



**SUSTAINABILITY
REPORT
2024**

capital
bank

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About This Report

Capital Bank of Jordan is proud to present its third annual sustainability report, reflecting our unwavering commitment to environmental stewardship and social responsibility. This report presents an overview of our Environmental, Social, and Governance (ESG) performance for 2024, highlighting our efforts to minimize the impact of our operations on the environment and our dedication to the core principles of sustainability. It reaffirms our continued commitment to sustainable development and highlights our active role in advancing global sustainability goals.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, a leading framework for sustainability reporting. It provides a comprehensive overview of our sustainability performance for the calendar year spanning January 1, 2024, to December 31, 2024. The report represents Capital Bank's performance and initiatives in Jordan, adhering to the Amman Stock Exchange (ASE) Guidance on Sustainability Reporting and aligning with the United Nations Sustainable Development Goals (UN SDGs). Our commitment to maintaining the highest standards of relevance, accuracy, and comparability ensures that stakeholders receive a transparent and detailed account of our sustainability efforts.

Seeking Your Valuable Insights

Recognizing that the path toward sustainability is a journey of continuous growth and improvement, we warmly welcome your feedback, insights, and inquiries regarding this report and our broader sustainability initiatives. Your engagement plays a crucial role in shaping our strategies and driving progress in these critical areas.

We welcome your feedback and queries at:

investors.inquiries@capitalbank.jo

A Commitment to Prosperity and Innovation

At the core of Capital Bank's operations is the principle of shared prosperity. We encourage you to explore this report to see how Capital Bank of Jordan is aspiring to progress in sustainability and views challenges as catalysts for innovation. Our goal is to contribute to a prosperous future, leveraging our commitment to sustainability as a driving force for positive change.



Message From the Chairman

In a world of rapid transformation, Capital Bank recognizes its vital role in driving change toward a more sustainable future. We don't just keep up with developments—we aim to lead innovation in the financial sector by embracing a holistic approach that balances economic growth with social and environmental responsibility.

Our vision aligns with Jordan's forward-thinking initiatives to promote green finance, as reflected in the Central Bank of Jordan's 2023–2028 strategy, which emphasizes the importance of developing eco-friendly financial solutions. In line with this vision, Capital Bank is committed to offering financing solutions that support the transition to a green economy. We do this by funding renewable energy and energy efficiency projects and encouraging businesses to adopt environmentally responsible practices.

Sustainability is embedded in every aspect of our operations. We believe banks are key drivers of change, which is why we place great importance on financial inclusion—a fundamental pillar of economic and social development. Financial inclusion enables individuals and businesses to access the services they need to achieve financial independence and unlock new opportunities for growth. At Capital Bank, we continuously develop innovative solutions and initiatives that raise financial awareness and empower all segments of society to make informed financial decisions.

We also recognize the essential role of digital transformation in improving access to financial services. Our advanced mobile banking app and our digital banking channel, Blink by Capital, designed specifically for youth, offer cutting-edge services that expand financial access across the community. These efforts strengthen our role as a proactive economic and social partner in Jordan and the region and reinforce our commitment to providing inclusive financial solutions that meet the diverse needs of our society.

Promoting financial literacy is a top strategic priority and a key component of our commitment to social responsibility. We firmly believe that financial well-being is the foundation of a stable, prosperous society. That belief drives our continuous efforts to increase financial awareness through various initiatives targeting all segments of the community. We have launched a specialized platform dedicated to this mission and proudly support FINAPP, an initiative by the Association of Banks in Jordan. This national platform offers trusted educational content and innovative learning tools that cover a wide range of banking, financial, and economic topics.

As part of our commitment to strong governance, we have built a robust framework that enhances transparency and accountability and ensures the highest standards of sustainability performance. We have also formed a dedicated committee to oversee the implementation of Environmental, Social, and Governance (ESG) policies and developed strategies aligned with international best practices to ensure a measurable positive impact on society.

Our commitment to social responsibility is unwavering. We invest continuously in local community development through education initiatives, youth empowerment, and entrepreneurship support. For us, sustainability goes beyond environmental efforts—it's also about building inclusive, equitable communities. That's why we support initiatives that promote equal opportunity and foster sustainable development that benefits everyone.

At Capital Bank, we believe that a sustainable future depends on close collaboration across all sectors. Together with our partners, clients, and employees, we are building a modern banking model rooted in innovation and responsibility. With your continued support, we will keep moving forward toward our sustainability goals and solidify our position as a leading bank in this space, helping create a more prosperous and sustainable future for Jordan and the region.

Bassem Khalil Al Salem
Chairman, Capital Bank



Message From The CEO

We at Capital Bank are pleased to present our 2024 Sustainability Report, a testament to our commitment to integrating environmental, social, and governance (ESG) principles into every aspect of our business. This report highlights our ongoing efforts to create a positive and lasting impact on the communities we serve. We recognize the crucial role financial institutions play in driving the transition to a more sustainable future as we believe that true success is measured not only by financial growth but also by the value we create for society and the environment.

Sustainability is embedded in our corporate strategy, shaping our culture and operations. In line with Jordan's commitments under the Economic Modernization Vision (2023-2025), the Paris Agreement, and other global ambitions, We are dedicated to adopting financial solutions that support the green economy, promoting environmentally responsible practices, and minimizing our environmental footprint through efficient resource management. We also actively support entrepreneurs and small and medium-sized enterprises (SMEs)—key drivers of economic growth—by providing innovative financing solutions that help them thrive sustainably.

To institutionalize sustainability within our organization, we have established a dedicated sustainability committee. This committee will ensure the adoption of clear and effective policies aligned with the highest international standards and best practices. It is responsible for setting operating frameworks in line with our ESG strategy, tracking our progress, and upholding transparency and accountability in everything we do.

Recognizing that sustainability starts from within, we have engaged our employees in specialized training programs to enhance their awareness and expertise in this field. Our training approach includes external learning opportunities with industry experts, allowing employees to gain insights into best practices and apply them in their work environment. Additionally, we have fostered a culture of internal knowledge sharing, where trained employees pass on their expertise to colleagues. This initiative strengthens our institutional capabilities and ensures sustainability remains an integral part of our operations.

In line with our environmental commitments, we have implemented practical initiatives to reduce our carbon footprint. These include improving energy efficiency, adopting clean technologies, expanding the use of electric vehicles, and enhancing waste and resource management across our branches and offices. We also continue to invest in social sustainability programs, such as financial literacy initiatives for youth, women's empowerment programs, and projects aimed at improving the livelihoods of vulnerable communities.

Towards a More Sustainable Future

At Capital Bank, we remain committed to sustainable, balanced growth that benefits our shareholders, clients, employees, and society. Our vision for a more sustainable future is built on innovation, responsibility, and meaningful partnerships. We are confident that, together, we can drive lasting, positive change and contribute to building a more resilient and inclusive economy.

I extend my sincere gratitude to everyone who has contributed to these achievements, and I look forward to working together toward a brighter, more sustainable future.



Sincerely,

Tamer Ghazaleh

Chief Executive Officer – Capital Bank

Introduction



Introduction

About Capital Bank

Capital Bank of Jordan is a leading financial institution with a strong presence in Jordan, Iraq, Saudi Arabia, and the UAE. Its network spans 33 branches in Jordan, 31 in Iraq, and one in KSA, serving local, regional, and international clients. With total assets of JOD 8.2 billion and equity of JOD 833 million, the bank leverages its financial strength and global partnerships to deliver innovative banking solutions.

Since its establishment in 1995, Capital Bank of Jordan has grown into a premier financial institution, offering comprehensive commercial and investment banking services. In 2005, it acquired a majority stake in the National Bank of Iraq (NBI), expanding its market reach and trade services. In 2023, NBI further extended its footprint with a new branch in Saudi Arabia.

Capital Investments, a wholly owned subsidiary founded in 2006, is a regional leader in investment banking, providing asset management, brokerage, and financial advisory services across Jordan and region.

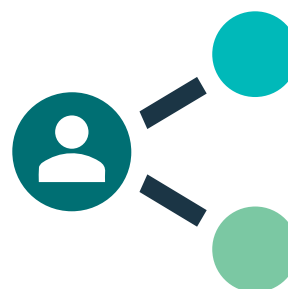
As part of its expansion strategy, Capital Bank acquired Bank Audi's Jordanian and Iraqi operations in 2021 and Société Générale Bank in Jordan in 2022, strengthening its market position. That same year, it launched blink by capital, a digital banking channel revolutionizing retail banking.

In 2022, Capital Bank issued a USD 100 million Tier 1 perpetual bond—the first of its kind for a Jordanian bank the bond is listed on NASDAQ Dubai. It also secured a strategic investment from the Public Investment Fund (PIF), which currently owns a 23.97% stake, boosting the bank's growth and innovation initiatives.

**JOD 8.2 bn
Total assets**



**JOD 833 mn
Equity**



Our vision, mission and strategic pillars



VISION

To be one of the leading banks in the region placing our customers and people at the heart of our journey and enabling them to make informed life decisions.



MISSION

To simplify daily banking and support economic prosperity through digitization, innovation and personalized customer experience.

Strategic Pillars of Capital Bank of Jordan

Embracing a future - focused approach, capital bank, Anchors its operations in continuous innovation, exceptional service, diversified expansion, workforce empowerment, and embracing a future-focused approach Capital bank



Operational Excellence

Enhance our digital capabilities and continue our digital transformation journey through continuous innovation while building an efficient future-ready infrastructure.



Customer Centricity

Expand into a holistic value proposition that meets the banking and investment needs of our clients and revolves around service excellence and elevated customer experience.



Sustainable Growth

Grow the Group's regional footprint, promote cross-border banking, diversify sources of revenue and optimise risk management framework to create sustainable and profitable growth that maximises shareholders' value.



Our People

Invest in our strongest asset; our people, through creating an inspiring workplace culture focused on the continuous building of capabilities.

Our Journey

1995

Establishment

Established in 1995 in Amman – Jordan, Capital Bank is a publicly listed bank, quoted at the Amman Stock Exchange

2005

Expansion

- Capital Bank acquires a majority stake in the National Bank of Iraq (NBI).
- NBI shifts to a corporate governance structure and focuses on expansion.

2006

Diversification

- Capital Investments, the investment banking and brokerage arm of Capital Bank Group, is established.
- It provides asset management, brokerage, and corporate finance advisory services through its offices in Jordan, Iraq, and the UAE - DIFC.

2021

Acquisition

- Capital Bank acquires Bank Audi branches in Jordan and Iraq.
- NBI, a subsidiary of Capital Bank Group, is licensed to establish a branch in Riyadh.

2022

Growth

- Capital Bank launches its digital banking channel, blink by capital.
- Issues a tier I perpetual bond listed on Nasdaq Dubai.
- Raises capital, with Saudi Arabia's Public Investment Fund (PIF) acquiring a ~24% stake.
- Completes the acquisition and merger of Société Générale de Banque Jordanie.

2023

Going Further

- Capital Bank enters the leasing business in Iraq and expands in Jordan.
- Embarks on a comprehensive transformation journey.

2024

Shifting gears with a refocused strategy to further enhance the core operations for sustainable growth targets

For more information, please visit Capital Bank website: www.capitalbank.jo.

Memberships & Associations



Executive Summary














Executive Summary

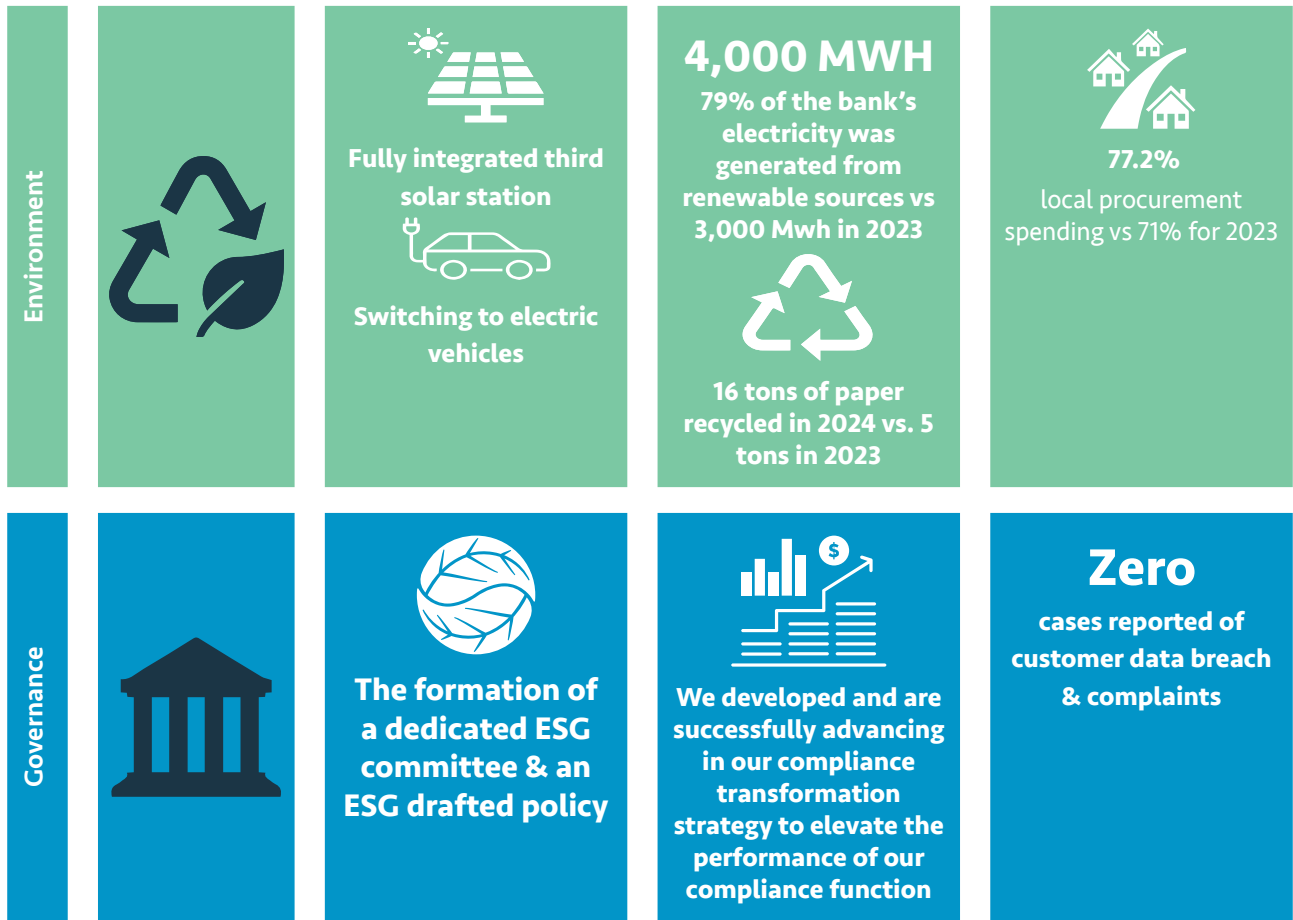
Capital Bank is a leading financial institution committed to driving sustainable growth and responsible banking practices across the region. This report outlines our environmental, social, and governance (ESG) performance, reflecting our dedication to transparency, innovation, sustainability, and alignment with the local aspirations and the United Nations Sustainable Development Goals (SDGs).

