

TNB الوطني



Sustainability Report

2023

Table of Contents

About this Report	3
CEO Message	4
About TNB.....	6
Approach to ESG.....	8
Championing Good Governance and Ethical Practices	12
Governance, Ethics, and Risk Management.....	12
Financial Performance	15
Customer Privacy and Data Security	17
Anti-Money Laundering and Anti-Corruption	18
Advancing Modern and Sustainable Banking	20
Sustainable Finance.....	20
Responsible Customer Relationships	22
Innovation.....	24
Fortifying National Economy and Community Relations.....	26
Community Support	28
Responsible Procurement	31
Adopting Environmental Stewardship	34
Climate Change	34
Environmental Footprint.....	36
Promoting Development, Equality and Diversity.....	38
Learning and Development.....	38
Diversity, Equality, and Inclusion	41
Employee Wellbeing.....	42
Appendix.....	45
Appendix A: GRI Content Index	45
Appendix B: Data Coverage Tables	48
Appendix C: Stakeholder Engagement.....	61
Appendix D: Awards, Memberships, and Certifications	62
Appendix E: Acronyms	63
Appendix F: Definition of Material Topics	64

About this Report

Welcome to The National Bank's (TNB) second Environmental, Social, and Governance (ESG) report. This detailed report highlights TNB's ESG performance across all areas of its operations in 2023 and demonstrates the significant progress the Bank has made along its sustainability journey. TNB has established itself as a forerunner in sustainability management and reporting in Palestine. Moreover, by publishing this report, the Bank underscores its dedication to ESG principles and its determination to contribute to a sustainable future for all stakeholders.

This report demonstrates TNB's support for the principles and objectives of the Global Reporting Initiative (GRI) and the UN Sustainable Development Goals (SDGs). This year's report is aligned with the following SDGs:



Reporting Boundaries

Unless stated otherwise, all financial and non-financial data in this report is for TNB, which covers all operations in Palestine.

Feedback

TNB welcomes all feedback on this report and the Bank's sustainability performance via any of the channels below:

✉ digitalsupport@tnb.ps

🗨 www.facebook.com/TNBPalestine

🌐 <https://ps.linkedin.com/company/tnbpalestine>

☎ 180011100

📍 Al-Masyoun, Ramallah, P.O. Box 700, PS

Forward-looking Statements

This report contains statements that may be deemed as "forward-looking statements" that express the way in which TNB intends to conduct its activities. Forward statements could be identified by the use of forward-looking terminology such as "plans", "aims", "assumes", "continues", "believes", or any variations of such words that certain actions, events or results "may", "could", "should", "might", "will", or "would" be taken or be achieved.

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



Salameh Khalil
Chief Executive Officer

It is a pleasure, on behalf of myself, my colleagues, and the members of the Board of Directors, to present TNB's ESG Report. This report provides a comprehensive view of our sustainability journey to date, highlighting key initiatives and significant milestones, as well as offering insights into the Bank's future vision as we continue to work to incorporate environmental and social factors throughout our operations.

In recent years, there has been a growing focus on sustainability globally due to several pressing issues such as climate change, biodiversity loss, and pollution. Climate change is already having a profound impact on communities around the world, affecting food security, health, water, and financial stability, and without a substantial global response, these issues are predicted to get much worse. Ongoing global conflicts further exacerbate these challenges, impacting sustainable development both locally and globally. TNB recognizes that banks have a key role to play in shaping the future of sustainability and strives to maintain its position as an industry leader within Palestine by integrating sustainability into all its operations. We recognize that integrating sustainability considerations into our business is vital for ensuring our long-term success and resilience as we navigate the shifts associated with a changing world. As a result, TNB has devised its ESG strategy to ensure a clear plan towards taking the necessary steps to incorporate sustainability considerations into all aspects of the Bank's operations, including the development of innovative solutions to protect our natural resources and to secure a prosperous future for our community.

Moreover, we are committed to financing green initiatives that bolster climate resilience and reduce greenhouse gas emissions. By investing in environmentally sustainable projects, we aim

practices which in turn promotes sustainability and environmental protection. Moving forward, TNB will continue to incorporate sustainable practices to enhance our operations, while benefiting our stakeholders, clients, and the wider Palestinian community.

TNB understands that incorporating sustainability considerations into every aspect of our operations is essential for securing a prosperous future for our society and the environment in which we operate. Aligning with international sustainability standards and frameworks, the Bank has made every effort to develop a robust sustainability strategy that aims to ensure long-term resilience and create lasting value. TNB strives to be a leader in all aspects of our operations, and we are proud to be named the Best Profitable Palestinian Bank in 2023. The Bank achieved several significant milestones this year, including achieving the highest Capital Adequacy Ratio of 16.71%, maintaining a strong liquidity ratio above regulatory requirements, and being the second largest Palestinian Bank in terms of market value and paid-up capital.

In 2023, the Bank was significantly impacted by the ongoing war in Gaza and has demonstrated profound resilience, despite challenges including the financial crisis in the West Bank. To help mitigate the effects of the war, we were able to restructure loans to offer our clients grace periods along with an option to defer payments. We redirected our Corporate Social Responsibility budget towards humanitarian relief efforts in Gaza to support our Palestinian community. We have made substantial investments in developing financial digital technology tools to promote financial inclusion throughout Palestine, including offering responsive services and designing branches and offices for optimal access for all. Our commitment to financial inclusion is also evident in our small and medium-sized enterprises' (SME) banking initiatives, with the value of the SME loan portfolio growing by 3% from 2022. This highlights our ongoing efforts to provide vital financial resources to SMEs, thereby stimulating economic growth and development within Palestine.

TNB also recognizes the urgent need to combat climate change. This year, we continued to increase the proportion of renewable energy used, and we were able to meet the energy needs of our branches and headquarters through our share in the Noor Jericho Solar plant. TNB's strategic investment in the Noor Jericho Solar project in 2019 has significantly increased the sustainability of our operations. This report showcases our progress as we continue to navigate the ever-evolving sustainability landscape. We continue to be informed of the latest sustainability developments to ensure we retain our position at the forefront of responsible banking practices.

On behalf of the entire team at TNB, I would like to express our sincere appreciation for your ongoing support and trust. We are privileged to serve you and remain dedicated to delivering value while upholding the principles of sustainability.

About TNB

The National Bank, listed on the Palestine Securities Exchange under the ticker symbol "TNB", is the second largest bank in Palestine in terms of capital and is one of the fastest-growing banks in the country. TNB provides a range of products and services and has established itself as one of the most trusted providers of comprehensive, integrated financial services for multiple areas including the corporate, retail, investment, and micro, small, and medium enterprises sectors.

With an authorized capital of \$115 million, The National Bank has maintained its history of strong performance with a 59% annual growth in net profit, and a robust Capital Adequacy Ratio of 16.71%, exceeding the local and international requirements. The National Bank has done several groundbreaking M&A transactions; in 2015, The National Bank acquired Bank al Etihad's operations in Palestine to become the first Palestinian bank on record to acquire the operations of a Jordanian bank. In 2018, The National Bank acquired a stake of 25% in the Palestine Islamic Bank (PIB). In 2020, The National Bank acquired the operations of the Jordan Commercial Bank (JCB) in Palestine.

Vision and Mission



Vision:

To be the most pioneering, innovative and robust bank.



Mission:

To create the opportunities of success for our community by being the most responsive bank.

Corporate Profile

Since TNB's inception, the Bank has proven that it is one of the best and most innovative providers of integrated and comprehensive national banking services for the corporate and retail sectors. The Bank also provides investment, treasury and financing services for small, medium and micro enterprises.

Under the slogan "Confidently Forward", TNB provides the highest quality, most modern, and advanced banking services in the Palestinian banking market. The Bank aims to be the national choice for citizens looking for a strong, secure financial services provider that keeps pace with development and modernity. TNB is committed to offering advanced banking services that are in line with the latest global banking technology.

TNB serves over 183,000 retail clients through its branch network spread across various governorates in the West Bank and Jerusalem, and through its extensive network of ATMs located in the most vital areas. Additionally, the Bank offers services through its modern electronic channels such as Online Banking, the TNB Mobile app for smartphones, and the Digital Service Center, which was the first of its kind nationwide. In 2017, after a fifty-year absence of Palestinian banks in Jerusalem, TNB was the first to open a branch within the city walls to serve the residents of the city and Palestinians inside.

Preserving the environment and working with renewable clean energy is one of TNB's core values. The bank was the first among Palestinian banks to invest in solar energy by purchasing a share in The Noor Jericho Photovoltaic (PV) Park to meet most of its energy needs.

36

BRANCHES & OFFICES

31% operate in rural areas

100% of branches support visually impaired and blind clients.

8,422

SHAREHOLDERS BASE

the largest shareholders base in the Palestinian banking sector
44% are females



183,000

CUSTOMERS

32% females
41% female savers

725

EMPLOYEES

40% females
31% females in leadership positions

USD 176.4 MILLION

MARKET CAP

3.18% of Palestine Exchange (PEX)

Journey

Established as Al Rafah Microfinance Bank with a paid-up capital of USD 30 million.

2005

Named the fastest growing bank in the Middle East by The Banker Middle East Magazine.

2014

Acquired a stake of 25% in Palestine Islamic Bank (PIB).

2018

Raised its authorized capital to USD 110 million and its paid-up capital to USD 105.53 million to become the second largest Palestinian bank in terms of capital.

2021

Al Rafah Microfinance Bank merged with the Arab Palestinian Investment Bank (APIB) and TNB was born.

2012

Acquired the operations of Bank al Etihad in Palestine.

2015

Acquired the operations of the Jordan Commercial Bank (JCB).

2020

Raised its paid-up capital to USD 113.1 million to reinforce its position as the second largest Palestinian bank in terms of paid-up capital.

2022

Approach to ESG

TNB is committed to driving positive change and supports a range of initiatives that contribute to the sustainable growth and future prosperity of the Palestinian society. These include providing financial assistance to students through donations, providing humanitarian aid to people affected by the war in Gaza, and providing access to financial services for workers with limited banking opportunities.

The oversight of sustainability initiatives at TNB is a critical responsibility currently residing within the Board’s Nomination, Remuneration, and Corporate Governance Committee. This committee, established in 2017, plays a pivotal role in ensuring that TNB’s sustainability efforts align with its strategic goals and regulatory requirements. The committee’s duties include setting sustainability objectives, monitoring progress, and evaluating the effectiveness of sustainability programs. By integrating sustainability oversight with its governance functions, the committee ensures that ESG considerations are embedded in TNB’s decision-making processes. Looking ahead to 2024, TNB has plans to establish an ESG Management Committee to further strengthen and formalize its commitment to environmental, social, and governance issues, enhancing the strategic oversight and implementation of these critical initiatives.

ESG Strategy

TNB’s ESG strategy is built around the five key pillars of the ESG framework, with the aim to foster a greener Palestine, improve customer satisfaction, reduce costs and attract investments, while enhancing brand recognition.

By prioritizing innovation, developing sustainable financial products, engaging with the community, and focusing on environmentally friendly practices, TNB’s ESG strategy supports the Bank in achieving its goals of becoming an ESG leader in Palestine.



ESG Framework

TNB's ESG framework provides the foundation for incorporating environmental, social, and governance considerations into the Bank's operations. The ESG framework has enabled TNB to identify its sustainability goals and priorities, providing a platform for the organization to communicate its ambitions and commitments concerning its sustainability targets.

The framework is centred around five core pillars and is in harmony with the Bank's corporate mission and values, investor priorities, stakeholder concerns, and national objectives. Moreover, the framework is aligned with global standards and frameworks.



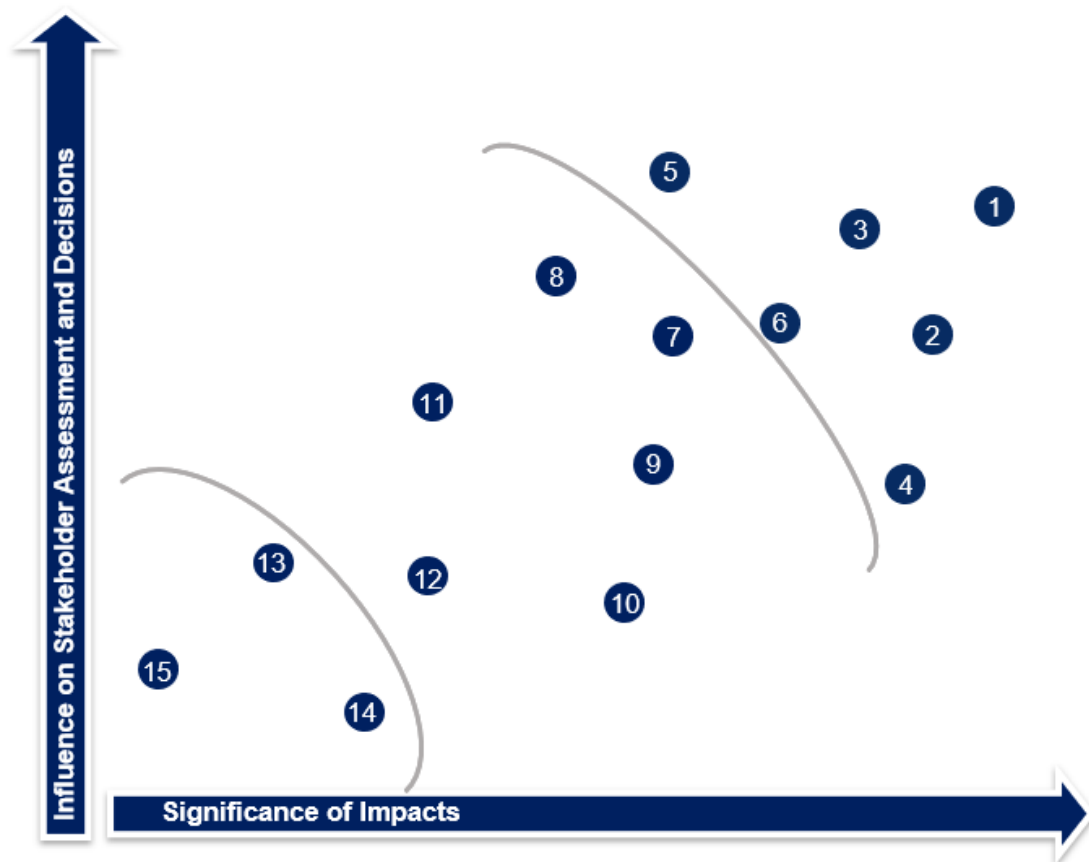
Materiality Assessment

In 2022, TNB conducted a materiality assessment to determine and prioritize the ESG issues that are most significant to its business operations and stakeholders.

