

SUSTAINABILITY REPORT 2023

Paving the way to a sustainable future



بنك نزوى
Bank Nizwa





HIS MAJESTY
SULTAN QABOOS BIN SAID

May his soul rest in peace



HIS MAJESTY
SULTAN HAITHAM BIN TARIK

About this Report

In accordance with our sustainability roadmap, Bank Nizwa proudly presents its second sustainability report, reaffirming our steadfast dedication to transitioning into a more responsible banking entity.

This report comprehensively overviews our sustainability objectives, highlighting our current environmental, social, and governance (ESG) performance. It reflects our unwavering commitment to transparency and accountability as we strive to integrate sustainability principles into every facet of our operations.

Global Reporting Initiative Accordance	Alignments	Comparable Data	Assurance	Restatement	Contact Point
This report has been prepared in accordance with the GRI Sustainability Reporting Standards.	The report is aligned with the principles of the United Nations Global Compact (UNGC), the United Nations Sustainable Development Goals (SDGs), and Oman's Vision 2040. Furthermore, it adheres to the MSX ESG 30 metrics.	Certain disclosures within the report provide a comparative analysis of our performance spanning 2021, 2022, and 2023, accentuating noteworthy advancements and changes over time.	For the financial data included in this sustainability report, auditing has been conducted by KPMG to ensure accuracy and reliability. However, for non-financial information, we entrust our employees with full confidence in maintaining accuracy, integrity, and transparency, as dictated by our code of ethics.	This report does not include any restatement from the previous report in 2022.	For any inquiry on this report, please contact Ahmed Alwaily Head of Marketing, Corporate Communication and Sustainability Email: ahmed.alwaily@banknizwa.om Ext: 5570 Tahani Al Alawi Deputy Manager Sustainability and CSR Email: tahani.alalawi@banknizwa.om Ext: 5301

Scope of the Report



MONETARY VALUES

All monetary values in this report are expressed in **OMR**, unless otherwise indicated.



TERMINOLOGY

The use of the terms "The Bank" and "We" in this report refers to **Bank Nizwa**.



COUNTRIES

This report pertains only to our operations in the **Sultanate of Oman**.



FINANCIAL PERFORMANCE

For more information on our financial performance, refer to our annual financial report for 2023 and previous years on our website here:

Annual Reports | Bank Nizwa - First Islamic bank in Oman



YEAR

This report provides a comprehensive overview of our environmental, social, and governance performance for the **year 2023**.



ENTITIES

This report is only dedicated to the performance and activities of **Bank Nizwa**.

Our Chairman Message

As we unveil the Sustainability Report 2023, Bank Nizwa stands firmly committed to the principles set forth by Oman Vision 2040. This report serves as a comprehensive testament to our unwavering dedication to sustainability, echoing the national vision's pillars for economic diversification, social progress, and environmental stewardship.

Our commitment to social responsibility is ingrained in the fabric of our corporate ethos. The report highlights our initiatives towards community development, social welfare, and education, playing a pivotal role in fostering human development as outlined in Oman Vision 2040. Our efforts extend beyond financial contributions, encompassing community engagement projects, partnerships, and philanthropic endeavors that aim to make a positive impact on the lives of those we serve.

Bank Nizwa recognizes the integral role it plays in economic development, especially in the context of Oman Vision 2040's emphasis on building a diversified and sustainable economy. We have actively promoted financial inclusion, supporting initiatives that aim to contribute to the welfare of the local society and the growth of local businesses. Collaborations with startups, SMEs, and innovative economic endeavors have been central to our commitment to fostering entrepreneurship and economic resilience.

In our governance practices, Bank Nizwa upholds the highest standards of ethics, transparency, and accountability. These principles not only align with Oman Vision 2040's vision of a fair and just society but also ensure the trust and confidence of our stakeholders. The report details in our robust governance structures, highlighting our ongoing commitment to maintaining a robust framework that safeguards the interests of all stakeholders.

Our dedication to employee well-being, diversity, and inclusion is evident throughout the report. Bank Nizwa acknowledges the importance of nurturing a diverse workforce, fostering an inclusive workplace culture, and providing opportunities for professional development. By prioritizing our employees' well-being, we contribute to Oman Vision 2040's goal of building a skilled and empowered workforce capable of driving the nation's progress.

Technological innovation remains a cornerstone of our operations, aligning with Oman Vision 2040's vision for a knowledge-based economy. The report showcases our initiatives in leveraging technology to enhance operational efficiency, improve customer experiences, and contribute to the overall digital transformation of the financial sector.

As we reflect on the accomplishments documented in this report, Bank Nizwa remains committed to continuous improvement and the pursuit of future sustainability goals. We acknowledge the dynamic nature of the sustainability landscape and are dedicated to adapting our strategies to address emerging challenges and opportunities. Our vision is aligned with Oman Vision 2040, and we firmly believe that our commitment to sustainability will play a pivotal role in contributing to a prosperous and sustainable future for Oman.

Finally, I would like to reiterate to our shareholders that Bank Nizwa remains steadfast in its commitment to sustainability. Our strategic efforts are centered on delivering enduring financial services that support the triple bottom line, thereby enhancing the overall well-being of the country's economy, society, and environment. This endeavor aims to foster a thriving and sustainable future for all parties involved.

Sheikh Khalid Abdullah Ali Al Khalili
Chairman



Our CEO Message

I am pleased to present the second version of Bank Nizwa Sustainability Report, a testament to our enduring commitment to ethical banking practices and sustainable operations. This report provides a comprehensive overview of various facets of the bank's activities, spanning from financial performance and sustainability frameworks to governance practices, compliance standards, risk management protocols, cybersecurity measures, diversity initiatives, and community engagements.

At the heart of Bank Nizwa's sustainability strategy lie the pillars of our sustainability roadmap including: responsible leadership, ethical banking, societal prosperity, and environmental stewardship. The report delves into the bank's approach towards stakeholder engagement, the establishment of robust governance mechanisms, and the implementation of innovative sustainable finance initiatives. In alignment with esteemed global benchmarks such as the GRI Standards, UNGC, SDGs, and Oman's Vision 2040, this report serves as a reflection of the bank's firm dedication to upholding sustainability principles and driving positive impact. Our operational journey intertwines strategic initiatives with a commitment to efficiency, innovation, and resilience, encapsulating the following operational facets:

Efficiency is the cornerstone of our journey. From streamlined processes to optimized resource utilization, we're crafting an operational narrative that minimizes our ecological footprint and maximizes sustainable practices.

Technological innovation is not just a service enhancement but a cornerstone of sustainability. Our digital metamorphosis not only elevates customer experiences but also pioneers a sustainable operational framework, championing a paperless and eco-friendly banking landscape.

In managing risks, our operational approach is proactive. We identify and navigate environmental, social, and governance (ESG) risks, ensuring operational resilience in the face of global uncertainties and environmental challenges.

Our financial inclusion initiatives are not just strategic but deeply embedded in operational practices. Accessible banking services, partnerships with local

businesses, and empowerment initiatives align with our commitment to inclusive banking, mirroring the values of Oman Vision 2040.

Customer-centric sustainability is etched in our operational DNA. Green banking products, eco-friendly services, and financial literacy programs underscore our commitment to operationalizing sustainability in every customer interaction.

Our employee training programs are not just about skill development; they are a testament to operationalizing sustainability. Equipping our workforce with the knowledge to embed sustainable practices into daily operations is a key element of our operational ethos.

Metrics and Key Performance Indicators (KPIs) illuminate our operational journey. From resource consumption to waste reduction, our data-driven approach showcases tangible improvements, reinforcing our commitment to measurable sustainability.

Continuous improvement is not a buzzword; it's a mantra in our operational narrative. Learning from experiences and adapting operational strategies to meet emerging sustainability challenges is integral to our ethos.

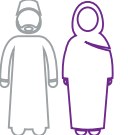
In conclusion, Bank Nizwa's operational symphony resonates with sustainability. We are not just aligning with Oman Vision 2040; we are operationalizing a future where resilience, inclusivity, and sustainability are not just corporate goals but ingrained in every facet of our operational landscape.

Mr. Khalid Jamal Al Kayed
Chief Executive Officer




Sustainability Highlight 2023




 **91%**
Omanization

 **94%**
of Budget spend
on local suppliers

 **13%**
increase
in net profit

 **ZERO** data
breaches or regulatory
complaints in our
flawless track record

 **51,800**
completed
E-learning
courses

 Bank Nizwa offers a
sustainable finance deal for the
first time in Oman with terms
linked to specific ESG KPIs

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1.1 Business Overview

Bank Nizwa SAOG stands as Oman's pioneer Islamic Bank, offering fully Shari'a-compliant products and services catering to individuals, small and medium-sized enterprises (SMEs), corporations, and government entities. Established in January 2013, the bank commenced operations following initial approval from the Central Bank of Oman, under the guidance of Sheikh Saud bin Ali Al Khalili. Sheikh Saud, along with 92 other Omani individuals, companies, and pension funds, comprise the founder shareholders. Registered as a public joint-stock company in the Sultanate of Oman, the bank's shares are listed on the Muscat Security Exchange (MSX).

Based in Muscat, Oman, our bank is dedicated to serving customers throughout the Sultanate with 22 strategically positioned branches. Our main services include opening current, savings, and investment accounts, offering Murabaha finance, Ijara financing, and other Shari'a compliant financing options. Additionally, we manage investors' funds through Mudaraba agreements, providing commercial banking services and engaging in various investment activities to foster growth and prosperity.

As Oman's foremost Islamic banking institution, we are dedicated to driving innovation, embracing best practices, and fostering adaptability. It is our steadfast belief that our commitment to sustainability and adherence to Environmental, Social, and Governance (ESG) principles are fundamental to securing our resilience and long-term financial viability.

As the finance team representing the bank, we acknowledge the diverse impacts and competitive advantages stemming from sustainable performance, benefiting not just the broader business landscape but also our institution specifically. Moreover, we understand the interconnected nature of ESG matters and the critical role of cross-departmental cooperation in effective execution. We remain committed to our sustainable journey and eagerly anticipate a bright future driven by financial innovation and collaborative endeavors.