Over the past year, we have made significant strides in integrating ESG principles into our operations, reinforcing our role as a catalyst for positive change. Our efforts span across three key pillars:

- **Environmental:** Advancing environmental and sustainable financing initiatives, and enhancing energy efficiency across our operations.
- **Social:** Strengthening financial inclusion, investing in community development, and fostering a diverse, inclusive, and dynamic workplace.
- **Governance:** Upholding the highest standards of corporate governance, risk management, and ethical business practices to ensure long-term value creation for all stakeholders.

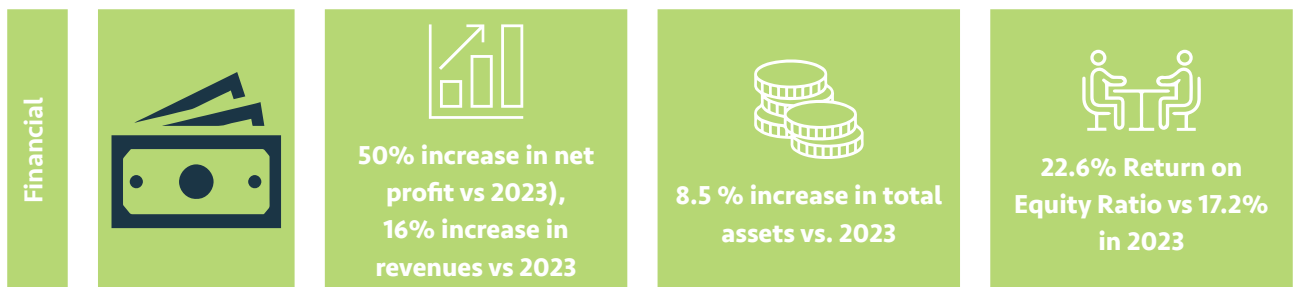
2024 ESG & Economic Highlights

Social	 <p>Employees</p>	 <p>11,419 TRAINING OPPORTUNITIES VS 6800 in 2023</p> <p>1,415 TRAINED EMPLOYEES VS 1300 in 2023</p>	 <p>50 certificates obtained by employees vs 28 in 2023</p> <p>257 employees attended leadership programs vs 95 in 2023</p>	 <p>The launch of Capital Campus</p> <p>Zero Health & safety related workplace injuries</p>
	 <p>Customer</p>	 <p>We have consistently maintained 96% CSAT customer satisfaction rate</p>	<p>85%</p> <p>increase in customer onboarding compared to the previous year</p>	<p>8%</p> <p>Increase in Customer Deposits</p>
	 <p>Diversity & Inclusion</p>	 <p>38.5% of Women Employment</p> <p>The launch of Mastering Leadership Program for Women</p>	 <p>7 branches fully accessible to clients with disabilities</p> <p>128 ATMs designed for accessibility</p>	 <p>1 million JOD for CSR</p> <p>Such as King's Academy, Queen Rania Foundation, Atfaluna for medical coverage</p>
				

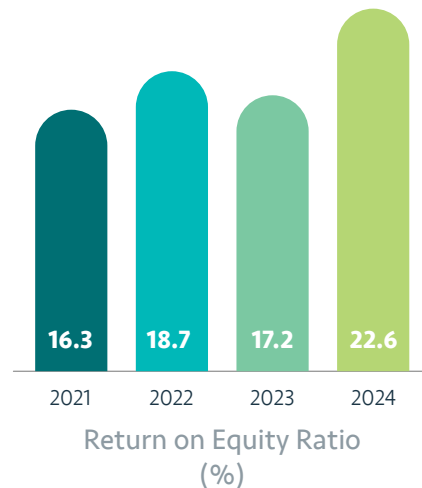
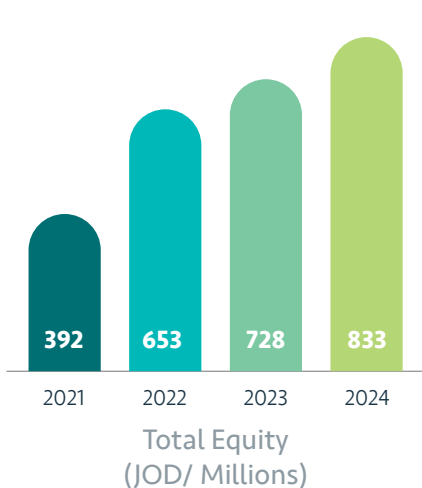
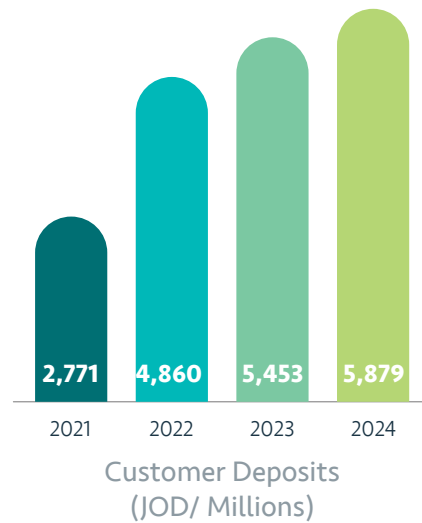
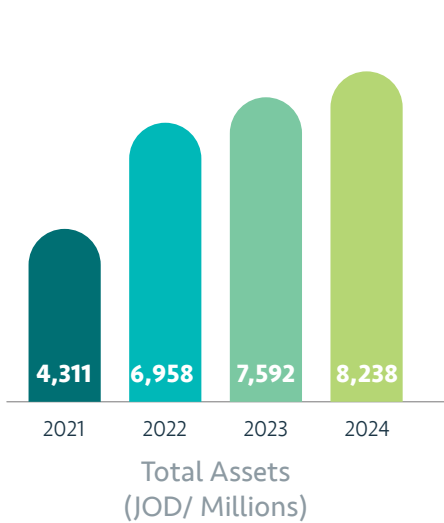
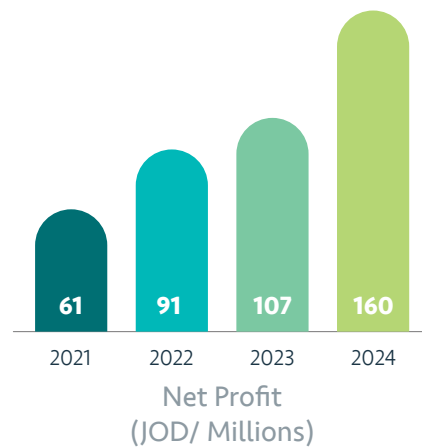
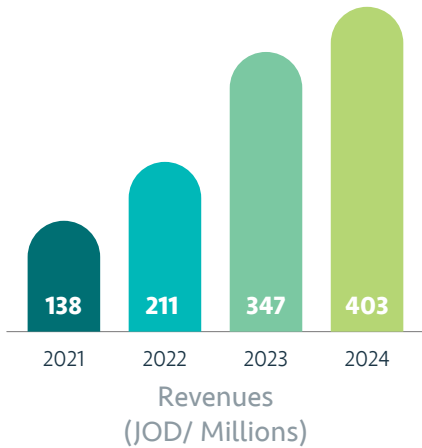


Economic Performance

Capital Bank is committed to fostering a positive impact on the economy. To achieve this, the Bank focuses on expanding its market presence, exploring new opportunities, and leveraging business prospects that support long-term growth. Committed to innovation and strong stakeholder relationships, Capital Bank prioritizes transparency and ethical practices, positioning itself as a key player in the future of Jordan's financial landscape and contributing to the nation's overall economic development.



This year, our Gross revenues have grown significantly by approximately 16% compared to 2023, reaching 403 million JOD, while our net profit after tax increased to 160.13 million JOD, representing a 50% growth compared to the previous year. These financial outcomes showcase the bank's successful implementation of its expansion and growth initiatives, highlighting our financial and operational effectiveness. This positive trend reinforces our commitment to enhancing shareholder value and lays a solid foundation for future success.



2024 awards



Best Digital Bank in Jordan

Underscoring CBoJ's strong dedication to customer focus, innovation, and excellence in digital banking



Best Implementation of Core Banking Services

Recognizing Capital Bank's excellence and innovation in the banking sector



Most Active Issuing Bank

Highlighting CBoJ's pivotal role in empowering businesses and promoting sustainable development globally



Best Mobile Banking App

Highlights CBoJ's commitment to innovation, customer centricity and excellence in digital banking



Best Bank for Cash Management in Jordan

Highlighting CBoJ's unique designs to address the needs of its corporate clients



Wealth Management – Segment Winners

Highlighting the successful collaboration on the launch and ongoing development of Capital Investments' first fully digital onboarding platform for investment and brokerage customers in Jordan



Best Investment Boutique Management Company and Best Client Service Investment Company

Recognizing the contribution of financial companies, including initiatives in CSR, corporate governance and activities that benefit the global finance community



Best Credit Card Offerings

Highlighting the inclusive offerings of the credit cards portfolio, catering to a variety of customer preferences

Outlook on sustainability and climate change



Outlook on sustainability and climate change

Our Approach Towards Sustainability

Our impact on economic growth, the environment, entrepreneurial success, job creation, and social well-being is central to our mission. We continuously strive to embed sustainability in our operations, driving our efforts to make significant and lasting contributions that reflect our dedication to continuous improvement, accountability, and driving meaningful impact for future generations.

Future-Forward Looking ESG Framework & Policy

As we look ahead, our commitment to sustainability will be guided by a dynamic ESG framework that evolves with emerging global challenges and opportunities. We are in process of developing our ESG framework and policy aimed at shaping our business operations, social accountability, and lending practices, ensuring long-term resilience and responsible growth. This approach will enable us to proactively manage sustainability across the bank while aligning with international standards and initiatives such as GRI and the UN Sustainable Development Goals and national commitments including Amman Stock Exchange Sustainability reporting requirements and the Central Bank of Jordan Green Finance Strategy.

Advancing Sustainability Governance – Our ESG Committee

In our journey towards enhanced sustainability governance, we have achieved a significant milestone this year by establishing a dedicated ESG committee. This committee is instrumental in driving our ESG agenda forward, ensuring that our strategies and initiatives are effectively implemented and that we continue to make strides in our sustainability efforts.

CBoJ's ESG Committee

In 2024, Capital Bank established its ESG Committee. This high-level group is tasked with integrating ESG values into the bank's core strategies and operations. The committee is overseen by the Chief Executive Officer, who serves as the Chairman, and includes a diverse group of senior executives, each bringing expertise from their respective domains.

Objectives, Responsibilities and Authority of the committee

We established the following essential objectives to integrate ESG considerations into the Bank's strategic decision-making and operational procedures.



The Committee is authorized to shape and endorse ESG policies that reflect the Bank's strategy, set and track ESG goals, allocate necessary resources for ESG projects, and regularly review ESG performance for continuous improvement. It engages with stakeholders to inform the Bank's ESG approach, and to review ESG risk assessments to stay adaptive to emerging trends.

Key Responsibilities and Objectives

The governance of ESG is designed to promote accountability, ensure transparency, and achieve congruence with the Bank’s strategic goals. It also proactively addresses evolving ESG risks and seizes opportunities to foster sustainable growth. The Committee is tasked with several key objectives:



The ESG Committee is committed to guiding Capital Bank towards a future where financial success is balanced with positive environmental, social, and governance outcomes.

ESG Principles: Our Ethical Compass

Our ESG principles articulate our fundamental beliefs and serve as a compass for integrating environmental, social, and governance considerations into our decision-making processes and risk management practices. By adhering to the below ESG principles, Capital Bank reinforces its focus on minimizing its environmental footprint, embracing higher standards of human capital development and wellbeing and enhancing community relationships.

01. Climate Action

Actively work to reduce the impact of our operations on climate change and align our initiatives with Jordan's national objectives for reducing carbon emissions.

02. Resource Stewardship

Enhance and safeguard Jordan's natural resources by improving and supporting business practices that are eco-friendly

03. Workplace Inclusivity

Create a workplace environment that is inclusive, positive, and harmonious, with a focus on ethical business conduct that embraces Diversity, Equity, and Inclusion.

04. Community Engagement

Promote active engagement and nurture strong relationships with local communities.

05. ESG Integration

Incorporate ESG factors in evaluating risks, investment decisions, and assessing the impact of financing activities to gain a comprehensive perspective on sustainable development.

06. Governance Excellence

Maintain the highest levels of governance, conforming to the relevant regulations and standards within Jordan.

ESG Pillars: The Foundation of Sustainability Approach

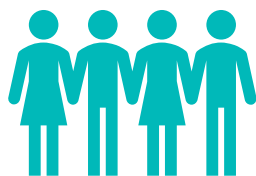
Our approach to ESG is based on the following three key pillars:

Capital Bank's Key ESG Pillars



Climate Action and Protecting the Environment

We are dedicated to preserving the environment and addressing climate challenges by minimizing our impact and promoting sustainable practices.



