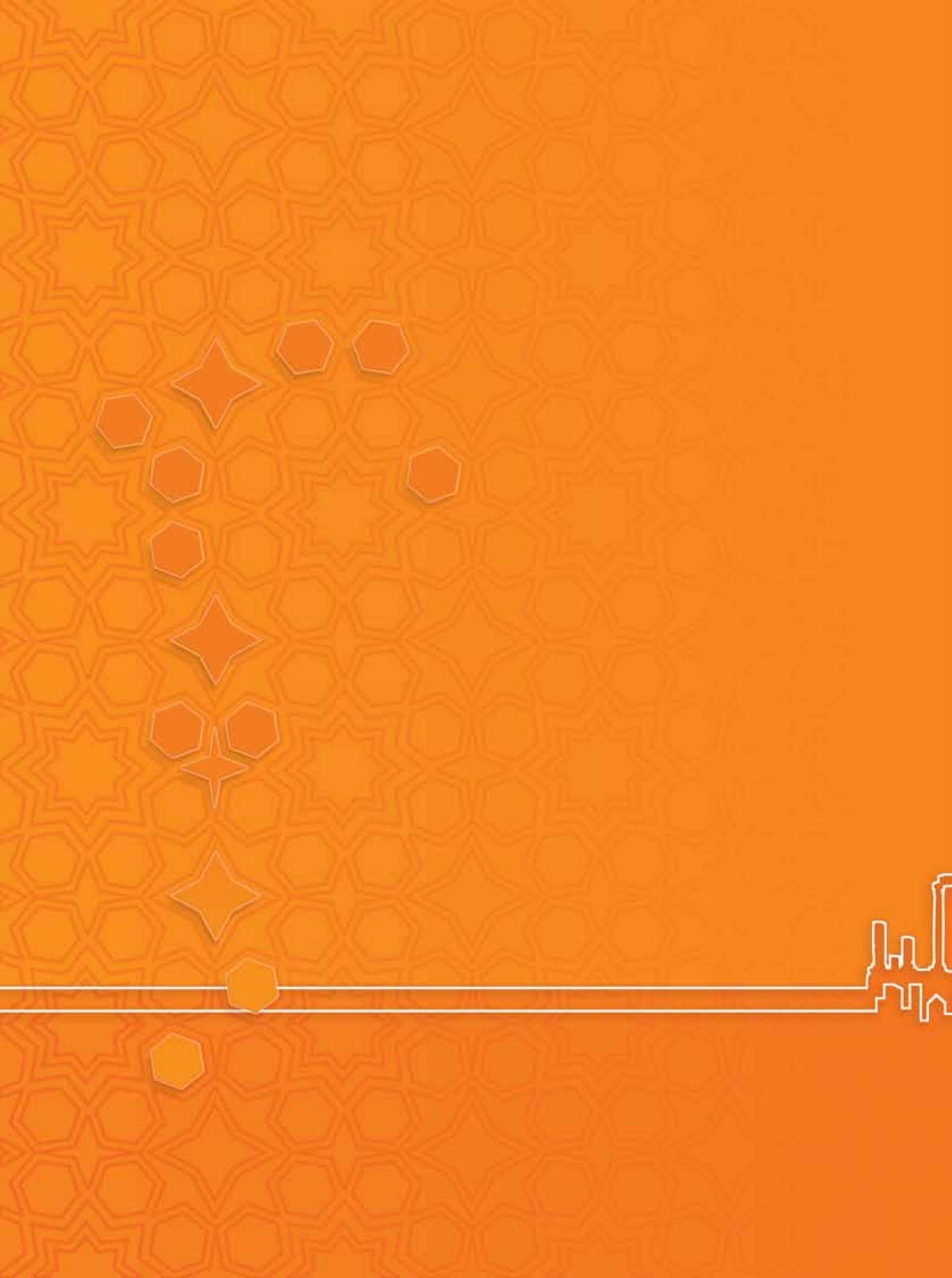
All Praise be to Allah, Lord of the Worlds, and Prayers and Peace be upon His Prophet Mohammed, His Servant and Messenger, his Kinsfolk, and all his companions.

JIB deems social responsibility as a national duty that requires its contribution to economic and social development and to award the society that contributed to the development of the Bank's business and elevated it to a prestigious position among national institutions.

After a year of challenges resulting from the Coronavirus pandemic and its repercussions, JIB continued to achieve its role in social responsibility development and sustainability, and contributed to the initiatives carried out in various dynamic sectors, such as health, education, environment and others. It also continued to implement power projects which serve its job and reduces the negative impacts on the environment and the weather. Moreover, JIB granted the good loans (Al Qard Al Hasan) for individuals and companies to support individuals and companies according to the CBJ's program to face the Corona Crisis, in addition to Al Qard Al Hasan granted for justified social purposes. It also continued to implement its other programs to meet the Bank's annual plan and its strategic objectives in social responsibility and sustainability.

These accomplishments would not be materialized without the grace of Allah Almighty. So I ask Allah Almighty to give us determination and willingness that motivate us to work following the same approach and with the cooperation of the Board, executive management, employees, and customers so as JIB be at the forefront economically, developmentally, and socially. We seek to meet the customers' expectations and apply the Banking mission in all of its aspects, contributing to serving citizens and community and providing an example in serving the nation and homeland.

**Dr. Hussein Said Saifan**  
CEO/ General Manager







 **Preface**

## Preface

The vast accomplishments of JIB are carried on through the Board of Directors and the Executive Management's efforts and initiatives, with success from Allah Almighty. By virtue of these accomplishments, the Bank affirms that its role is not limited to its existence as a business institution, which strives to realize the interests of its shareholders, for it is also a joint investment institution that strives to achieve the interests of its investors, just as it is a social institution that aims to recognize and meet societal needs as much as possible. JIB is also a national banking institution, which seeks to support national, economic and social development through its works. Above all, it is an Islamic banking institution which seeks to obtain God's satisfaction by consolidating the values and highest examples of the Islamic approach in general, and providing the banking and financial services in particular. As such, the Bank is required to take all these dimensions into consideration and achieve a balance between them, in light of the legislative environment at hand and the surrounding circumstances which might not be favorable most of the times.

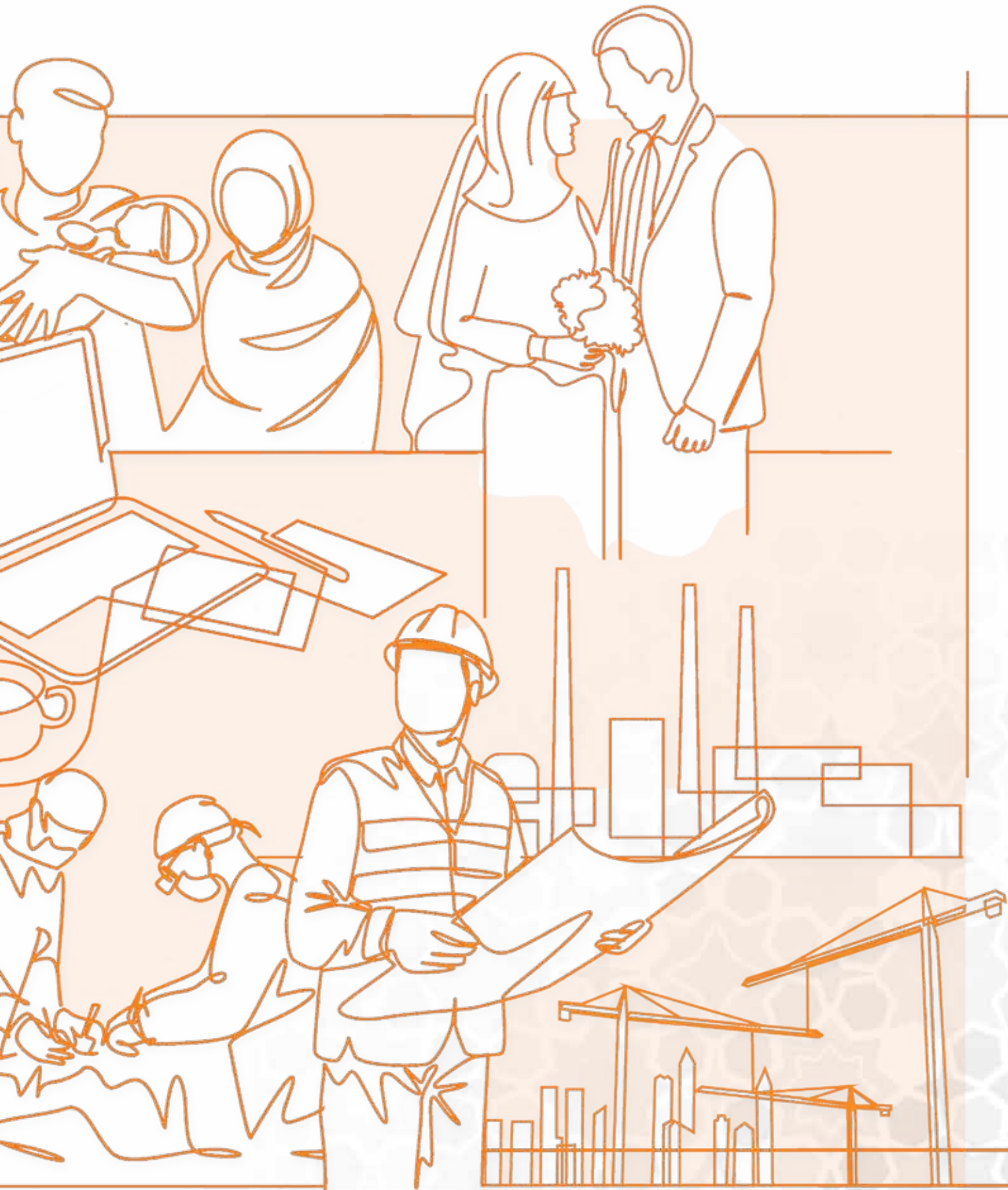
Jordan Islamic Bank's business practices are based on a system of values and rules which control its trajectory, determine its milestone, and maintain its applications to achieve its goals. This system is represented, in its most basic form, by a network of applied Shari'a controls.