Vision

We are foremost a Sharia-compliant bank, and we strive to be the financial partner of choice for the people and enterprises of Oman.



Values

We believe our approach is unique because...



We are driven

We strongly believe in the power to improve our customers' lives and we will always go the extra mile for them.



We are principled

We celebrate the teachings of Islam and put them into action on a daily basis for our clients and among each other.



We are innovative

We believe in making a real difference today and for the future through innovative ideas and new thinking.



We are helpful

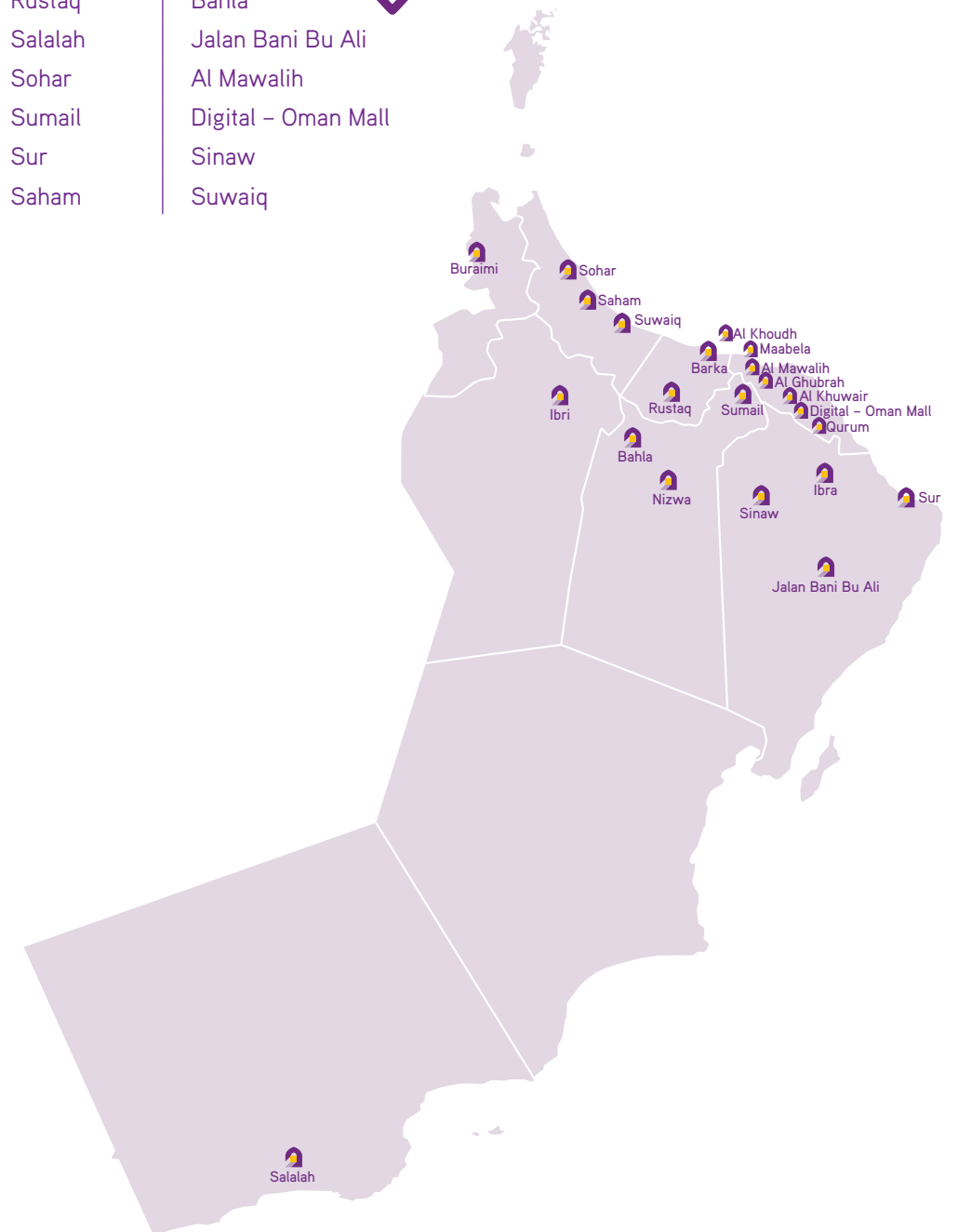
We will be prudent in our investments, and we will always advise customers on the best course of action for them.

A. Our Presence



Al Ghubrah
Al Khoudh
Al Khuwair
Barka
Buraimi
Rustaq
Salalah
Sohar
Sumail
Sur
Saham

Ibra
Ibri
Maabela
Nizwa
Qurum
Bahla
Jalan Bani Bu Ali
Al Mawalih
Digital – Oman Mall
Sinaw
Suwaiq



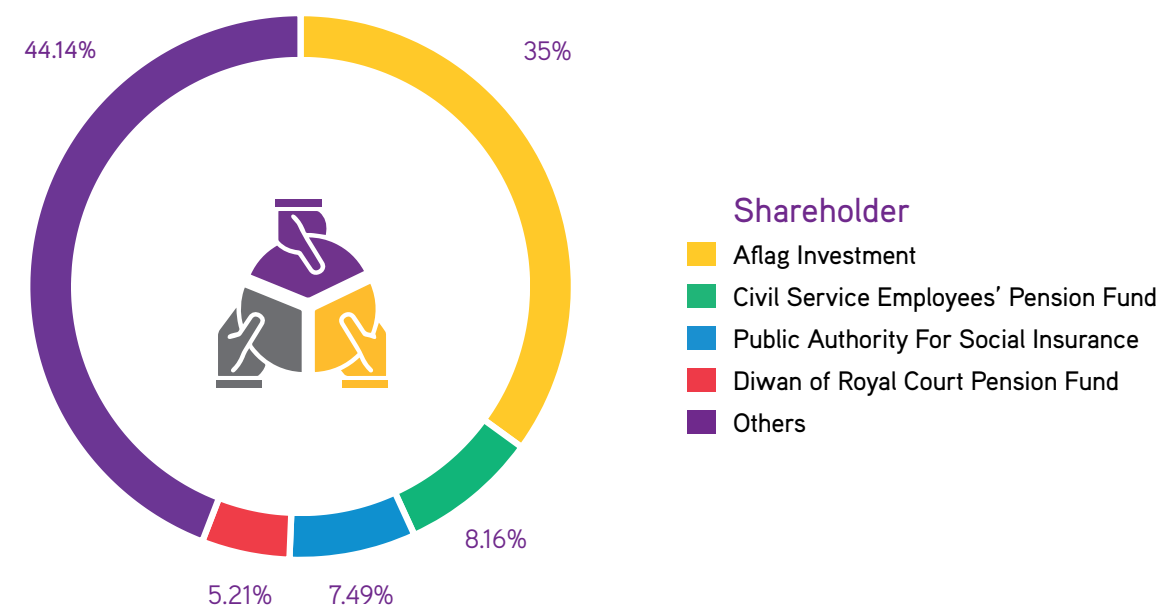
1.2 Economic Impact & Financial Performance

As the top Islamic bank in Oman, Bank Nizwa is proud of its consistent financial progress and successes. We offer an overview of our performance in the table below. For more comprehensive details regarding our financial performance, please refer to our Annual Report.

	2021	2022	2023
Net profit	12,526	15,056	17,022
Increase in Net Profit y-o-y	13.18%	20.20%	13%
Net profit Income	35,489	42,194	43,920
Total Income	44,347	52,496	55,356
Total Assets	1,404,823	1,486,123	1,618,295
Growth in Equity	50.19%	2.59%	3%
Employee Wages and Benefits	13,738	14,339	16,059
Community Investments	907,447	275,235	236,312

Our Shareholders

Bank Nizwa's shares are publicly traded on the Muscat Stock Exchange. The shareholders, holding more than 5% of the shares as of December 31, 2022, are detailed below.



1.3 Awards and Accolades

Honoured by the Ministry of Social Development for contributions and support for the Oman Association for the Disabled

'Best Islamic Bank' at International Finance News (IFN) Awards

'Best Retail Bank' at International Finance News (IFN) Awards

'Most Innovative Bank' at International Finance News (IFN) Awards

'IFN Deal of the Year' for Towell Infrastructure Projects Co's (TIPCO) Syndicated Wakalah, valued at OMR 14 million, with Bank Nizwa being a major investor - at International Finance News (IFN) Awards

'Best Bank in the Mid-Size Banks' at New Age Banking Summit 2023

'Industry Leadership in Innovative Islamic Banking Services' at New Age Banking Summit 2023

'Best Islamic Bank in Oman' at IFN Forum 2023

'Visionary Leader of the Year Award' - Ms. Haifa Al Lawati, Assistant General Manager HR, Bank Nizwa, at Muntada Al Mar'a Summit and Awards

'Exemplary Contribution to CSR and Sustainable Islamic Banking Award' Ms. Tahani Al Alawi, Deputy Manager, Sustainability, Bank Nizwa and CSR at Muntada Al Mar'a Summit and Awards

'Strongest Islamic Retail Bank in Oman 2023' at Islamic Retail Banking Awards (IRBA)