Creating Value for Our People and Communities

We support growth and development for our employees, customers, and communities, ensuring equal opportunities and promoting financial well-being.



Corporate Governance

We maintain the highest standards of integrity, accountability, and transparency, adopting innovative technologies and methodologies for responsible decisionmaking.

Each pillar represents a fundamental area of focus that drives our actions and decisions, contributing to a sustainable future for all stakeholders.

Alignment with SDG's & National Commitments

Capital Bank is committed to building a sustainable future, with a key focus on aligning our efforts with the Paris agreement, United Nations Sustainable Development Goals (UN SDGs) and local commitments. These goals serve as a global framework for promoting inclusivity, peace, and prosperity for people and the planet, both now and for generations to come.

Commitment to the UN SDGs

We remain committed to aligning our operations and initiatives with the ambitious targets established by the UN Sustainable Development Goals (SDGs). The bank is dedicated to these objectives as part of an ongoing effort, acknowledging that our actions can significantly influence global challenges, including poverty, inequality, climate change, environmental degradation, peace, and justice.



Alignment with National Commitments

In pursuit of the Sustainable Development Goals, Capital Bank aligns its operations with national priorities, including Jordan's National Green Growth Plan, Nationally Determined Contributions (NDCs), the Central Bank of Jordan's Green Finance Strategy, and the Amman Stock Exchange Guidance on Sustainability Reporting. This alignment underscores our commitment to economic modernization and sustainable growth within both national and global frameworks. By integrating the SDGs and national objectives into our business strategy, we continue to strengthen our ESG agenda while actively contributing to sustainable development and equitable growth within Jordan.



Materiality Refresh

Building on our previous materiality assessment, we conducted a comprehensive review to refresh our material topics, ensuring alignment with evolving societal, environmental, and governance priorities. Our materiality refresh process involved reassessing key issues by analyzing global and regional trends, industry best practices, and stakeholder expectations. This process included identifying emerging ESG risks and opportunities, evaluating their impact on our business, and prioritizing the most relevant topics for 2024. Through this assessment, Capital Bank reaffirmed its commitment to sustainability by focusing on areas that drive long-term value for both our operations and stakeholders.

The list below outlines the topics that we and our stakeholders recognize as material:

E

- Climate Change and Decarbonization
- Environmental Management
- Sustainable Lending and Investing

S

- Gender Equality and Workforce Development and Wellbeing
- Local Communities
- Financial Inclusion and Literacy
- SME Growth
- Customer Experience and Satisfaction

G

- Data Security
- Innovation and Digitization
- Incorporation of ESG Factors in Credit Analysis
- Compliance and Ethical Conduct



Stakeholder Engagement

Stakeholder engagement is fundamental to defining sustainability priorities of the bank. It transcends mere communication, establishing long-term relationships, valuing diverse viewpoints, and promoting collaboration that propels mutual growth and success. We are committed to sustaining regular, transparent, and proactive conversations, ensuring that we stay attuned to the changing needs and expectations of our stakeholders.

Our engagement efforts aim to align our strategic objectives with the interests of our stakeholders, thereby enhancing our social, environmental, and economic impact. This section outlines our approach to stakeholder engagement, the key groups we interact with, and the methods we employ to ensure their voices are heard and integrated into our decision-making processes.

Capital Bank has identified the following key stakeholder groups based on their influence and interest in our operations:



Engagement Methods

We employ a variety of methods to engage with each stakeholder group, ensuring that we cater to their specific needs and preferences. The table below summarizes the engagement methods used for each stakeholder group:

Stakeholder Group	Engagement Methods
Customers	Customer service centers, satisfaction surveys, social media platforms, community events, product and service innovation workshops
Shareholders and Investors	Annual general meetings, quarterly update mailers, investor briefings, sustainability reports, dedicated investor relations platforms and conferences
Employees	Internal communication platforms, employee surveys, regular meetings, training and development programs, performance reviews
Government and Regulatory Bodies	Compliance reports, policy integration, regulatory submissions, collaborative projects, public-private partnerships
Suppliers	Supplier code of conduct, regular performance evaluations, collaborative planning sessions, continuous communication
Community	Corporate social responsibility initiatives, local development programs, educational partnerships, volunteer activities

Capital Bank is dedicated to fostering a culture of open and constructive engagement with all our stakeholders. We believe that our collaborative approach to stakeholder engagement is essential for achieving our goals and driving positive change. We will continue to refine our engagement practices to meet the dynamic needs of our stakeholders and to uphold our commitment to creating shared value.

Climate Action and Protecting the Environment



Climate Action and Protecting the Environment

We strive to reduce our environmental impact and promote sustainability within our organization. Recognizing the environment's vital role in our well-being and economy, we are committed to responsible practices and ambitious goals to protect resources.

With a strong focus on clean energy and water conservation, we actively support national commitments. Our approach includes proactive energy and water-saving measures, efficient waste management, and continuous monitoring of resource use across our branches and headquarters.

Our Environmental Impact

As a financial institution, Capital Bank naturally has a lower emission profile, yet we place a high priority on minimizing our environmental impact. Our commitment to energy efficiency and the adoption of sustainable energy sources is an integral part of our operations.

This year marked a continuation of our efforts to diminish our environmental footprint. We have been assessing and implementing energy efficiency initiatives within our operations to enhance our performance in this area thus, we have integrated a Building Management System (BMS) to fine-tune our resource utilization. This initiative is in harmony with our core environmental principles, reinforcing our dedication to a sustainable and eco-conscious business model.

Spotlight

To resolve operational inefficiencies and reduce unnecessary energy consumption, Capital Bank implemented a series of strategic initiatives. The bank recognized that a significant amount of energy was being wasted as staff frequently left air conditioning (AC) and lighting on after working hours.

Initiative:

- To address this, the bank connected HVAC system equipment to the BMS, allowing for centralized control over temperature settings and operating hours.
- A ticketing system was established for bank staff to report any building management issues, which has resulted in decreased downtime and is currently being upgraded for improved performance.

These initiatives are of high importance to the Bank as it aims to reduce emissions and advance a responsible energy use culture among employees. The primary goals were to gain final control over the building's assets, identify areas for energy improvement, and set clear energy consumption targets.

This implementation received support from various stakeholders, indicating a collaborative effort to enhance the bank's energy management.

4,000 MWH

of electricity generated from Solar stations

79%

of the banks' electricity was generated from renewable sources Vs. 70% for 2023



Solar Power stations

Building on our established foundation of two solar power stations, Capital Bank has enhanced its renewable energy capacity by adding a third station, which has been implemented in 2023 and was fully operating in 2024. The impact of these stations, coupled with our energy conservation efforts, has led to a noticeable reduction in electricity usage, allowing us to meet most of our electricity needs through renewable solar energy sources.

The adoption of solar energy, along with our other energy-efficient practices, now allows a significant portion, 79% of our electricity to come from renewable sources. This change is a practical step towards reducing our environmental footprint and aligns with our goal of sensible energy management.

Tracking Our Energy Consumption

This year has been a pivotal one for Capital Bank, as we successfully reduced our fuel consumption (both diesel and gasoline) through our ongoing transition to electric vehicles, along with a decrease in our heating and cooling energy usage compared to last year.

Spotlight

To reduce our carbon footprint and recognize our impact on the surrounding environment, the bank has decided to replace eight conventional vehicles with eight electric vehicles. Given that our operations and directly controlled emission sources are minimal, this initiative allows us to utilize electricity generated from our existing solar stations, thereby significantly reducing our Scope 1 emissions. This proactive step not only aligns with our sustainability goals but also demonstrates our commitment to fostering a greener future.

Fuels Consumption – Diesel & Gasoline (G)

Fuels	2022	2023	2024
Diesel	1,441	289	304
Gasoline	1,379	871	680
Total Consumption	2,820	1,160	984

Heating & Cooling Consumption (G)

Heating & Cooling	2022	2023	2024
Heating	1,439	5,493	4,506
Cooling	3,053	9,689	9,966
Total Consumption	4,492	15,182	14,473

Electricity Consumption (GJ)

We have successfully managed to meet the majority of our electricity consumption through our renewable solar stations, achieving 79% this year compared to 70% for the previous year.

Electricity Consumption & Source	2022	2023	2024
Total Electricity Consumption from Solar Stations	9,576	12,493	14,228
Standard Grid Electricity Consumption	7,813	5,467	3,844
Total Consumption	17,389	17,960	18,073

Our Energy & Emissions Performance throughout the years

Energy	Unit	2022	2023	2024
Total Energy from Electricity (renewable+ non-renewable sources)	GJ	17,389	17,960	18,073
Total Energy from Heating/Cooling	GJ	4,492	15,182	14,473
Total Energy from Fuels	GJ	2,820	1,160	984
Total Energy Consumption	GJ	24,701	34,303	33,531
Energy Intensity	GJ/Employee	-	-	26.09

We diligently track our greenhouse gas (GHG) emissions, establishing a baseline to guide our environmental management and reduction targets.

This year, we have slightly reduced our Scope 1 emissions while maintaining a nearly consistent level for Scope 2 compared to last year.

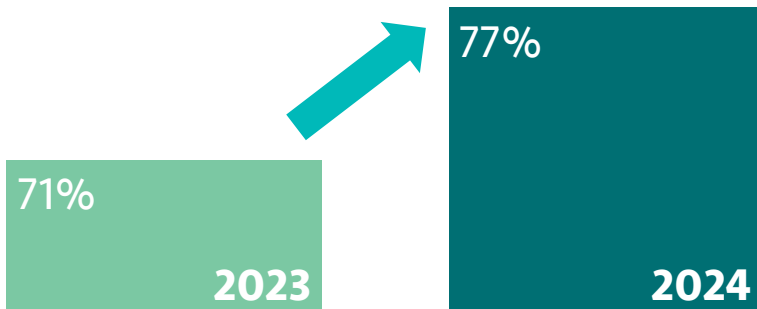
Emissions	Unit	2022	2023	2024
Total Scope 1 emissions	TCo2e	325	86	70
Total Scope 2 emissions	TCo2e	2,555	1,952	1,990
Total Emissions (Scope 1&2)	TCo2e	2,880	2,038	2,061
Emissions intensity	TCo2e/Employee	2.62	1.55	1.60



Understanding Our Consumption Habits

Procurement

we recognize the importance of supporting local businesses and fostering a more sustainable supply chain. This year, we are proud to have increased our spending on local suppliers to 77.2%. Our commitment to refining these practices continues as we strive to enhance our procurement processes. By streamlining procurement and prioritizing local sourcing, we support community businesses while minimizing the environmental impact of long-distance transportation.



Water and Waste Management

As part of our commitment to sustainability and efficient water management, Capital Bank expects to achieve a significant reduction in water consumption through faucet upgrades alone. This initiative is part of the Water Efficiency and Conservation Activity, a USAID-funded program aimed at improving water use efficiency across Jordan's agricultural, industrial, and commercial sectors. Implemented in collaboration with Al Aman, Tetra Tech, the Ministry of Water and Irrigation, and the private sector, the project promotes effective water-saving practices by installing devices that minimize water waste across various bank locations.

Building on our commitment to environmental responsibility since 2023, we continue to prioritize reducing paper waste. Our comprehensive waste management system promotes paper recycling through the adoption of digital solutions and the installation of shredding machines across all bank branches. Although our paper waste is minimal, it is diligently collected daily by our facilities management provider and securely transferred to the Greater Amman Municipality for recycling. These efforts reflect our dedication to sustainability and the integration of eco-friendly practices into our daily operations.

5,300 M3
Of water consumed in 2024

16 Tons
of paper recycled in 2024 vs.
5 tons in 2023

Sustainable Finance

Sustainable finance has become an indispensable aspect of modern banking, signaling a strategic shift in the industry's approach to environmental responsibility. Capital Bank acknowledges the vital role the financial sector plays in shaping a sustainable future. Globally, the sustainable finance market has experienced remarkable growth, with green bond issuances surpassing \$575 billion in 2023. These milestones highlight the growing importance of integrating ESG criteria into financial decision-making.

Sustainable finance drives progress toward sustainable development by channeling investments into critical areas such as renewable energy, affordable housing, and sustainable agriculture helping close the annual financing gap for achieving the Sustainable Development Goals (SDGs). Additionally, ESG-focused investments encourage corporate responsibility by promoting sustainable practices, ensuring long-term profitability, and mitigating environmental and societal risks.

Sustainable Lending and Investing

Over the past year, we have reinforced our commitment to sustainability as part of our broader ESG agenda, making significant progress in integrating sustainable lending practices. Key partnerships with institutions such as GuarantCo and Proparco/DEG have enhanced our ability to finance green and social projects while securing tailored facilities that drive long-term environmental and social impact.

At Capital Bank, we direct capital toward initiatives that generate both financial returns and positive ESG outcomes. By applying ESG criteria to our lending, we support economic activities that promote sustainability while mitigating environmental and social risks. Our collaborations have also provided access to innovative financing solutions, enabling us to fund renewable energy, solar power generation, SME support, and other key sectors. As we expand our sustainable financing portfolio, we remain committed to responsible lending and advancing the transition to a more sustainable economy.

Driving Our Green Agenda

This year, we have taken a substantial step forward in our sustainability journey by enhancing our internal capabilities. Recognizing the need for specialized knowledge in environmental and social governance, we have established the position of a dedicated Environmental and Social (E&S) officer. This pivotal role is tasked with uncovering new opportunities within Development Finance Institutions (DFIs) and aiding in the expansion of Capital Bank's sustainable finance offerings. The E&S officer will play a crucial role in ensuring that our growth strategies adhere to the highest ESG standards, paving the way for innovative and sustainable growth opportunities.