The Bank undertakes to gather national savings and direct those savings directly into social and economic activities and programs capable of producing goods and services of real benefit to peoples' lives. Likewise, the Bank undertakes to provide those services and business transactions that life demands, without handling goods and services which harm the public or the national economy.

The Bank's commitment to Shari'a Law requires its activities to aim not only for the fulfillment of material needs but also for the practical embodiment of Islamic values in reality, and the achievement of society's comprehensive interests, by means of attaining a balance between the interests and advantages of all those bearing a relation to the Bank, including shareholders, employees, investors, and beneficiaries of the funding and investments undertaken by the Bank, and of the services which it provides; a process which confers benefit on society and the national economy on the whole.

All of the activities mentioned above, policies, and goals are conducive to improving wealth and income distribution between members of society and moving towards achieving a type of justice among them. Just as they are conducive, on the economic level, to guarantee more efficient use of economic resources and higher productive capacity of the available national capital, which helps, in turn, to increase national production, and to increase exports, and to provide new sources of foreign currency, just as it contributes to the expansion of job opportunities, in service of the abovementioned developmental and social and economic goals.







## Social Responsibility and Sustainability Development at the Bank

### The Bank's Memorandum and Articles of Association.

Jordan Islamic Bank is one of the leading banks in the area of social responsibility and a leading Islamic bank in Jordan. Since its establishment, JIB ensures carrying out its social and banking responsibilities side by side. Articles of Association and Memorandum of Association provided for under purposes and works item: «**JIB aims to meet economic and social needs in the area of banking services....**».

### Commitment to JIB Governance Guide

Jordan Islamic Bank always endeavors to provide the best and most prestigious Islamic Banking services and products and seeks to innovate and develop new services compliant with the principles and teachings of the Islamic Sharia. As corporate governance provides the best rules, regulations, and procedures which achieve and sustain trust in the Bank and its various activities, Jordan Islamic Bank has decided to adopt the sound practices of corporate governance and prepare the corporate governance guide per the best related international practices and in consistence with the CBJ amending Instructions for corporate governance No. (64/2016) dated 25/9/2016, noting that the Bank had, on 31/12/2007, issued its first Corporate Governance Guide.

The Bank has also prepared and updated the Corporate Governance Guide and posted it on its website ([www.jordanislamicbank.com](http://www.jordanislamicbank.com)) **to comply with it concerning the Board of Directors** (in terms of composition, suitability, meetings, secretary's duties, Board of Director's responsibilities and tasks, duties of the Board of Directors members and chairman, responsibility and accountability, and the committees of the Board of Directors), **Top Executive Management** (in terms of the role of the CEO/General Manager, tasks, suitability, and responsibility), **Sharia Supervisory Board** ( concerning the appointment of the Board, suitability, independency, meetings, duties, obligations, and organization of the Board's works), **monitoring and internal & Sharia control environment** (monitoring and internal control systems, internal auditing department, internal Sharia auditing department, external auditing, risks department, and compliance department), **relation with shareholders and the Joint Investment Account holders.**

## **Social Committees and Sustainability**

There is a social responsibility and sustainability committee formed by the Board of Directors and another one at the Executive Management level in affirmation of our Bank's attention of the social affairs, and to strengthen the Board of Directors' and Executive Management's commitment to social responsibility and sustainability.

## **Studies, Social Responsibility and Sustainability Department**

The Bank established a department for social responsibility and sustainability within the Department of Research and Studies to affirm the importance of social responsibility and the Bank's interest in this aspect. The department's name, therefore, changed into "Department of Studies, Social Responsibility, and Sustainability"

## **JIB Social Responsibility and Sustainability Reports**

Social Responsibility and Sustainability Report was issued, published, and distributed on an annual basis since 2012.

## **Certificate of Appreciation (ISO 26000)**

In 2015, a Certificate of ISO 26000 was obtained from the ISO /Geneva organization for JIB's use of ISO guidance of social responsibility project in the Middle East and North Africa.



## Strategic Objectives of Social Responsibility and Sustainability

1

Depend on renewable energy by 50% of the Bank's consumption.



2

Protect the environment and reduce the negative impact on it.



3

Spread the social responsibility and sustainability culture among related parties.



4

Develop the employees professionally and give each employee 40 training hours a year.



5

Continuous support and finance to the small and medium enterprises, and finance the professionals and handicrafts.



6

Boosting financial inclusion.



## Social Responsibility and Sustainability Plan for 2021

- To continue in holding activities on social responsibility and sustainability concerning providing donations to all different parties, sponsoring conferences, seminars, and workshops, providing Al Qard Al Hasan, sponsoring the Holy Quran affairs, Interaction and development of civil Society... etc.
- To attend workshops and local conferences on social responsibility and sustainability.
- To continue in financing health, education, energy and environment sectors, invest in them, and provide donations.
- To seek to provide new job opportunities through continuing in supporting small-sized, medium-sized, micro and startups projects by providing finance from the Bank or through the agreements that are signed with the Central Bank of Jordan (CBJ) or Jordan Loan Guarantee Corporation (JLGC) in this regard.
- To actively participate in creating a green and pollution-free environment by financing hybrids, electric cars and renewable energy projects at comfortable conditions and preferential prices.
- To continue in implementing renewable energy, environment, water, and electricity saving programs.
- To continue in sending SMS to customers to encourage them to rationalize the use of energy and water.
- To increase training hours allocated for JIB staff.
- To encourage employees to take part in social and voluntary activities.
- To carry out blood donation campaigns/ campaigns in the Kingdom's districts in liaison with the Blood Bank if the current pandemic circumstances allow such campaigns.
- Increasing the coverage of financial inclusion by expanding the umbrella of those benefitting from the financial services to a high-quality level, to contribute to sustainable development, financial and social stability in society, increase the manpower, reduce poverty rates, and empower women.







 **Jordan Islamic Bank's  
Social Responsibility  
and Sustainability Role**

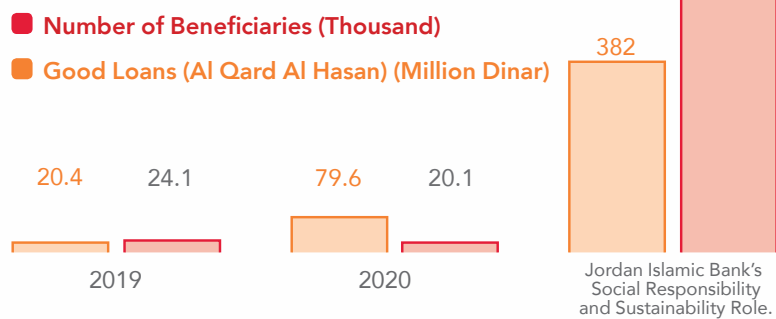
## ✦ Jordan Islamic Bank's Social Responsibility and Sustainability Role.

The Bank's commitment to serve the society, and its provision of a legitimate alternative to banking needs in Jordan aims at more than the maximization of returns. It aims to strengthen Islamic values in business transactions and to consolidate the ties of social unity and compassion and solidarity. These goals are obvious in all JIB's activities, but they become more clear in the following programs:

### ✦ Al Qard Al Hasan

Since its incorporation, the Bank continued to provide Al Qard Al Hasan for justified social purposes, such as education, medical treatment, and marriage. Such loans provided by the Bank in 2020 reached around JD (79.6) million (including the Central Bank Loans to face covid crisis and the medium-term agreement), benefiting nearly (20) thousand citizens, compared to JD (20.4) million in 2019 helping nearly (24) thousand citizens. It is worth mentioning that the Bank has been granting such loans since its incorporation, where the granted loans amounted at JD (382) million till the end of 2020, benefiting about (516) thousand citizens. Some of these loans were granted for youth who were about to get married in cooperation with Al Afaf Charity Association. The total of such loans reached about JD (6.6) million, distributed to 10.8 thousand beneficiaries, as well as loans granted to teachers in cooperation with the Jordanian Teachers Association, the total thereof reached to around JD (12.5) million, distributed to 19.4 thousand beneficiaries. The Bank also granted Al Qard Al Hasan, which amounted to about JD 63 million to 845 customers during 2020, as a response to the program which the Central Bank of Jordan launched to face the Corona crisis and the medium-term agreement.