During the materiality assessment, the Bank identified and then evaluated the actual and potential impact the ESG issues have on key stakeholders, including partners, investors, customers, employees, communities, suppliers, and regulatory bodies. Following this, the impacts were grouped into material topics and prioritized based on their significance.

Fifteen material topics were identified as follows:

Material Topic	
1. Governance, Ethics, and Risk Management	9. Innovation
2. Financial Performance	10. Learning and Development
3. Customer Privacy and Data Security	11. Community Support
4. Climate Change	12. Diversity, Equality and Inclusion
5. Financial Inclusion	13. Environmental Footprint
6. Sustainable Finance	14. Employee Wellbeing
7. Anti-Money Laundering and Anti-Corruption	15. Responsible Procurement
8. Responsible Customer Relationships	



All materiality topics are periodically assessed for their continued relevance. No changes were identified this year, affirming the continued relevance of the topics.

Stakeholders

TNB prioritizes strong stakeholder relationships, understanding that these are integral to its business operations. As a result, TNB ensures that the Bank maintains effective communication and collaboration by actively engaging with key individuals and organizations. Additionally, TNB seeks regular feedback from its stakeholders and has established dedicated teams to ensure this is carried out effectively.

For more information on TNB's stakeholder engagement, visit page Appendix C: Stakeholder Engagement



Championing Good Governance and Ethical Practices

Highlights

- Achieved the highest Capital Adequacy Ratio of 16.71%.
- Reported zero data security breaches.
- Maintained a strong liquidity ratio above regulatory requirements.
- Implemented robust risk management practices across all departments.
- Provided anti-corruption training to all employees in 2023.
- The Best profitable Palestinian bank in 2023

Material Topics Covered:

- Governance, Ethics, and Risk Management
- Financial Performance
- Customer Privacy and Data Security
- Anti-Money Laundering and Anti-Corruption

UN SDGs Alignment:



TNB is committed to promoting good governance and ethical practices, maintaining exceptional standards to provide stakeholders with a trustworthy experience. The Bank has established an effective regulatory framework that ensures compliance, with all departments adhering to relevant laws. This approach allows the Bank to manage risks efficiently, safeguarding against reputational damage.

The Bank also strives to maintain its position as a leading financial services institution in Palestine and takes all the necessary steps to protect customers' valuable information.

Governance, Ethics, and Risk Management

Board of Directors

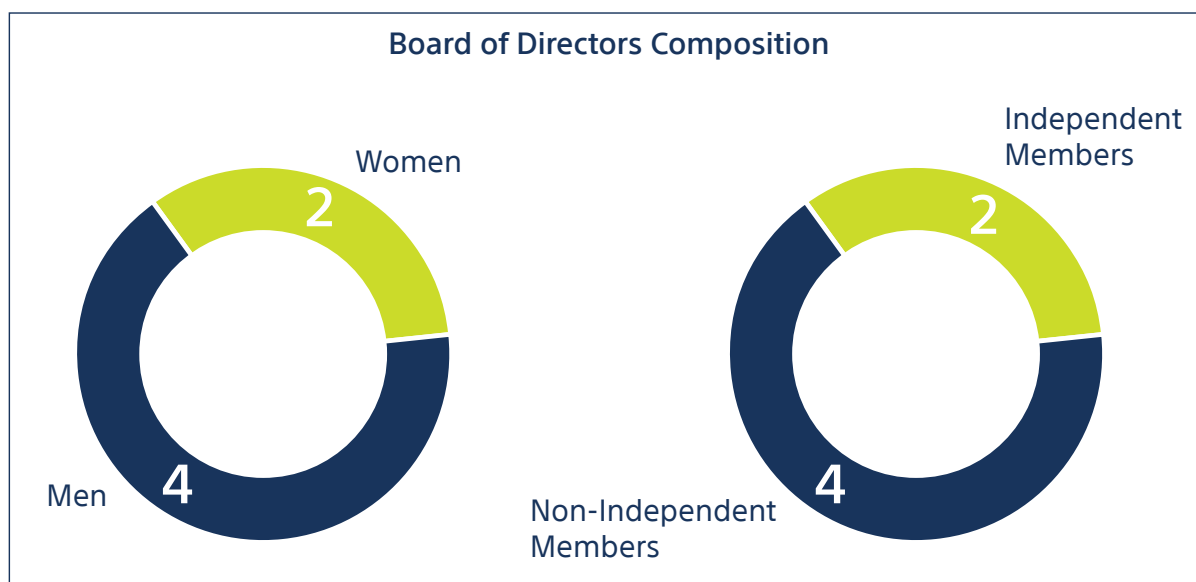
TNB is aware that sound governance starts at the top and permeates the organization. To this end, the Bank has established a governance system that upholds the most stringent standards and has aligned its operations with the guidelines and instructions to the Palestine Monetary Authority's (PMA) Governance Guide. This governance system clearly outlines the responsibilities of the Board and its committees towards the Bank and its shareholders, promoting transparency.

The Board of Directors is elected every four years following the companies' law. The election is generally announced in newspapers along with publication of associated information on TNB's website, including the agenda of the General Assembly meeting. TNB also

typically sends proxies to all stakeholders, enabling them to nominate Board members. The election takes place during the General Assembly meeting, where shareholders are invited to cast their votes. Each share carries one vote. Following the election, the results are ratified by the PMA to ensure alignment with its governance instructions.

To promote diversity and ensure a blend of skills among Board members, TNB has implemented diversity policies which include specific targets for female representation. In addition, the Bank actively tries to recruit qualified female candidates for Board positions.

Board of Directors Composition and Diversity	2023
Total number of Board members	6
Total number of independent members (non-executive)	2
Total number of non-independent members (executive)	4



The Board of Directors is composed of six committees, consisting of three Executive Committees (Credit, Investment, and Digital Transformation) and three Regulatory Committees (Internal Audit, Risk and Compliance, and Nomination, Remuneration, and Corporate Governance). For more information on TNB’s Board committees, please visit [TNB’s 2023 Annual Report](#).

The Board is responsible for reviewing sustainability issues, with dedicated committees or subcommittees focusing on sustainability matters. The Board liaises with stakeholders to gain insight into their perspectives on sustainability, enhancing transparency, accountability, and trust.

Ethical Conduct

To enhance the performance and governance practices of TNB's Board and its committees, the Bank has implemented a comprehensive annual Board Effectiveness Assessment. For more information, please visit [TNB's 2022 ESG Report](#).

To maintain a positive workplace culture, the Bank has established a Code of Conduct that is reviewed and signed by every new employee. Moreover, the induction process involves comprehensive training on this Code to ensure all employees are well-versed in its principles. TNB's commitment to human rights principles is reflected in this Code and incorporated into all operations, policies, and practices.

Employees are encouraged to report on misconduct and the Bank has an established a Whistleblowing Policy and mechanism for reporting violations and infractions. This policy outlines the required steps for submitting a report, while also ensuring protection and confidentiality for whistleblowers. This policy is reinforced through informational newsletters, informative videos, and training sessions.

Risk Management

In 2023, the Bank implemented several strategic initiatives to enhance its compliance and risk management capabilities. TNB procured an automated compliance risk management system and conducted comprehensive employee training on its deployment. Moreover, the RCM has streamlined the identification, documentation, and evaluation of non-compliance risks, facilitating the generation of required reports and ratios.

TNB has a dedicated Risk Management Department that maintains a comprehensive set of policies, approved by the Board of Directors, to identify, assess, and mitigate potential risks. These policies are regularly reviewed and updated in light of any significant changes and encompass:



The Risk Management Department is also responsible for evaluating the effectiveness of the Bank's policies and procedures in managing environmental risks and sustainable finance. By integrating sustainability-related risks into the internal capital adequacy assessment process, the Bank can assess its compliance with sustainability standards, energy efficiency, and transparency in disclosing environmental risks.

To identify climate-related risks and issues related to environmental impacts, the Bank continually assesses climate-related risks and integrates them into the internal capital adequacy assessment report, covering financial and legal risks from adverse climate, environmental, and social impacts. Additionally, TNB introduced ESG training, specifically focusing on environmental and climate risk awareness programs for its employees. Environmental and climate risks, alongside their implications, were rigorously assessed within the 2023 Capital Adequacy Assessment Report, underscoring TNB's commitment to mitigating risks from climate and environmental factors.

During 2023, the Risk Department implemented several projects and initiatives to enhance the Bank's operational resilience, which included conducting evacuation scenario tests for the General Administration building by simulating earthquakes or fires, executing business continuity tests and testing disaster recovery sites, and launching a cybersecurity awareness platform. The Bank also organized multiple workshops to raise risk management awareness, while simultaneously integrating risk indicator reports into the banking system. Through these actions, the Bank aimed to foster a risk-aware culture organization-wide.

Highlight - Business Continuity

TNB is prepared for managing crises and emergencies and has created a system of prevention and recovery to enable it to respond to future threats. Through this system, the Bank can mitigate business continuity risks, protect its databases, and preserve its reputation.

TNB has conducted thorough business continuity tests that involved defining critical operations, assessing their potential impact during disruptions, setting acceptable downtime thresholds, identifying relevant systems, establishing recovery timelines, and forming dedicated teams. This enabled the Bank to develop detailed plans and successfully carry out real-time tests at alternative sites to validate preparedness.

Financial Performance

The Finance Department is responsible for overseeing all operational activities within the Bank, ensuring that they are accurately reflected in monetary terms. It oversees the Bank's Tax Policy, ensuring that TNB fully adheres to taxation laws.

During 2023, the war on Gaza had a significant impact on the Bank's different departments. In addition to the increased internal reporting and reporting requirements for the PMA, TNB successfully managed a complex case regarding the recognition of expected credit losses due to the worsening economic factors and the war's effects on the economy. A crisis management plan was devised, which included liquidity management, disaster recovery site readiness checks, and alternative site readiness checks.

This year, TNB transitioned to a fully integrated Systems, Applications, and Products (SAP) Enterprise Resource Planning (ERP) system which enhanced operational efficiency

and sustainability efforts. Automation of the procure-to-pay cycle has significantly reduced the time required to complete financial transactions, streamlining the Bank's financial processes and strengthening relationships with key stakeholders through the provision of faster processing and payment cycles. The benefits of this system extended to the Bank's employees, who spent less time on manual workload, giving room for more strategic endeavours. The SAP ERP has enabled the Finance Department to make significant strides towards a paperless strategy by digitizing and centralizing financial processes which has reduced the reliance on paper-based documentation and manual record-keeping.

Highlight - A Paperless Finance Department

In 2023, TNB successfully went live with its new SAP ERP system. The implementation of this system significantly streamlined operations across all departments and enhanced communication with procurement and administrative departments. Additionally, the system resulted in a procure-to-pay process, leading to a paperless Finance Department.



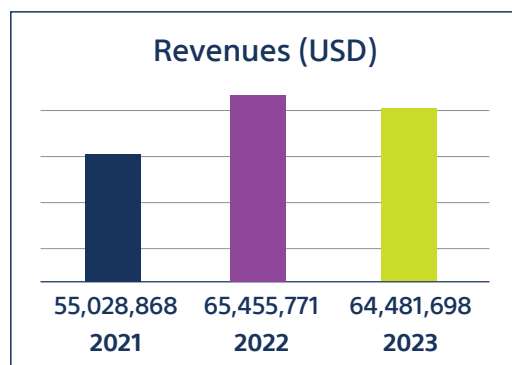
Agile methodology was adopted in collaboration with the implementing company to ensure a successful launch of all system features pertinent to procurement, administration, and finance.

To ensure the project's success, detailed requirements and expectations were outlined beforehand. After each phase was completed, the Bank conducted testing to ensure proper implementation. Additionally, to facilitate a smooth transition to the new ERP system, stakeholders received training sessions throughout the implementation period.

Moving forward, the Finance Department plans to continue its automation process. This will include the recognition of accruals and automating department forms through the internal Click and SAP ERP systems to facilitate document approvals. The Department also plans to increase coaching and delegate new tasks to all employees to enhance productivity and skill development.

TNB's Exchange Rates Fluctuations Newsletter is still being published on a weekly basis and designed to address the unique financial landscape in Palestine, where no national currency exists. The weekly newsletter aims to spread awareness about the behaviors of currencies, enabling individuals to make informed financial decisions. In 2023, the newsletter garnered a total of 193,500 views across TNB's social media platforms, underscoring its impact and reach.

This year, TNB's financial performance exhibited a slight downward trend in revenues due to the ongoing war in Gaza, which has significantly disrupted economic activities. However, this decline, although modest, suggests a stabilization following the significant growth seen in



the previous year. It is important to note that this period coincided with the war on Gaza, which had a considerable impact on the economic environment. Despite these challenges, TNB remains focused on strategies to sustain and enhance its economic performance, continuing to adapt to market conditions and seeking opportunities for revenue growth while maintaining robust financial health. Additionally, TNB was the most profitable Palestinian bank in the year 2023, underscoring its resilience and strong financial management.

For further details on the Bank's financial performance in 2023, please refer to the [2023 Annual Report](#).

In 2023, the Treasury Department achieved a profit of USD 7 million, meeting the approved budget despite the challenging economic conditions caused by the Gaza conflict in the last quarter of the year. This success was attained through optimizing revenue generation via foreign exchange trading, analyzing market trends, and executing timely trades. The department also implemented cost management measures, including robust risk management practices and operational efficiency enhancements, reducing operational costs and improving productivity. Their strategic approach, diligent market monitoring, and prudent decision-making were crucial in ensuring these successful financial outcomes. Additionally, the Treasury Department plans to launch two new products to boost the bank's deposits' growth and profitability, these new products are expected to have a significant positive impact on the bank's financial performance.