Looking to the Future

As we look to the future, our ambition is to further embed ESG considerations into every facet of our lending and investment processes. We are committed to expanding our sustainable finance portfolio, seeking out partnerships that yield significant environmental and social benefits, and adopting state-of-the-art solutions to address the urgent environmental and societal challenges of our time. By doing so, we aim to reinforce our position as a leader in sustainable finance and continue to drive positive change within the industry and beyond.

Creating Value for Our People and Communities



Creating Value for Our People and Communities

Prioritizing People and Culture at Capital Bank

At Capital Bank, we foster a culture of diversity, inclusion, and equity, ensuring all stakeholders feel valued and empowered. We invest in our employees’ growth through training & development programs, work-life balance and well-being initiatives. Our commitment to community engagement and social responsibility extends beyond our organization, supporting financial inclusion and community prosperity.

To address emerging needs and ensure our HR department remains at the forefront of industry practices, in 2024, we have developed and revised a comprehensive set of HR policies covering key areas such as talent acquisition, organizational design, and learning. our HR department focused on strategic development, implementing key policies on Compensation and Benefits, Talent Management, Secondments, and Internships. These policies are regularly reviewed and updated to align with employee and emerging needs. Additionally, we enhanced efficiency by adopting a new HRMS, enabling data-driven decision-making and streamlined HR management.

Policy Name
Compensation and Benefits
Talent Acquisition
Organization Design
Learning
Talent Management
Travel and Transportation
Promotions
Secondments
Interns/Trainees
Employee Assistance Program “EAP”

Diversity and Inclusion

We recognize that diversity and inclusion are fundamental to our success. Our initiatives promote an environment of equity and belonging, ensuring that all employees have the opportunity to thrive and contribute to our collective success. By embracing diversity, we enhance our organizational culture, drive innovation, and better serve our diverse customer base.

Our Talent Acquisition policy ensures that all employment practices are free from discrimination based on gender, ethnicity, religion, personal beliefs, or disabilities. We pride ourselves on an open-door culture that encourages and safeguards freedom of expression.

Promoting Inclusive Gender Diversity

We value the contributions of women in both society and the workplace, ensuring our female staff members receive the support they need. The Bank supports the career advancement of female employees into executive and leadership roles, allowing them to significantly influence the Bank’s operations. To further support and empower women within the bank, we host the Pink October event in collaboration with Kun and the King Hussein Cancer Center (KHCC).

Zero
Discrimination cases reported

 **27%** women hold leadership positions
38.5% are female employees

In 2024, Capital Bank launched the “Mastering Leadership for Women” program to support the culture of inclusivity and acknowledge the pivotal role of women in leadership. This initiative empowers female employees to ascend the ranks within the financial industry. The program features a comprehensive curriculum covering essential leadership areas. It begins with Goal Setting, guiding participants in aligning their personal ambitions with professional objectives. The Emotional Intelligence segment enhances their ability to navigate workplace dynamics and conflict Resolution equips them with techniques to manage disagreements constructively.



Mastering Leadership for Women:
Empowering female excellence in goal setting, teamwork, and communication.

Below is a table showcasing the representation of females in various management levels and staff positions over the past years. Table highlights our ongoing efforts to increase female representation across different levels of the organization.

Category	2022	2023	2024
Females in Senior Management	0.4%	0.4%	0.4%
Females in Middle Management	6.1%	6.6%	6.8%
Females in Staff Positions	31.9%	30.7%	31.3%

Embracing Diversity Across Different Employee Segments

To further illustrate our commitment to diversity, the following table provides a detailed breakdown of the percentage of employees in various segments, categorized by age, gender, and nationality:

Diversity Categories	2022	2023	2024
Under 30			
Senior management	0.0%	0%	0%
Middle management	0.2%	0.30%	0.23%
30 staff	27.8%	27.5%	26.4%
Between 30-50			
Senior management	0.8%	0.9%	0.9%
Middle management	16.1%	17.7%	18.5%
Staff	50.4%	48.9%	49.8%
50+			
Senior management	0.5%	0.6%	0.5%
Middle management	1.1%	1.1%	1.1%
Staff	3.1%	2.8%	2.6%
Females			
Senior management	0.4%	0.4%	0.4%
Middle management	6.1%	6.6%	6.8%
Staff	31.9%	30.7%	31.3%
Male			
Senior management	0.9%	1.2%	1.0%
Middle management	11.3%	12.6%	13.0%
Staff	49.3%	48.5%	47.5%
Jordanian Nationals			
Senior management	1.2%	1.3%	1.4%
Middle management	17.1%	18.9%	19.7%
Staff	80.9%	79.1%	78.6%
Non-Jordanians			
Senior management	0.1%	0.15%	0.00%
Middle management	0.3%	0.2%	0.2%
Staff	0.3%	0.3%	0.2%

Continuous efforts are being made towards attracting and retaining young talent, with a significant proportion of our staff under the age of 30. This segment constitutes a vital part of our workforce, bringing fresh perspectives and innovative ideas to the forefront.

Additionally, we are committed to local employment, with the majority of our workforce comprising Jordanian nationals. Highlighting our commitment to supporting the local economy, indigenous communities, and providing opportunities for local talent. Furthermore, the contributions of our non-Jordanian employees are highly valued, as they bring diverse experiences and perspectives to our bank.

Advancing Towards Gender Pay Equity

Capital Bank has a unified pay scale and incentives policy that does not allow differentiation between genders, nationalities, or backgrounds. We have seen positive trends in the equality of base salaries and total remuneration between women and men within various job categories.

Ratio of Basic Salary and Remuneration of Women to Men	2022	2023	2024
By job category (Senior management)	76%	77%	88%
By job category (Middle management)	84%	85%	82%
By job category (staff)	96%	96%	98.5%

Employment

We are committed to equitable, transparent, and inclusive employment practices. Our comprehensive approach includes competitive compensation, diverse benefits, and development programs tailored to our workforce's needs. With a well-defined organizational structure, we align roles and responsibilities with strategic objectives while fostering high engagement and performance. Additionally, we extend regular benefits to temporary hires, reinforcing our commitment to fairness and compliance with local employment regulations and labor laws.

Employees	2023	2024
Total number of employees	1,341	1,285
by gender	Male = 837 Female = 504	Male = 790 Female = 495
Total number of permanent employees	1307	1265
by gender	Male = 822 Female = 485	Male = 780 Female = 485
Total number of Temporary employees	34	20
by gender	Male = 15 Female = 19	Male = 10 Female = 10
Total number of part-time employees	Zero	Zero

In 2024, we updated job descriptions to reflect current organizational needs and conducted a comprehensive talent mapping exercise to chart the bank's human capital landscape. Additionally, we adopted a new HRMS, enhancing efficiency and enabling data-driven HR and onboarding management.

These initiatives are significant milestones and serve as key performance indicators for our department's long-term success.

Hiring and Turnover Insights

2024 data on new hires, categorized by gender and age group, offers valuable insights that inform our employment strategies and support our vibrant corporate culture. The table below provides an overview of our recruitment trends.

New Hires	2022	2023	2024
Total number of new hires	268	218	163
Rate of new employee hires	21%	17%	13%
By gender (Females)	93	72	51
By gender (Males)	175	146	112
By age (Under 30)	156	121	102
By age (Between 30 and 50)	111	95	59
By age (50+)	1	2	2

Understanding and managing employee turnover is critical for maintaining a stable and satisfied workforce. We regularly monitor and assess our turnover rates to identify areas of improvement and retention strategies.

Turnover	2022	2023	2024
Turnover rate (%)	11%	14%	15%
Total number of employees leaving employment during the reporting period	143	189	190
By gender (Females)	50	68	59
By gender (Males)	93	121	131
By age (Under 30)	43	47	66
By age (Between 30 and 50)	89	132	116
By age (50+)	11	10	8

Learning and Development

By focusing on bridging competency gaps and enhancing performance, we aim to transform professional development into a journey that is engaging and deeply rewarding to our employees.

Our policy encourages the advancement of self-directed, cost-efficient digital learning, allowing our workforce the flexibility to develop at their own pace. Additionally, we take pride in developing our internal talent into skilled trainers, capable of delivering tailored learning experiences.

Skill Enhancement and Transition Support

We are dedicated to fostering professional growth and adaptability through skill enhancement and career transition programs. By offering development opportunities for branch employees and specialized tracks for high-potential talent, we ensure our team is equipped to excel in the evolving financial industry.

"BITES" program for branch employees	"Skills for Success" for branch champions	Branch managers program
Training journey for the compliance team	Soft skills programs	Acceleration program for high-potential employees

Collaborations for Development

Our dedication extends to embracing strategic collaborations with renowned external partners to enrich our educational landscape. Through alliances with development partners such as 180 Degrees for in-house soft skills courses, Randa Azar for our women’s leadership program, and Better Business for our acceleration program, we broaden the horizons of learning and development for our employees.

- 180 Degrees
for in-house soft skills courses
- Randa Azar
for the women’s leadership
program
- Better Business
for the acceleration program

Initiatives and Achievements

We have recently rollout a diverse array of learning initiatives. From the Women Leadership Program designed to elevate the role of women in executive positions to the comprehensive IT Academy, we are advancing a culture of continuous learning. The Branches Excellence Training Program and the Branch Managers Program are tailored to enhance the operational proficiency of our branch network. The Champions Program, Shadowing Program, and collaborative Fintech Program with IBS provide practical, hands-on experience. Additionally, our Data Program, Digital Upskilling through Udemy, and the Senior Management Leadership Enrollment Program ensure that our employees are equipped with cutting-edge skills to navigate the complexities of the banking landscape.

Recent Initiatives
Women Leadership Program.
Acceleration Program for high-potential employees.
IT Academy.
Branches Excellence Training Program for all branch employees.
Branch Managers Program.
Champions Program.
Shadowing Program.
Fintech Program in collaboration with Fintech academy programs - IBS.
Data Program.
Digital Upskilling Program through Udemy licenses.
Senior Management Leadership Enrollment Program.

Capital Campus
 Capital Bank is dedicated to empowering employees through professional development, exemplified by the launch of Capital Campus on February 15, 2024. This training facility, equipped with advanced technology and interactive learning environment, serves as a center for knowledge and growth. Guided by experienced trainers, the Campus prepares our teams to deliver exceptional service, ensuring our customers receive the highest level of expertise in the industry.

We have seen a commendable increase in the total learning opportunities and hours compared to previous years, with more employees participating in specialized leadership programs.

The bank’s efforts have resulted in a notable uptick in the number of certificates earned by our employees, signifying the successful acquisition of industry-relevant qualifications and skills.



Category	2022	2023	2024
Total learning opportunities	7,379	6800	11,419
Total number of trained employees	1311	1300	1,415
Total number of certificates	19	28	50
Total number of employees who attended leadership programs	78	95	257
Total number of employees who are registered in Moody's academy	29	41	-
Average training hours per employee	15.6	19.2	19.9
Average training hours provided to female employees	15.2	18.4	19.5
Average training hours provided to male employees	14.8	18.6	19.1
By Employee Category : Senior Management	22.9	8.5	7.1
By Employee Category : Middle Management	22.3	17.2	14.3
By Employee Category : Staff	13.2	19.5	12.7

Employee Engagement & Well-being

Employee engagement and well-being are central to our success. We prioritize the well-being of our employees by offering a range of wellness programs and supportive initiatives. Furthermore, we conduct monthly team-building activities to advance unity and collaboration among our employees. By nurturing a culture of engagement and well-being, we ensure that our employees are equipped to perform at their best and contribute to a thriving workplace.

Supporting Holistic Employee Health and Wellbeing

In our continued partnership with Kun, we focus on nurturing the well-being of our employees, addressing mental, physical, emotional, and financial aspects through a variety of interactive workshops, informative talks, webinars, and dynamic pop-up activities. Rewarding on-site events further enhance work experience.

Partnership with Kun for Holistic well-being Initiatives.

Performance management

We ensure that all employees participate in regular performance and career development evaluations to support their career progression. Through a variety of HR engagement activities, pulse surveys, and focus group discussions, we provide platforms for our employees to voice their opinions and contribute feedback on different topics such as organizational culture, job satisfaction, and training experience.

“Capital Stars” is our quarterly recognition program that celebrates employees who demonstrate our core values, reinforcing a culture of excellence & appreciation.

Percentage of Employees Who Received Regular Performance and Career Development Reviews:

Categories	2022	2023	2024
By Gender: Female	100%	100%	100%
By Gender: Male	100%	100%	100%
By Employee Category: Senior Management	100%	100%	100%
By Employee Category: Middle Management	100%	100%	100%
By Employee Category: Staff	100%	100%	100%

Nurturing New Parenthood at Work

Recognizing the importance of balancing professional responsibilities with the demands of parenthood, our parental support initiatives provide comprehensive assistance to working mothers, ensuring they receive the required support to navigate their personal and work life:



Work-From-Home Flexibility: We offer tailored work-from-home option to provide the necessary flexibility for working mothers



Nursery Allowance: To alleviate the financial pressure of childcare, we provide a monthly nursery allowance for each child under the age of four

The following data showcases 2024 performance and employee’s eligibility for parental/maternity leaves:

Parental Leave	2022	2023	2024
Number of employees who are entitled to parental leave: By Gender (Females)	-	268	260
Number of employees who are entitled to parental leave: By Gender (Males)	-	526	477
Number of employees who took parental leave: By Gender (Females)	20	28	35
Number of employees who took parental leave: By Gender (Males)	42	40	51
Returnees from parental leave: By Gender (Females)	20	23	26
Returnees from parental leave: By Gender (Males)	42	40	51
Returnees from parental leave who were still working for the bank 12 months later: By Gender (Females)	20	29	25
Returnees from parental leave who were still working for the bank 12 months later: By Gender (Males)	41	39	35
Return to work rate of employees that took parental leave: By Gender (Females)	100%	82%	74%
Return to work rate of employees that took parental leave: By Gender (Males)	100%	100%	100%
Retention rate of employees that took parental leave: By Gender (Females)	100%	96%	71%
Retention rate of employees that took parental leave : By Gender (Males)	98%	98%	69%

* In certain cases, parental leaves overlap the reporting years



Health & Safety

Work Health and Safety (WHS) is a core element of our operations. Through regular training, comprehensive risk assessments, and adherence to industry best practices, we proactively prevent workplace incidents and promote overall wellness. Every employee is equipped with the tools and knowledge needed to maintain a secure and healthy work environment. Our commitment to WHS is reflected in our track record of zero health and safety-related workplace injuries, demonstrating the effectiveness of our safety protocols and the dedication of our team to fostering a safe workplace.