The Bank also receives deposits in "Al-Qard Al Hasan" account from those wishing to lend such deposits through the Bank as good loans. At the end of 2020, the balance of this account reached around JD (1.9) million.





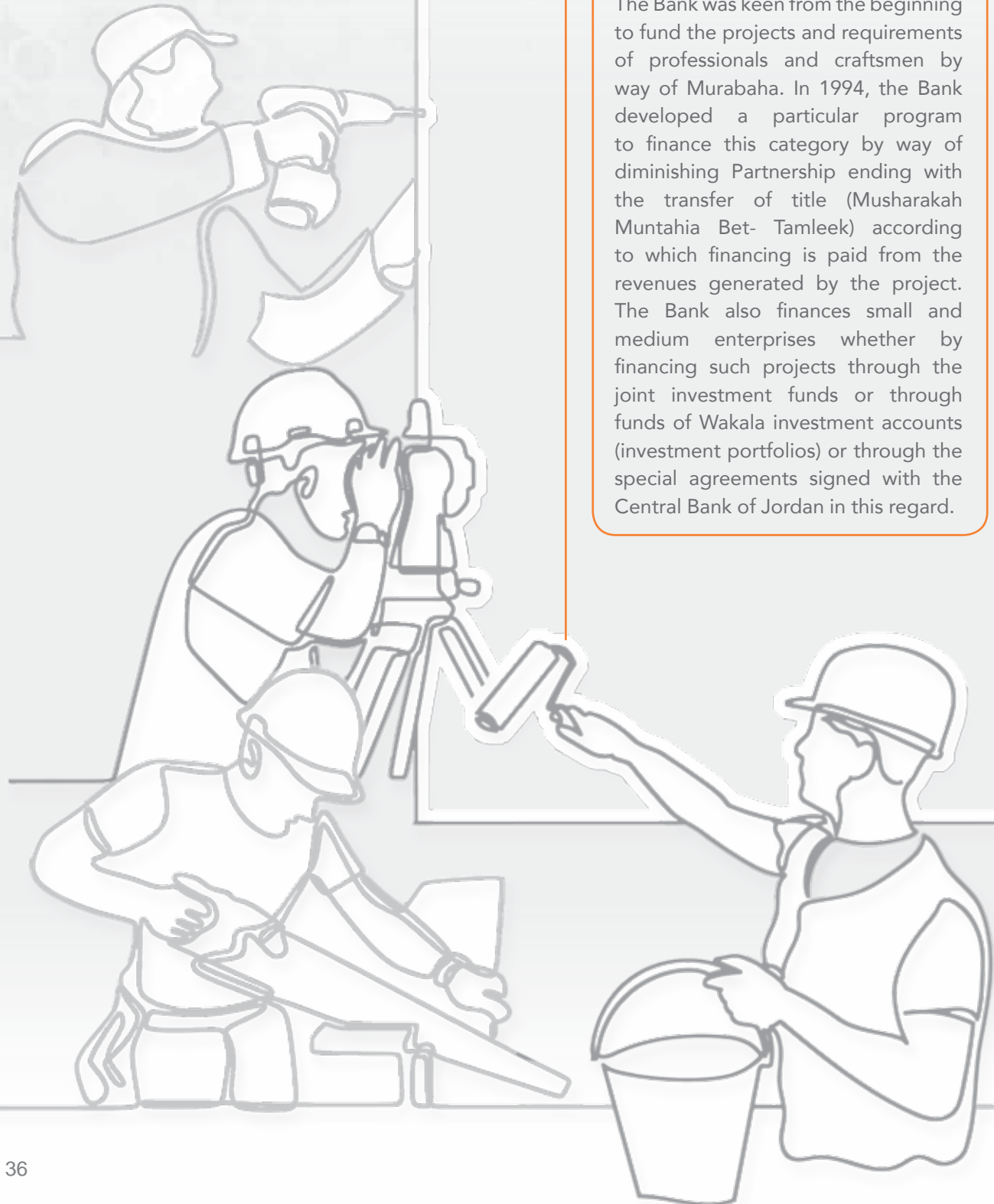
## Mutual Insurance Fund

This Fund was created in 1994. Through this Fund, participants share in indemnifying **the damage that may be inflicted on any of them to repay all or some of their debt to the Bank in case of death, permanent disability, or permanent insolvency.** In addition, this Fund, as of 2014, kept mitigating the risks, after the approval of the Central Bank of Jordan. At the end of 2020, the Fund's balance amounted to around JD (54.8) million, and the total compensation cases reached (3135) cases, and the amount of compensations paid reached around JD (14.5) million. At the end of 2020, the Fund's balance amounted to around JD (54.8) million, with about (165) thousand participants and a total balance of indebtedness of around JD (1.5) million. However, in 2019, the total compensation cases reached (222), and the amount of compensations paid reached around JD (1.6) million.

It's worth mentioning that the Bank has expanded the umbrella of the insured people to cover all persons with indebtedness of JD (150) thousand or less (and as of 2013, the umbrella was expanded to cover financial lease ending with the transfer of the title in addition to Murabaha clients), instead of (100) thousand or less. The Bank expanded the umbrella of the insured several times and insurance started with a ceiling of JD 25,000 or less.

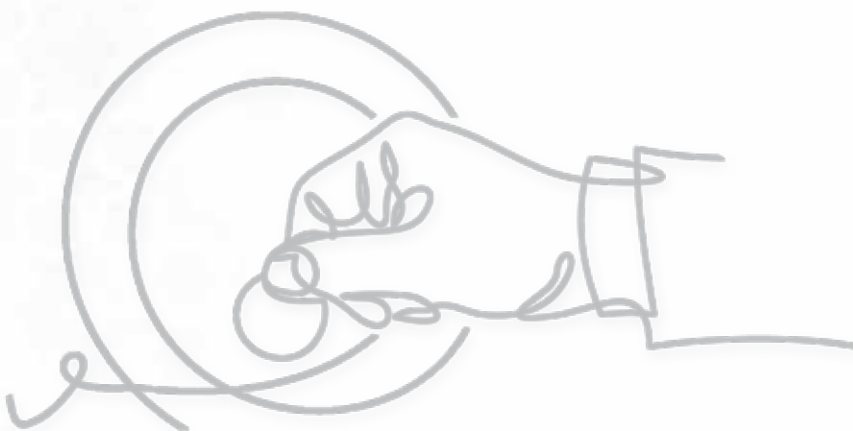
## ✪ Professionals and Artisans Financing Program

The Bank was keen from the beginning to fund the projects and requirements of professionals and craftsmen by way of Murabaha. In 1994, the Bank developed a particular program to finance this category by way of diminishing Partnership ending with the transfer of title (Musharakah Muntahia Bet- Tamleek) according to which financing is paid from the revenues generated by the project. The Bank also finances small and medium enterprises whether by financing such projects through the joint investment funds or through funds of Wakala investment accounts (investment portfolios) or through the special agreements signed with the Central Bank of Jordan in this regard.



To give more attention to these projects, in 2013, the Bank increased the capital of its subsidiary Al Samaha Funding and Investment Company to JD (8) million and amended its memorandum and articles of association to include funding projects and small craftsmen, then increased its capital to JD (12) Million in 2016. The funds given by the subsidiary to projects, craftsmen, professionals, and projects in the women sector contribute to eliminating unemployment and preserving the existent job opportunities along with providing new job opportunities. In 2020, the subsidiary financed (191) projects for approximately JD (3.6) million.





## Donations (Inside the Hashemite Kingdom of Jordan)

JIB allots yearly sum to donate in various charitable aspects. The total donations provided by the Bank during 2020 for such events and activities reached around JD 2.8 million, while the total amount of donations the Bank provided since its establishment until 2020 reached around JD 14.9 million.