'Islamic Bank of the Year' at Islamic Banking and Finance Summit and Awards

Al Roya Economic Vision Award 2023 for **Smart Digital Transformation**

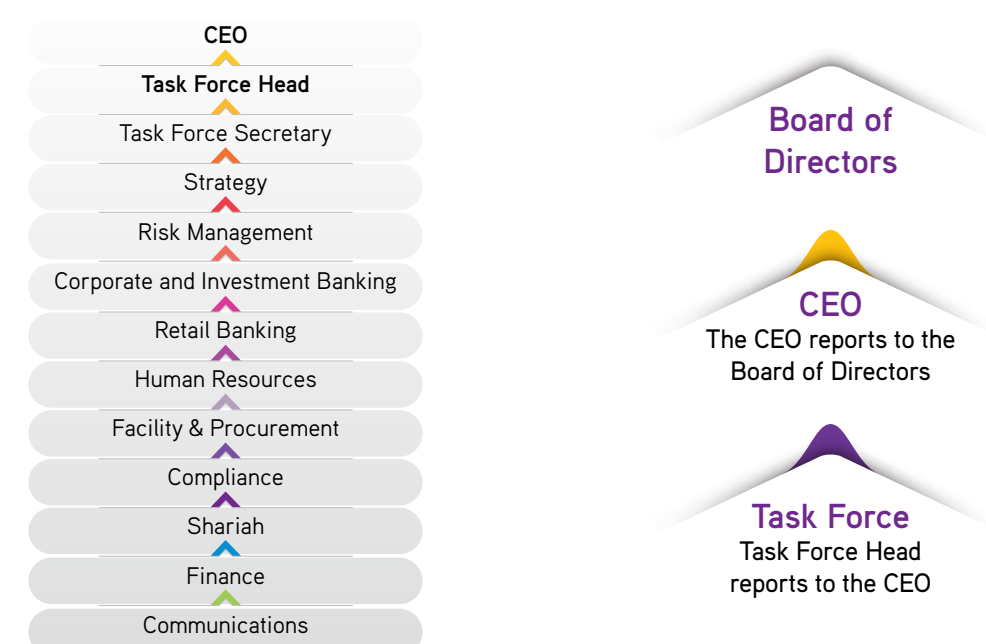


Our Sustainability Approach

As an Islamic bank, sustainability is deeply ingrained in our Sharia-compliant financial principles. This commitment has propelled us to take continual strides in integrating sustainability and fostering shared value alongside economic growth. In 2022 bank Nizwa crafted a sustainability framework. Our sustainability framework takes a holistic approach, integrating sustainability into our business and creating shared value. we introduced a sustainable finance framework, unveiled Oman's inaugural sustainability-linked finance, and intensified our efforts in utilizing digitalization to drive innovation.

Pillar	Responsible leadership	Responsible Banking	Prosperous Lives	Environmental Stewardship
Strategic Priority	Robust and Sustainable Governance	Responsible Finance and Investment	Socio-economic Development	Responsible Environmental Impact
		Customer Value	Empowered Workforce	Responsible Procurement
Our Commitments	Build robust and agile systems to ensure transparent and effective governance and; Achievement of our sustainability objectives	Advance sustainable finance in the sultanate and; improve people's lives with our products and services.	Drive positive impact in our communities and Create Fulfilling and attractive employment opportunities	Monitor and reduce the Bank's environmental footprint.

To ensure the effective execution of our sustainability strategy, we established a dedicated Task Force focused on realizing the Bank's sustainability objectives. This Task Force operates primarily on an operational level, designed in alignment with our sustainability framework. Recognizing the importance of cross-functional collaboration and support across departments and divisions, we have carefully selected members for our ESG Task Force from diverse backgrounds. Spearheaded by our CEO, this team brings together varied expertise to drive sustainability initiatives forward. Oversight of the Task Force's performance rests with the CEO ensuring accountability and alignment with our sustainability goals throughout the Bank.



2.3 Our Sustainable Finance Framework

Recognizing the increasing importance of global and local environmental and social risks, Bank Nizwa has experienced firsthand the impact of various environmental crises during the last few years. The bank remains dedicated to fostering the prosperity of the Sultanate by safeguarding its financial stability and making a positive impact on its environment and communities. Consequently, Bank Nizwa has pioneered the development of the Sultanate's inaugural Sustainable Finance framework, aiming to strategically and authentically contribute to sustainable finance in Oman.

2.4 Our Guiding Principles

In formulating our Sustainable Finance Framework, we established six guiding principles to classify economic activities as Environmentally and/or Socially (E&S) sustainable. Any financing activities falling within this framework are deemed as sustainable finance.

- Climate Change Mitigation and adaptation.
- Protections, restoration and promotion of natural resources and healthy ecosystems.
- Transition to a circular economy.
- Omanization.
- Enabling living conditions.
- Access to essential services.

2.5 Sustainability and Islamic Banking

A. Symbiotic Relationship between Sharia, Sustainability Finance & ESG

Islamic Banking was founded on higher objectives based on social justice-namely to develop financial intermediation based on risk-sharing for socially responsible economic activities. From an Islamic worldview, money is a sterile asset. Its sole economic purpose is to serve as a medium of exchange. Whilst one can lease a property out on rent, one can't lease out money on interest. From Aristotle to St. Thomas Aquinas the narrative on interest was unequivocal; "Money lending with interest, is against the law of nature". On this very basis, Islamic Banking propagates the "Maqasid Al Sharia" or the Objectives of Sharia in its products and services on promoting the welfare of humankind and preventing harm by preserving religion, life, intellect, the interests of future generations, and wealth.

The Sharia of Islamic Finance and sustainable or responsible investing have a great deal in common. They share a fundamental principle, which is the avoidance of "mafsadah" or harm. Many of the principles in Islamic Finance have naturally embedded the principles of sustainable financing and responsible investing for a long time, now commonly being labeled as Environmental, Social and Governance (ESG) elements. In principle there is the possibility of a market convergence in Oman especially and by large the MENA region that would bring Islamic Finance products such as Sukuk and link it with 'Waqf' funds (an endowment) into the portfolios of ESG- hungry investors worldwide. The same applies to any bilateral Financing as well as Project Finance & Syndication where it may target the 'Green' or 'Brown' asset with the purpose of achieving ESG objectives. Islamic Finance is a principles-based approach on money deployment of sourcing and savings to financing and investing. It uses criteria such as shared risk and reward, a reliance on real underlying tangible or intangible income- generating assets and the avoidance of fictitious financial transactions, as well as accountability, transparency, and the prohibition of certain products and services that may lead to elements of gambling without actual financial impact on the economy. It is an approach designed to ensure not only compliance with recognized Islamic principles but also the stability and sustainability of the financing and investment.

Sustainable Financing and ESG investing has a comparable focus on long-term risk reduction and a broad set of impact metrics also designed to limit harm. It also includes the environmental scores to measure and limit carbon emissions, pollution, biodiversity and waste, and governance elements in social scores such as gender and diversity, human rights and labor standards. The overall objectives of Sustainable Financing and ESG investing as per the United Nations' Sustainable Development Goals (SDGs) are very much in line

with the verse in the Holy Quran on Sustainability which was revealed more than 1,400 years ago in surah Al 'Araf, Chapter No. 7 verse No. 31 where Almighty God has said; "Allah created a perfectly balanced world on the basis of sustainability and circularity. This balance must be maintained by man acting moderately, thoughtfully, and justly. Waste, pollution, and destruction are the very qualities that Allah abhors".

Islam allows the economy to run efficiently as per the market forces subject to legal frameworks and guidelines on production, distribution, marketing, investment & trade, fair exchange, just wages and real contribution towards the economy both for the muslim and the non-muslim society alike. On this basis, it is also widely accepted that Islamic Finance generally tends to outperform during down cycles, with their emphasis on defensive and resilient sectors with low gearing and hence sustainability in the long run.

2.6 Global and Local Alignments

A. Oman 2040 Vision

As the premier Islamic Bank in Oman, Bank Nizwa is dedicated to realizing the Sultanate's vision across various sectors. Our unwavering commitment is evident in the diverse initiatives we have launched and supported, as outlined in the table below

Vision Pillar	Our Contribution	Chapter
A competitive Economy	• Enabling SMEs and corporations through Sharia-compliant financing.	Sustainable Finance
	• Enabling Solar Power Projects.	
	• Talent development programs.	People and Culture
	• Enabling Employment Opportunities – Sahim Program.	Social Commitments
An Environment with Sustainable Components	• Promoting Local Tourism	Social Commitments
	• Enabling Solar Power Projects through financing.	Sustainable Finance
A Society of Creative Individuals	• Bank sustainable Finance Framework.	
	• Enabling Green Innovations	Social Commitments
	• Enabling inclusive Quality Education	Social Commitments

B. The Sustainable Development Goals





Beyond aligning our business operations with the national vision of the Sultanate, Bank Nizwa has consistently demonstrated its commitment to the global Sustainable Development Goals, actively contributing to their advancement.

 <ul style="list-style-type: none">• Enabling inclusive Quality Education• Talent development programs	 <ul style="list-style-type: none">• Enabling Green Innovations• Enabling Solar Power Projects• Remediating Environmental Impacts• Tree Planting Campaign• Beach Clean-up Campaign	 <ul style="list-style-type: none">• Community Welfare - Ramadan Campaigns
 <ul style="list-style-type: none">• Enabling Employment Opportunities – Sahim Program• Enabling inclusive Quality Education• "Masoliyati" volunteering program activities		 <ul style="list-style-type: none">• Female Empowerment in the workplace

2.7 Stakeholder Engagement

Ongoing stakeholder engagement is vital for Bank Nizwa, as it enables the Bank to proactively address the diverse needs and aspirations of its stakeholders. In particular, when integrating sustainability, stakeholder engagement plays a crucial role in identifying challenges and expectations. To this end, the Bank conducted a comprehensive stakeholder engagement exercise while developing its sustainability framework. The table below outlines the various stakeholder groups, our engagement approaches, and the key sustainability issues discussed with them.