Our certified health and safety professionals, supported by an approved HSE policy, drive the effective implementation of our Health and Safety Management process and procedures. Additionally, the team is fully equipped to effectively manage and address any hazard identification materials present in the workplace. They conduct periodic inspections to ensure compliance and safety standards are met. Following these inspections, further recommendations are made to address any identified health risks or hazardous materials, ensuring proper management and safeguarding the well-being of all employees.

In 2024, our commitment to employee well-being was further solidified through the introduction of comprehensive health and safety measures and extensive training programs. Among the proactive measures we have taken include:

- The establishment of a Civil Defense-accredited evacuation plan, with regular drills conducted in partnership with Civil Defense across all our buildings and branches.
- We enhanced our safety measures by including floor insulation for the electrical rooms.
- Regular inspection reports to ensure continuous adherence to safety standards.
- The appointment of three dedicated and certified staff members to lead Health, Safety, and Environment (HSE) initiatives.
- The presence of HSE committee, that make sure to have the policies applied in the bank, in addition to implementing the safety standards.



Ensuring Safety

Our evacuation plan is Civil Defense-accredited, complemented by regular safety drills and enhanced electrical room insulation, all monitored by certified HSE professionals.

In terms of employee education, we leverage the Salalem platform to deliver safety awareness sessions, ensuring that all existing and new joiners are thoroughly oriented. Additionally, we have placed awareness videos on the main screens within our buildings to keep health and safety at the forefront of our daily operations.

Our Relationship with Our Customers

We prioritize a deep understanding of our clients' needs, ensuring our products and services are carefully aligned to meet those needs. Customer Centricity and Operational Excellence form the foundation of our strategy, with a focus on enhancing the customer experience while driving business efficiency. We are committed to continually improve our services, aiming to exceed expectations and provide a transparent, and straightforward experience.

Customer-centric initiatives

Inclusivity and Accessibility: Our Commitment to Vulnerable Groups

At the core of Capital Bank's values is the principle of inclusivity, a commitment that is reflected in our efforts to ensure that our services are accessible to clients with disabilities. We take pride in our network of branches and ATMs that cater to the needs of all customers, regardless of physical ability. Our initiatives, such as the production of Braille compliant Booklets and the dissemination of awareness videos, are a clear demonstration of our dedication to creating a banking environment that is welcoming and accommodating to everyone.

Voice of Customer Program: Enhancing Customer Experience

The Voice of Customer program is a testament to our dedication to understanding and meeting customer needs. This year, 33K customers were engaged in VOC, through traditional and digital surveys, we gather insights that help us refine our services. The feedback collected has contributed to a significant increase in our Net Promoter Score resulting in NPS 66% VS 55% in 2023 and Customer Satisfaction 96% vs 95% in 2023 rates. Our dashboards and monthly reports provide a granular view of customer transactions and journeys, enabling us to proactively address issues and drive continuous improvement.

Communication and Transparency: Building Trust

Clear and transparent communication is pivotal in building trust with our clients. We have standardized the language used in SMS and notifications to ensure clarity and consistency across all channels, while also respecting client privacy. Our personalized welcome letters for new clients are designed to provide a warm introduction to Capital Bank, outlining the key benefits of their chosen products and enhancing their onboarding experience.

Streamlining Customer Journey

Over the past year, we have significantly expanded our customer journey maps, adding more touchpoints to ensure a frictionless and engaging experience. Our Contact Center has managed an impressive volume of calls and digital interactions, with a Self Service IVR system that empowers customers to complete transactions independently. The center's excellence was recognized in the latest mystery shopper report, where it received the highest rating among the industry.

Accessible Branches and ATMs



- 7 branches fully accessible to clients with disabilities
- 128 ATMs designed for accessible

Capital Bank of Jordan

Continuous Innovation: Automated Solutions and Recognitions

Our commitment to innovation is reflected in the enhancements made to our internal systems, designed to cater to evolving customer needs. We are also proud to announce that our mobile application has received an award for its features, further solidifying our position as a leader in digital banking solutions.

Recognizing Excellence: App Award Achievement

Capital Bank's mobile application has been distinguished with a prestigious award, a testament to our innovative approach to banking. This compliment highlights the app's user-friendly design, robust security features, and a wide array of financial services that cater to the modern customer's needs.

By prioritizing education, inclusivity, customer feedback, transparent communication, and technological innovation, we contribute to the economic and social well-being of the communities we serve alongside enhancing the customer experience.

Capital Bank was recently recognized with the **'Best Cash Management Bank in Jordan'** award at the 2024 Global Transaction Banking Innovation Awards, hosted by The Digital Banker. This prestigious award highlights the excellence of Capital Bank's cash management services and products, which are specifically designed for their corporate clients. These innovative solutions are aimed at addressing the dynamic needs of customers, ensuring efficient, secure, and user-friendly management of liquidity and working capital.

Key Service Enhancements for Our Corporate Clients

Highlighted below are significant enhancements we have introduced this year to enrich the banking experience of our corporate customers.



Trade Finance and Re-vamping of Online Banking Services: Capital Bank has made noteworthy progress in improving the online banking experience for our corporate clients. Our business online banking platform now features advanced Trade Finance capabilities, allowing clients to view, submit, and manage their Trade Finance transactions with ease. The recent revamp of the online banking interface has been designed to enhance customer interaction, making the process of conducting transactions both efficient and user-friendly.

Community Development

Community development is a key focus area for creating a positive and lasting impact on society. By promoting economic growth, responsible practices, and providing accessible financial education, we remain dedicated to empowering communities and driving meaningful change.

Supporting SMEs to Empower the Local Economy

We recognize the vital role small and medium-sized enterprises (SMEs) play in Jordan's economic growth and sustainability. As key drivers of innovation, job creation, and community development, SMEs form a cornerstone of the local economy. Their potential to adopt sustainable practices, enhance resource efficiency, and contribute to green initiatives makes them an equal partner in building a more resilient and inclusive future. For Capital Bank, SMEs present a unique opportunity to create financial solutions that foster growth. By offering accessible financing, expert advisory services, and innovative banking products, the Bank aims to empower SMEs to thrive and drive positive economic and social impact.

As part of our commitment to supporting SMEs, we have a dedicated team focused on addressing their unique needs. We offer a wide range of tailored banking solutions designed to serve SMEs across various economic sectors. Through our business centers and digital platforms, we actively implement projects aligned with the Central Bank of Jordan's directives, spanning industries such as renewable energy, healthcare, and education.

To enhance SME access to financing, we continue to collaborate with local and international institutions. These partnerships direct a portion of our lending to women, youth, and active SMEs across the Kingdom.

Our external lending solutions and portfolio guarantees are designed to improve SME financing accessibility, often featuring low-interest rates and high guarantee coverage. These efforts are driven by strategic collaborations with:

- Arab Fund for Economic and Social Development (AFESD) and International Bank for Reconstruction and Development (IBRD) funds facilitated via the CBJ (for lending)
- Guarantco's portfolio risk sharing facility (Guarantee facility)
- Propoarco/DEG funding facility
- European Investment Bank (EIB) Funds (for lending)
- Jordan Loan Guarantee Corporation (JLGC) Guarantees
- Economic Resilience Initiative (ERI) and Global Concessional Financing Facility (GCFF) Guarantee Facilities (EIB Guarantees)
- Lending through Central Bank of Jordan's Specialized Programs

A key enhancement introduced this year is the SMEs Bundles initiative:

SMEs Bundles Initiative

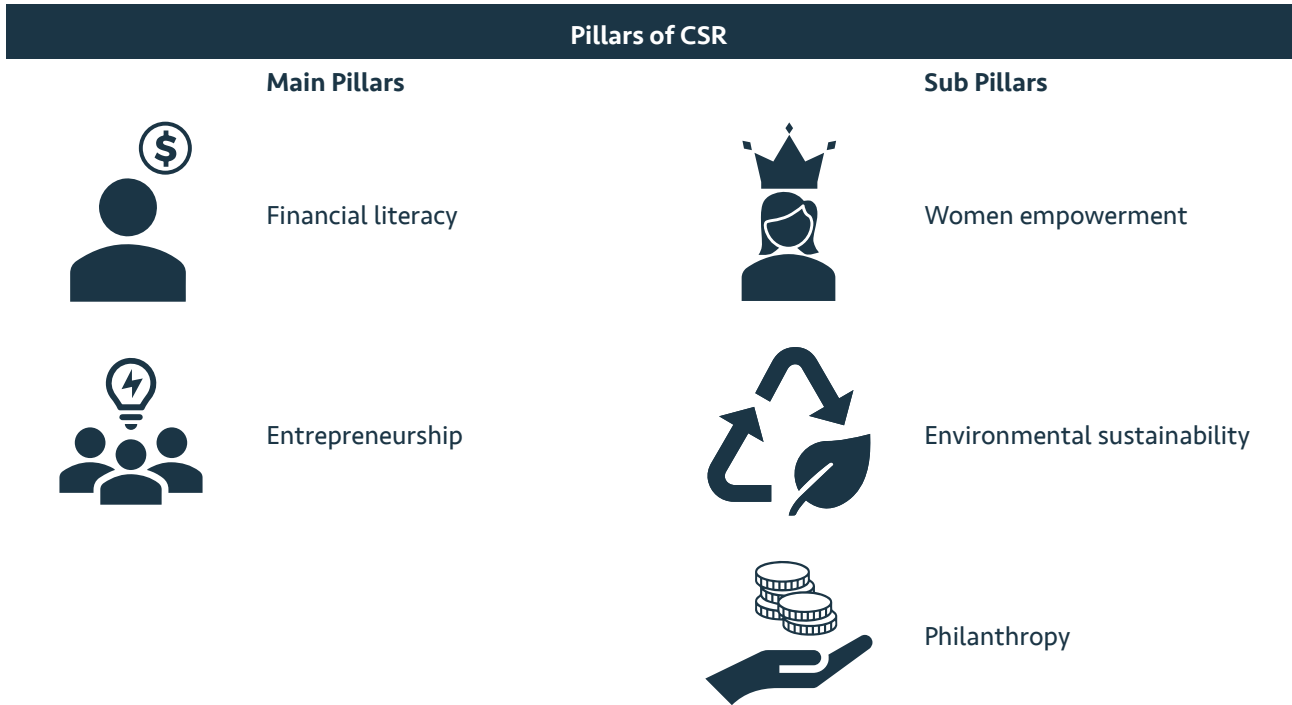
The SMEs Bundles Initiative is designed to empower small and medium-sized enterprises by streamlining financial management and minimizing operational costs. Through our thoughtfully crafted bundles—Valuable, Wise, and Dynamic—we provide a comprehensive suite of services tailored to meet the unique needs of SMEs, helping them optimize their operations. By encouraging the use of our advanced digital banking platforms, we strive to enhance efficiency and convenience, enabling our SME clients to concentrate on driving growth and achieving their business goals.

Corporate Social Responsibility and Financial Literacy

Capital Bank is committed to the transformative impact of corporate social responsibility (CSR) in creating meaningful change within our local community. Our comprehensive CSR approach is thoughtfully designed to address key local challenges, aligning with our dedication to sustainable growth and development.

1 million
JOD for CSR

Our CSR strategy is built upon main pillars such as financial literacy and entrepreneurship, with additional focus on sub-pillars including women empowerment, environmental sustainability, and philanthropy. These pillars guide our actions and ensure that our efforts are aligned with the needs of our society.



In line with our CSR focus, we have identified key areas of need and directed our efforts towards initiatives that make a difference. Financial literacy, a central pillar endorsed by the Central Bank of Jordan, has been the cornerstone of our strategy. We have developed a comprehensive action plan that includes educational activities for school students, the general public, and our employees, empowering them to make informed financial decisions. Taking part in the career days at public schools to promote financial literacy Organized by Injaz and Madrasati Initiative, part of the Queen Rania Foundation (QRF), whereby our employees have participated as volunteers.

Our philanthropic efforts continue with support for initiatives like Tkiyet Um Ali and Waqf Thareed to combat hunger, as well as societal support through various organizations such as Himmetna, SOS, Iwaa Center, and more.

Stemming from our belief in the importance of women empowerment and supporting entrepreneurs, We took active steps in sponsoring events and conferences such as the SheTechs annual forum that aims to empower female entrepreneurs.

Additionally, we have partnered with Wasel for Awareness and Education, an NGO dedicated to fostering civic engagement among youth from diverse backgrounds, helping them launch social initiatives through interactive programs.

Deer Malak Initiative

Recognizing the importance of financial wellness as a fundamental aspect to building a stable and prosperous society, in addition empowering individuals and communities with the knowledge and tools to make well-informed financial decisions to help create a better future, the bank introduced “Deer Malak” initiative, a pioneering step towards making financial literacy more accessible to Jordanians.

The initiative aims to support the Central Bank’s mission by fostering open conversations around money. By encouraging dialogue surrounding topics that address everyday financial concerns, seeking to guide Jordanians from different target audience groups on a journey toward better financial awareness through various activities and initiatives. The goal is to make financial literacy not just understandable, but also practical, approachable, and actionable.

Contributions in 2024

In 2024, Capital Bank remains steadfast in its commitment to community support, with a focus on education, youth, health, and humanitarian aid. We continue our internal scholarship program for employees’ children and support external educational initiatives, including partnerships with Al Aman Fund and Elia Nuqul Foundation to cover tuition fees, as well as supporting students with disabilities in collaboration with Al Bunayyat Center.

Moreover, our annual Ramadan CSR campaign involved collaboration with Atfaluna, an NGO providing medical care for underprivileged children, funding 29 medical procedures this year.