TNB's 2023 financial highlights include:



Customer Privacy and Data Security

TNB embraces cutting-edge technologies to enhance customer privacy and data security and drive digital transformation. The Bank has achieved several significant milestones in this area, increasing the growth and success of the organization. Digital transformation involves implementing advanced technologies and robust security measures which help protect sensitive information and ensure compliance with data protection regulations, enhancing customer privacy and data security.

TNB maintains a Data Security and Privacy Policy which is publicly available on the Bank's website. This policy strictly adheres to local laws and regulations governed by the PMA. Additionally, the policy is aligned with international standards and best practices, including PCI-DSS. All employees are made aware of this policy through internal awareness sessions that are conducted via email along with training courses, and the public is informed about the policy through various marketing channels. Moving forward, the Bank intends to launch a platform for security awareness training which is currently undergoing testing by the IT and Risk departments. This platform will enable the Bank to publish training courses on Information Security and Data Privacy Awareness. Subsequently, all employees that pass the course will receive a certificate and their names will be included in reports showcasing course completion for management review.

In addition to this policy, the Bank has implemented rigorous controls such as vulnerability scans, penetration testing, and application security assessments to fortify its cybersecurity posture and lay the groundwork for achieving ISO 27001 certification. The Bank also provides cybersecurity training programs, focusing on cyber risks, phishing prevention, safe internet practices, and raising awareness of customers on information security. TNB also conducts yearly audits to evaluate the effectiveness of its privacy and security management systems. Through these efforts, the Bank aims to raise awareness across the organization and ensure that it can continue to deliver exceptional services, reinforcing its position as a leader in the banking industry.



Highlight - Card Management System Swap

In 2023, TNB undertook a strategic initiative to consolidate its card management systems by introducing a unified platform to deploy the three separate systems that were in operation. The project aimed to streamline operations, reduce maintenance costs, and enhance security by implementing advanced features such as 3D Secure service and fraud monitoring capabilities. This new system will enable secure card transactions, fraud monitoring, and activation of virtual and prepaid cards. This consolidation not only improved operational efficiency but also ensured compliance with regulatory requirements and enhanced overall customer satisfaction.

Looking ahead, TNB's IT Department is poised to embark on several transformative projects aligned with the Bank's digital strategy. These initiatives include the implementation of tokenization technology to enhance transaction security and facilitate Apple Pay integration which will enable secure payments via Apple devices.

Anti-Money Laundering and Anti-Corruption

Anti-Money Laundering

TNB has updated its Anti-Money Laundering (AML) and CTF systems to ensure that the Bank stays in line with global developments and changes in legislations.

The AML team uses a Financial Crime Monitoring (FCM) and CTF systems to mitigate the risks associated with money laundering and terrorist financing. This automated system conducts daily and periodic checks against internal and international prohibition lists such as the United Nations (UN), European Union (EU), and United States Office of Foreign Assets Control (US-OFAC). Checks are also conducted prior to establishing a business relationship with customers. The system uses a risk-based approach to analyze client accounts, using various scenarios to monitor their financial behavior and transactions. By doing so, the program identifies and closely examines any unusual financial movements based on the Bank's available documentation. Moreover, the program measures their compatibility with the nature of the customer's economic activity.

The AML procedures are regularly audited by the Internal Audit Department to ensure that policies and controls have been implemented correctly to mitigate AML related risks. Furthermore, the Internal Audit Department randomly samples transactions from various

branches to verify that the required documents are available and that the procedures have been properly executed.

In addition to these processes, TNB's employees are provided with regular training sessions on how to combat money laundering and CTF. These training courses are organized by the Human Capital Department, either through regular sessions or by issuing circulars. The Bank is also currently in the process of approving training programs conducted by a third party.

TNB achieved significant milestones in 2023, updating its AML/CTF policies. This included implementing a comprehensive customer risk rating system aligned with the Bank's risk acceptance policies.

The Bank also introduced several pivotal technological initiatives including the implementation of the AML system, which bolstered risk management efforts, ensuring regulatory compliance, and safeguarding against financial crimes.

100%
of transactions are
screened for anti-
money laundering
and CTF

Anti-Corruption

The Bank adheres to all regulatory requirements, mitigating financial crime risks, and safeguarding customers from illicit activities. TNB's Anti-Bribery & Corruption Policy aims to prohibit and prevent any form of direct or indirect corruption and bribery. The Bank's Conflict-of-Interest Policy is clearly communicated to all relevant parties. The Anti-Bribery and Anti-Corruption Policy actively encourages employees to promptly report any violations of ethical conduct rules, a notion also included in the Bank's Whistleblowing Policy. TNB protects the identity of whistleblowers and keeps detailed records of reported cases.

The Bank also has robust internal control systems in place to monitor and detect any suspicious activity, instances of corruption, or misuse of authority. Additionally, audits are conducted on operations and internal and environmental controls to ensure the implementation of these policies. Moreover, TNB provides clear codes of conduct and ethical guidelines to outline what it expects of its employees, along with penalty regulations and enforcement measures, to deter misconduct. The Bank also has training programs on these policies and procedures, and actively shares video presentations and communications across the organization to continuously raise awareness of these matters.

Advancing Modern and Sustainable Banking

Highlights

- Grew fixed income investments to USD 51.29 million in 2023.
- Experienced a positive trend in green lending, with the total value reaching USD 2,218,474.
- Resolved 100% of customer complaints.
- Launched the Savings Campaign in 2023.
- Increased the SME loan portfolio by 3% in 2023.
- Improved the weighted ESG score of its fixed income portfolio from 3.69 to 3.82.

Material Topics Covered:

- Sustainable Finance
- Responsible Customer Relationships
- Innovation

UN SDGs Alignment:



TNB pledges to uphold its status as an industry leader within Palestine, by consistently seeking innovation and ensuring that the Bank maintains its exceptional customer service. The Bank strives to offer sustainable solutions, while also integrating ESG principles into its lending and investment activities. By incorporating sustainability issues into the core of its operations, TNB ensures that it continues to drive positive environmental and social change in the industry, generating long-term value for the community and the Bank's stakeholders.

Sustainable Finance

Investment

TNB's sustainable finance strategy is underpinned by its strategic goals which include incorporating ESG scoring into its fixed income investments, deploying evaluation and monitoring frameworks to enhance the overall ESG score of its fixed income portfolio, and improving the transparency of our ESG investments to ensure stakeholders are well-informed about the environmental, social, and governance impacts of our portfolio, highlighting the tangible benefits of the Bank's sustainable finance initiatives.

In 2023, TNB made great progress in its sustainable finance initiatives, increasing the amount of its fixed income portfolio that incorporates ESG reporting mechanism. The Bank's fixed income investments grew to USD 51.29 million in 2023, with USD 26.6 million subject to ESG scoring, up from USD 40 million with USD 14 million subject to ESG scoring

in 2022. Moreover, the weighted ESG score of TNB's fixed income portfolio improved from 3.69 in 2022 to 3.82 in 2023, indicating a higher overall quality and alignment with ESG standards, reflecting its proactive approach to sustainability and commitment to responsible investment. The scoring is based on Bloomberg's ESG Methodology, which shows the scores from (0-10) with 10 being the highest score.

The weighted ESG score of TNB's fixed income portfolio increased from 3.69 in 2022 to 3.82 in 2023

Great strides were also made in supporting renewable energy technologies and reducing the environmental impact of TNB's investments. Most notably, the Bank's Noor Jericho investment has been a key initiative in promoting sustainable energy solutions.

Lending

TNB's comprehensive monitoring and evaluation frameworks enable the Bank to stay ahead of potential issues, while also ensuring accountability. The Bank plans to systematically assess the risks associated with climate change, natural resource constraints, and other sustainability trends, incorporating any emerging trends into its risk assessments for its loan portfolio.

Moreover, TNB has implemented several policies to address sustainability risks. The Bank's Climate Change Policy supports projects that aim to improve climate resilience and reduce greenhouse gas emissions, encouraging investment in renewable energy and low-carbon technologies. Sustainable resource management is also promoted through the Bank's Resource Efficiency Policy which supports projects that enhance resource efficiency and reduce waste.

In 2023, TNB also collaborated with fintech companies to enhance its lending capabilities. By leveraging data analytics and risk management tools, the Bank can improve credit risk assessment, more accurately identifying potential risks and enhancing the decision-making process. In addition, TNB's Senior Relationship Manager attended numerous sustainability workshops to enable the Bank to stay up to date with the latest trends and best practices, leveraging this information to guide clients with integrating sustainable practices into their operations.

The total value of green lending by TNB has shown a positive trend over the past few years. In 2022, the total value of such lending reached USD 2,144,697, and it continued to grow in 2023, reaching USD 2,218,474.

3.44% increase in green lending

Highlight - Empowering Female-Owned Solar Innovation

One of the exquisite sustainable enterprises that TNB financed in 2023 was a 100% female-owned company dedicated to importing and developing advanced solar panels. The company developed a solar panel station, with a capacity of 500 kilowatts, which was used to convert a factory to run with 100% clean solar energy. This initiative is part of TNB's broader strategy to support renewable energy projects, reduce carbon emissions, and promote sustainable practices within the community. By facilitating the growth of solar energy infrastructure, the Bank aims to enhance energy efficiency and contribute to the global transition towards a greener future.



Responsible Customer Relationships

Responsible customer relationships are pivotal for building and maintaining trust, ensuring customer satisfaction, maintaining the Bank's reputation, and supporting the long-term success of TNB's operations. As a result, the Bank continuously engages with its customers to gather feedback on its services.

In 2023, The Bank launched the Retail Loan Instalment Deferral Campaign, which enabled customers to defer their instalments, providing flexibility during challenging economic times.

To further enhance customer engagement, TNB has implemented several initiatives aimed at gathering feedback and improving service quality. The Bank conducts face-to-face interactions with customers at its various branches, gathering feedback on their experience including interactions with staff, branch management, and the services provided. These interactions aim to identify areas for improvement and enhance the overall customer experience.

TNB maintains multiple channels for receiving complaints, suggestions, and addressing technical issues with electronic systems. These include phone, email, and digital platforms such as the Bank's website, digital service center, WhatsApp, and Messenger. The Compliance Office is also accessible for in-person visits, and complaint boxes are available at all TNB branches as well as on the Bank's website. This multi-channel approach ensures the Bank can promptly and efficiently respond to all customer queries and complaints, providing detailed reports and resolutions as required.

One initiative involves reaching out to customers who have lodged complaints to gauge their satisfaction with the resolution process. Another initiative focuses on contacting customers who have closed their accounts to understand their reasons and identify areas for improvement within the Bank. 100% of customer complaints have been resolved.

Moreover, the Bank also evaluates the performance of its digital service center by randomly reviewing chat transcripts to assess service quality and promptly address any issue identified. The Organizational Excellence Department is involved in measuring customer satisfaction regarding complaint resolution and the level of satisfaction and trust customers have in their dealings with the Bank. This contributes significantly to enhancing loyalty and attracting new customers.

100% of customer complaints have been resolved

In addition to engaging with its customers, the Bank also conducts training sessions for new or underperforming employees to improve service delivery to customers. A weekly newsletter titled "Keep in Mind" is also distributed to inform and motivate employees. Employee issues at branches are addressed during field visits to ensure effective resolution and continuous improvement in customer service delivery.

TNB also introduced an automated workflow system to streamline processes for retail products and services, with ongoing updates to encompass the entire range.

To ensure transparency and fairness, TNB complies with PMA regulations by announcing new products and services through social media, the website, mobile applications, brochures, and flyers, while also informing potential customers directly through TNB employees. All prices and fees are published in accessible channels and branches to maintain transparency for all customers.

In 2023, TNB undertook several initiatives and campaigns aimed at fostering responsible customer relationships and addressing the specific needs of key segments of the Palestinian population. TNB launched the Savings Campaign to encourage customers to increase their savings by offering valuable prizes across different categories, including daily, weekly, monthly, and grand prizes. The campaign focused on achieving financial security for savers, which was reflected in the types of prizes granted through the program, such as a house, a salary, a car, and gold ounces.



This campaign also included a social responsibility clause, with TNB committing to donate USD 1 for each new savings account opened towards supporting students in need in Palestinian universities. The Bank also continued with the Workers Campaign behind the green line to provide financial services to this underbanked and underserved segment. This initiative offered exemptions from account management fees and issuance fees for debit and credit cards, as well as providing access to loans and facilities.



Furthermore, campaigns were initiated to promote e-payment solutions such as the use of debit cards for payments at petrol stations and Ramallah Municipality fees, in cooperation with the PMA, with monthly prizes for participants.

Innovation

TNB has made significant progress in enhancing the digital infrastructure and improving customer experience. The Bank's digital strategic plan focused on transitioning to new banking systems, streamlining operations, and improving efficiency through automation and digitization of key processes, including workflow automation, digital customer onboarding, and paperless initiatives. These efforts position TNB as a leader in digital transformation within the banking sector, ensuring enhanced customer experiences and sustainable growth in the digital age.

The digital transformation at TNB is spearheaded by the Chief Technology Officer (CTO) who is responsible for overseeing information technology, as well as supervising the conducted research and the development of new banking products from a technological perspective.

In 2023, one of the key initiatives was the strategic preparation for the implementation of the Core Banking System (Banks). This effort laid the groundwork for enhancing operational efficiency, achieving cost savings, and elevating customer service standards. By focusing on optimizing transaction processing, improving data management, and reinforcing system security and reliability, the preparation aimed to ensure a seamless transition to a more integrated and streamlined banking ecosystem. The transition sought facilitating centralized database management and the consolidation of various banking platforms, including ATMs, internet banking, and mobile banking, thereby strengthening the overall service offering.

Additionally, TNB invested significant resources into the development of a new internet and mobile banking application. This effort was driven by a commitment to improving user experience (UX) and expanding service offerings. The preparation phase focused on designing a user-friendly interface that would offer convenient access to a broad range of banking services, anticipating the changing needs of customers. TNB also prioritized the enhancement of its digital channels to maintain high levels of service delivery, while simultaneously working on increasing growth metrics and the Net Promoter Score (NPS). These efforts were supported by a concerted push to expand digital services and improve coverage in underserved regions through the installation of additional ATMs.