Stakeholder Group	Engagement Approach	Sustainability Concerns	Bank Nizwa's Actions
 Employees	<ul style="list-style-type: none"> • Career development and professional growth programs • Performance reviews • Regular dialogue and interaction with employees • Training and educational programs • Satisfaction assessments 	<ul style="list-style-type: none"> • Job satisfaction • Fair compensation • Fair and transparent appraisal system • Employee engagement • Training and career advancement • Gender equality • Female talent empowerment 	<ul style="list-style-type: none"> • Employee engagement events • Learning and career development opportunities
 Customers	<ul style="list-style-type: none"> • Call centers • Media and social media channels • Customer satisfaction surveys • Branches and website 	<ul style="list-style-type: none"> • Information security • Innovative and convenient products and services • Enhanced use of technology and improved access to banking services • Customer data privacy and security 	<ul style="list-style-type: none"> • Data protection and rigid cybersecurity processes • Dedicated customer services • Effective and transparent management of customer complaint • Digitalising services and innovating based on market needs
 Government	<ul style="list-style-type: none"> • Investment in the national economy • Supporting initiatives of national importance 	<ul style="list-style-type: none"> • Contribution to the national economy • Alignment to Oman Vision and national directions • Regulatory compliance and transparency 	<ul style="list-style-type: none"> • Annual report • Corporate governance report • Sustainability report • CSR initiatives • Project finance

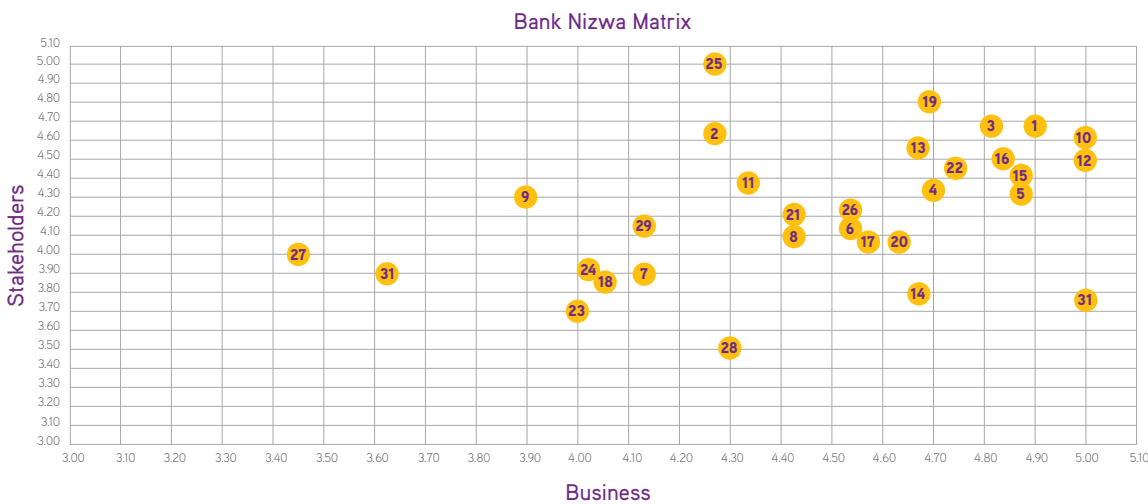
Stakeholder Group	Engagement Approach	Sustainability Concerns	Bank Nizwa's Actions
 Suppliers	<ul style="list-style-type: none"> • Bank website • Internal communications 	<ul style="list-style-type: none"> • Business growth • Fair selection of suppliers • Shared value creation 	<ul style="list-style-type: none"> • Supplier relationship management
 Shareholders / Investors	<ul style="list-style-type: none"> • Investor relations team • Shareholder meetings • Investor presentation • Annual reports • Investor relations webpage 	<ul style="list-style-type: none"> • Economic value creation • Steady net income and asset growth 	<ul style="list-style-type: none"> • Annual General Meeting of shareholders • Annual report • Corporate governance report • Sustainability report • Investor presentations • Investor relations webpage
 Local Community	<ul style="list-style-type: none"> • CSR initiatives and projects 	<ul style="list-style-type: none"> • Responsibility to develop our communities • Working closely with social and voluntary associations and non government establishments 	<ul style="list-style-type: none"> • CSR programs • Employee volunteering
 Media	<ul style="list-style-type: none"> • Media, social media, and other publications • Blogs and publications 	<ul style="list-style-type: none"> • Clear and effective communication • Transparency 	<ul style="list-style-type: none"> • Website media center • Annual report • Corporate governance report • Sustainability report • Social media platforms

2.8 Materiality Analysis

As we embarked on our journey to develop our sustainability strategy and report, it was imperative to our process to engage our stakeholders, collect their inputs and learn their perspectives to move forward. In addition to gathering stakeholder inputs, the Materiality exercise is required by the Global Reporting Initiative (GRI) to which we are aligning our sustainability reporting approach.

We have maintained a focus on the same material topics identified in our previous sustainability report. For more comprehensive information regarding our materiality exercise, we invite you to refer to our prior [sustainability report](#).

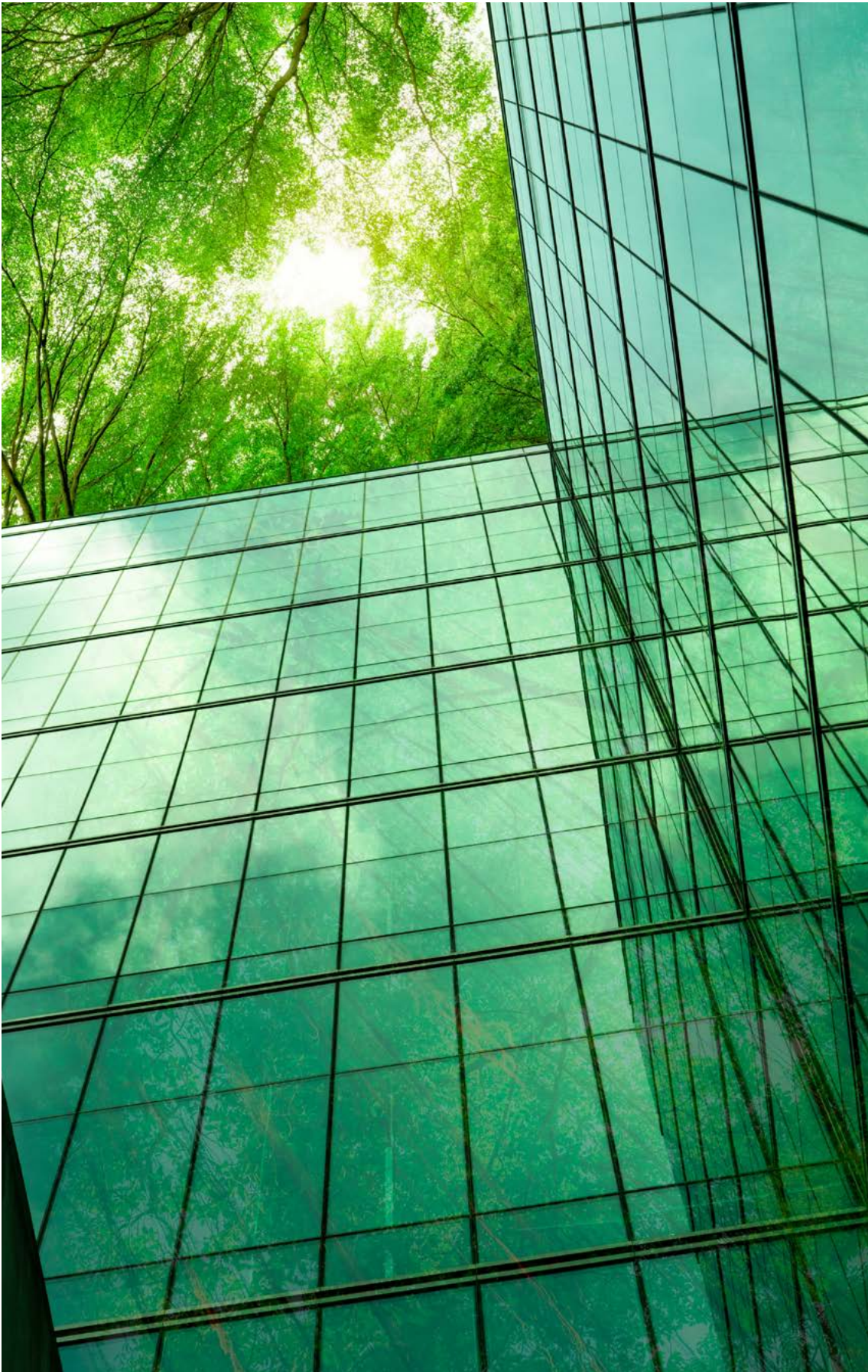
- The X-axis represents the weighted average evaluation of Internal Stakeholders (top management) representing the business perspective.
- The Y-axis represents the weighted average evaluation of External Stakeholders.