Volunteering Committees

Capital Bank champions the spirit of volunteerism, encouraging our employees to actively participate in our CSR initiatives. From food packaging and distribution with Tkiyet Um Ali to engaging in fun days with HCC and SOS, our teams contribute their time and energy to various causes. Employees also share their expertise by participating in the Madrasati Initiative, fostering financial literacy among students.

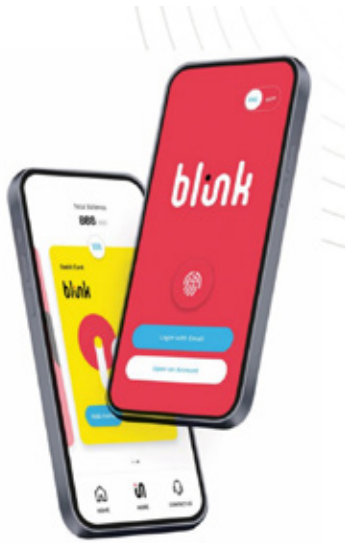
Financial Inclusion

Financial inclusion is key to economic stability and opportunity, enabling individuals to access essential financial services. To support this, Capital Bank leveraged blink by capital, providing seamless digital onboarding and tailored banking solutions for the unbanked population.

Blink by Capital Bank: Advancing Financial Inclusion

Blink by Capital Bank, our established digital banking platform, is at the forefront of this initiative, simplifying banking with fee-free accounts, easy access, and a user-friendly digital experience. Targeting youth, housewives, salaried individuals, and both the banked and unbanked, Blink ensures financial services are accessible to all, including those with limited financial literacy.

With 24/7 customer support via in-app calls, live chat, and a hotline, Blink provides continuous assistance, enhancing financial education and accessibility. Additionally, we are developing short educational videos to guide customers on basic banking products and cybersecurity, reinforcing our commitment to financial empowerment.



Achievements

Blink by Capital Bank has seen remarkable growth and success:

- A 85% increase in customer onboarding compared to the previous year.
- A 209% rise in active customers compared to the previous year.
- Customer deposits surged by 350%.
- Debit card spending increased by 365% compared to the same period in 2023.
- Credit card spending jumped by 144% compared to the same period in 2023.
- Customer satisfaction (NPS) consistently remained above 93%.
- The app rating improved significantly from 3.7 to 4.6.
- Enhanced data science and business intelligence capabilities have been leveraged for decision-making and customer retargeting.
- Continuous improvements in customer experience and support to ensure top-tier service.

Future Plans

Looking ahead, Blink by Capital Bank aims to increase digital customer activation and engagement, particularly outside of Amman, where currently only 8% of our customers reside. By introducing targeted offerings, we plan to support broader financial inclusion promoting savings propositions and awareness across our platforms.

Additionally, we are focused on increasing the proportion of women children and expats in our customer base. We recognize the opportunity for growth in this area and are committed to developing targeted digital offerings to better serve and engage diverse customer segments within the Jordanian market.

Through these strategic plans, Blink by Capital Bank is poised to continue leading the charge in financial inclusion, ensuring that every segment of our society has the tools and knowledge to participate fully in the Jordanian financial landscape.



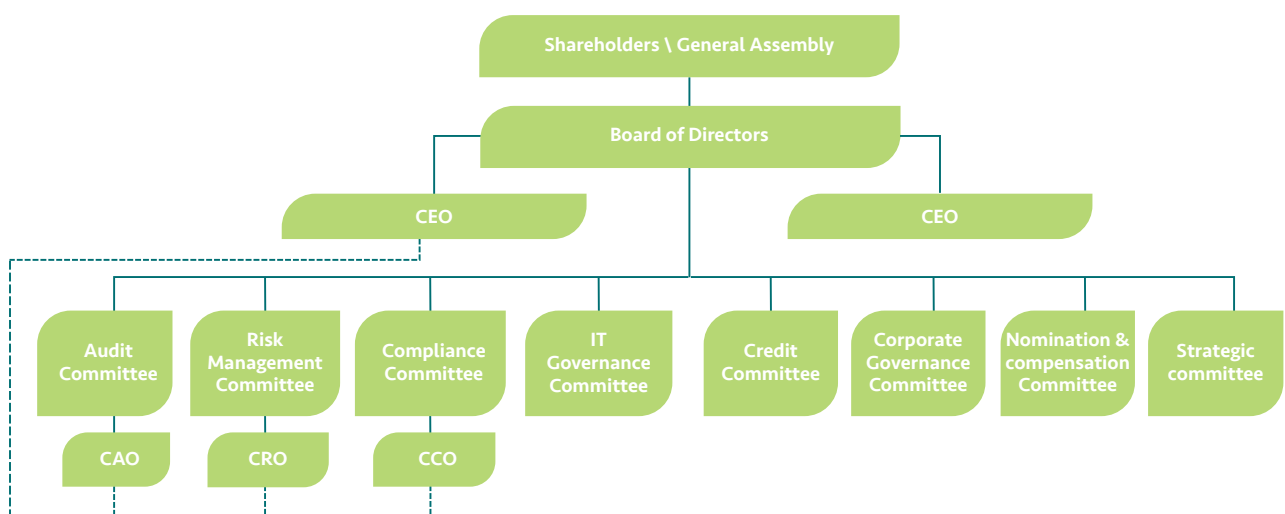
CORPORATE GOVERNANCE



CORPORATE GOVERNANCE

The corporate governance structure of Capital Bank is a robust and multi-tiered framework designed to ensure the highest standards of oversight and management. It is built on a foundation of accountability, transparency, and compliance with regulatory requirements. This structure is pivotal in maintaining the integrity of the bank's operations and in safeguarding the interests of all stakeholders, including shareholders, customers, employees, and the wider community.

Our governance framework is structured into key layers: at the top is the Shareholders/General Assembly, followed by the Board of Directors and its supporting Committees. The Executive Management, led by the CEO, implements board strategies and oversees daily operations to ensure compliance and efficiency. Operationally, skilled departments and teams drive the execution of routine functions, aligning with strategic goals to deliver products and services with excellence.



This governance structure is a testament to Capital Bank's commitment to upholding the highest standards of corporate conduct and ensuring the bank's sustainable growth and success.



Governance Committees

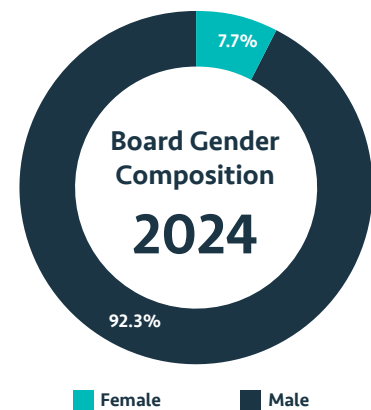
Governance committees play a pivotal role in shaping strategic direction, overseeing risks, ensuring regulatory compliance, and upholding the integrity of financial practices. These committees are instrumental in driving the bank's strategic goals, proactively managing risks, and reinforcing resilience against potential challenges to maintain high operational standards.

Their dedication to legal and ethical compliance is reflected in thorough audits and systematic reviews, ensuring adherence to regulatory requirements and alignment with industry best practices. By carefully supervising financial statements, they enhance transparency and strengthen stakeholder trust, which is essential to the bank's reputation and long-term success.

Our Board structure includes focused committees including the Audit, Credit, Compliance, Risk Management, and Remuneration Committees, each charged with specific, synergistic duties.

Ensuring Board Independence and Diversity

Our Board of Directors is a pillar of governance, with a consistent composition of 13 members and 31% independent directors over the last three years. This structure reinforces our commitment to objective and strategic leadership. In 2024, our Board's gender composition comprised of 7.7% women and 92.3% men. We remain deeply committed to gender diversity and inclusivity within our leadership. As we progress, we continue to prioritize the representation of women in our leadership, ensuring that our governance is as diverse as the communities we serve.



Capital Bank is committed to implementing the corporate governance instructions issued by the Central Bank of Jordan with regard to the composition of the Board of Directors, including the number of board members, the number of independent members, and the mechanism for their election and appointment. The Nominations and Remuneration Committee, a subcommittee of the Board, is responsible for identifying the necessary requirements to ensure the independence of board members. The Bank has also developed a suitability policy to ensure that board members maintain the highest levels of credibility, integrity, competence, and relevant experience. This policy outlines the criteria, requirements, and conditions that must be met by each board member and is reviewed periodically to ensure continued compliance by all members.

Upon election, each board member is provided with relevant legal texts governing banking operations, along with the Central Bank of Jordan's instructions related to the duties of the Board. Members are also informed of their rights, responsibilities, and obligations. New members are offered an orientation program tailored to their banking background. The program at a minimum cover: the Bank's organizational structure, corporate governance framework, code of professional conduct, institutional objectives, strategic plan and approved policies, the Bank's financial position, and its risk structure. The Bank also ensures that the development and continuous learning needs of board members are met.

The bank also complies with corporate governance requirements concerning the formation of board-level committees and the establishment of clear roles and responsibilities for each. These include the Corporate Governance Committee, which oversees the development, updating, and monitoring of the Corporate Governance Manual, and the Nominations and Remuneration Committee, which identifies qualified candidates for Board membership, considering the skills and competencies of nominees. The committee also applies a defined and approved methodology to objectively evaluate the performance of the Board and the CEO.

Management With Responsibility

Compliance and Ethical Conduct

Our Code of Conduct is the foundation of our corporate culture and a daily guide for our employees. This Code is an ethical framework that defines the basic ethical standards, principles, and behaviors that we expect our employees to consider and adhere. Capital Bank ensures that the Code of Conduct is communicated and regularly emphasized to all employees through training sessions, workshops, and regular communication. Compliance with the Code is mandatory, any breach of the Code will be addressed promptly and may result in disciplinary action. By adhering to this Code, we reinforce our commitment to integrity, business ethics, and maintaining our reputation as a responsible and trustworthy financial institution.



		
Confidentiality and Privacy	Values and Ethics	Anti-Money Laundering
		
Business Relationships	Environment, Health & Safety	Conflict of Interest
		
Equal Employment Opportunities	Investigations and Disclosure	Harassment

Our Organizational Values

Our organizational values are the foundation of our Code of Conduct. They shape our identity, guide our principles, and approach to business. At Capital Bank, we are committed to **Integrity, Responsibility, Respect and Transparency.**

Employee Responsibilities			
Understanding and complying with the Code of Conduct	Making decisions that align with the Bank’s values and ethical standards	Reporting any behavior that violates this Code or the Bank’s ethical framework	Continuously promote a culture of integrity and accountability



Alongside the code of conduct, the bank strictly follows the following policies and does not permit any deviations from these established guidelines:

- Whistle Blowing Policy
- Executive Management Suitability
- executive management accountability
- Signature Authority Policy
- Regulatory compliance policy & Procedures
- Customer Complaints policy & procedures
- AML policy & procedures
- Sanctions Policy & Procedures

Conflict of Interest

Our conflict-of-interest policy is essential for maintaining integrity and transparency within an organization. This policy aims to identify, disclose, and manage any situations where personal interests may conflict with professional responsibilities. By establishing clear guidelines, the policy seeks to prevent unethical behavior and ensure that decisions are made in the best interest of the organization and its stakeholders. The goals of the conflict-of-interest policy include fostering a culture of accountability, protecting the organization’s reputation, and promoting trust among employees, clients, and partners. Ultimately, this policy serves as a framework for ethical decision-making, helping to safeguard the organization’s values and objectives.



2024 Compliance Initiatives

In 2024, we maintained our practice of regularly updating policies to ensure compliance and operational excellence, in addition to undertaking initiatives to developing comprehensive training programs, upgrading compliance technology, and implementing automated workflows. Updates for the current year have been completed, with additional revisions planned for future years as part of our continuous improvement efforts. To strengthen governance, optimize reporting processes, improve compliance across the organization, we introduced the following initiatives and programs:

Initiative/Project Undertaken	
3-Year Compliance Plan	We developed and are executing a comprehensive 3-year plan (2024 - 2026) for the compliance department.
Reporting Strategy	We formulated and successfully implemented a reporting strategy to automate all compliance reports issued by the compliance department.
Regulatory Compliance Reliance Model	In our capacity as a second line of defense, we developed a regulatory compliance reliance model to oversee all relevant Business Units and Support Functions.
Consolidated Quarterly Compliance Report	We designed a unified group-level template to consolidate the quarterly compliance reports of CBoJ and its subsidiaries.
Group-Level Policies	In 2024, we established group-level policies to enhance the relationship and reporting lines between CBoJ and its subsidiaries.
Training Strategy	This strategy encompasses several key components such as Compliance Certification Program, Specialized Training, Focused Training, Periodic Awareness Sessions, BoD and Executive Management Training.

Future Plans	
Compliance Technology Upgrade	We are investing in upgrading and replacing of our compliance technology, including the AML profiling system and filtering solution.
Business Process Management (BPM) Implementation	We are implementing an advanced automated workflow integrated with the core banking system for client onboarding and KYC updates.



CASE STUDY: COMPLIANCE TRANSFORMATION STRATEGY

In the ongoing journey of our Compliance Transformation strategy, which began in 2022 and is set to complete by 2025, is focused on restructuring our compliance department through four key pillars:

- Governance
- People
- Processes
- Technology

This comprehensive approach is designed to elevate the performance and effectiveness of our compliance function, ensuring it meets the highest standards of regulatory expectations and operational excellence, ensuring that we are well-equipped to meet regulatory requirements and effectively mitigate risks.

The goals and objectives of this initiative were comprehensive and ambitious:

- **Establish a Robust Governance Structure:** We aimed to create a strong foundation by clearly defining the three lines of defense, along with their respective roles and responsibilities. This was essential for ensuring that all stakeholders understand their duties and can work together effectively to mitigate risks.
- **Acquire, Retain, and Develop the Right Talent:** Recognizing the importance of skilled and knowledgeable professionals, we focused on attracting top talent, providing ongoing training and development opportunities, and encouraging a culture of continuous improvement across the compliance function of the group.
- **Define and Document Robust, Risk-Based Processes and Controls:** This objective was crucial for ensuring that our compliance activities are consistent, efficient, and aligned with best practices. By implementing standardized processes and controls, we sought to enhance our ability to identify and mitigate risks, thereby improving the overall effectiveness of our compliance function.
- **Acquire Fit-for-Purpose Financial Crimes Systems:** To meet the bank’s requirements across the group, we aimed to invest in advanced systems that support our compliance needs effectively. This objective was essential for enhancing our ability to detect and prevent financial crimes, thereby safeguarding the integrity of our operations.