Another significant digital innovation was the activation of a virtual seat solution for digital service center agents, enabling the Bank's agents to connect with and serve customers remotely under remote monitoring of supervisors. This initiative proved essential in navigating external challenges, yielding substantial benefits such as risk reduction, cost savings, optimized operations, and enhanced service quality.

Additionally, the IT Department deployed advanced security protocols within the Bank's IT Department deployed advanced security measurements within the Bank's IT infrastructure, further underscoring TNB's commitment to data security and customer privacy, with the adoption of Software-as-a-Service (SaaS) solutions enabling innovation in product offerings.

TNB plans to shift to a new Data Center that is compliant with international standards and increase its use of cloud services, reflecting the Bank's proactive approach to maintaining service availability and enhancing disaster recovery capabilities.



In response to critical events that led to the intermittent closure of branches, TNB increased its reliance on electronic services, resulting in notable changes between 2022 and 2023. The number of branch transactions saw a rebound, rising by 15% from last year. Meanwhile, online and mobile transactions experienced a substantial increase, growing by 35% from last year. Additionally, the number of online and mobile active customers rose by 8% from 2022. These shifts underscore TNB's successful adaptation to the challenges posed by branch closures and the increasing customer preference for digital banking solutions.

In 2023, the number of digitally active customers at TNB decreased from 64,686 in 2022 to 61,096. This decline is attributed to several key initiatives, including data cleansing efforts, the implementation of a new banking system, the launch of an updated mobile banking platform, and the introduction of new application programming interface (API) and card systems. These comprehensive upgrades were essential to enhance the overall digital banking experience, ensuring greater security, reliability, and efficiency for our customers.

Looking ahead, TNB's digital strategy for the upcoming year will focus on three main areas, each with specific KPIs and targets:

- **Digital Channels:** Continue to expand service coverage through the installation of ATMs in new areas and the development of new digital services based on customer digital behavior analysis.
- **Digital Service Center:** Elevate service quality by broadening the scope and variety of executive directives, streamlining customer experience, and minimizing the need for branch visits.
- **E-Services:** Develop new services on internet and mobile banking apps to enhance UX and increase the number of customers using digital services through targeted campaigns.

Highlight - Data Warehouse

TNB embarked on a transformative journey to establish a robust data warehouse (DWH). The DWH aimed to automate data collection from multiple sources and present it through visualizations, dashboards, and comprehensive reports. The initiative was driven by the need to streamline reporting processes previously fragmented across core systems and various data sources. Streamlining these processes enhances data accuracy and simplifies the complexities

associated with report generation. Moreover, the DWH was able to successfully navigate several challenges including data export, mapping complexities, and the demand for a large volume of reports within short deadlines. As a result, TNB achieved enhanced decision-making capabilities, leveraged machine learning applications, and implemented intuitive dashboard visualizations. This initiative allows TNB to harness big data to remain agile and responsive in the dynamic financial landscape, ensuring competitiveness and operational excellence.



Fortifying National Economy and Community Relations

Highlights

- Achieved 32% female account holders.
- Increased donations and sponsorships by 95% in 2023.
- Engaged 7% more local suppliers.
- Completed transition to a new core banking system and enhanced digital platforms.

Material Topics Covered:

- Financial Inclusion
- Community Support
- Responsible Procurement

UN SDGs Alignment:



The Bank's ESG strategy is focused on enhancing the accessibility and affordability of its financial services, with a specific emphasis on initiatives aimed at raising awareness among rural communities and marginalized groups. Further, TNB is particularly committed to focusing on the SME sector and empowering Palestinian women. To achieve this, the Bank has increased funding for the SME sector as well as provided a specialized lending program for women-led SMEs.

TNB strives to incorporate social responsibility into its policies to serve all sectors of society. The Bank also aims to have a positive impact on society by integrating sustainable and ethical practices throughout the supply chain to ensure stimulating economic growth and development.

Financial Inclusion

TNB is part of the Financial Inclusion National Committee in Palestine, aiming to achieve a developed financial sector that fully meets the needs of all segments of society to improve their welfare.

TNB aims to break down barriers and empower individuals by fostering greater financial inclusion in the communities it serves. The Bank has strategically established branches and ATMs in low-populated and economically disadvantaged areas to ensure convenient access to its banking services. Moreover, TNB offers flexibility by allowing clients to use their ATM cards at other local banks' ATMs without fees through the National Switch System (194). This initiative encourages more frequent card usage and facilitates access to a broader range of financial services.

The Bank supports small businesses and recognizes their pivotal role in economic development. One of the Bank's goals is to bolster economic growth through the financing of SMEs. In 2023, TNB achieved a significant milestone in this area by securing an agreement with European Investment Bank with the sum of \$35 million to provide financing for SMEs. The Bank also supports SMEs through employing various strategies to enhance financial access for SMEs, including providing specialized loans, credit lines, financial advisory services, and tailored digital banking solutions.

TNB's dedication to SME empowerment extends beyond financial support, evidenced by its collaboration with organizations like European Bank for Reconstruction and Development and Frankfurt School to develop innovative products and bundles tailored to SMEs' unique needs.

As part of TNB's strategy for providing financial access to people with disabilities, the Bank ensures that all visually impaired and handicapped clients can access its branches and offices and use its wide network of ATMs. This included the introduction of a range of responsive services such as audio recordings of forms and contracts through the "Basira" application, which reads brochures and contracts.

The Bank reaffirmed its commitment to financial inclusion by enhancing services tailored for clients with disabilities and introducing financial inclusion accounts for students. Additionally, TNB promoted financial literacy through online information and cybersecurity awareness videos on social media and offline digital banking literacy programs.

TNB is actively working on a comprehensive transition to new banking systems. For example, the new core banking system features a centralized database, storing all customer information, transactions, and account data. This system, along with the new mobile banking app and Internet banking module, will enhance accessibility and streamlining operations.

The Hayati Program

TNB promotes gender equality, offering essential support for Palestinian women to achieve economic success. Through the Hayati Program, TNB addresses the distinct financial needs of Palestinian women of all ages, aiming to empower them and foster financial security. The Hayati Program offers a wide array of services, including specialized savings and current accounts tailored to their specific requirements. Importantly, these accounts are free from any account management fees, ensuring that women can access financial services without any additional financial burden.



Furthermore, TNB extends financial services to rural and underbanked areas, with 37.5% of the Bank's branches and 31% of ATMs serving these regions. Gender financial inclusion is also prioritized, with 41% of savings accounts and 32% of the client base being women and girls.

TNB's Palestinian Workers Campaign was launched across 48 territories to provide financial services for workers with limited banking access. Key features included current and savings accounts, a free cheque book, and debit cards with no issuance fees. The Bank also offered instant prizes for opening savings accounts with a minimum balance of USD 200, access to credit cards, various loans, and monthly prizes, awarding 12 winners ILS 4,000 each.

Community Support

Community development is at the heart of TNB's strategy. In 2023, TNB demonstrated profound resilience, despite the challenges posed by the Gaza war and the financial crisis in the West Bank. The conflict impacted the Bank's profits through its 25% stake in the Palestinian Islamic Bank, which operates in Gaza. Additionally, the financial crisis in the West Bank, which was exacerbated by Israel's withholding of clearance funds and restricted movement, led to a significant liquidity shortage affecting the national economy. As a result, TNB had to cancel several planned events and campaigns that were organized to support the community. However, TNB adapted to this situation by planning a CSR program to support humanitarian relief in Gaza and modifying its services to better serve clients.

Before the war on Gaza, TNB increased its support for national products and small Palestinian industries by sponsoring several major bazaars and markets. The Bank is also actively engaged in promoting financial literacy through cybersecurity awareness videos on social media, and by educating over 2,000 students on digital banking literacy at the Arab American University of Jenin during 2023.

The Bank actively collaborates with Injaz Palestine on the "Students Company" project, where TNB volunteers supervise the establishment of real companies by school and

Highlight - Financial Inclusion for People with Disabilities

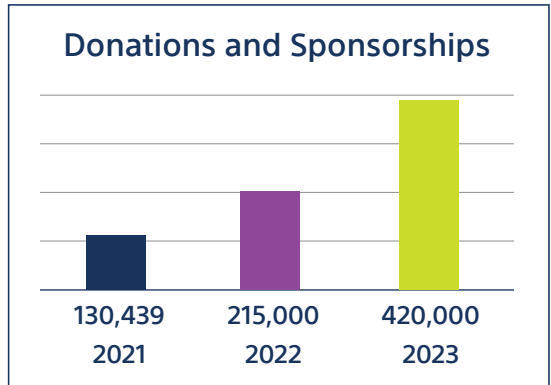
TNB implements sustainable initiatives tailored for customers with mobility and visual disabilities. This includes the "Basira" application, which offers comprehensive product information through audio, allowing users to listen at their convenience. Additionally, TNB has transformed branches and services to ensure accessibility, such as providing audio recordings of forms and contracts to help visually impaired clients understand terms clearly. The Bank has also upgraded its ATM network, with one machine in each governorate equipped to assist visually impaired clients through audio instructions.



university students over the course of a year. In 2023, TNB oversaw the creation of a cleaning company that developed an eco-friendly glass cleaner made entirely from natural tea-based ingredients. Additionally, TNB volunteers annually to provide financial literacy education to high school and university students studying business and economics, preparing them for the market and emphasizing the importance of environmental preservation in all communications.



TNB demonstrated a significant increase in its commitment to community support through donations and sponsorships. The financial contributions rose markedly from USD 215,000 in 2022 to USD 420,000 in 2023. This substantial growth highlights TNB's enhanced focus on social responsibility and its dedication to positively impacting the communities it serves. By increasing donations and sponsorships, TNB aims to support a wide range of initiatives, from educational programs to community development projects.



Highlight - Savings Accounts Campaign

TNB created a CSR message aimed at introducing responsible banking products to a broad segments, including men, women, and children, by promoting financial stability and empowerment through valuable prizes, such as a house, a monthly salary, and a hybrid car.

The CSR committee also recognized that education is fundamental to empowering individuals and decided to integrate this message with the campaign by supporting students in need. TNB donated USD 1 for each new savings account to fund university tuition for students who require financial assistance. This initiative was formalized through agreements with four major Palestinian universities: Birzeit University, Al-Quds University, Polytechnic University, and An-Najah National University, covering the Northern, Middle, Jerusalem, and Southern districts of the region.



Rashid Al-Kakhan, the Finance Director of An-Najah National University, highlighted: "This is a very important initiative and has a positive impact on students in need who are enrolled in the university, especially at a time when the number of students in need is increasing as a result of bad economic conditions while the number of donors is decreasing. On behalf of An-Najah National University, I thank the management of TNB for this unique initiative."

Highlight - Launching “Pal Blue Book”, The First Fintech Solution Developed Through TNB’s Incubation Program for Youth Entrepreneurs

TNB, in collaboration with Flow Accelerator, announced the launch of the Pal Blue Book platform, a fintech solution developed through the Bank’s digital technology solutions incubation program initiated in 2021. The platform uses data science and artificial intelligence to enhance vehicle pricing and assessment. The platform began market operations following the receipt of a letter of no objection from the Palestine Capital Market Authority.

The Fintech Incubation Program featured a bootcamp for 25 pioneering concepts and culminated in a pitching day judged by a specialized panel. Three fintech solutions were selected to continue in the incubation program, with two serving the financial sector and one, Pal Blue Book, serving the insurance sector and now licensed to operate in the Palestinian market.

The Executive Director of the Financial Stability Group at the PMA Iyad Zitawi: “I congratulate TNB, Flow Accelerator, and the Capital Market Authority on this achievement, wishing success to the entrepreneur Ahmed Kanaan. I also stress on the importance of the partnership between TNB and Flow in supporting and encouraging entrepreneurial ideas and solutions in the financial sector, to change the consumer pattern, reduce the cost and improve the quality of financial services. I call on banks and other business accelerators to establish such partnerships, stressing PMA’s readiness to receive any fintech requests in its regulatory sandbox.”



TNB actively supports the community through various economic and social sector events, choosing events that target specific groups or spread awareness on important topics. Key sponsorships include Souk Al-Harajeh 2023 in Ramallah, supporting local products and businesses, which was attended by 3,000 visitors, and Nablus Expo 2023, which revitalized the local economy, attracting 40,000 visitors from the West Bank and 48 territories. The Jenin Shopping Festival 2023 also supported local businesses and was attended by approximately 90,000 visitors, while the “Wein A Ramallah” musical event,



which was aimed at preserving Palestinian folklore, drew 24,000 visitors. Additionally, TNB sponsored a “Fun Day” with Palestine Maintenance Fund, supported environmental projects in schools in Ramallah, and collaborated with Injaz Palestine on the “Students Company” project and financial literacy initiatives.

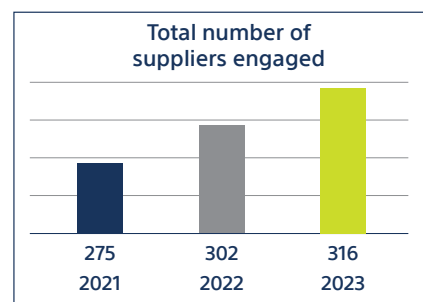
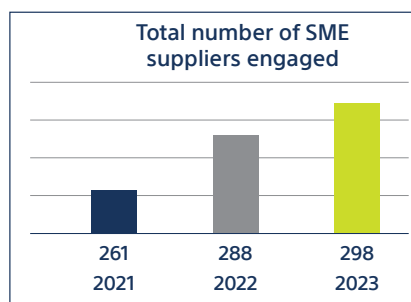
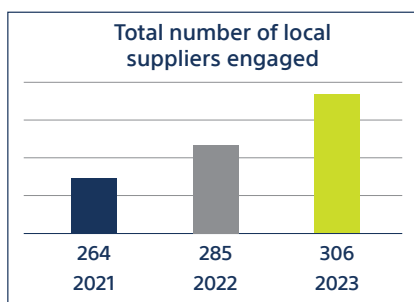
Responsible Procurement

Local procurement is crucial for supporting the national economy, ensuring a steady income for local businesses, and fostering community growth and resilience. TNB prioritizes local suppliers and has established a Supplier Qualification webpage on its website. Through this webpage, local suppliers can provide a comprehensive company profile, including the services they offer, enabling the Bank to expand its network of suppliers and choose the company most suitable for the required service. Additionally, TNB announces tenders through email distribution lists and other media channels, fostering partnerships with local suppliers while enhancing transparency and efficiency in supplier selection. This scheme contributes to local economic growth and community development while also promoting sustainable practices.