Following is a classification of the donation provided by the Bank between 2016-2020:

(Amounts in thousand JD)

Beneficiary	Year				
	2020	2019	2018	2017	2016
● "HemmatWatan" Fund	2000.0	0.0	0.0	0.0	0.0
● Crown Prince Foundation	50.0	0.0	0.0	0.0	0.0
● Ministry of Health	100.0	0.0	0.0	0.0	0.0
● Mosques	6.3	6.1	25.9	15.1	76.4
● International Hashemite Competition for Quran Memorization/ Ministry of Awqaf	0.0	40.0	40.0	40.0	30.0
● Associations and Competitions for Holy Quran Memorization	5.0	13.0	21.8	37.5	42.3
● Charity Associations and Organizations and Zakah committees	189.1	317.2	304.5	307.5	264.8
● Scientific Conferences and educational and cultural programs	118.2	130.2	192.8	108.4	102.7
● Jordanian Hashemite Fund for Human Development (JHFHD)	6.0	70.0	107.7	104.4	198.5
● Jordan Hashemite Charity Organization	5.5	7.0	10.0	55.0	0.0
● Al Aman Fund for the Future of Orphans	42.5	42.5	42.5	42.5	42.5
● King Hussain Cancer Center	25.0	25.0	25.0	0.0	25.0
● Princess Aliaa Foundation	20.2	0.7	0.2	8.0	0.0
● Tkiyet Um Ali	5.0	10.0	10.0	10.0	10.0
● Societal Financial Culture Dissemination Project	149.1	149.1	51.7	51.7	51.7
● Fund of Supporting the Military Forces Martyrs' Families, and security staff	100.0	0.0	100.0	100.0	0.0
● Educational Endowment and Social Partnerships initiative	0.0	0.0	100.0	0.0	0.0

## The relative distribution of Donations for the years (2016-2020)





Below are the most notable bodies received donations from the Bank since its establishment:

Description	Years of Denotations	Amounts (in Thousands)
● International Hashemite Competition for the Memorization and Recital of the Holy Quran – Ministry of Awqaf and Islamic Affairs and Holy Places	1993 - 2020	574
● Jordan Hashemite Fund for Human Development (Goodwill Campaign, Queen Alia Competition, Queen Alia Center for Human Development)	1981 - 2020	1356
● Al-Aman Fund for the Future of Orphans	2008 - 2020	479
● Jordan Hashemite Charity Organization	2002, 2005, 2006, 2008-2015, 2017- 2020	201
● King Abdullah II Fund For Development (KAFD)	2007, 2008, 2010, 2015	145
● King Hussein Cancer Center	2009, 2011-2016, 2018 - 2020	311
● Princess Alia Foundation	2014, 2017- 2020	63
● Martyr Moath Al Kassassbeh Fund	2015	14
● Project of Dissemination of Community Financial Culture Project	2015- 2020	505
● HemmatWatan Fund	2020	2000
● Crown Prince Foundation	2020	50
● Ministry of Health	2020	100
● General Command of the Armed Forces of Jordan - Border Guards	2015	100
● Fund of Supporting the Military Forces Martyrs' Families, and security staff	2017, 2018, 2020	300
● Educational Endowment and Social Partnerships initiative	2018	100





## Sponsorship of Conferences and Seminars

-  Cooperation with Islamic financial institutions
-  The Bank has continued to participate in local and foreign conferences and seminars which relate to its field of work, or those which help develop the business of Islamic banks, especially those conferences and seminars which are convened under the auspices of the Islamic Development Bank, Al Baraka Banking Group, the Islamic Financial Services Board, the General Council for Islamic Banks and Financial Institutions, and the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), the Union of Arab Banks and other institutions.

Given the exceptional circumstances, the whole world was exposed to during 2020 due to the suspension of the works of many economic sectors, such as holding conferences, seminars, and meetings, JIB participated in the Fifth Conference on the Award of Financial Institutions and Islamic Banks for Partnership and Social Responsibility through the online Zoom conference room. The conference was organized by the regional network for social responsibility and in the strategic partnership with Al Baraka Banking Group, which made an endorsement of \$ 2000.





## Branching and ATMs

- Preparing a banking environment requires the existence of branches of the Bank to provide its services to clients in general. As for Jordan Islamic Bank, with its unique and private transactions, sought to exist in various residential and economic congregations to stay close to those who looked forward to its existence, encouraged its idea and held on to it, and to enable those clients to access its services easily and flexibly throughout the year 24/7.
- JIB has taken into its priority in branching the number of residents, the volume of the economic activity, the social return, and the profit and loss accounts. According to this policy, JIB has adopted establishing the offices along the branches commencing from 1991.
- The first JIB branch was opened in 22/9/1979, which is Amman Branch. Then, the branching process continued in a relatively rapid pace, until the branching network of the Bank reached to 83 branches and 25 banking offices by the end of 2020.
- The Bank continued to provide its services even during the official holidays and night period and/or on Fridays and/or on Saturdays in some of the Bank's branches and offices.
- In 1995, JIB began to enter the ATM service by installing three machines. Then, the installation and operation of such machines continued until the number of installed machines reached 266 by the end of 2020, distributed in the Bank's branches, malls, hospitals, universities, and the professional Associations Complex.
- The number of cash draw and deposit transactions, bills payment, and charging mobile phone transactions through ATMs has reached 14.5 million transactions, and the sum of cash amounts reached to JD 2.4 billion.

## Education and Training

Interaction with a number of educational, academic and preparatory agencies in Jordan, whether they are universities or colleges or schools or students; for example, throughout 2020, the Bank undertook to sponsor or support or honor contribute or train:

- ☀ National Program of Dissemination of Community Financial Culture and supporting financial, economic, and social stability in cooperation with CBJ and Association of Banks in Jordan with the project by providing a sum of JD 149 thousand.
- ☀ University of Jordan: Updating a room in the University Hospital by providing a sum of 3 thousand Dinars, and the First Student Award in the Faculty of Sharia by providing a sum of JD 500.
- ☀ As part of the Bank's mission in spreading the Islamic applications in the field of business, in 1986, the Bank has established **AL Omaria Schools Corporation**, in which the Bank currently contributes by 99.8% of its capital, which amounts to JD 16 million. The number of students in the school reached 4609 students, and the number of employees and teachers reached 815.
- ☀ The Bank has continued to provide training opportunities and opportunities to become familiar with its work to new groups of students from educational institutions. 19668 students have been trained since the Bank's founding until the end of 2020; 383 students were trained throughout 2020 online in consistence with the pandemic requirements and circumstances by taking preventative and precautionary means and complying with the general safety and health requirements.
- ☀ As for the Bank's interest to increase the performance of its employees, the Bank provides the opportunity for them to participate in training courses and seminars, face-to-face or online, directly and indirectly through professional training licenses organized by the Bank's HR Development's and Training Academy, training centers, and specialized authorities inside and outside Jordan. Throughout 2020, 1127 employees participated in courses and seminars organized by the academy, 196 employees in courses and seminars organized by training courses inside Jordan, and 92 employees in courses and seminars organized by training centers outside Jordan. Meanwhile, 1502 employees participated in online training. JIB also continued to enroll its employees in training programs and activities which serve the topics of social responsibility and sustainability towards society; such as, social and environmental risks analysis, the national program for self-employment «Inhad», protecting the financial customer for clients with special needs, and programs on occupational health and safety, which all focused on spreading awareness about the novel Corona Virus.







## Occupational Safety and Health (OSH)

- On the basis of JIB commitment to provide safe and secure working environment, Occupational Safety and Health Committee was formed in 2013 to take the responsibilities of developing regulations and plans of occupational safety and health and follow-up JIB performance in terms of indicators of occupational safety and health (OSH).

Although limited number and frequency of work-based incidents, Occupational Safety and Health Committee stresses commitment to take measures that decrease possibilities of working environment injuries and diseases. JIB Occupational Safety and Health Committee aims to achieve the following strategic objectives:

- Protecting employees in all workplaces from injuries resulting from working environment risks through preventing employees exposure to occupational incidents, injuries and diseases as much as possible.
  - Implementing occupational safety and health requirements that ensure creating safe working environment that protect human and physical elements from dangers.
  - Taking all measures and actions for environment and property protection
- To achieve these objectives, the Bank, for example, put the duly equipped first aid kits environment measuring tools (Lightning, temperature, humidity and noise) in new workplaces, studied and analyzed the work injuries which occurred in the Bank to identify the reasons thereof and set the controls and measures to prevent the occurrence of the same in the future. Also, JIB held periodic meetings and looked into emergent matters on occupational health and safety. The Occupational Safety and Health also visited some workplaces to evaluate them in terms of occupational safety and health. The Bank also prepared an institutional competency under the name «Occupational Health and Safety Competency», set training programs for all its employees in the following areas: Occupational safety principles, institutions strategies to develop the employees' skills in dealing with armed heists, and procedures on preventing heists and attacks. Moreover, one of the Bank's employees was approved as a supervisor on occupational safety and health.



## ✦ Sponsorship of the Holy Quran Related Matters

- The Bank pays particular attention to preserving the Holy Quran. JIB, for example, sponsored, supported, or presented the following awards throughout 2020:
  - Preserving the Holy Quran Association activities during the Holy month Ramadan, valued at JD 5 thousand.
  - Awards and Gifts for the memorization of the Holy Quran in Al Israa' Schools, valued at JD 800.