We proudly implemented this strategy with internal expertise. Despite encountering several challenges, our commitment to excellence and strategic planning enabled us to overcome these obstacles. Through proactive problem-solving, we are successfully advancing our Compliance Transformation strategy.

Total number of employees that have received training on anti-corruption:

Employee category	2022 Data	2023 Data	2024 Data
Senior Management	20	36	18
Middle Management	236	221	255
Staff	1017	1006	1012

Risk Management

Why It Matters

Our operations are built on a strong foundation of trust and confidence with our stakeholders. We are committed to continuously enhance our risk management frameworks and practices, essential to our growth as a resilient financial institution. Our proactive Board of Directors and senior management oversee robust policies and procedures that adhere to the highest regulatory standards. One of the key highlights of 2024, the recent implementation of an advanced data management system that has boosted our operational efficiency and strategic decision-making.

Additionally, we have introduced stress testing for borrowers, further enhancing our ability to evaluate environmental and regulatory risks, ensuring long-term financial and sustainability resilience

Our Approach to Risk Management

Our approach to risk management aims to safeguard the bank’s assets, reputation, and profitability. This approach is meticulously structured into three key segments:

Segment	Risks Entailed	Our Approach
Strategic Risk Management	<ul style="list-style-type: none"> • Credit Risks • Market Risks • Liquidity Risks • Interest Rate Risks • Cyber Risks 	We employ a strategic risk-reward calculus, meticulously managing these risks to optimize returns. Our approach is grounded in a philosophy of prudent risk-taking that aligns with our overarching strategic goals.
Preventable Risk Management	<ul style="list-style-type: none"> • Internal Operational Risks • Business Continuity Management • Concentration Risk • Internal Reputational Risk 	Our strategy is to elevate the efficacy of our internal controls, thereby reducing the likelihood and mitigating the impact of these risks on our financial health and operational robustness.
External Risk Management	<ul style="list-style-type: none"> • External Operational Risk • External Cyber Risk • External Reputational Risks 	We leverage our comprehensive Business Continuity Plan (BCP) alongside stringent internal controls, aiming to shield our financial standing from the vicissitudes of external risks and preserve our profitability.



Enhancing Risk Expertise through Comprehensive Employee Training

We have developed a suite of specialized training initiatives to enhance our employees’ proficiency in risk management, covering a wide array of subjects including, Financial Compliance and Regulation, Operational Excellence and Risk Mitigation, Strategic Banking and Governance and Technology and Cybersecurity. These educational programs are offered through a combination of e-learning and interactive workshops, each carefully crafted to foster a comprehensive understanding of risk’s complex dimensions.

Training Sessions	
Risk Management and Compliance	<ul style="list-style-type: none"> • Fraud in the National Payment System • SWIFT RMA Portal Assistance Training • Internal Audit and Regulatory Environment Amid Global Changes: Governance, Digital Transformation, and Climate Change • Liquidity and Interest Rate Risk Management and Their Impact on Credit Risk in Light of Basel Regulations • Basel IV: Comprehensive Framework • Effective Analysis of Financial Operations and Detection of Suspicious Activities
Financial Products and Services	<ul style="list-style-type: none"> • IFRS 9 • Workshop on Financial Instruments and Supply Chain Financing • Fundamentals in Trade Finance
Digital Transformation and Cybersecurity	<ul style="list-style-type: none"> • Open Banking Workshop • Digital Trust Ecosystem Framework Benefits for the Banking Industry • E-Payments Channels and Fraud Methods • Introduction to Payments Cybersecurity • Data Management as a Cornerstone of Future Banking Services

Ensuring Effective Grievance Redressal and Policy Compliance

We are committed to identifying and addressing grievances through established mechanisms managed by our Compliance, HR, and Audit departments. Our approach involves an operational incident reporting system that allows us to promptly identify and take corrective actions, including process reviews, policy adjustments, and, where necessary, compensation. We continuously track the effectiveness of our grievance mechanisms and remediation processes, incorporating stakeholder feedback to enhance our practices and uphold our commitment to operational excellence.

We also provide robust mechanisms for our staff to seek advice and raise concerns about our business conduct. Through the iGrafx platform, our employees have access to the latest policies and procedures, ensuring they are well-informed and can confidently implement responsible business practices. Regular updates, informed by periodic reviews and regulatory instructions, are communicated to our team through weekly notifications and Microsoft Teams alerts, fostering a culture of transparency and proactive engagement in policy compliance.

Additionally, our whistleblowing policy encourages employees to report any unethical behavior or violations of bank policies without fear of retaliation. It is an essential component of the bank’s internal control and risk management framework.

Internal Audit

Our Internal Audit Department plays a pivotal role in providing the Board of Directors and the Audit Committee with guidelines about the effectiveness of internal control systems. The department's core mandate is to ensure that internal policies and procedures are adhered to and are effective in their application. It is integral in strengthening internal systems and mitigating risks inherent in the bank's diverse activities.

Operating under a charter approved by the Board of Directors, the department functions in alignment with the international internal audit standards established by the Institute of Internal Auditors (IIA) and comply with the directives issued by the Central Bank of Jordan (CBoJ).

Internal Audit Processes and Procedures

Our internal audit framework ensures a structured, consistent, and industry-aligned approach to audit processes. The Internal Audit Department operates under a well-defined structure, guided by key documents that uphold professional integrity and precision.

To support its functions, the department follows the Internal Audit Procedures Manual, which outlines audit execution procedure, and the Internal Audit Department Charter, which defines its purpose, authority, and responsibilities. Additionally, the Code of Ethics ensures adherence to the highest professional standards, while TeamMate+ Audit Management Software enhances efficiency by streamlining workflows. Together, these policies and tools reinforce our commitment to rigorous and effective auditing practices.

Progress and Milestones

In the year 2024, the bank's Internal Audit Department has marked significant progress in enhancing its operational capabilities. One of the most noteworthy achievements was the upgrade of our audit management system from TeamMate to TeamMate+. This transition represents a strategic enhancement in our audit processes, offering advanced features that streamline workflows, foster better collaboration among team members, and improve the overall quality and efficiency of our audits.



Looking Forward

As we move forward, the Internal Audit Department remains committed to overcoming these challenges and continuing to improve our performance. We are actively engaged in recruiting and training new auditors to fill the gaps left by the resignations and are exploring ways to further optimize our audit processes to meet and exceed our planned objectives.



HIGHLIGHTS
 Successfully upgraded TeamMate system to TeamMate+, enhancing audit management capabilities

Strategic Vision and Performance Targets

In alignment with our commitment to excellence and continuous improvement, we are revising our audit strategy to enhance the effectiveness and efficiency of the Internal Audit function. The following outlines our strategic vision, along with the key performance indicators (KPIs) and associated performance targets for the coming year and beyond, extending up to five years as appropriate.



01. Strengthening the Position and Role of Internal Audit

- Strengthen and maintain the independence of internal audit
- Enhance the objectivity and integrity of internal audit personnel

02. Improving the Efficiency and Effectiveness of Internal Audit Operations

- Full documentation of internal audit responsibilities and tasks
- Develop and automate internal audit processes
- Compliance with international standards for the practice of internal auditing and best practices
- Develop a risk assessment and planning process
- Provide assurance services based on risk assessment
- Offer internal consultation on risk management, control, and governance

03. Raise the level of competencies and Provide Sufficient and Qualified Workforce

- Implement targeted training and development programs to enhance the technical and leadership skills of internal audit staff.
- Foster a culture of continuous learning and professional growth through mentoring, certification programs, and cross-functional collaboration within the Group) as two bullet points

Incorporation of ESG Factors Into Credit Analysis

Since 2018, Capital Bank has implemented an Environmental and Social Management System (ESMS) aligned with IFC standards, integrating environmental and social risk assessments into our lending processes. As part of our commitment to responsible banking, we are enhancing our ESMS to strengthen due diligence, ensuring our financing supports sustainable and socially responsible projects.

Our partnerships with Development Financial Institutions require regular ESMS reporting, motivating us to refine our system annually in response to evolving environmental and social challenges. This update enhances our ability to assess both immediate and long-term impacts, aligning with the Central Bank of Jordan’s Green Finance Strategy.

To further embed sustainability into our credit decision-making, we have integrated Environmental & Social (E&S) assessments, IFC-aligned procedures, and comprehensive staff training. Our collaboration with PROPARCO for technical assistance reinforces this commitment. Additionally, we utilize a Social and Environmental Due Diligence (SEDD) checklist for development finance-backed projects, evaluating factors such as environmental impact, community engagement, and labor considerations.

Aligned with Central Bank of Jordan directives, we categorize companies by ESG risk—High (A), Medium (B), and Low (C)—to ensure a comprehensive risk assessment approach.



Data Privacy and Security

In the digital landscape, data privacy and security have emerged as critical priorities for banks and financial institutions. We carry the responsibility of safeguarding our clients' data from unauthorized access, breaches, and cyber attacks.

Protecting Customer Data Privacy

Safeguarding customer data is essential to maintaining trust in the financial system. Beyond legal and regulatory obligations, protecting personal information is a core ethical responsibility and a key aspect of customer service excellence.

Our bank adheres to a strict data privacy policy aligned with Jordan's data protection laws, outlining individual rights and guiding how we collect, use, share, and retain personal information. We remain fully committed to compliance, ensuring the highest standards of privacy and security.

Our Approach

We employ a comprehensive framework combining advanced technical safeguards, strict data governance, and a strong culture of privacy awareness. Measures such as encryption and access controls protect customer data, while transparent policies ensure fair processing, accuracy, and responsible retention. Customers have clear avenues to manage their personal data, and in the rare event of a breach, our incident response plan ensures swift action to minimize impact and uphold trust.

Policies and Commitment

Capital Bank strictly adheres to data protection laws and has implemented a comprehensive policy outlining data subject rights, processing, protection, retention, and disposal.

This policy was updated this year to align with Jordan's data protection laws, ensuring the highest standards of privacy and security. Committed to maintaining customer trust, we integrate data protection principles into our core values, reinforcing our dedication to ethical governance, transparency, and safeguarding stakeholder interests.



HIGHLIGHTS

- The bank didn't receive any complaints related to breaches of customer privacy
- The bank didn't identify any data breach, leaks, thefts, or losses of customer data

Our Information Security Department

is pivotal in maintaining the confidentiality, availability, and accuracy of all bank information. To ensure compliance with security policies, the department conducts regular employee training and educates customers on protecting their personal data. It also implements critical controls and procedures to mitigate risks, aligning with the bank's risk management policies and international best practices.

Cyber Security

We actively manage risks associated with our digital channels as we expand our digital offerings. Following the Capital Bank Risk Framework, we ensure full compliance with Central Bank of Jordan regulations. In close collaboration with the Information Security and IT Security teams, we implement rigorous multi-layered testing for all digital releases. Security is embedded in the development of our digital channels, with a formal authorization process at every stage.

Trainings and Certifications

In 2024, Capital Bank fortified its information security posture by providing comprehensive training and achieving key certifications. Employees have completed the CompTIA Security+ course, gaining broad cybersecurity knowledge. In partnership with VISA, staff learned about cybersecurity in the payments sector. Additionally, senior security staff earned the CISO certification, marking a high level of expertise and leadership in the field.



Strengthening Information Security in 2024

Reflecting on 2024, we recognize significant advancements in our Information Security Program, reinforcing data protection and cybersecurity infrastructure.

In collaboration with our IT department, we secured a dedicated budget to implement key security measures, including Network Detection and Response (NDR) systems, enhanced API security, and Brand Protection protocols. These initiatives have strengthened our overall security posture.

We also expanded our Data Leakage Protection system, now operating in a robust blocking mode. This prevents personal data breaches by monitoring and controlling data flow, ensuring Personally Identifiable Information (PII) is not inadvertently shared, restricting external file uploads, limiting sensitive document printing, and preventing unauthorized data extraction.

These achievements highlight our ongoing commitment to data privacy and cybersecurity. Looking ahead, we will continue to enhance our security strategies to stay ahead in an evolving digital landscape.

Strategic Objectives for Cybersecurity Excellence

Looking ahead, our bank has set performance targets that will guide our cybersecurity efforts in the coming years to ensure that we meet the evolving requirements of information security in the financial industry.

Cybersecurity Policy Review and Update

We will maintain the relevance and effectiveness of our cybersecurity policy by conducting regular reviews and updates. This ongoing process will ensure that our policies reflect the latest threats and incorporate best practices, thereby providing a solid framework for our security measures.

Risk Assessment and Treatment Plan

We will conduct a comprehensive assessment of potential cyber risks. We aim to systematically identify vulnerabilities within a set timeframe, typically measured in months, and develop robust treatment plans. This proactive approach will enable us to address risks before they materialize, ensuring the continuous protection of our systems and data.

Cyber Incident Response Plan Maintenance

Lastly, we are committed to keeping our Cyber Incident Response Plan current and actionable. Regular reviews will verify that our response strategies are aligned with the current cyber threat landscape and that our team is prepared to act swiftly and effectively in the event of a security breach.

Establishing these measures is essential for maintaining a secure banking ecosystem and for the protection of our customers' financial assets and personal data. In delineating these objectives, we are actively equipping ourselves for future cybersecurity challenges while simultaneously strengthening our standing as a dependable and forward-thinking bank.



FUTURE VISION AND PERFORMANCE GOALS



Cybersecurity Policy Review and Update



Risk Assessment and Treatment Plan



Cyber Incident Response Plan Maintenance

Innovation and Digitization

Our commitment to digital transformation is driven by the need to provide secure, efficient, and customer-centric banking solutions. By leveraging cutting-edge technology, we are contributing to sustainable banking practices and improving operational efficiency, alongside enhancing customer experience.