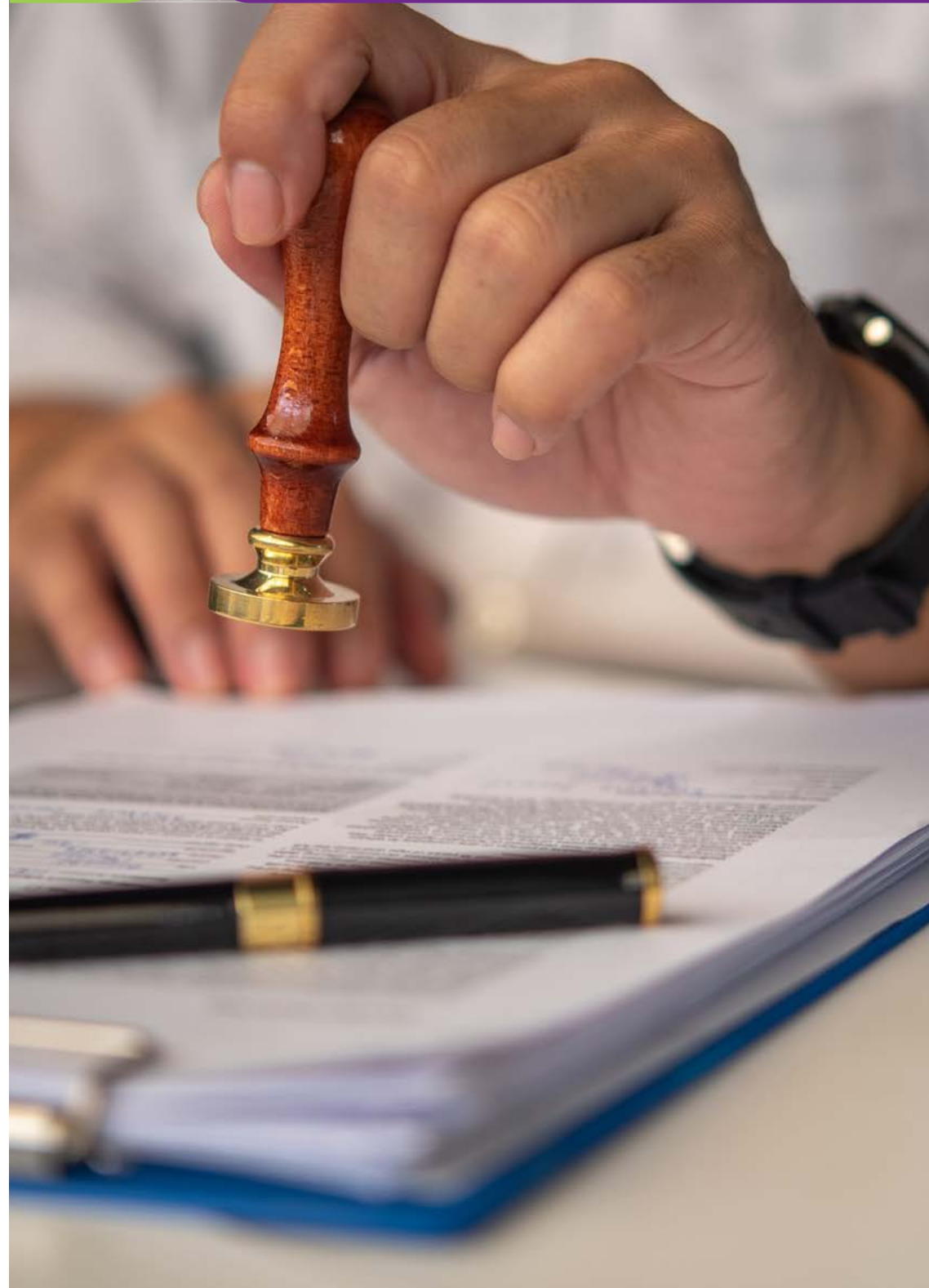


Materiality Topic	
1	Governance, Compliance, & Accountability
2	Risk Management
3	Business Ethics and Prevention of Financial Crime
4	Audit and Internal Controls
5	Anti-Money Laundering and Anti-Financing of Terrorism
6	Alignment to National and Global Priorities
7	In-Country Value
8	Business Model Resilience
9	Responsible Lending and Investing
10	Talent Attraction, Engagement, & Retention
11	Diversity & Inclusion
12	Health, Safety, & Wellbeing
13	Competitive Benefits
14	Omanisation
15	Ethical Working Environment

16	Digitalisation & Innovation
17	Product Innovation / Leadership in High-Growth Sectors
18	Green Products
19	Privacy & Data Security
20	Access & Affordability
21	Fair Marketing & Advertising
22	Customer Experience, Engagement & Satisfaction
23	Healthcare Coverage Products & Services
24	Financial Inclusion & Literacy
25	Community & Social Impact
26	Supporting Education & Youth
27	Volunteerism
28	Women Empowerment
29	Supporting SMEs and Entrepreneurship
30	Sustainable Procurement
31	Climate Change

* Highlighted topics are deemed to be Material.

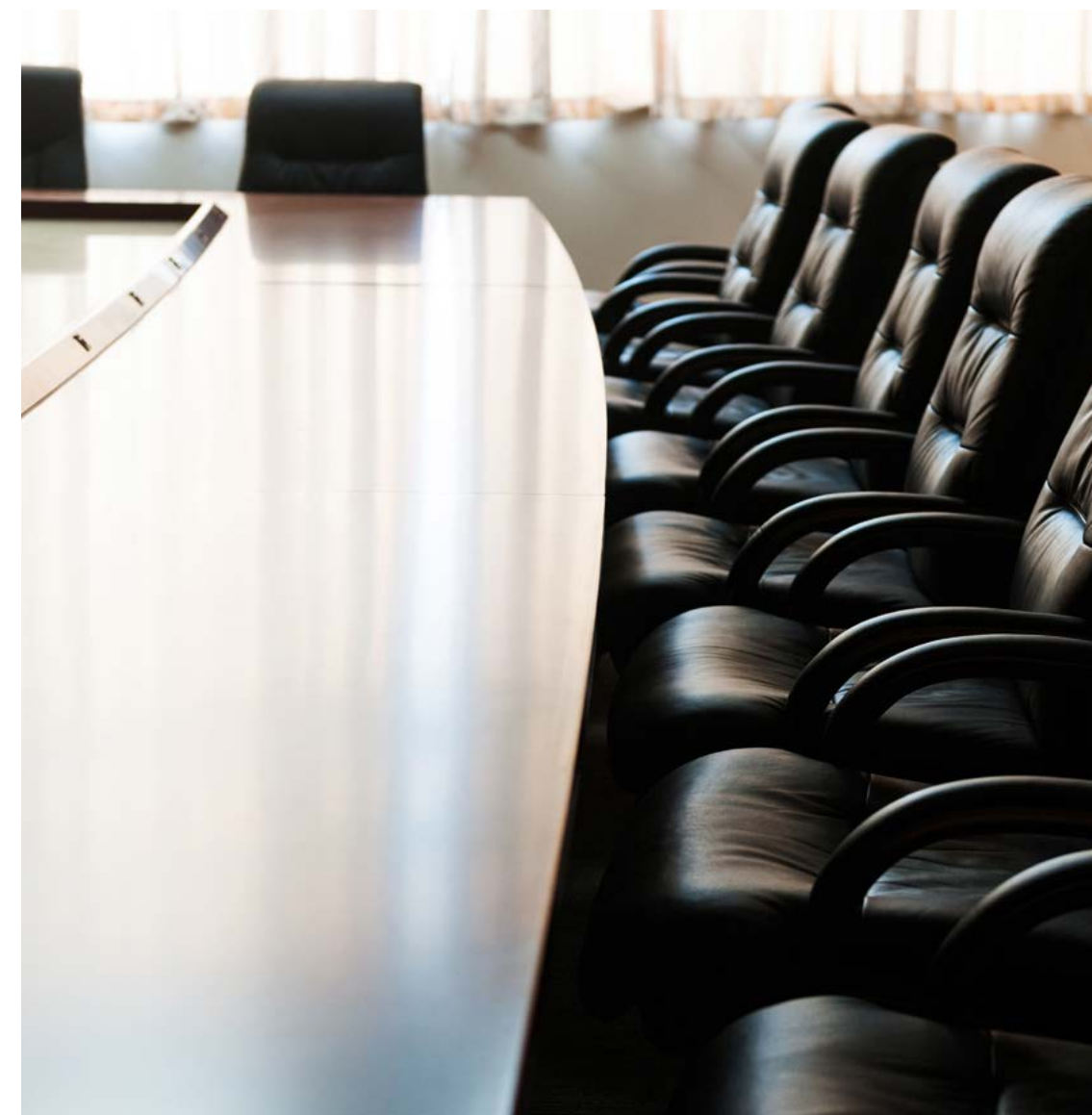




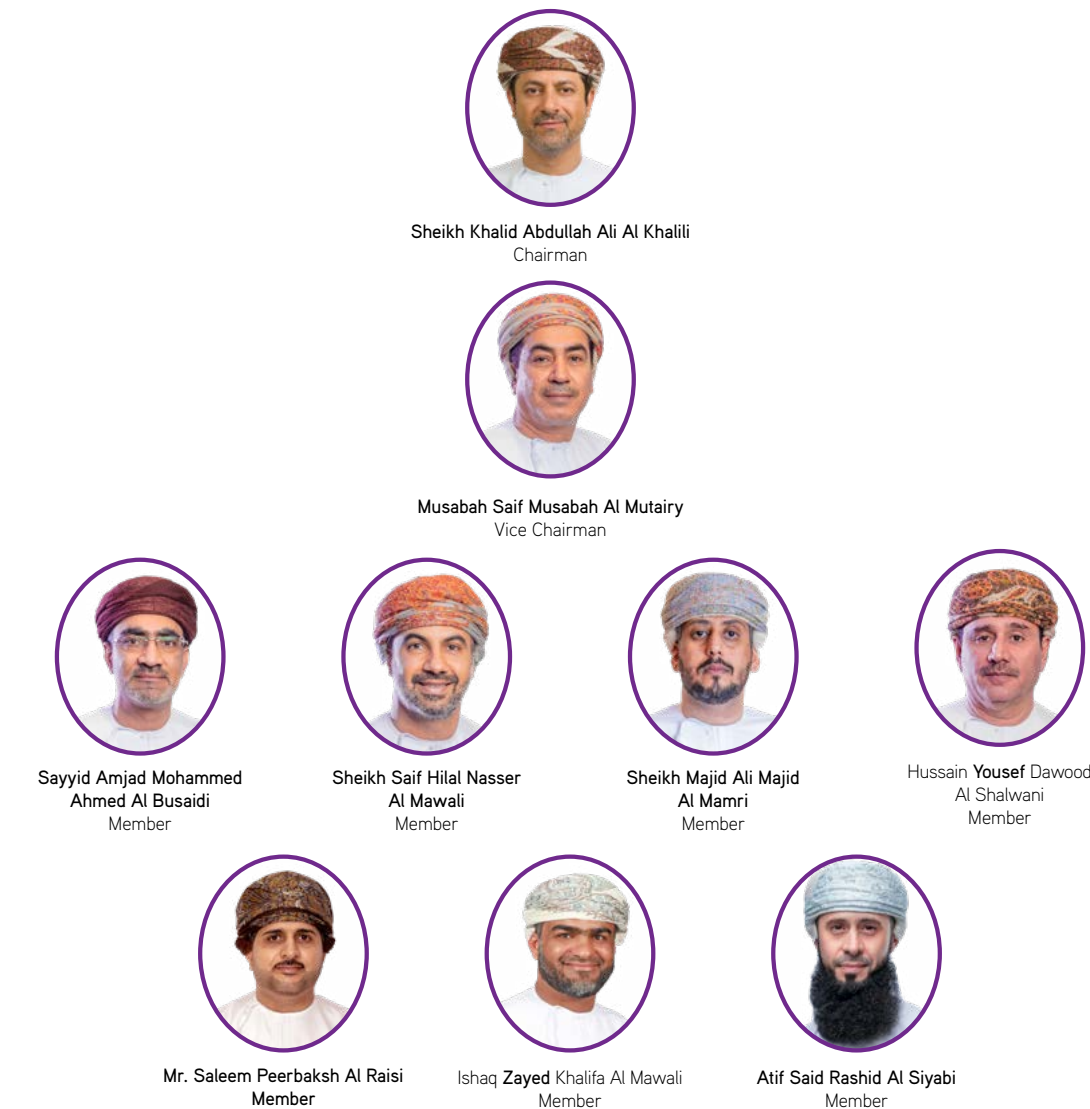
3.1 Our Board of Directors:

Bank Nizwa upholds the belief that robust corporate governance is fundamental to establishing a resilient and sustainable banking institution. Rooted in our core values of transparency, accountability, and innovation, our governance framework is designed to fulfill the Bank's objectives and generate sustainable shared value. We are steadfast in our commitment to the highest standards of corporate governance, aligning with the Code of Corporate Governance set forth by the Financial Services Authority (FSA), the regulations for Corporate Governance of Banking and Financial Institutions outlined by the Central Bank of Oman (CBO), as well as other pertinent regional and global standards.