This year, TNB implemented an ERP system, introduced the Click system for procurement processes, and completed the central archiving project, contributing to a paperless environment. The efficiency of online request processing, approvals, and tracking of invoices and inventory increased significantly, contributing to streamlined operations and improved management processes.



In 2023, TNB observed positive trends in local procurement, reflecting our commitment to supporting local businesses and SMEs. The total number of suppliers engaged increased from 302 in 2022 to 316 in 2023. Concurrently, the number of local suppliers engaged grew from 285 in 2022 to 306 in 2023, demonstrating the Bank’s emphasis on strengthening local economies. Additionally, the number of SME suppliers engaged rose by 3.5% in 2023. The total SME suppliers form more than 97% of the total suppliers.



Highlight - Implementation of Enterprise Resource Planning (ERP) System

The ERP Invoice Management application SAP digitalizes and automates vendors' invoice payment processes, effectively controlling inventory and accelerating invoice processing and workflows. Through streamlined management of invoices, order confirmations, and delivery notes, coupled with machine learning capabilities, processes are accelerated while maintaining enhanced control over financial operations. The system also allows for inventory management, including setting automatic alerts for inventory levels. This system has been revolutionary in terms of saving costs, time, and effort through automated and centralized invoice management. As a result, training sessions had to be conducted to ensure thorough understanding and request modifications as needed.



The benefits of using the ERP system for invoice workflow are evident, through reduced payment processing times, electronic archiving of all invoices and supporting documents, decreased paper consumption, easy access to uploaded data, and efficient tracking of pending invoices and their status.

Highlight - Central Archiving Project

In 2023, TNB completed the Central Archiving project. From the meticulous planning process to its execution, each step was carefully orchestrated, from selecting the ideal location to coordinating with vendors for equipment procurement and on-site installations. Despite facing challenges, which included navigating complex import processes for archiving shelves and managing multiple vendors simultaneously, the project team persevered, underscoring its dedication to efficient document management and operational excellence.

TNB opened an independent and central archive headquarters, strategically located in the city of Ramallah. This facility, capable of meeting the bank's needs for document preservation for more than 15 years, covers an area of 2,000 square meters, several times larger than the three old sites combined. The new central headquarters can accommodate approximately 10,300 shelves and hold around 20,590 storage boxes.

Equipped with a highly advanced archiving system, the latest security and surveillance systems, as well as specialized fire extinguishing systems, this project has far-reaching implications, including streamlining document storage and retrieval and bolstering organizational efficiency and regulatory compliance. It ensures quick access and retrieval of documents when needed, while also optimizing workspace use and reducing operational bottlenecks.



Highlight - Fixed Assets Adjustment and Barcoding

TNB initiated a comprehensive project to adjust and barcode its fixed assets across all locations, including the headquarter, administration buildings, branches, offices, ATMs, disaster recovery centers, and archive sites. The primary objective is to improve the traditional inventory system, digitalizing the inventory process, using barcode technology.

Several challenges were encountered during the implementation process, including logistical issues related to security conditions affecting movement between headquarters and branches, as well as establishing schedules for visiting branches and headquarters.

By establishing a digitalized inventory system, the Bank aimed to consolidate all assets into a unified system for future reference, facilitating future inventory processes and report extraction. Through this effort, TNB sought to modernize its asset management practices and improve operational efficiency across its locations.



Adopting Environmental Stewardship

Highlights

- Decreased petrol consumption from operations and vehicles by 12%.
- Achieved a notable 26% reduction in water consumption compared to the previous year.
- Established a rigorous monitoring system to ensure alignment with environmental policies.
- Met 62% of branches' and headquarters' energy needs using renewable energy.

Material Topics Covered:

- Material Topics Covered:
- Climate Change
- Environmental Footprint

UN SDGs Alignment:



TNB has a pivotal role to play in advancing environmental responsibility and sustainability. The Bank strives to be a role model for the financial industry by maintaining its position as a frontrunner in investing in solar energy and adopting environmental stewardship practices to reduce its carbon footprint. TNB has strengthened its efforts in this regard by introducing energy-efficient measures, sourcing renewable energy opportunities, reducing paper and water usage, and promoting a circular economy.

Climate Change

TNB understands its, as well as the financial sector's, significant responsibility in combating the climate crisis. As a result, the Bank aims to increase its support of climate resilient projects. In addition, TNB has also made investments in green projects, such like the Noor Jericho Solar Park, which increases the proportion of clean energy in the national grid.

The Bank's investment in the Noor Jericho Solar Park in 2019 has resulted in a significant contribution to sustainability. Through its share of 1.17 megawatts in the Noor Jericho Solar Park, TNB has met the energy needs of 62% of its branches and headquarters. This investment aligns with TNB's commitment to contribute to national energy independence by transitioning to clean and renewable energy sources and making use of Palestine's abundant sunshine.

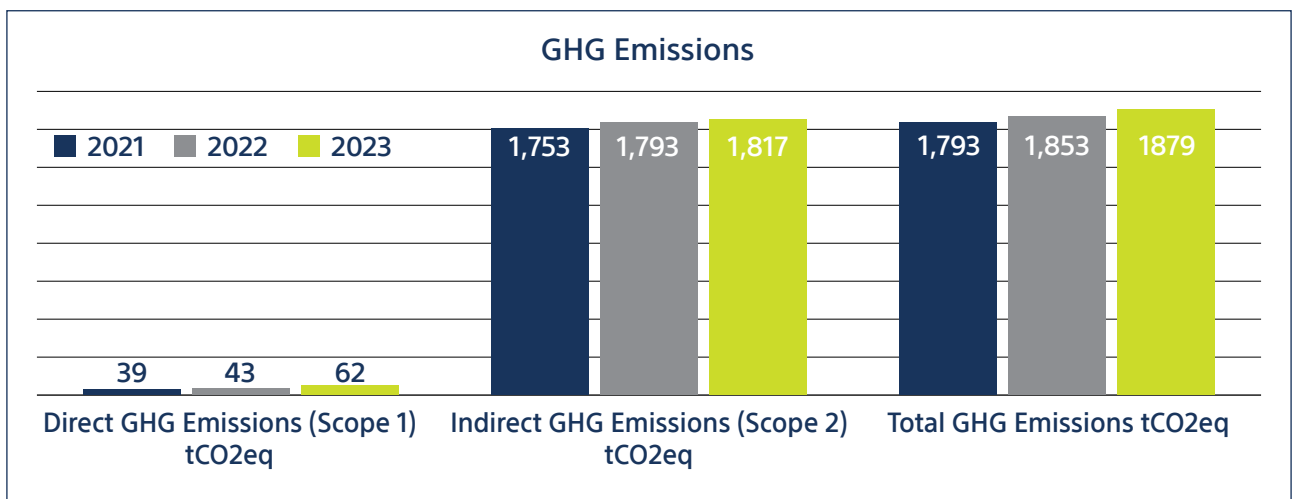
At TNB's wheeling PV station in Jericho, the Bank generates electricity that is delivered through the grid. This practice of wheeling solar energy enhances Palestine's electricity mix by increasing the share of renewable energy. Although TNB has not yet acquired certification to officially claim its wheeled renewable energy, the Bank benefits from a reduced grid emission factor, contributing positively to TNB's sustainability goals.

Moreover, TNB is exploring opportunities to increase its capacity in the Noor Jericho Solar Park project as part of its ongoing efforts to transition to renewable energy sources. This investment positions the Bank as the first bank in Palestine to extensively use solar energy to cover its needs. .

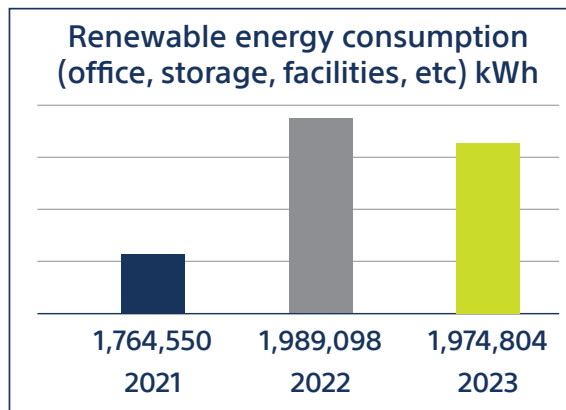
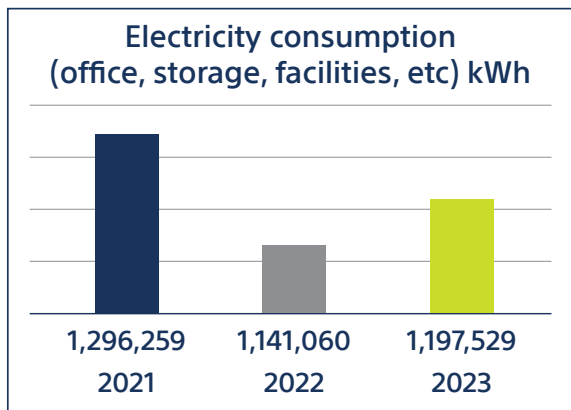
In addition to utilizing renewable energy, the Bank also takes other measures to reduce energy consumption and enhance efficiency. Firstly, energy use has been rationalized by controlling the air conditioning and heating systems in the General Administration Building, synchronizing their operation with employee shifts using the Konnex/connectivity (KNX) system. Additionally, the external lighting system of the administration building has been programmed to operate from sunset to sunrise. The Icon Mall branch is prepared to operate entirely on the KNX system, managing lighting and air conditioning automatically. In offices that operate without the KNX system, employees are instructed to turn off lights and air conditioning when leaving.



TNB observed a slight upward trend in total GHG emissions from 2022 to 2023. In 2022, TNB’s total GHG emissions were recorded at 1,835 tCO₂eq, which increased to 1,879 tCO₂eq in 2023. This represents an approximate increase of 2% over the one-year period.



Between 2022 and 2023, electricity consumption from non-renewable sources showed a slight increase, rising from 1,141,060 kWh in 2022 to 1,197,529 kWh in 2023. Despite this increase, TNB maintained a strong focus on renewable energy, achieving a 62% proportion of TNB’s total electricity consumption in 2023.



The increase in electricity consumption is due to expansion and the acquisition of the Jordan Commercial Bank’s (JCB) branches and offices late 2020.

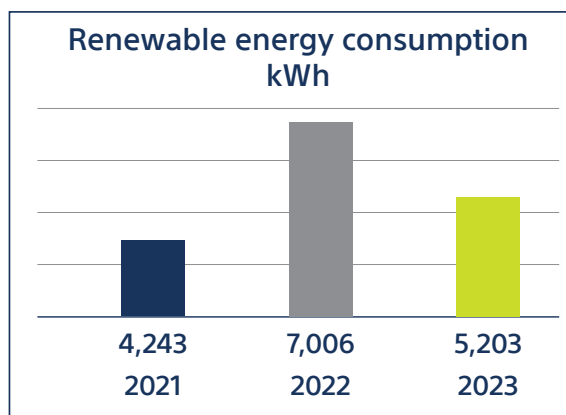
Environmental Footprint

TNB integrates several international environmental initiatives into its operations to reduce its footprint and ensure that it is contributing positively to the development of Palestinian society. In 2013, the Bank joined the United Nations Global Compact (UNGC), affirming its adherence to the UNGC’s ten principles including environmental protection measures. As a result of this commitment, the Bank has developed a range of responsible and sustainable lending products that have been designed to meet the diverse needs of Palestinian society. Moreover, TNB plans to reaffirm its commitment to adopting and implementing OPIC’s Social and Environmental policy.

TNB also undertakes office-based initiatives that aim to increase recycling efforts and reduce waste by implementing the SAP ERP system allowing purchase requests from branches and departments to be processed electronically, significantly reducing paper consumption. Additionally, TNB is actively engaged in a project to automate all existing financial transactions using a low-code platform, with the goal of minimizing paper and ink usage to the utmost extent. Efforts are also underway to introduce a central printing system across various headquarters and branches to regulate printing practices and restrict unnecessary printing, thus lowering costs.

The Bank is also in the process of finalizing a contract with a specialized company for the recycling of used and discarded papers, ensuring proper disposal according to established procedures. Together, these initiatives will not only reduce paper waste, but also mitigate the environmental impact of printer cartridge disposal.

TNB’s water consumption data showed a significant decrease from last year, reflecting efforts toward more efficient water use.



Total water consumption dropped by 26% from 2022. This reduction highlights the Bank's commitment to enhancing resource efficiency and promoting sustainable practices across its operations. By implementing water-saving initiatives and closely monitoring usage, TNB is contributing to environmental conservation and ensuring the responsible use of this vital resource.

TNB took notable steps to promote environmental sustainability, notably by purchasing shares in the "Noor Jericho" solar park. This investment ensures the Bank relies on clean solar energy to power its operations, reducing its carbon footprint and contributing to environmental conservation efforts. Additionally, the Bank actively participated in various initiatives and campaigns aimed at raising awareness about environmental protection. The Bank actively participates in local cleaning campaigns, such as the National Cleaning Day coordinated with Ramallah municipality, and actively encourages its employees to advocate for environmental conservation through awareness emails. Moreover, the Bank has implemented several initiatives to promote paper conservation, from including a signature phrase in employees' email signatures, reminding them to consider the environmental impact before printing unnecessary documents to including an option to keep the environment clean in ATM receipts for customers, emphasizing the bank's commitment to reducing paper consumption and promoting sustainability.

Promoting Development, Equality and Diversity

Highlights

- Provided 2,055 hours of training in 2023.
- Achieved a 100% nationalization rate.
- Hired 45% female employees as new recruits.
- Conducted regular performance and career development reviews for 100% of employees.

Material Topics Covered:

- Learning and Development
- Diversity, Equality, and Inclusion
- Employee Wellbeing

UN SDGs Alignment:



TNB recognizes that cultivating a diverse, equitable, and inclusive working culture empowers employees, fostering innovation. As a result, the Bank is committed to providing a positive, socially responsible working environment that is free from discrimination and harassment. By investing in its employees through diversity, equity and inclusion initiatives, TNB strives to support the well-being and growth of its employees, while also increasing productivity, innovation, and stakeholder satisfaction.