Our Approach and Progress

Capital bank's Digital Program is strategically aligned with the bank's overall vision and strategic directions. It incorporates clear roadmaps that integrate internal controls, emerging technologies, and sustainability within its design.

Capital Bank's digital framework ensures the seamless operation of our digital channels, enabling customers to access traditional banking services through modern, automated platforms. Our digital banking services extend across the Capital Bank Group, customized to meet the specific needs of each market under executive leadership guidance.

Key Digital Banking Enhancements in 2024

- Savings & Responsible Lending
 - Introduced Time Deposit (TD) opening & management to encourage savings.
 - Launched Responsible Lending, offering personal loans by invitation to customers who meet affordability criteria, ensuring responsible borrowing.
 - Enabled customers to generate and review national credit bureau reports for better financial assessment.
- Enhanced Money Transfer Services
 - Introduced Western Union (WU) transfers via mobile, allowing customers to send funds conveniently with just a few clicks.
- Optimized Internal Digital Storage & Archiving
 - Implemented an advanced storage and archiving system, improving efficiency while reducing digital waste through cutting-edge technology.
- Fully Digital eKYC Process
 - Introduced a seamless eKYC update process within the mobile app to comply with regulatory requirements.

Furthermore, the bank has significantly advanced its digital agenda by aligning it with the bank's strategy, enhancing IT infrastructure, and formalizing digital roadmaps. Efforts include developing a Digital Policy, and expanding fintech partnerships to drive digital innovation. Streamlined deployment processes have improved efficiency, while key KPIs for digital adoption and migration have reached a 90% success rate, accelerating the shift from branch transactions to digital channels. These initiatives position the bank as a leader in digital banking transformation, ensuring seamless, efficient, and customer-centric services.

Refining Our Digital Strategy

Our journey over the next three years is to build on our successful foundations for continuous enhancement and to adopt the latest technological advancements in response to the new economic environment through ecosystem platforms with partners.

The strategy is driven by Capital Bank Group’s corporate strategy and aims to drive an enterprise-level program under the Transformation Office, acting as a Digital Factory to achieve digital transformation with measurable ROI approved by top management. This unified transformation program sets priorities and roadmaps across digital channels, updated quarterly and yearly, and is presented as a Digital Chapter within various steering committees and board forums.



VISION

To go beyond the bank’s digital transformation to create a digital lifestyle and innovative ecosystem that links to customer experience in our region through partners and our people.



MISSION

To provide seamless banking for universal customers and partners, creating value, immersive and personalized experiences in a secure and convenient way.









Capital Bank of Jordan

Strengthening the Strategy

To strengthen our digital strategy, we have set specific targets and KPI metrics to monitor the impact of strategic actions and track their effectiveness.

Our digital strategy is built on six key pillars:

					
Customer Experience	Operational Excellence	Technology Infrastructure	New Revenues	Ecosystem & Partnership	Innovation & Sustainability

Mobile Banking – Roadmap 2025-2027

We have established a comprehensive mobile banking platform and have set a plan to further enhance our mobile banking experience over the next two years.

Digital Value Proposition: Delivering Superior Value Through Innovative Digital Solutions

					
Transactional We offer instant banking transactions, smart notifications, personalized goals, financial planning, and instant rewards & loyalty redemption	Servicing Our services include biometric authentication, a 360-degree customer view, seamless cross-channel journeys, instant online services, proactive AI predictions, and smart fraud risk management	Sales Customers have instant online access to assets and liabilities, investments, insurance, seamless claims, and value-added services with partner integrations	Onboarding We provide instant onboarding for new customers, proactive KYC updates, digitized payroll acquisition, and seamless integration with partners and co-branded networks	Engagement / Marketing Our targeted focused segmentation is based on customer lifestyle, predictive marketing, customized smart offerings, and extending services beyond banking to ecosystems and communities	Communications We offer convenient communication based on customer preferences, smart messaging by time, location, and media choice, and notifications for preferred partners' best offers and promotions

Capital Bank is dedicated to leading the charge in innovation and digitization within the banking sector. Through our commitment to this digital journey, we are redefining the banking experience, making it more efficient, and aligned with the lifestyles of our customers.

Appendix:

GRI Index Table



Appendix: GRI Index Table

Statement of use	Capital Bank of Jordan has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION
General disclosures		
GRI 2: General Disclosures 2021	2-1 Organizational details	Pages 8 & 10
	2-2 Entities included in the organization's sustainability reporting	Page 4
	2-3 Reporting period, frequency and contact point	Page 4
	2-4 Restatements of information	None
	2-5 External assurance	This report has not been externally assured. Capital Bank of Jordan does not require external assurance for its sustainability reports.
	2-6 Activities, value chain and other business relationships	Pages 8 & 10
	2-7 Employees	Page 33
	2-8 Workers who are not employees	NA
	2-9 Governance structure and composition	Pages 46, 47 annual report page 298-299, 309
	2-10 Nomination and selection of the highest governance body	46, 47
	2-11 Chair of the highest governance body	18, Annual report page 10
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 18, 19, 46, 47
	2-13 Delegation of responsibility for managing impacts	Page 18, 19, 46, 47
	2-14 Role of the highest governance body in sustainability reporting	18, 19
	2-15 Conflicts of interest	49
	2-16 Communication of critical concerns	53
	2-17 Collective knowledge of the highest governance body	Annual report 300-302, 46, 47

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	Annual report 289
	2-19 Remuneration policies	Annual report 289
	2-20 Process to determine remuneration	Annual report 289
	2-21 Annual total compensation ratio	Confidential
	2-22 Statement on sustainable development strategy	5, 6, 18
	2-23 Policy commitments	Pages 31, 48, 49
	2-24 Embedding policy commitments	31, 48, 49
	2-25 Processes to remediate negative impacts	48, 53
	2-26 Mechanisms for seeking advice and raising concerns	48, 53
	2-27 Compliance with laws and regulations highlight	46, 47
	2-28 Membership associations	11
	2-29 Approach to stakeholder engagement	23
	2-30 Collective bargaining agreements	Capital Bank adheres to the laws and regulations governing collective bargaining agreements in Jordan
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	22
	3-2 List of material topics	22
Energy Consumption & Efficiency		
GRI 3: Material Topics 2021	3-3 Management of material topics	25, 26, 27
GRI 302: Energy 2016	302-1 Energy consumption within the organization	26, 27
	302-3 Energy intensity	27
	302-4 Reduction of energy consumption	26, 27
Climate Change & Decarbonization		
GRI 3: Material Topics 2021	3-3 Management of material topics	25, 26, 27
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	27
	305-2 Energy indirect (Scope 2) GHG emissions	27
	305-4 GHG emissions intensity	27
	305-5 Reduction of GHG emissions	27

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION
Environmental Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	25, 28
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	28
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	28
	306-2 Management of significant waste-related impacts	28
	306-3 Waste generated	28
	306-4 Waste diverted from disposal	N/A
GRI 303: Water and Effluents 2018	303-5 Water consumption	28
Sustainable Lending & Investing		
GRI 3: Material Topics 2021	3-3 Management of material topics	28, 29
Gender Equality and Workforce Development and Wellbeing		
GRI 3: Material Topics 2021	3-3 Management of material topics	31-38
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	34
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	33
	401-3 Parental leave	37
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	38
	403-2 Hazard identification, risk assessment, and incident investigation	38
	403-3 Occupational health services	38
	403-4 Worker participation, consultation, and communication on occupational health and safety	38
	403-5 Worker training on occupational health and safety	38
	403-6 Promotion of worker health	38
	403-9 Work-related injuries	38
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	36
	404-2 Programs for upgrading employee skills and transition assistance programs	32, 34, 35
	404-3 Percentage of employees receiving regular performance and career development reviews	37

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	32, 47
	405-2 Ratio of basic salary and remuneration of women to men	33
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	31
Customer Experience & Satisfaction		
GRI 3: Material Topics 2021	3-3 Management of material topics	39, 40
Financial Inclusion & Literacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	43, 44
Local Communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	41-43
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	41-43
SME Growth		
GRI 3: Material Topics 2021	3-3 Management of material topics	41
Innovation and Digitization		
GRI 3: Material Topics 2021	3-3 Management of material topics	60-62
Incorporation of ESG Factors in Credit Analysis		
GRI 3: Material Topics 2021	3-3 Management of material topics	56
Data Security		
GRI 3: Material Topics 2021	3-3 Management of material topics	57-59
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	57
Compliance & Ethical Conduct		
GRI 3: Material Topics 2021	3-3 Management of material topics	48-51
	205-2 Communication and training about anti-corruption policies and procedures	51

Appendix : ASE Index Table

	GRI Standards	Measurement	Indicators	Location
Environmental	GRI 305: Emissions 2016	E1.1) Total amount, in CO2 equivalents, for Scope 1 (if applicable)	GHG Emissions	27
		E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable)		27
		E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)		N/A
	GRI 305: Emissions 2016	E2.1) Total GHG emissions per output scaling factor	Emissions Intensity	27
		E2.2) Total non-GHG emissions per output scaling factor		N/A
	GRI 302: Energy 2016	E3.1) Total amount of energy directly consumed	Energy Usage	27
		E3.2) Total amount of energy indirectly consumed		27
	GRI 302: Energy 2016	Total direct energy usage per output scaling factor	Energy Intensity	27
	GRI 302: Energy 2016	Percentage: Energy usage by generation type	Energy Mix	27
	GRI 303: Water and Effluents 2018	E6.1) Total amount of water consumed	Water Usage	28
		E6.2) Total amount of water reclaimed		N/A
	GRI 103: Management Approach 2016*	E7.1) Does your company follow a formal Environmental Policy? Yes, No	Environmental Operations	Yes, 38
		E7.2) Does your company follow specific waste, water, energy, and/or recycling polices? Yes/No		N/A
		E7.3) Does your company use a recognized energy management system? Yes/No		Yes, 25
	GRI 102: General Disclosures 2016	Does your Board/Management Team oversee and/or manage climate-related risks? Yes/No	Environmental Oversight	No
GRI 102: General Disclosures 2016	Does your Board/Management Team oversee and/or manage other sustainability issues? Yes/No	Environmental Oversight	Yes	
	Total amount invested, annually, in climate-related infrastructure, resilience, and product development?	Climate Risk Mitigation	N/A	

	GRI Standards	Measurement	Indicators	Location
Social	GRI 102: General Disclosures 2016	S1.1) Ratio: CEO total compensation to median FTE total compensation	CEO Pay Ratio	confidential
		S1.2) Does your company report this metric in regulatory filings? Yes/No		No
	GRI 405: Diversity and Equal Opportunity 2016	Ratio: Median male compensation to median female compensation	Gender Pay Ratio	33
	GRI 401: Employment 2016	S3.1) Percentage: Year-over-year change for full-time employees	Employee Turnover	34
		S3.2) Percentage: Year-over-year change for part-time employees		N/A
		S3.3) Percentage: Year-over-year change for contractors and/or consultants		N/A
	GRI 102: General Disclosures 2016	S4.2) Percentage: Entry- and mid-level positions held by men and women		32
	GRI 405: Diversity and Equal Opportunity 2016	S4.3) Percentage: Senior- and executive-level positions held by men and women		32
	GRI 102: General Disclosures 2016	S5.1) Percentage: Total enterprise headcount held by part-time employees	Temporary Worker Ratio	N/A
		S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants		N/A
	GRI 103: Management Approach 2016*	Does your company follow a sexual harassment and/or non-discrimination policy? Yes/No	Non-Discrimination	Yes
	GRI 403: Occupational Health and Safety 2018	Percentage: Frequency of injury events relative to total workforce time	Injury Rate	N/A
	GRI 103: Management Approach 2016*	Does your company follow an occupational health and/or global health & safety policy? Yes/No	Global Health & Safety	Yes
	GRI 103: Management Approach 2016*	S9.1) Does your company follow a child and/or forced labor policy? Yes/No	Child & Forced Labor	No
		S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No		N/A
GRI 103: Management Approach 2016*	S10.1) Does your company follow a human rights policy? Yes/No	Human Rights	No	
	S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No		N/A	

	GRI Standards	Measurement	Indicators	Location
Governance	GRI 405: Diversity and Equal Opportunity 2016*	G1.1) Percentage: Total board seats occupied by men and women	Board Diversity	47
		G1.2) Percentage: Committee chairs occupied by men and women		-
	GRI 102: General Disclosures 2016	G2.1) Does company prohibit CEO from serving as board chair? Yes/No	Board Independence	No
		G2.2) Percentage: Total board seats occupied by independents		47
	GRI 102: General Disclosures 2016	Are executives formally incentivized to perform on sustainability? Yes/No	Incentivized Pay	No
	GRI 102: General Disclosures 2016	Percentage: Total enterprise headcount covered by collective bargaining agreement(s)	Collective Bargaining	N/A
	GRI 102: General Disclosures 2016	G5.1) Are your vendors or suppliers required to follow a Code of Conduct? Yes/ No	Supplier Code of Conduct	No
	GRI 103: Management Approach 2016*	G5.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?		N/A
	GRI 102: General Disclosures 2016	G6.1) Does your company follow an Ethics and/or Anti-Corruption policy? Yes/No	Ethics & Anti-Corruption	Yes
	GRI 103: Management Approach 2016*	G6.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?		100%
	GRI 103: Management Approach 2016*	G7.1) Does your company follow a Data Privacy policy? Yes/No	Data Privacy	Yes
				G7.2) Has your company taken steps to comply with GDPR rules? Yes/No
		G8.1) Does your company publish a sustainability report? Yes/No	Sustainability Reporting	Yes
				G8.2) Is sustainability data included in your regulatory filings? Yes/No
		G9.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No	Disclosure Practices	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
GRI 102: General Disclosures 2016	Are your sustainability disclosures assured or validated by a third party? Yes/No	External Assurance	No	



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REPORT
2024**