The Board holds the responsibility of supervising the Bank's management and business operations, making critical policy determinations. Additionally, our board of directors is responsible for approving the Bank's financial statements and ensuring the Bank's adherence to relevant rules and regulations. In 2023, Bank Nizwa's Board of Directors received a total remuneration of OMR 225,000 million which was approved by the shareholders.



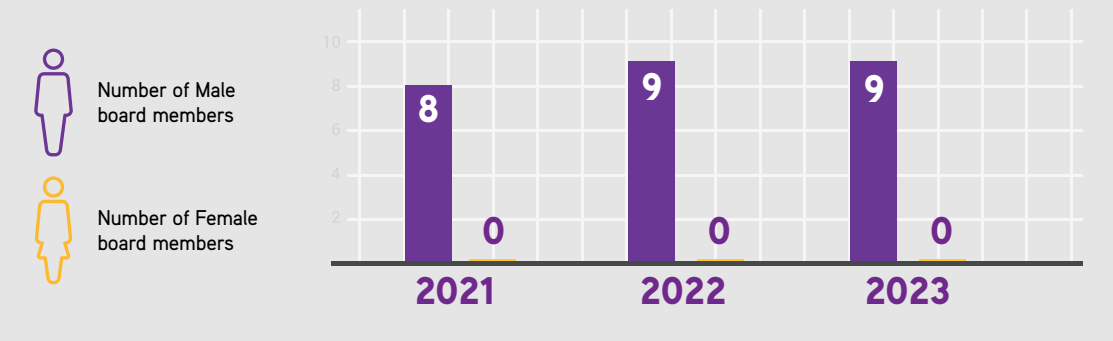
A. Our Board of Directors



Name of Director	Status	Category	Represents	No. of Other Directorship
Sheikh Khalid Abdullah Ali Al-Khalili	Non- Independent	Non-Executive	Aflag Investments	3
Musabah Saif Musabah Al-Mutairy	Independent	Non-Executive	Non-Representative	1
Sayyid Amjad Mohammed Ahmed Al Busaid	Independent	Non-Executive	Non-Representative	1
Hussain Yousef Dawood Al-Shalwani	Independent	Non-Executive	Non-Representative	0
Sheikh Saif Hilal Nasser Al-Mawali	Independent	Non-Executive	Non-Representative	0
Ishaq Zayed Khalifa Al Mawali	Independent	Non-Executive	PASI	3
Sheikh Majid Ali Majid Al Mamri	Independent	Non-Executive	Non-Representative	0
Atif Said Rashid Al Siyabi	Independent	Non-Executive	Non-Representative	1
Saleem Peerbaksh Al Rais	Independent	Non-Executive	Civil Services Pension Fund	2

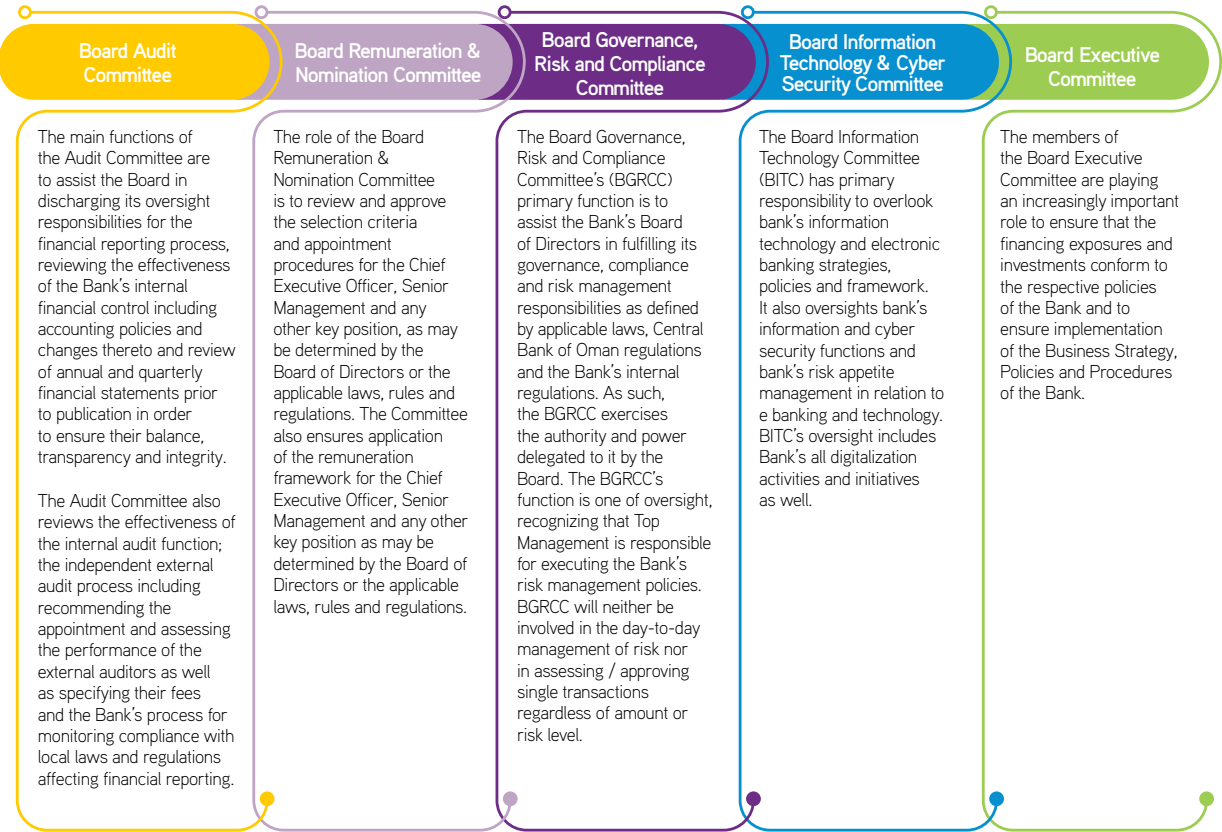
For more information about our Board of Directors' responsibilities and profiles, please consult our **Annual Report**.

B. BOARD STRUCTURE - BY GENDER



3.2 Our Committees

In pursuit of the Bank mission and to uphold the highest governance standards, our Board of Directors has established several committees with distinct purposes. These committees play a vital role in the Board's decision-making process by offering recommendations and insights on specific matters, ultimately aiming to achieve the most favorable outcomes for the Bank and our shareholders. The committees are tasked with providing focused and specialized attention to specific issues pertaining to the Bank's governance. Together with the Internal Audit, Risk, and Compliance Department, these committees form a crucial component in the corporate governance process, ensuring thorough oversight and adherence to regulatory standards.



For additional information regarding the responsibilities, members, and annual meetings of our Board Committees, kindly consult our **Annual Report**.

3.3 Compliance

As an Islamic bank, we deeply recognize the paramount significance of adherence to compliance standards in preserving the principles and ethos of Islamic finance. Compliance forms the cornerstone of our operations, furnishing a compass for all our endeavors. Moreover, it guarantees that our products and services align entirely with Islamic jurisprudence, granting our customers assurance and a sincere alternative to conventional banking. Moreover, compliance acts as a fortress safeguarding the integrity of our Bank, and protecting the interests of all stakeholders, including shareholders, customers, employees, and the broader community.

We are steadfastly committed to adhering to the pertinent laws and regulations established by the Central Bank of Oman and other regional and international governmental bodies. In our pursuit of upholding exemplary business ethics and mitigating the risks associated with corruption, we have instituted a comprehensive array of policies, including our code of conduct, Anti-Fraud policy, and Anti-Money Laundering/Combating the Financing of Terrorism (AML-CFT) policy. These policies are deeply woven into the fabric of our organizational culture, and we proactively ensure that all employees meticulously adhere to them through focused efforts on education and communication. Furthermore, all departments, branches, projects, products, services, and geographical locations undergo thorough assessments for potential corruption risks. Additionally, 450 employees, representing a comprehensive percentage, have received detailed briefings on the organization's anti-corruption policies and procedures. Stakeholders have the avenue to voice concerns through our Whistleblower portal or directly contacting the GM Internal Audit or AGM Compliance.

Throughout 2023, Bank Nizwa maintained an extensive framework of anti-corruption policies and procedures, showcasing its steadfast dedication to transparency and integrity within its organizational operations. While the bank documented one abuse incident during the year, the case is currently under investigation as per the bank's records. During the calendar year of 2023, both the Central Bank of Oman and the Capital Market Authority identified seven regulatory violations. These infractions ranged from breaching the real estate ratio stipulated by Banking Law to failing to meet the minimum SME financing ratio, irregularities in compliance with CMA regulations on directorships by Directors, pending alerts of Suspicious Transaction Reports, non-compliance in Digital Banking Services, delays in data submission during examination, and non-adherence to CBO guidelines on financing downgrade. The regulatory bodies penalized the Bank for the latter violation, resulting in four violations in total and penalties amounting to RO 28,000. We are committed to addressing and resolving these issues to demonstrate our dedication to compliance and avoid future occurrences.