Learning and Development

TNB fosters a supportive environment that empowers employees to continually enhance their skills and knowledge, driving both individual and organizational growth and success. The Bank provides its employees with the necessary skills and knowledge to excel in their roles while also offering opportunities to advance within the organization. Moreover, the Bank is dedicated to recruiting, developing, and retaining local talent, and promoting the advancement and prosperity of the local workforce and community.

Highlight – Salalem – Empowering Employee Development through a digital platform

TNB has implemented an advanced electronic training and development platform “Salalem” to empower employees with the necessary knowledge, capabilities, and skills to excel in their roles and drive the Bank’s success. Salalem offers role-specific training, interactive workshops, and continuous learning opportunities tailored to employees’ career aspirations. This initiative aims to enhance employee skills, boost morale, and improve retention rates by making employees feel valued and supported. By investing in continuous professional development through Salalem, TNB fosters a positive work environment and maintains its competitive edge in the banking sector.



A combination of policies, processes, and resources are in place to help employees develop their skillset, starting with a comprehensive annual Training Needs Assessment to make sure employees are up to date on the training available to them. Moreover, end-of-year performance evaluations, ongoing discussions with employees and managers, and an Open-Door Policy for training requests ensure that the Bank meets the needs of its employees.

Every year, the management develops training initiatives and ensures that it has allocated sufficient resources for training in the budget. This funding supports internal and external training programs, the hiring of specialized trainers if needed, and investments in e-learning management systems such as "Salalem." Key areas prioritized in training initiatives include preparing administrative leaders and developing administrative and supervisory skills, such as the Training of Trainers (TOT) program, communication skills training, and leadership development programs. These initiatives equip administrative leaders with effective training skills, enhance verbal and non-verbal communication, active listening, conflict resolution, and assertiveness, and nurture leadership competencies in strategic planning, decision-making, team management, and motivation. TNB's succession plan outlines clear career paths and advancement opportunities, providing employees with the necessary information on the skills required for progression.

Highlight – Investing in Young Employees

At the end of 2023, the Finance Manager notified the Bank that he would be relocating to another country. Given the significance of this role, a replacement was needed as soon as possible. The Human Capital department initiated an internal assessment of its current employees to evaluate their qualifications for the role before considering external candidates. As a result of this assessment, the Human Capital department selected its youngest employee to become the new Finance Manager for a trial period of two months.

During this trial period, the new Finance Manager was able to effectively manage both his existing tasks and new responsibilities, impressing the Bank with his ability to learn new tasks in a short period of time. Consequently, he was officially appointed as TNB's Finance Manager, making him the youngest individual to hold this position among banks operating in Palestine.



While the Bank provides a whole suite of training programs, tailored to the individual roles and needs of its employees, there are core training programs that are widely offered. These include the Governance Framework Training, which aims to provide employees with an in-depth understanding of the Bank's governance structure, policies, and procedures to guarantee compliance and adherence to regulatory standards. Another important training module is TNB's Customer Care Program, which focuses on understanding customer needs, delivering a personalized service, and building long-term customer

relationships, while also learning how to handle complaints effectively.

TNB also offers a Sustainability Training Program that cover topics such as ethical business practices, community engagement, and stakeholder relations to foster a culture of social responsibility within the Bank.

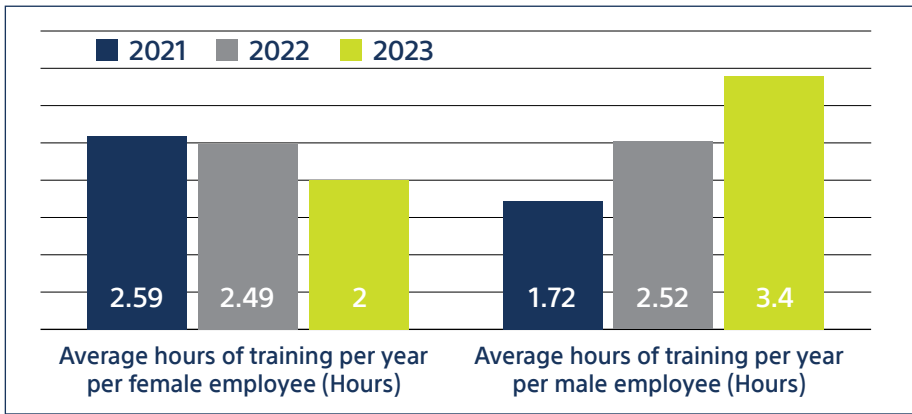
The Bank also has a number of Security Training Programs such as Cybersecurity Awareness Training, through which employees are taught about cybersecurity threats, best practices for data protection, phishing awareness, and incident response protocols to mitigate cyber risks. TNB also provides Physical Security Training which focuses on maintaining a secure workplace environment, access control measures, emergency response procedures, and personal safety awareness to safeguard employees, assets, and information.



In 2023, the Bank’s focus has been on preparing employees for the transition to the new Banking System. At the start, this involved mostly mental preparation which was then followed by targeted training initiatives to ensure all employees understood the new system’s functionalities and could use it effectively in their daily tasks. Furthermore, TNB also conducted two key training sessions on sustainability. The first training covered climate change and its effects on financial markets, and the second focused on sustainability in general. These courses were provided as part of TNB’s efforts to foster a culture of environmental responsibility, warranting that sustainability considerations are integrated into all operational aspects.

In 2023, TNB’s training and development efforts exhibited distinct trends in the average hours of training per year for both female and male employees. For female employees, the average training hours decreased from 2.49 hours in 2022 to 2.00 hours in 2023. Conversely, male employees saw a significant increase in their average training hours, rising from 2.52 hours in 2022 to 3.40 hours in 2023. TNB sets targets for training on a per-topic, department, and branch basis rather than by gender which in turn gives greater opportunities for females if the same position.

**TNB delivered
2,055 hours
of training in 2023**



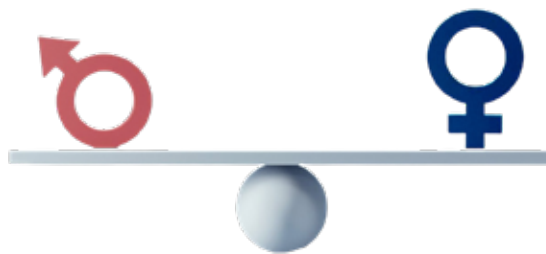
In 2023, the Human Capital Department continued its efforts to enhance the employee experience and bolster morale through various initiatives aimed at increasing motivation, efficiency, and loyalty. Key accomplishments included significant updates to the Bank's HR system, Menatech, which now operates on the latest version (Curio). This transformed it into a comprehensive talent management system integrated with full HR functionalities that span talent acquisition, onboarding, evaluation, development, career pathing, and succession planning, facilitating the development of employee skills and advancing departmental functions.

TNB also increased its efforts to boost productivity and efficiency through automation, especially in financial operations, including billings for transportation, meals, and overtime submissions. In addition, the Bank also prioritized the development and refinement of policies and procedures, including the implementation of a Succession Plan to identify and nurture high-potential employees for key positions. The Grievance Policy was also strengthened to provide clear guidelines for addressing employee complaints about decisions or policies. Through this process, the Bank aims to foster a supportive and transparent workplace culture in which grievances are managed promptly and respectfully.

Diversity, Equality, and Inclusion

TNB promotes diversity, equality, and inclusion throughout its workforce by cultivating a culture that celebrates diversity and ensures that everyone receives the same opportunities and experiences. As a part of this commitment, TNB has established a comprehensive Hiring Policy, which outlines the acceptable practices and procedures for hiring new employees to fit the Bank's specific needs. This policy provides clear guidelines to allow for a fair and consistent recruitment and selection process that emphasizes hiring the best candidate for each position advertised.

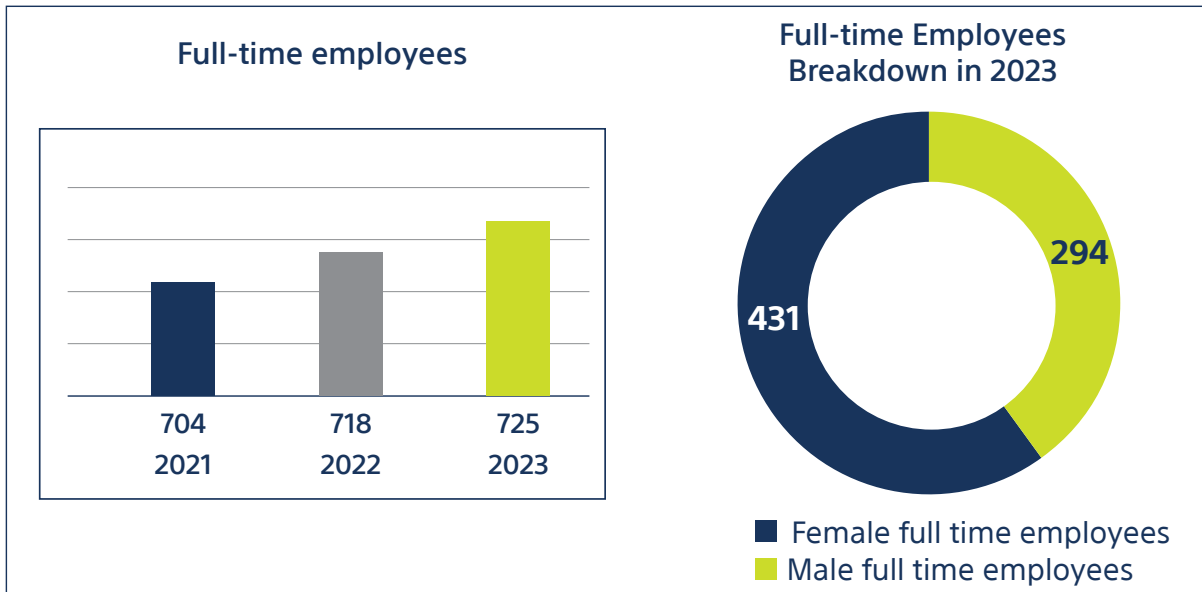
One of TNB's corporate objectives is to reinforce gender equality in the workplace, through TNB's banking products and services, as well as its community initiatives. As part of this objective, the Bank has fostered a culture that actively promotes the growth and advancement of female professionals within the organization. TNB strongly believes that gender should never hinder progression and have established robust initiatives to ensure the career development of women throughout the Bank. In line with this commitment, TNB has adopted the Women's Empowerment Principles (WEPs), a set of principles offering guidance to businesses on how to promote gender equality and women's empowerment in the workplace, marketplace, and community. By adhering to WEPs, TNB is dedicated to fostering an inclusive environment that supports gender diversity and ensures equal opportunities for all employees.



In 2023, TNB proudly reached a significant milestone with 53 female leaders holding key positions across various departments and functions within TNB. This achievement was only attainable through the stringent efforts of the Bank to build a more inclusive and equitable workplace.

TNB's human capital and composition data revealed several key trends. The total number of full-time employees increased from 718 in 2022 to 725 in 2023. Notably, the number of female full-time employees rose by 5% in 2023, reflecting TNB's commitment

to promoting gender diversity within the workforce. The number of male full-time employees stood at 431 in 2023.



Employee Wellbeing

TNB understands that its greatest asset is its employees and makes sure to provide them with a positive work environment that safeguards their well-being. The Bank maintains a workplace that prioritizes ethical conduct, integrity, and respect for all individuals.

To uphold these principles, the Bank has established two key policies aimed at preventing and addressing misconduct: the Whistleblowing Policy and the Sexual Harassment Policy. The prior is a formal framework that outlines the procedures that must be followed to report any concerns regarding behavior, fraud, corruption, or other wrongdoing within the Bank. This policy aims to create a safe space for employees to come forward with their concerns without any fear of reprisal. The Bank takes all matters reported through this policy seriously and carries out a full investigation to provide a resolution to potential problems.

TNB’s Sexual Harassment Policy is designed to prevent and address instances of sexual harassment in the workplace. This includes any form of unwelcome sexual conduct, whether verbal, non-verbal, or physical, that could create a hostile or offensive workplace atmosphere.

In 2023, the Bank also developed a Grievance Policy and mechanism to provide employees with a formal avenue to address concerns or disputes related to administrative decisions, thereby promoting transparency and trust within the organization.

In 2023, no grievances have been reported

In 2023, TNB continued to provide expanded established programs to further enhance its employees’ engagement and experience. The “Your Opinion Matters” initiative remained instrumental, encouraging employees to contribute ideas aimed at improving workplace dynamics. Moreover, “The Excellence, Watani” program gained prominence, particularly during the transition of the Bank’s core banking system, recognizing and celebrating individual initiatives.

TNB introduced several initiatives aimed at enhancing employee satisfaction and participation:

- The Bank's Soccer Team actively participated in various tournaments throughout the year, promoting physical fitness and social interaction as well as strengthening the connections among colleagues and management.
- Due to closures and the war impact of movement between cities and governorates, TNB implemented a Flexible Work Arrangements initiative that allowed employees to work remotely for two out of five working days. This initiative aimed to improve work-life balance and enhance overall job satisfaction.
- The Bank's employees actively engaged in volunteer activities and community service projects, including donation drives and local community engagements. These activities reinforced our organizational commitment to CSR and instilled pride among the Bank's employees.



In 2019, TNB established a specialized committee for general occupational health and appointed an occupational health supervisor, following the enactment of a law concerning public safety and occupational health for establishments. The committee is primarily responsible for enhancing internal controls to ensure a safe and secure work environment. Moreover, the committee oversees the provision of occupational safety and health requirements aimed at reducing accidents, work-related injuries, and occupational diseases. Another key objective for the committee is to install a collaborative work environment to help improve the Bank's overall occupational safety and health standards.

The committee is also tasked with providing support to the occupational safety and health supervisor by assigning tasks, providing necessary follow-up, and ensuring the supervisor receives appropriate training programs in occupational safety and health. In addition, the committee reviews employee-provided information and recommendations concerning work-related risks to effectively mitigate them. The committee also monitors work accidents and injuries, develop corresponding occupational safety and health strategies, and prepare related reports as needed.