## ✪ Culture, Arts, Literature and Heritage

- JIB supports a number of agencies connected to literature, the arts, culture and heritage, agencies whose leanings are consistent with JIB's general orientation. JIB, for example, sponsored, supported, honored, or presented the following awards throughout 2020:
  - Purposeful programs on a number of television and radio stations: Jordan Radio and Television Corporation, by providing a sum of JD 137 thousand; Iqraa Arabic Channel, by providing a sum of \$ 75 thousand; some radio stations by providing a sum of JD 74 thousand; such as Hayat FM, Amen FM, and Husna FM.
  - Sponsorship of the Page of Islamic Banking, Islamic Financing, Money and Islam in Addustour, Al Rai, Al Ghad newspapers, valued at JD 43 thousand.
  - Sponsoring some purposeful magazines with JD 6000: Union of Arab Banks Magazine, Banks in Jordan Magazine, Bainat Magazine issued by the Jordanian Association for Quran and Sunnah Miracles.







## Health

- JIB has supported a number of health organizations and facilities in Jordan. JIB, for example, sponsored, supported, honored, donated the following throughout 2020:
  - Ministry of Health, an amount of JD 100 thousand in the framework of the exerted efforts to fight Corona Virus.
  - King Hussein Cancer Center: 50 thousand Dinars.
  - Medical Masks for the Ministry of Education: JD 1100.
  - National Fund to treat the poor in Jordan: JD 3000.
  - Jordanian Healing & Health Bank JD 5000.
  - Nurses and Legal Midwives Association/ Families of dead nurses: JD 1000.
  - Jordan Medical Association/ Preparing the office of the Doctors' Cooperation Fund in the Scientific Forum Building: JD 3000, and the activities of the Association: JD 1940.



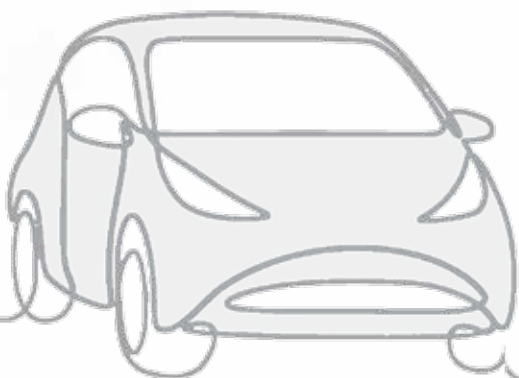
## ☀ Energy, Environment and Water

•JIB's main activities throughout 2020 include:

### ☀ Hybrid and Electrical Vehicles

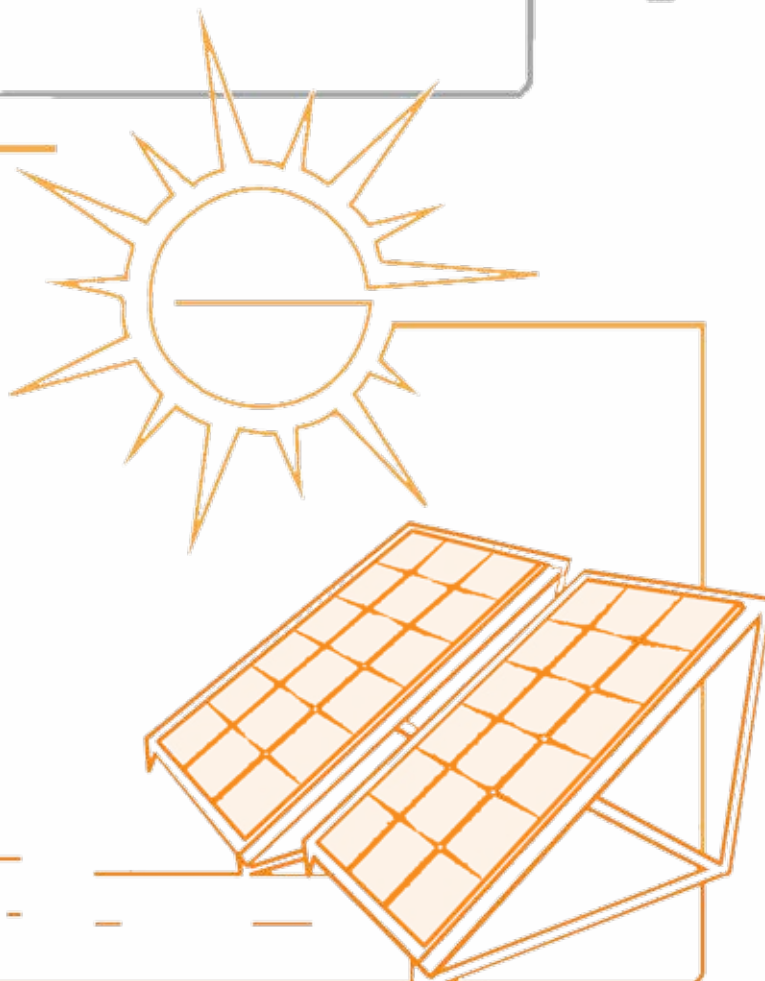
Hybrid and Electrical Vehicles see substantial growth as they are affordable and economic in fuel consumption and ensure clean environment and vehicles sellers start focusing on this type of vehicles as they are more profitable.

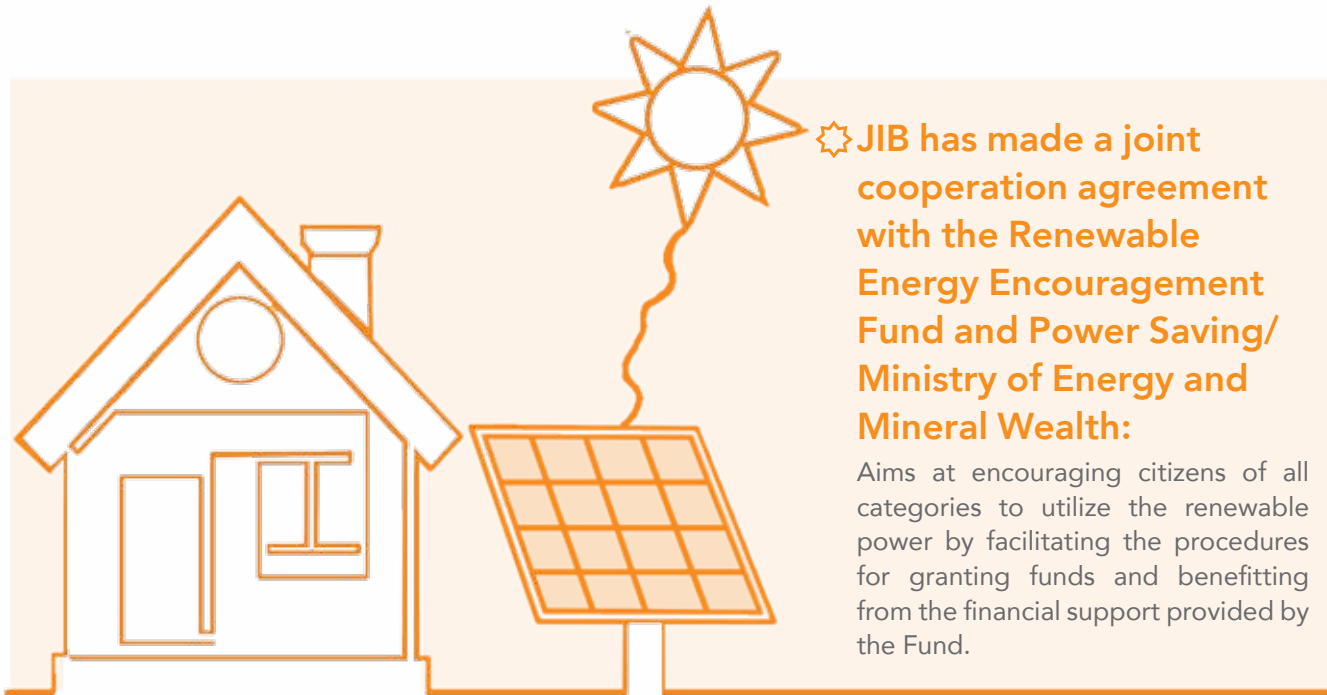
As JIB seeks to keep abreast with latest developments in all areas, products related to financing hybrid and electric vehicles were with easy terms (repayment periods, easy guarantees and competitive rates). A certificate of vehicles testing is required before financing the vehicle.



### ☀ «Our Sun» Product:

Challenges of the energy sector, especially electric power sector, continues to intense in price. Therefore, companies, factories and individuals alike are searching for alternative power solutions. The Bank continued to offer products that help in marketing these projects and increase their spread in line with the companies and individuals with easy terms (suitable payment periods, 100% financing rates, and competitive profit rates). The client submits the specifications of renewable energy system, feasibility study, system suitability to the residential and commercial units and others at which the system will be installed in cooperation with the company which sells the system.