3.4 Risk Management

Risk management is deeply ingrained in our operations and is a collective responsibility across all units within the Bank. It is overseen and managed comprehensively on a bank-wide scale. Our approach to risk management entails a thorough understanding of risk drivers, types, and their impacts. These drivers encompass various factors such as the economic environment, regulatory changes, market evolution, business decisions, potential errors in processes or judgment, market dysfunctions, and natural disasters.

Risk Management has played a pivotal role in identifying emerging key risks and their drivers, effectively measuring and managing these risks amidst evolving macroeconomic conditions. Additionally, it has been instrumental in assessing and influencing the Bank's forward-looking strategy.

The Bank faces inherent exposure to diverse risks as it conducts its business activities. With a robust Risk Governance framework firmly established on risk-based decision-making principles

throughout the organization, the Bank ensures sound management of risks. Employing a disciplined approach to balance risk and reward, the Bank positions itself effectively to attain strategic objectives while safeguarding the interests of all stakeholders.

As the Bank initiated its sustainability journey, prioritizing the integration of Environmental, Social, and Governance (ESG) risks into our risk management processes became paramount. Our business model, founded on Sharia standards, inherently incorporates ESG considerations. We extend support to businesses only when they align with Sharia requirements, underscoring our commitment to ethical and sustainable practices.

A. Climate and Financial risks

Climate risks present significant financial implications for the bank, with wider ramifications for financial stability across the banking system. These climate risk drivers can affect conventional risk categories within banks, encompassing credit, market, liquidity, and operational risk. Understanding the intricate effects of climate risk drivers on banks' financial risks is crucial. While research predominantly examines the impact of climate change on economies, there's a growing interest in understanding its implications for banks. Recent studies within this domain aim to analyze how climate risk drivers contribute to financial risks faced by banks.

These changes denote climate-related shifts that may lead to financial risks, categorized as either physical or transition risks. Physical risks stem from alterations in weather and climate patterns affecting economies. Notably, physical risk drivers can be further categorized into acute physical hazards and chronic physical hazards where applicable. Transition risk drivers emerge from transitioning economies reliant on fossil fuels toward a low-carbon economy.






B. Transmission channels

Transmission channels are the series of cause-and-effect relationships that describe how climate-related factors affect banks both directly and indirectly via their business partners, holdings, and the overall economic environment in which they function. Factors contributing to variability in these channels include differences in geographical conditions, elements that intensify or alleviate the effects of climate risks. The probability and magnitude of the influence of climate-related factors may be influenced by various additional factors, such as the specific geographic setting of the bank, assets, or exposures, the interactions and interconnections among transmission channels and climate risk factors that can magnify effects, and measures that lessen or counteract these effects.

C. Risk Management Process

Our commitment to sustainability is embedded in our firm dedication to promoting responsible practices and managing ESG (Environmental, Social, and Governance) risks in a structured approach. At Bank Nizwa, we prioritize aligning our support for businesses with Sharia standards while meticulously integrating ESG considerations into every facet of our operations.

In order to accurately assess our environmental footprint, we meticulously collect and analyze a diverse array of environmental data points. This encompasses conducting Carbon transition analysis, evaluating physical climate risks, implementing water management strategies, managing waste and pollution, and scrutinizing impacts on natural capital.

Risk Category		Potential effects of climate risk drivers (physical and transition risks)
Credit Risk		Credit risk increases if climate risk drivers reduce customers' ability to repay and service commitment (income effect) or banks' ability to fully recover the value of a finance in the event of default.
Market Risk		Reduction in financial asset values, including the potential to trigger large, sudden, and negative price adjustments where climate risk is not yet incorporated into prices. Climate risk could also lead to a breakdown in correlations between assets or a change in market liquidity for particular assets, undermining risk management assumptions.
Liquidity Risk		Bank's access to stable sources of funding could be reduced as market conditions change. Climate risk drivers may cause counterparties to draw down deposits and credit lines.
Operational Risk		Increasing legal and regulatory compliance risk associated with climate-sensitive investments and businesses.
Reputational Risk		Increasing reputational risk to banks based on changing market or consumer sentiment.

To proactively mitigate risk, the Bank initiates by identifying counterparties and products susceptible to climate-related impacts. Through the development of a framework and scoring matrix, we systematically assess and quantify risks at both the counterparty and portfolio levels, enabling us to effectively manage potential vulnerabilities.

The Bank prioritizes enhancing its analytical and data capabilities concerning climate risk. This tool specifically illuminates the bank's income sensitivity to transition risk, exposure to carbon-intensive industries, and the overall sustainability of our business model. The Bank refines its corporate exposures by categorizing them into industries and then aligns each corporate counterparty with a single sector based on its primary activity. This activity is identified as the one generating the highest portion of the counterparty's revenue.

Concurrently, we actively mitigate Social risks through the evaluation and ongoing monitoring of various factors, including customer relations, human capital management, societal responsibility initiatives, health and safety standards, and responsible production practices. Similarly, we uphold exemplary Governance standards by closely monitoring institutional structure, policy credibility, transparency, disclosure measures, budget management, and other pertinent elements to ensure robust governance practices.

To equip our teams with essential expertise, we conducted comprehensive ESG and sustainability-focused training sessions for our risk team in 2023. This initiative aimed to foster a profound understanding of ESG factors and their critical integration within our risk policy framework.

Furthermore, as part of our continuous endeavors, the risk team and the Bank's credit and investment committee convene regularly to deliberate on ESG matters and strategize their seamless integration into our overall operations. Additionally, we engage proactively with our valued clients, harnessing our expertise in Sharia concepts and dedicated resources to foster inclusive growth, advance sustainable development, and facilitate the transition to a low-carbon economy.

3.5 Cyber Security and Privacy

Cybersecurity stands as a pivotal component in attaining our strategic objectives and delivering reliable digital financial services to our customers, making it a foremost priority for Bank Nizwa. Our Cybersecurity strategy revolves around three key pillars: People, Processes, and Technology, aligning to drive our strategic goals forward.

The Information Technology Security Board Committee is crucial for bolstering our bank's security. It develops and enforces strong Information security policies, manages cybersecurity risks, ensures regulatory compliance, allocates resources efficiently, and oversees incident management, significantly enhancing our defense against cyber threats and safeguarding bank's security.

The bank has developed a sophisticated cybersecurity management program to counter the growing frequency and complexity of cyber threats. This comprehensive strategy emphasizes continuous improvements in security protocols, leveraging state-of-the-art practices such as advanced threat detection technologies, including behavioral analytics and AI-driven security systems. These proactive measures identify and mitigate potential risks dynamically, supplemented by robust security measures like next-generation solutions. These go beyond traditional perimeter defenses, offering a more comprehensive protection of digital assets. The strategy also includes the creation of detailed documentation, regular assessments, periodic security audits, and the formulation and implementation of risk mitigation strategies. It ensures timely communication of cyber risks to leadership and maintains rigorous monitoring to adapt to the evolving threat landscape. Moreover, strict compliance with regulatory frameworks such as CBO, Swift, ISO, among others, is upheld through regular audits to ensure adherence to stringent data protection standards.

In complement to our strategic stance on cybersecurity, Bank Nizwa maintains a steadfast commitment to continuous improvement through a comprehensive cybersecurity and privacy policy. This policy ensures a resilient information management system aligned with both international standards and local regulatory mandates. Additionally, we conduct regular assessments of our cybersecurity controls to gauge their efficacy, pinpoint any security vulnerabilities, and enact corrective measures promptly.

At Bank Nizwa, we take great pride in our flawless track record, boasting ZERO data breaches or regulatory complaints. Our commitment to robust data security practices is evident through certifications like ISO/IEC 27001 for information security management. Moreover, we continuously invest in innovative technological solutions to bolster our cybersecurity capabilities.

A. Cyber Security Literacy

At Bank Nizwa, we firmly believe that cybersecurity is a collective responsibility shared by every employee. Recognizing that everyone is susceptible to its risks, we conduct regular comprehensive Information Security Awareness Program to ensure staff and customers stay abreast of the latest cybersecurity threats and best practices, thereby mitigating the potential for data breaches due to human error. To reinforce this commitment, Bank Nizwa has devised an Information Security Awareness Program, which includes comprehensive training for employees delivered through various channels such as workshops, newsletters, and phishing simulations. Moreover, our Information Security Awareness Program extends to our customers, with frequent communications provided through workshops, SMS, social media, leaflets in branches, and our online banking platforms to keep them informed about cybersecurity risks. By prioritizing awareness and education, we empower both our employees and customers to contribute to the bank's overall cybersecurity efforts.

4

People & Culture



4.1 Diversity & Inclusion

At Bank Nizwa, we strongly value the importance of diversity in cultivating a positive workplace culture and enriching the employee experience. Our recruitment policy is dedicated to attracting top talent while placing a strong emphasis on diversity and fairness in the selection process. We are committed to fostering an inclusive work environment where individuals from diverse backgrounds feel welcomed and receive equitable treatment. This approach not only contributes to a thriving workplace but also enhances overall performance.

TOP FIVE COUNTRIES - ALL EMPLOYEES	2021	2022	2023
Oman	373	393	418
India	20	20	19
Jordan	5	6	6
Pakistan	6	6	10
Canadian	3	3	3

Our People in Numbers

WORKFORCE PROFILE	2021	2022	2023
Total Number of full-time employees	415	434	463
Total Number of Employees with Disabilities (PwD)	3	3	4
Number of MALE employees	290	304	330
Number of FEMALE employees	124	129	133
% of FEMALE employees out of total workforce	30%	30%	29%

Additionally, we have 63 individuals actively working within our bank who are not officially employed by our bank; rather, they are engaged as contract staff.