Outside of the workplace, the Bank provides comprehensive medical treatment for employees and their families, covering specific illnesses such as diabetes and high blood pressure. All employees receive comprehensive health insurance provided through a medical network which covers all regions of Palestine. This health insurance is also

complemented by a workers' compensation policy. Additionally, TNB has a work injury insurance policy in place to compensate for injuries sustained at work.

Employees are entitled to additional benefits, including parental leave, a provident fund, and end-of-service compensation. Female employees benefit from 70 days of paid maternity leave as per Palestinian labor laws and can request extended leave as needed. This ensures that new mothers can prioritize their health and family responsibilities during this pivotal period. Additionally, the Bank offers 1 day of paternity leave, which is not legislated by law, to support new fathers.

In addition to supporting employees' health and well-being at work, TNB is also dedicated to celebrating significant milestones and special occasions with its employees, fostering a sense of camaraderie among its employees. For example, the Bank provides an onboarding gift set for new hires, aimed at creating a good first impression and facilitating their integration into the organization. The Bank also provides hot and cold beverages on special TNB days and celebrates significant occasions such as Women's month which includes Mother's Day and International Women's Day. Moreover, TNB also celebrates employees' achievements both financially and through accolades, ensuring that employees who reach targets or demonstrate exceptional customer service are internally recognized.



100% of employees received a regular performance and career development review during the reporting period

Appendix A: GRI Content Index

Statement of use		The National Bank has reported in accordance with the GRI Standards for the period of 1st January to 31st December 2023.				
GRI 1 used		GRI 1: Foundation 2021				
Applicable GRI Sector Standard(s)		None				
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details					
	2-2 Entities included in the organization's sustainability reporting					
	2-3 Reporting period, frequency and contact point					
	2-4 Restatements of information					
	2-5 External assurance					
	2-6 Activities, value chain and other business relationships					
	2-7 Employees					
	2-8 Workers who are not employees					
	2-9 Governance structure and composition					
	2-10 Nomination and selection of the highest governance body					
	2-11 Chair of the highest governance body					
	2-12 Role of the highest governance body in overseeing the management of impacts					
	2-13 Delegation of responsibility for managing impacts					
	2-14 Role of the highest governance body in sustainability reporting					
	2-15 Conflicts of interest					
	2-16 Communication of critical concerns					
	2-17 Collective knowledge of the highest governance body					
	2-18 Evaluation of the performance of the highest governance body					
	2-19 Remuneration policies					
	2-20 Process to determine remuneration					
	2-21 Annual total compensation ratio					
	2-22 Statement on sustainable development strategy					
	2-23 Policy commitments					
	2-24 Embedding policy commitments					
	2-25 Processes to remediate negative impacts					
	2-26 Mechanisms for seeking advice and raising concerns					
	2-27 Compliance with laws and regulations					
	2-28 Membership associations					
	2-29 Approach to stakeholder engagement					
	2-30 Collective bargaining agreements					

A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.

Material topics		A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.	
GRI 3: Material Topics 2021	3-1 Process to determine material topics 3-2 List of material topics		
Governance, Ethics, and Risk Management			
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption 205-2 Communication and training about anti-corruption policies and procedures		
Customer Privacy and Data Security			
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		
Financial Performance			
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed		
Community Support			
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs		
Responsible Procurement			
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers		
Climate Change			
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions		
	305-2 Energy indirect (Scope 2) GHG emissions		
	305-4 GHG emissions intensity		
	305-5 Reduction of GHG emissions		
Environmental Footprint			
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 302: Energy 2016	302-1 Energy consumption within the organization		
	302-3 Energy intensity		
	302-4 Reduction of energy consumption		
GRI 303: Water and Effluents 2018	303-5 Water consumption		

GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts					
	306-2 Management of significant waste-related impacts					
	306-3 Waste generated					
Diversity, Equality and Inclusion						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees					
Employee Wellbeing						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 401: Employment 2016	401-1 New employee hires and employee turnover					
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees					
	401-3 Parental leave					
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health					
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken					
Learning and Development						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee					
	404-2 Programs for upgrading employee skills and transition assistance programs					
We also report on topics that are not covered by the GRI standards						
Anti-Money Laundering and Anti-Corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics					
Responsible Customer Relationships						
GRI 3: Material Topics 2021	3-3 Management of material topics					
Innovation						
GRI 3: Material Topics 2021	3-3 Management of material topics					
Sustainable Finance						
GRI 3: Material Topics 2021	3-3 Management of material topics					
Financial Inclusion						
GRI 3: Material Topics 2021	3-3 Management of material topics					

Appendix B: Data Coverage Tables

Championing Good Governance and Ethical Practices

Governance, Ethics, and Risk Management

Board of Directors Composition and Diversity	2023
Total number of Board members	6
Total number of independent members	2
Total number of non-independent members	4
Total number of executive members	4
Total number of non-executive members	2
Total Board seats occupied by women	2
Total Board seats occupied by men	4

Board of Directors Training and Evaluation	2021	2022	2023
Total number for training hours delivered to board members	0	0	0
Total number of board members that received training on anti-corruption	0	0	0

Non-compliance with Laws and Regulations	2021	2022	2023
Internal compliance monitoring and reporting			
Total incidents of non-compliance with laws and regulations	2	1	2
Total number of non-monetary sanctions	1	0	0
The monetary value of large fines for non-compliance (USD)	20,000	0	0
Percentage of legal and regulatory fines and settlements that resulted from whistleblowing actions	0%	0%	0%

Internal compliance monitoring and reporting	2021	2022	2023
Number of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system	732	686	520
Percentage of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system that were substantiated	60%	48%	47%

Anti-Corruption	2021	2022	2023
Number of business units analyzed for risks related to corruption	0	5	10
Percentage of business units analyzed for risks related to corruption	0%	50%	100%
Total number of operations assessed for risks related to corruption	0	15	30
Percentage of operations assessed for risks related to corruption	0%	50%	100%
Total number of confirmed incidents of corruption	0	0	0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0	0	0
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	0	0	0

Anti-Corruption Training	2021	2022	2023
Total number of employees the organization's anti-corruption policies and procedures have been communicated to	N/A	N/A	N/A
Percentage of employees that the organization's anti-corruption policies and procedures have been communicated to	N/A	N/A	N/A
Total number of governance body members that have received training on anti-corruption, broken down by region	N/A	N/A	N/A
Percentage of governance body members that have received training on anti-corruption, broken down by region	N/A	N/A	N/A

Financial Performance

Economic Performance	2021	2022	2023
Economic Performance			
Revenues (USD)	55,028,868	65,455,771	64,481,698
Economic value distributed			
Operating costs (USD)	36,207,340	41,380,600	42,933,840
Employee compensation (USD)	20,030,161	22,927,564	23,031,862
Percentage of Payments to government (taxes and penalties) - expense	35.30%	27.80%	36.40%

Total Financing to Companies by Size*	2021	2022	2023
Micro, small, medium (USD)	49,898,189	68,236,927	61,213,313
Commercial (USD)	277,552,446	288,059,254	281,935,701
Total (USD)	327,450,635	356,296,181	343,149,014

*Micro, Small and Medium enterprises are merged in one portfolio (SMEs).

Retail Banking	2021	2022	2023
Total number of retail banking customers	158,000	156,000	183,000
Total value of retail banking loan portfolio* (USD)	198,618,534	260,173,983	266,082,853

* The value of the portfolio as a percentage of the total, or as a total monetary value based on "on-balance sheet" assets.

Corporate Banking	2021	2022	2023
Total number of corporate and institutional banking customers	207	219	188
Total value of corporate and institutional banking portfolio (USD)	276,973,181	286,967,407	292,367,743

Customer Privacy and Data Security

Data Security & Customer Privacy*	2022	2023
Data Security Breaches		
Number of data security breaches	0	0
Number of data security breaches involving customers' personally identifiable information	0	0
Percentage of data security breaches involving customers' personally identifiable information	0%	0%
Customer Privacy		
Number of account holders whose information is used for secondary purposes	0	0
Team Competency		
Number of professional certifications in the information security, continuity, and privacy field	2	4

*Data for 2021 is not available.

Anti-Money Laundering and Anti-Corruption

Anti-Money Laundering	2021	2022	2023
Percentage of business units analyzed for risks related to money laundering and terrorism financing	N/A	N/A	N/A
Percentage of transactions screened for money laundering	100%	100%	100%

Sustainable Finance

Integrating environmental, social and governance risk factors into credit risk analysis*	2022	2023
The amount of lending and project financing using the following:		
Integrating ESG ^[1] factors (USD)	8,956,496	17,120,393
Lending and financing under sustainability (USD) ^[2]	8,956,496	17,120,393**
The percentage of lending and project financing using the following:		
Integrating ESG factors	9.5% excluding the Public Sector	N/A

*2021 data is not available.

**2023 lending and financing data covers the entire year except for the last three months, when lending was halted due to the war on Gaza

1 The systematic and explicit inclusion of ESG factors in traditional basic financial analysis

2 Lending and project financing is identified under sustainability. The bank sets the priorities and encourages enterprises and /or projects address key sustainability trends.

Total green lending*	2022	2023
Total value of green lending: renewable energy, energy efficiency, green real estate / efficient buildings, sustainable waste management, clean transportation, sustainable water management, climate change adaptation, decarbonizing technologies (USD)	2,144,697	2,218,474

*2021 data is not available.

Responsible Customer Relationships

Customer Satisfaction	2022	2023
Customer satisfaction	94.5%	96.5%

*2021 data is not available.

Customer Complaints	2021	2022	2023
Overall customer satisfaction	N/A	95%	96.5%
Number of complaints received	732	686	520
Percentage of customer complaints resolved	100%	100%	100%
First call resolution (FCR)	21%	19%	23%
Average response rate for client complaints (Working Days)	59%	70%	64%

Innovation

Digitalization	2021	2022	2023
Number of digitally active customers	52,305	64,686	61,096
Number of new customers onboarded digitally	259	136	110
Credit cards sold digitally	N/A	N/A	58%
Number of products offered digitally	5	5	6

Transactions	2021	2022	2023
Number of branch transactions	1,464,889	1,239,679	1,428,741
Number of online/mobile transactions	41,853	88,630	119,977
Number of online/mobile active customers	18,248	24,879	26,928
Number of total completed tickets through digital service center	69,011	84,000	85,500

Fortifying National Economy and Community Relations

Financial Inclusion

Financial Inclusion	2021	2022	2023
Percentage of new accounts held by first-time account holders	35%	42%	-1%
Percentage of branches in low populated and economically disadvantaged areas	38.46%	37.5%	37.5%
Percentage of ATMs in low populated and economically disadvantaged areas	27.9%	26.8%	31%

Women Access to Finance	2021	2022	2023
Percentage of female Savings Accounts	61%	64%	41%
Percentage of female Current Accounts	25%	24%	21%
Percentage of female Customers at TNB	34%	33%	32%

Financial Literacy*	2022	2023
Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	2,125	2,055

*Data for 2021 is not available.

Community Support

Donations and Sponsorships	2021	2022	2023
Number of projects sponsored	64	30	55
Donations and sponsorships (USD)	130,439	215,000	420,000
Donations and sponsorships as % of pre-tax profit	1.30	1.10	2.75

Responsible Procurement

Local Procurement	2021	2022	2023
Total number of suppliers engaged	275	302	316
Total number of local suppliers engaged	264	285	306
Total number of SME suppliers engaged	261	288	298
Total number of women-owned suppliers engaged	4	5	5
Total procurement spending (USD)	N/A	N/A	16,547,119
Procurement spending on local suppliers (USD)	N/A	N/A	15,047,850
Percentage of spending on local suppliers	95%	96%	90%
Number of suppliers assessed against sourcing code of conduct	4	5	5

Adopting Environmental Stewardship

Climate Change

Energy Consumption	2021	2022	2023
Total number of premises	66	62	66
Total m2 of space across all facilities (office, storage, facilities, etc.)	7,485	7,485	9,557
Direct energy consumption			
Petrol consumption from operations and vehicles (Litres)	7,000	7,800	6,870
Diesel consumption from operations and vehicles (Litres)	8,500	9,000	17,200
Energy consumption from fuel consumption (GJ)	560	606	889
Indirect energy consumption			
Electricity consumption (office, storage, facilities, etc.) (kWH)	1,296,259	1,141,060	1,197,529
Renewable energy consumption (office, storage, facilities, etc.) (kWH)	1,764,550	1,989,098	1,974,804
Energy consumption			
Total energy consumption (GJ)	11,579	11,875	12,309

GHG Emissions	2021	2022	2023
Direct GHG emissions (Scope 1)** (Tons of CO2eq)	39	43	62
Indirect GHG emissions (Scope 2)*** (Tons of CO2eq)	1,753*	1,793*	1,817
Total GHG emissions (Tons of CO2eq)	1,793	1,835	1,879
GHG emissions intensity (Tons of CO2eq/ m2 of space)	0.239	0.245	0.197

* 2021 and 2022 Scope 2 data was restated based on enhanced calculation methodology. Figures for scope 2 now include renewable energy consumption.