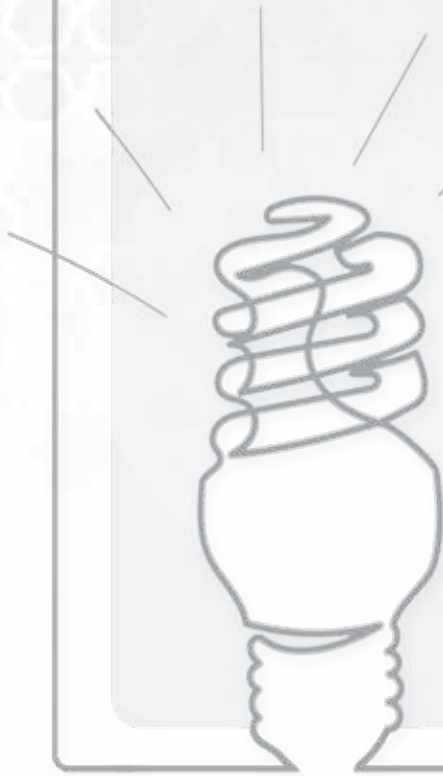
### ☀️ JIB's Renewable Energy Projects:

The Bank started providing alternate energy in July 2013 by utilizing electric power generation using solar cells, taking advantage of the spaces on the roofs of the branches for the installation of those cells, rendering JIB the first Jordanian Bank to enter renewable energy into its business, reducing the electricity consumption and related invoices, as well as decreasing the high electric loads in the Kingdom, thus contributing to the national economy and the environment protection.

The Bank continued to provide renewable energy at some of its headquarters by utilizing solar power generation using solar cells or through the plant operated at the Bondad Center, subordinate to the Bank, since May 2018, with a view to generating solar electricity. This plant covers part of the electricity consumption in the branches and offices of the Bank in the central governorates (Amman, Zarqa, Madaba and Salt) with a generating capacity of 2.7 MWP at the cost of JD 1.5 million. Thus, the number of branches and offices benefiting from the solar system reached 52 branches and offices, in addition to the Head Office building, the Information Technology building, and the Disaster Recovery Center, which are all fed by the solar cells installed on the roofs of the buildings and/or the plant.



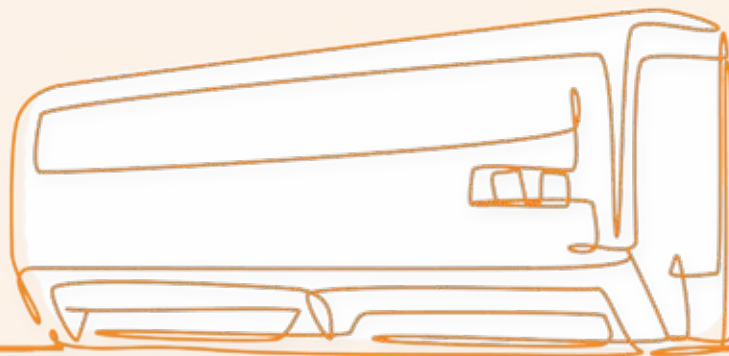
✦ **JIB replaced traditional lightening units with energy-saving lightening units (LED):**



The energy-saving lightening units (LED) is characterized by longer operational age compared to traditional lightening units. That will result in reducing maintenance costs. The energy-saving lightening units (LED) provides better lightening, low thermal emissions, and very low level of ultraviolet radiation. This will lead to reduce lightening negative-impacts and saves 35% of electricity consumption value on a yearly basis. JIB continued to install more of these units to reach 99 branches and offices, in addition to the Head Office Building and the Disasters Recovery Center. The work is underway to install LED units at the remaining JIB's branches and offices.

✦ **JIB's Use of Variable refrigerant flow (VRF) systems:**

Variable Refrigerant Flow (VRF) system, which is the most modern air conditioning system. VRF is easy in installation and saves 25% of electricity consumption annually compared to other air conditioning systems. This system can be controlled centrally by setting temperature and switching it on and off via computers. Therefore, it provides optimal solutions, saves more electricity, and reduces maintenance costs. VRF systems are present at 53 branches and offices and Head Office Building and a subsidiary of the company. The work is underway to install VRF systems at the remaining JIB's branches and offices.





### ✧ **Rationalize Water Consumption**

JIB installed water-saving tools in 2015 upon conducting the necessary checks to identify buildings and branches in which such tools are to be installed. Those tools are installed all branches and offices as well as Head Office Building and three investment complexes and one subsidiary company.

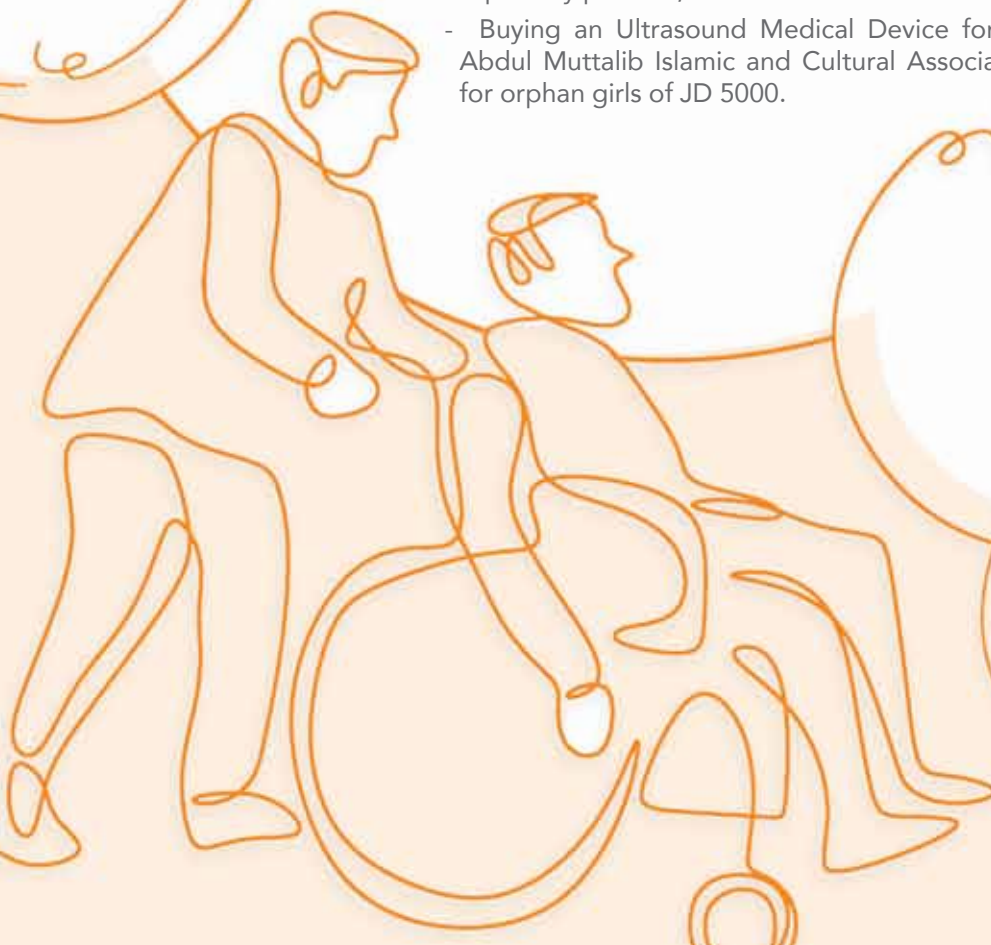
✧ **Jordan Environment Society**  
«International Environment Day» of JD 1000.

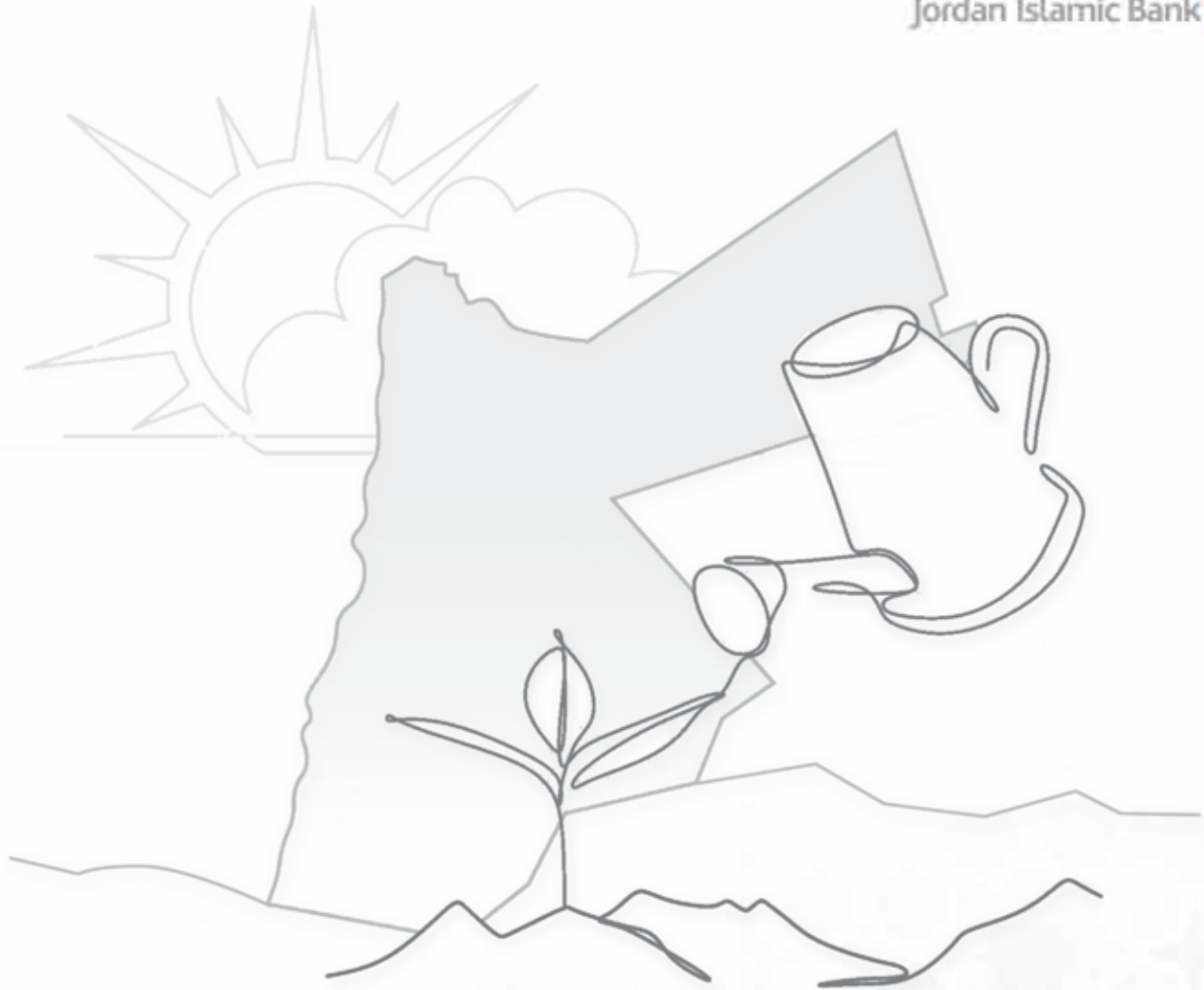
✧ **Continuing as a member of Jordan Environment Society.**



## ★ People with Special Needs, Underprivileged Communities and the Poor


- The Bank has supported a number of agencies which care for special needs individuals, underprivileged communities, and orphans in Jordan. JIB, for example, sponsored, supported, honored throughout 2020:
  - Al-Aman Fund for the Future of Orphans, by providing a sum of JD 42.5 thousand throughout 2020; since the founding of Al-Aman Fund in 2008 until the end of 2020, JIB's total donations to the Fund reached JD 479 thousand.
  - Tkiyet Um Ali with an amount of JD 5000.
  - Activities of the Jordan Hashemite Charity Organization and the Jordan Relief Organization of JD 5500.
  - Activities of Princess Taghreed Foundation for Training and Development, and contribution to establish the new building of the Association in Fayfa Gore to provide services for women in areas of poverty pockets, of JD 1500.
  - Buying an Ultrasound Medical Device for Hamza Bin Abdul Muttalib Islamic and Cultural Association to care for orphan girls of JD 5000.





## Interaction with and Development of Local Society

- Those activities which have a tangible impact on societal life and which benefit and develop society are top priorities for the Bank. In 2020, the Bank undertook to sponsor, support, or donate to:

 Stemming from the social responsibility of the Jordan Islamic Bank and its commitment to support the national efforts exerted by the government and various official authorities to face and fight the Novel Corona Virus pandemic and decrease its spread; as well as its cooperation to support the homeland and citizens, and provide the various medical and health forms to the positive and suspected cases, the Bank has made donations to:

- HemmatWatan Fund of JD 2 million.
- Crown Prince Foundation/ Naua for Sustainable Development Company- paying assistance for Day Laborers and provide the support and assistance for the national campaign held by the foundation to face Corona Virus with JD 50 thousand.
- Ministry of Health of JD 100 thousand



- ✧ The Jordan Hashemite Fund for Human Development, by providing a sum of JD 5000; and between 1981 and 2020, the total value of donations to the Fund (including the Piety and Giving Campaign, the Queen Alia Competition, and the Queen Alia Center for Social Development) reached approximately JD 1.4 million. Also, support the programs and activities of the Jordan Hashemite Fund for Human Development and the Queen Alia Competition for social responsibility by providing a sum of JD 1000, under the logo «Social Justice».

---

- ✧ Supporting the Military Forcers Martyrs, Families and Security Staff of JD 100 thousand.

---

- ✧ Supreme Judge Department/ Legislation Academy to support the rehabilitation program for those about to get married of JD 20 thousand.

---

- ✧ Ministry of Awqaf and Islamic Affairs: Mosques Supporting Committee, charitable projects of 6000 thousand Dinars, and the Ministry was provided with an amount of JD 63 thousand.

---

- ✧ Building a prayers room and a training room at the roof of Al Iftaa Department of JD 7000.

---

- ✧ Amman Chamber of Commerce/ Decorating the Capital Initiative of JD 20000.

---

- ✧ Jordanian Engineers' Association of JD 8000.

---

- ✧ Al Afaf Charitable Society: monetary gifts for the wedding couples participating in the collective wedding ceremony No.27 of JD 5000.

---

- ✧ Activities of Jerusalem Study Center/ Al Quds Day Society of JD 5000.

---

- ✧ Activities of Protecting the Holy Jerusalem Society of JD 3000.

---

- ✧ Donations to many mosques either by contributing in building them or maintaining them in a sum of 6000 dinars during the year 2020. Since JIB's establishment and until the end of 2020, donation amount reached JD 1.5 million in total.



- ☀ Donations to many charitable societies in Jordan in a sum of JD 189 thousand.

---

- ☀ In the area of Islamic Insurance, JIB established Islamic Insurance Company in 1996, and the Bank contributes in 41.7% of its capital, amounting to JD 15 million.

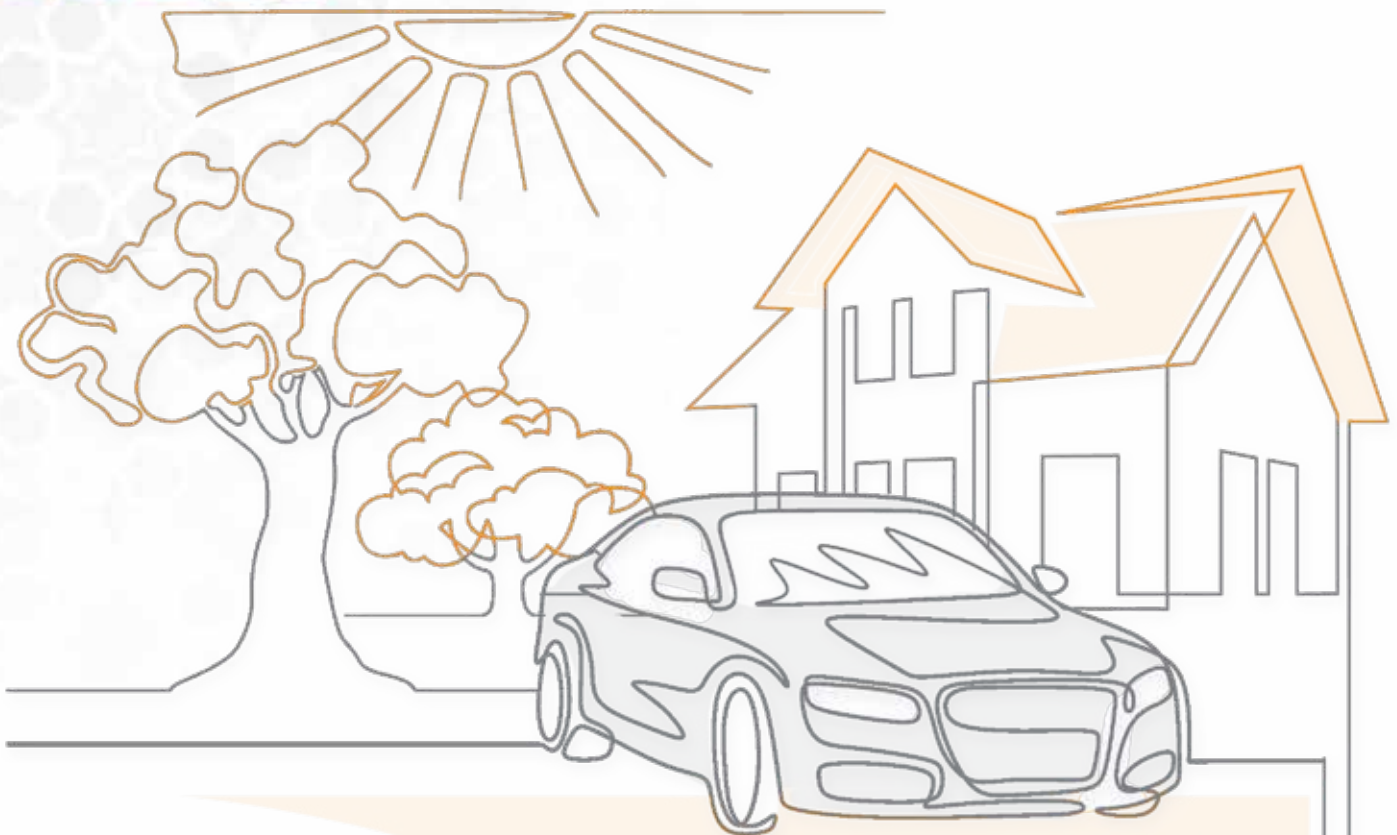
---

- ☀ Furthermore, JIB finances community service facilities in Murabaha style, for example:
  - JIB financed, in US dollars, the Ministry of Finance and the Ministry of Supply, over a period of several years, to buy rice, wheat, corn, sugar, oil, barley and other food supplies, and the total value of this financing reached approximately JD 254 million.
  - JIB financed, in Jordanian Dinars and US dollars, the Jordan Petroleum Refinery Company over a period of several years, in order to buy crude oil, and the total value of this financing reached approximately JD 366 million.
  - JIB financed a number of national electricity companies, public and private, over a period of several years, and the total value of this financing exceeded JD 2.39 billion Dinars, and JD 6 million to finance rural electricity projects.
  - The Bank financed the Water Authority over several years, in the amount of approximately JD 13 million, to purchase the necessities of water transportation and pumping and distribution.