**UK Government GHG Conversion Factors were used to calculate scope 1 emissions.

***IEA Emission Factors Database 2023 was used to calculate scope 2 emissions.

Environmental Footprint

Material Consumption	2021	2022	2023
Total paper consumption (Kg)	30,000	33,000	35,000

Waste	2021	2022	2023
Waste			
Non-hazardous waste	N/A	N/A	N/A
Hazardous waste	N/A	N/A	N/A
Total waste produced	N/A	N/A	N/A
Waste recycled			
Non-hazardous waste recycled	N/A	N/A	N/A
Hazardous waste recycled	N/A	N/A	N/A

Water Consumption	2021	2022	2023
Total water consumption (m3)	4,243	7,006	5,203

Promoting Development, Equality and Diversity

Health & Safety	2021	2022	2023
Total employee hours	1,081,161	1,211,671	1,236,167
Total contractor hours	N/A	N/A	N/A
Employee fatalities	0	0	0
Contractor fatalities	N/A	N/A	N/A
Employee total recordable injuries	N/A	N/A	N/A
Contractor total recordable injuries	N/A	N/A	N/A
Employee lost-time injuries	0	0	7
Contractor lost-time injuries	N/A	N/A	N/A
Total number of employee occupational illness days	154	211	197
Contractor occupational illness rate	N/A	N/A	N/A
Total number of health and safety audits	1	1	1
Total hours of HSE training provided	N/A	N/A	N/A

Learning and Development

Training & Development	2021	2022	2023
Total number of trainings delivered	75	54	80
Total number of training for females (Hours)	650	700	588
Total number of training for males (Hours)	780	1,100	1,467
Total number of training for total workforce	1,430	1,800	2,055
Average hours of training per year per female employee (Hours)	2.59	2.49	2.00
Average hours of training per year per male employee (Hours)	1.72	2.52	3.40

Diversity, Equality, and Inclusion

Human Capital & Composition	2021	2022	2023
Full-time employees	704	718	725
Female full-time employees	251	281	294
Male full-time employees	453	437	431

Workforce by Category & Gender	2021	2022	2023
Senior Management	11	11	10
Male employees in senior management	11	11	10
Female employees in senior management	0	0	0
Middle Management	68	75	77
Female employees in middle management	8	14	13
Male employees in middle management	60	61	64

Workforce by Age Group	2021	2022	2023
18-30	328	354	334
31-50	360	345	368
51+	16	19	23

Workforce by Nationality	2021	2022	2023
Percentage of nationalization among total workforce	100%	100%	100%
Female national employees	251	281	294
Male national employees	453	437	431
National full-time employees in senior management	11	11	10
Percentage of nationalization of senior management	100%	100%	100%

Hiring	2021	2022	2023
Total number of new employees who joined the organization	138	163	116
Total number of new employees who joined the organization (female)	89	71	52
Total number of new employees who joined the organization (male)	49	92	64
Total number of new employees who joined the organization (18-30)	95	126	91
Total number of new employees who joined the organization (41-50)	41	37	24
Total number of new employees who joined the organization (51+)	2	0	1

Turnover	2021	2022	2023
Total number of employees who left the organization	123	134	108
Total number of employees who left the organization (female)	29	39	38
Total number of employees who left the organization (male)	94	95	70
Total number of employees who left the organization (18-30)	65	88	59
Total number of employees who left the organization (31-50)	54	46	49
Total number of employees who left the organization (51+)	4	0	0
Total number of employees who left the organization (Senior management)	0	0	2
Total number of employees who left the organization (Middle management)	2	0	19
Total number of employees who left the organization (Staff)	121	134	87

Parental Leave	2021	2022	2023
Number of employees that took parental leave	58	42	66
Number of employees who returned to work after parental leave ended (return to work)	58	41	62
Number of employees returned from parental leave who were still employed twelve months after return to work (retention)	49	41	59
Return to work rate	100%	97.6%	93.9%
Retention rate	84.5%	97.6%	89.40%

Employee Wellbeing

Employee Wellbeing & Engagement	2021	2022	2023
Total number of employee engagement	208	128	97
Employee satisfaction score	66.60%	69.60%	N/A
Total employee absences	19,113	20,956	21,097

Performance Review, Employee Benefits & Labor/Management Relations	2021	2022	2023
Percentage of total employees who received a regular performance and career development review during the reporting period	100%	100%	100%
Percentage of female employees	100%	100%	100%
Percentage of male employees	100%	100%	100%

Employee Wages & Benefits	2021	2022	2023
Ratio of male entry level wage to minimum wage	3.08:1	1.97:1	2:1
Ratio of female entry level wage to minimum wage	1.33:1	1.43:1	1.44:1
Ratio of basic salary/renumeration of women to men	1:1.78	1:1.75	1:1.72
Ratio of basic salary/renumeration of women to men in senior management	1:1.56	1:1.61	1:1.30
Ratio of basic salary/renumeration of women to men in middle management	1:1.28	1:1.23	1:1.19

Grievances	2021	2022	2023
Number of grievances filed	0	1	0
Number of these grievance addressed or resolved	0	1	0
Number of grievances filed prior to the reporting period that were resolved during the reporting period	0	0	0

Non-discrimination	2021	2022	2023
Number of incidents of discrimination reported	0	0	0
Number of incidents of discrimination reviewed	0	0	0
Number of incidents of discrimination resolved	0	0	0

Appendix C: Stakeholder Engagement

TNB recognizes that its stakeholders lie at the heart of the Bank's business operations. As such, building and maintain strong relationships with stakeholders is prioritized through open dialogues and active engagement with individuals and organisations that hold utmost significance to TNB. Moreover, TNB ensures effective communication and collaboration with its stakeholders through the use of diverse channels such as surveys, dedicated teams, and regular interactions.

The Bank directs its attention towards engaging with stakeholders who have a considerable influence or play a crucial role in shaping the Bank's economic, environmental, and social performance.

Stakeholder Group	Modes of Engagement
Clients	Branches, ATMs, Digital Service Center, Social Media, Live Chat, Website, Online & Mobile Banking Services, Events, financial education, responsible lending, responsible banking products, awareness programmes, workshops, financial results on quarterly basis, community development, field visits, campaigns, CSR.
Investors	Annual General Assembly Meetings, Annual Report, Digital Annual Report, disclosures, Website, financial results on quarterly bases, presentations, external audit, board of directors, board committees, IR Department.
Employees	Emails, Facebook Group, Mename System, whistleblowing, trainings, employee volunteering programme, retreats, events, social gatherings, awareness programmes, community development, internal audit, community development.
Suppliers and vendors	Emails, announcements, website, internal audit, whistleblowing.
Regulatory bodies (PMA, PCMA...etc)	Compliance Department, Executive Management, meetings, collaborations, workshops, disclosures.
Partners	Collaborations, events, meetings, reporting, documentation, calls, field visits.

Appendix D: Awards, Memberships, and Certifications

TNB is dedicated to excellence and has received several prestigious awards, including:

- Aman's Transparency and Integrity Award, 2012
- The Banker Middle East's Best Treasury Management Award, 2014
- The Fastest Growing Bank in Palestine Award by CPI Financial/Banker Middle East, 2014
- Best Treasury Management in Palestine Award, CPI Financial/Banker Middle East, 2015
- Union of Arab Banks Award for the Largest Shareholder Base, 2015
- The Fastest Growing Bank in Palestine Award by CPI Financial/Banker Middle East, 2016
- The Fastest Growing Bank in Palestine Award by CPI Financial/Banker Middle East, 2017
- The Best Female Empowerment Bank, CPI Financial/Banker Middle East, 2017
- The Innovation Award for Empowering Women Economically, Union of Arab Banks, 2017
- International Finance Magazine Award, 2018, as the Most Innovative Bank in Palestine
- Most Innovative Bank in Palestine Award, The International Finance Magazine, 2019
- International Finance Magazine Award, 2019, as the Most Innovative Bank in Palestine
- The Best Digital Banking Service/ Peacock Award, 2022



International Finance Magazine Award in 2019, as the Most Innovative Bank in Palestine



Fastest Growing Bank in Palestine Award in 2014, 2016 and 2017



Best Female Empowerment Bank Award in the Middle East in 2017



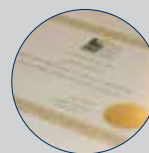
Union of Arab Banks Innovation Award for Women Economic Empowerment in 2017



Award for the Largest Shareholder Base for 2015



Best Treasury Management Award for 2014



Aman's Integrity Award in 2012

Appendix E: Acronyms

Acronym	Full Form
AML	Anti-Money Laundering
API	Application Programming Interface
ATM	Automated Teller Machine
CEO	Chief Executive Officer
CSR	Corporate Social Responsibility
CTF	Counter-Terrorist Financing
CTO	Chief Technology Officer
DWH	Data Warehouse
ERP	Enterprise Resource Planning
ESG	Environmental, Social, and Governance
EU	European Union
FCM	Financial Crime Monitoring
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HR	Human Resources
IT	Information Technology
JCB	Jordan Commercial Bank
KNX	Konnex/connectivity
kWh	Kilowatt-hour
NPS	Net Promoter Score
PEX	Palestine Exchange
PIB	Palestine Islamic Bank
PMA	Palestine Monetary Authority
SAP	Systems, Applications, and Products
SME	Small and Medium-sized Enterprises
TNB	The National Bank
TOT	Training of Trainers
UN	United Nations
UN SDGs	United Nations Sustainable Development Goals
UNGC	United Nations Global Compact
USD	United States Dollar
US-OFAC	United States Office of Foreign Assets Control
UX	User Experience
WEPs	Women's Empowerment Principles

Appendix F: Definition of Material Topics

Material Topic	Definition
Governance, Ethics, and Risk Management	<p>Governance refers to a set of practices and processes that help organizations to be supervised and managed effectively and efficiently. This includes the organization structure which starts with the Board of Directors, executive management, unit functions and any stakeholder.</p> <p>The material topic describes business ethics, transparency, and an open line of communication for positive and negative data with stakeholders in a regular, timely, open, and complete manner. It also encompasses Human rights which, defined by the ILO as the basic rights of humans, incorporating freedom of association and the right to collective bargaining, elimination of forced or compulsory labor, abolition of child labor, and the respect for international labor standards.</p> <p>Risk management involves identifying, assessing, and prioritizing risks, followed by strategically allocating resources to minimize, monitor, and control the probability or impact of unfortunate events or to maximize the realization of opportunities.</p>
Financial performance	<p>Refers to our overall profit and losses, including the overall performance and the relative success of individual departments/ business streams and their associated processes in terms of generating and managing revenue.</p>
Customer privacy and data security	<p>Refers to using special security measures, including policies, procedures, and efforts, to make all data safe, increase cybersecurity and eliminate data breaches.</p>
Anti-money laundering and anti-corruption	<p>Anti-money Laundering (AML) refers to the policies and procedures, including compliance programs and due diligence measures, to combat money laundering. It also includes training programs for employees, efforts to protect stakeholders from potential harm, and collaborations with law enforcement agencies and other stakeholders to combat financial crime.</p> <p>Anti-corruption refers to the policies and procedures in place to prevent and detect corruption, fraud, and bribery, which include compliance with relevant laws and regulations, due diligence on customers and transactions, monitoring and reporting of suspicious activities, and employee training and awareness-raising on anti-corruption matters.</p> <p>The material topic also includes compliance which refers to the fulfilment with regulations, laws, internal policies, procedures, standards, and Code of Conduct. This comprises any sanctioning of misbehavior and any instances of non-compliance that occurred during the reporting period.</p>

Responsible customer relationships	Refers to the level of satisfaction of clients with the Bank’s products and services and includes efforts to constantly provide outstanding customer service, managing complaints, and assess levels of customer satisfaction. It encompasses efforts to market products in a responsible manner and ensure transparent and informative communication.
Sustainable finance	<p>Refers to financing activities that support sustainable development and help address ESG challenges. Sustainable finance includes offering a broad range of sustainable financial products and services, including green/social bonds, sustainability-linked loans, and green/social credit/debit cards.</p> <p>Sustainable finance denotes how ESG factors can be integrated in lending and investment activities.</p>
Climate change	The strategies and practices that organizations undertake to mitigate the risks and adapt to the impacts of climate change. It encompasses a range of activities, including reducing greenhouse gas emissions and adopting low-carbon technologies. This includes the proactive, organized, and systematic efforts to minimize greenhouse gas emissions that contribute to global warming when released into the atmosphere.
Innovation	Refers to digitalizing the Bank’s operations: core or non-core. It starts from the onboarding of clients and includes servicing and closing of accounts. It entails paperless transactions and applications, etc. It also includes the application of new technologies and processes that solve a particular problem which ultimately improves products and processes.
Learning and development	Refers to the Bank’s strategies, initiatives and programs designed to develop the knowledge, skills, and capabilities of its employees to enhance their skills. This includes programs, courses, and sessions related to improving employees’ overall capacities.
Diversity and inclusion	<p>Refers to building a diverse work environment that nurtures people’s differences and offers equal opportunities and fosters a sense of belonging. This is achieved through creating a workplace that values and respects the differences among people, including their backgrounds, experiences, nationalities, and perspective.</p> <p>This topic aims to promote equity, fairness, non-discrimination, and opportunity for all individuals, regardless of their gender, race, ethnicity, age, sexual orientation, religion, disability, or other personal characteristics. This includes fair compensation and grievance redressal.</p>

Community support	<p>Refers to the programs and initiatives that aim to positively benefit the health and wellbeing of communities and society. This includes supporting the various social and humanitarian organizations in the form of in-kind or monetary donations as well as employee volunteering. Also refers to the overall contribution to the local economy, particularly local business development, strengthening the diversification of the local economy, strengthening the local job market and human capacities including nationalization efforts.</p>
Financial inclusion	<p>Refers to the availability of access for individuals and businesses to useful and affordable financial products and services that meet their needs while also being delivered in a responsible and sustainable way and includes transactions, payments, savings, credit, and insurance. This also includes supporting the growth and development of SMEs by providing access to finance, advisory services, and payment solutions. Financial inclusion involves affording financial services to underserved and marginalized communities such as people of determination, people in rural areas, women and youth. In addition, this material topic also includes financial literacy which can be defined as equipping individuals with the financial knowledge and skillset needed to make better financial decisions.</p>
Employee wellbeing	<p>Refers to the overall regulations and procedures to create a safe work environment that prevents any accident or injury at the workplace. This includes a range of employee safety and welfare programs, such as occupational safety and health training and awareness raising, routine health checks, and medical treatment. Also refers to processes implemented to ensure the overall physical and mental wellbeing of our employees, as well as any activities and programs that enhance the satisfaction of employees at work, including financial and non-financial benefits, awards, etc.</p>
Environmental footprint	<p>Refers to optimize resource use, minimize environmental degradation, and avoid environmental disaster. Refers to carrying out business practices and operations in a responsible manner, with a focus on using technology to minimize negative impact on the environment. This includes water stewardship, energy management, waste management and biodiversity.</p>
Responsible Procurement	<p>Refers to processes and procedures to manage supplier expectations. This includes procurement principles, supplier assessments, Code of Conduct, and contractual clauses setting the expectations for suppliers and contractors to adhere to the Bank's values. In addition, this also includes supporting local suppliers, as well as integrating ESG factors into supplier screening.</p>