---

- ☀ Throughout 2020, JIB provided many funds to various beneficiaries, which eliminated unemployment, maintained the offered job opportunities, and provided new opportunities which reached to 490 job. In consistence with the Royal vision for fighting unemployment and empowering the youth to start development projects guaranteeing a permanent income for them and providing job opportunities, JIB granted youngsters who have certificates the opportunity to join the national program for self-employment "Inhad"

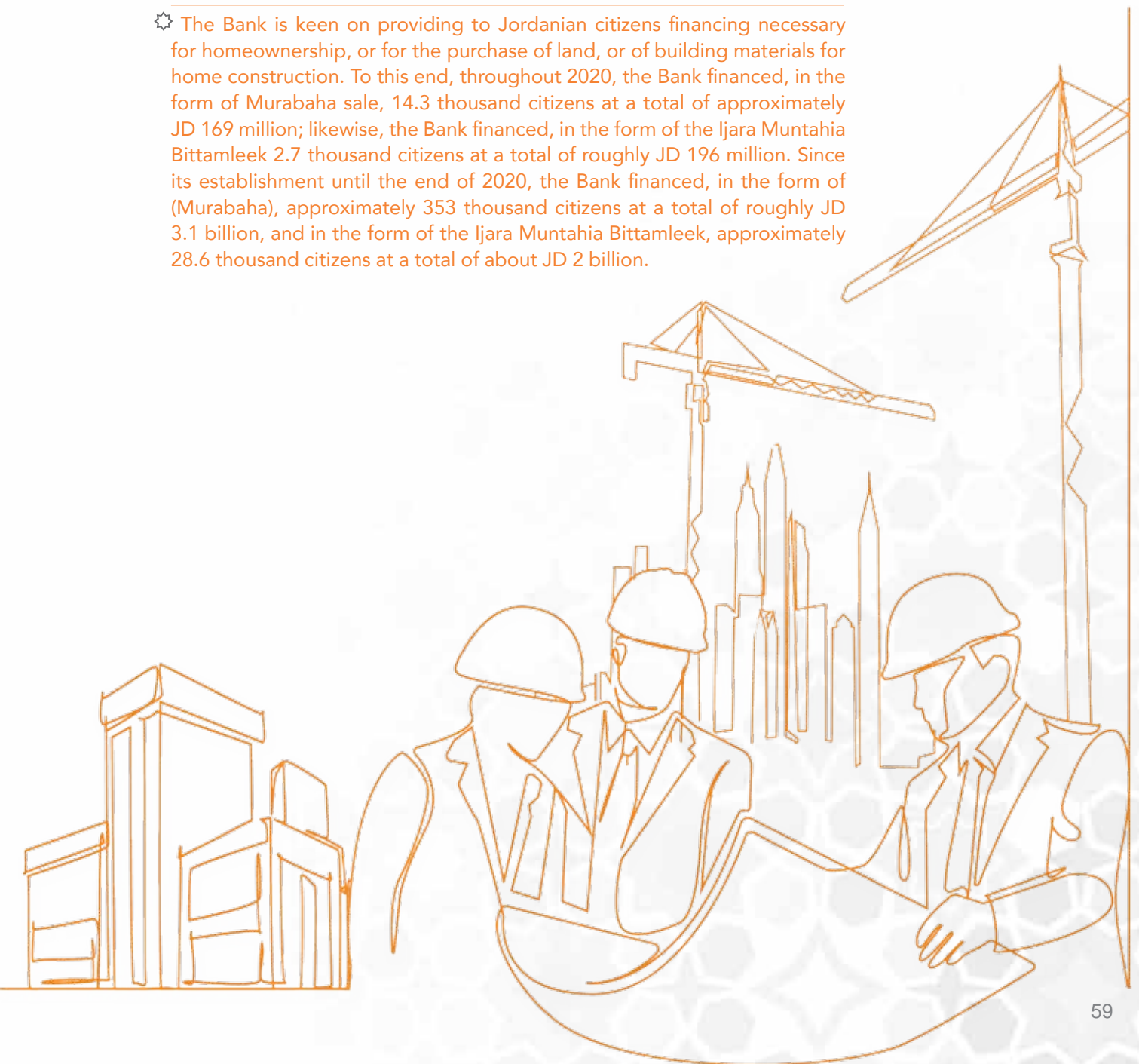




- ✧ In affirmation of the Bank's pioneering role in supporting the national economy through continuous communication with social society institutions, and in service of shared interests and the common good, the Bank signed a shared cooperation agreement with the Jordanian Teachers' Association, as the Bank considers this sector of society instrumental in raising succeeding generations. Through this agreement, the Bank provides financing and Islamic banking services, at competitive prices and relaxed conditions according to Sharia regulations, to all the members of the Teacher's Union, for the purpose of homeownership, or buying cars or furniture, or for other ends at easy terms and according to shariah controls
- ✧ In the context of bank interest in its existing and previous staff, JIB honors ten-year service employees on a yearly basis. JIB, moreover, organizes an honoring ceremony for its retired personnel.
- ✧ As part of its efforts to stabilize the noble objectives and goals of Hajj, proceeding from its belief to have the honor of serving the local community. and through a cooperation agreement with the Ministry of Awqaf and Islamic Affairs which provided for issuing Haj Fund Deposit Bonds for the citizens wishing to participate in the Fund through the Bank as a saving and investment tool to provide the opportunity for those interested to perform Hajj. The Bank facilitated the subscription of the citizens in this Fund.
- ✧ For the purpose of alleviating and reducing the costs, and simplify the procedures of enforcing the judgments, the Bank signed a memo of understanding with the Supreme Judge Department under which the Bank issues the "Family Card, a card for the winning people in executive cases at the sharia execution courts that allows the cardholder to get the cash balanced in the card through the ATMs or the points of sale.
- ✧ Based on the Bank's interest in clients with special needs, and by implementing the instructions of the Central Bank of Jordan in this regard, the Bank provides its banking services to these clients on the grounds of equality with the other clients and facilitates those services to them as much as possible.
- ✧ The Bank takes a special interest in covering the basic financing needs of Jordanian citizens, and it provides them with necessary financing directly, with terms that accord with their circumstances. The Bank considers the purchase of household furniture among the essential needs of Jordanian citizens, so throughout 2020, the Bank financed 5657 citizens, at a total of approximately JD 15.6 million, for the purchase of furniture, and financed about 15 thousand citizens, at a total of approximately JD 164 million, for the purchase of transportation vehicles.

## Provision of Housing

- The Bank continuously seeks to meet the basic needs of Jordanian citizens, including the provision of housing. In that respect, the Bank presents financing necessary for the purchase of fully equipped domiciles or for the purchase of materials and equipment essential for constructing domiciles. For example:
  - ✦ The Bank is keen on providing housing to its employees. To this end, the Bank finances them in the form of Diminishing Musharaka, at a reduced rate of interest and for relatively long periods, to enable them to own their own homes. Between its founding and the end of 2020, the Bank financed 2000 employees at a total of JD 67 million; among them JD 5 million in 2020, with 110 employee beneficiaries.
  - ✦ The Bank is keen on providing to Jordanian citizens financing necessary for homeownership, or for the purchase of land, or of building materials for home construction. To this end, throughout 2020, the Bank financed, in the form of Murabaha sale, 14.3 thousand citizens at a total of approximately JD 169 million; likewise, the Bank financed, in the form of the Ijara Muntahia Bittamleek 2.7 thousand citizens at a total of roughly JD 196 million. Since its establishment until the end of 2020, the Bank financed, in the form of (Murabaha), approximately 353 thousand citizens at a total of roughly JD 3.1 billion, and in the form of the Ijara Muntahia Bittamleek, approximately 28.6 thousand citizens at a total of about JD 2 billion.



**Your Partner Bank**