TURNOVER RATE	2021	2022	2023
turnover rate for all MALE employees (%)	2.4%	1.8%	3.9%
Turnover rate for all FEMALE employees (%)	1.0%	0.5%	1.7%
Turnover rate for ALL employees (%)	3.4%	2.3%	5.6%

TOP MANAGEMENT - BY GENDER	2021	2022	2023
Number of MALE employees in TOP MANAGEMENT	14	11	12
% of MALE employees in TOP MANAGEMENT	87.5%	84.6%	92.3%
Number of FEMALE employees in TOP MANAGEMENT	2	2	1
% of FEMALE employees in TOP MANAGEMENT	13%	15.4%	7.7%
Total number for ALL employees in TOP MANAGEMENT	16	13	13

MIDDLE MANAGEMENT - BY GENDER	2021	2022	2023
Number of MALE employees in MIDDLE MANAGEMENT	86	92	97
% of MALE employees in MIDDLE MANAGEMENT	80%	81%	82%
Number of FEMALE employees in MIDDLE MANAGEMENT	21	21	21
% of FEMALE employees in MIDDLE MANAGEMENT	20%	19%	17.8%
Total number for ALL employees in MIDDLE MANAGEMENT	107	113	118

NEWLY HIRED FOR THE YEAR	2021	2022	2023
Total Number of ALL NEWLY HIRED employees	30	35	53
Number of NEWLY HIRED LOCAL employees	26	29	46
Number of NEWLY HIRED LOCAL MALE employees	19	22	34
Number of NEWLY HIRED LOCAL FEMALE employees	7	7	12
Number of NEWLY HIRED MALE employees	23	28	41
Number of NEWLY HIRED FEMALE employees	7	7	12

B. Female Empowerment

In honor of Omani Women's Day, Bank Nizwa hosted a full-day workshop dedicated to its female employees. Participants engaged in immersive learning activities focused on life skills aimed at redefining success and nurturing leadership qualities beneficial to both their professional and personal lives. The workshop facilitated meaningful interactions between female employees and the management team, fostering team-building and providing a platform for empowerment. Through inspiring sessions, the workshop aimed to empower females and strengthen their roles within society.

Maternity Benefits for our Female Employee

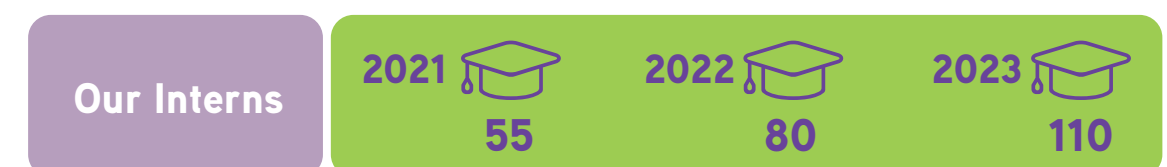


Gender Diversity	2021	2022	2023
Female Employees in the workforce	124	129	133
Male Employees in the workforce	290	304	330
% of Female Employees in the Workforce	30%	30%	28.7%
% of females in Middle Management	20%	19%	17.8%
% of females in Top Management	13%	15%	7.7%

C. Omanisation

In accordance with the Sultanate's aim to promote job opportunities for young Omani talents, Bank Nizwa is committed to creating appealing prospects that provide dynamic, engaging, and knowledge-driven experiences. We take great pride in being the employer of choice for Omani talents, with 91% of our workforce consisting of local talent.



LOCALS VS. EXPATS - ALL EMPLOYEES	2021	2022	2023
Number of countries from which you have employees	11	10	11
Number of Local Employees out of total workforce	374	393	420
% of Local Employees out of total workforce	90%	91%	91%
Number of Expat Employees out of total workforce	41	41	43
% of Expat Employees out of total workforce	10%	9%	9%



4.2 Well-being

We strongly believe that prioritizing employee well-being significantly enhances our retention rates, boosts employee satisfaction, and consequently fosters greater dedication and productivity among our workforce. Recognizing the demanding nature of the financial industry, we are committed to crafting an employee experience that centers on creating a positive work environment and prioritizing well-being. In our line of work, this entails offering opportunities that support a healthy work-life balance alongside competitive benefits. To ensure our position as an employer of choice, we regularly review our packages to maintain their competitiveness and provide our employees with various programs and activities aimed at promoting positive work experiences.



		2021	2022	2023
	NUMBER OF MALE employees that were ENTITLED to parental leave	0	0	330
	NUMBER OF MALE employees that ACTUALLY TOOK parental leave	0	0	2
	NUMBER OF MALE employees that CAME BACK TO WORK after completion of parental leave	0	0	2
	NUMBER OF MALE employees who returned to work after parental leave ended who were still employed 12 months after their return to work.	0	0	2
	RETENTION RATE for MALE employees who went on Parental Leave	0%	0%	100%
	NUMBER OF FEMALE employees that were ENTITLED to parental leave	126	129	133
	NUMBER OF FEMALE employees that ACTUALLY TOOK parental leave	16	16	12
	NUMBER OF FEMALE employees that CAME BACK TO WORK after completion of parental leave	16	16	12
	NUMBER OF FEMALE employees who returned to work after parental leave ended who were still employed 12 months after their return to work.	16	15	12
	RETENTION RATE for FEMALE employees who went on Parental Leave	13%	12%	100%

4.3 Engagement, Learning & Development

At Bank Nizwa, we firmly believe that our employees are the driving force and foundation of our success. Recognizing our workforce as our most valuable asset, we invest in enhancing their skills and leadership potential to forge a prosperous future in Islamic Banking. To achieve this goal, we have implemented various strategic initiatives aimed at improving employee experience, performance, efficiency, and productivity. Emphasizing talent management and training, we offer a diverse range of programs tailored for employees across all levels of the organization, including top, middle, and junior management. In 2023 alone, we provided 388 unique learning opportunities and conducted over 80 learning courses. Additionally, we supported 35 employees in obtaining academic and professional qualifications. These investments in learning and development are geared towards upskilling our employees and empowering them to excel in their roles.

We have also supported Diploma and Bachelor education, facilitated learning through ETIMAD program for retail banking employees and also Certification courses like Cambridge Islamic Finance Leadership Program, CBBM, Certified Retail International Banker, Lean Six Sigma, Diploma in Islamic Fintech from top institutes. We have also nominated a participant for Ruwaad program in association with Harvard University.

Bank Nizwa remains steadfast in its dedication to enhancing the skills of its board members and ensuring their alignment with the latest market trends, essential for the effective discharge of their governance duties and responsibilities. In pursuit of this commitment, the bank organized a comprehensive workshop on Strategic Corporate Governance specifically designed for its board members.

Demonstrating our dedication to societal impact, we facilitated more than 100 internship opportunities in line with our commitment to contribute to the community.

Employee Engagement

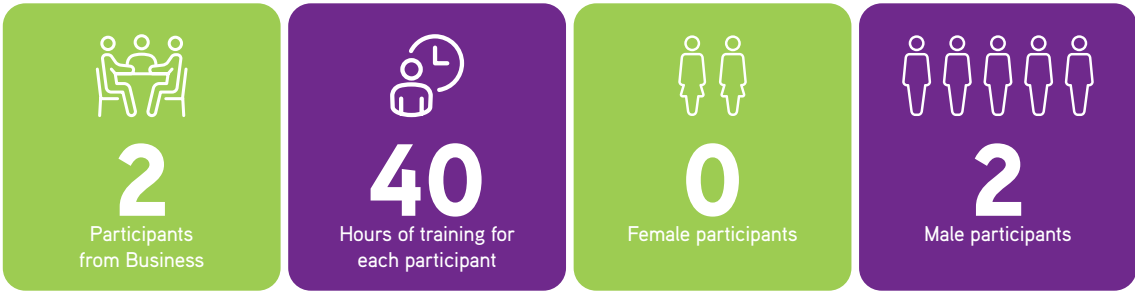
In 2023, we conducted our annual employee engagement survey to gauge the pulse of our workforce and foster a culture of open communication and collaboration. We are delighted to report that the results reflect a thriving and engaged workforce, showcasing our commitment to nurturing a positive workplace environment.

Key to our success were the diverse engagement activities organized throughout the year. From adrenaline-pumping events like the Padel Tournament, Bowling Tournament, and Football matches, to fostering a sense of community through participation in Marathons and memorable Iftar Gatherings, we ensured there was something for everyone inside the organization.

A. Cambridge Islamic Finance Leadership Programme:

The Cambridge Islamic Finance Leadership Program is dedicated to nurturing the soft skills of its participants, empowering them to emerge as influential leaders in both their organizations and the global Islamic finance sector. Participating in this program allows individuals to develop new abilities and gain a contemporary perspective on leadership.

Cambridge Islamic Finance Leadership Programme:



B. Global CXO program by Wharton Executive Education

The Global CXO Program empowers forward-thinking executives with a cutting-edge curriculum designed to synchronize with the latest industry advancements. This program enables executives to refine their skills in formulating and executing global strategies, overseeing multinational teams, and spearheading growth-focused initiatives.

C. The High Potential Program

In 2023, Bank Nizwa introduced the second phase of its leadership development initiative, known as the High Potential Employee Program (HiPo). This program, conducted in collaboration with the globally renowned John Maxwell Leadership, is designed to offer learning opportunities to individuals who have demonstrated exceptional leadership capabilities within the bank. By focusing on high-potential employees, the program aims to elevate their skills and talents, fostering a path towards leadership excellence while bridging the gap between them and the senior management team.

A cohort of 28 employees has been carefully selected and enrolled in the program. Spanning twelve months, the program entails coaching, training, and assessment sessions tailored to refine participants' areas of development, ultimately grooming them for potential leadership roles within Bank Nizwa. Upon completion of the program, participants will be awarded certificates from Maxwell Leadership.

D. E-learning

Establishing a culture of ongoing learning and development stands as one of our foremost

objectives. In an ever-changing industry landscape, it's imperative that our workforce remains resilient, adaptable, and continually evolving to meet the evolving demands of the market. As such, we actively promote the continuous growth and advancement of our employees by harnessing the benefits of online learning. Our e-learning platform offers a diverse array of topics crucial for professional development, including Islamic Banking Training, Product Development, Sales, Leadership, Risk Management, Wealth Management, Corporate and Retail Banking. Furthermore, all e-learning programs provided to our employees are sourced from reputable providers known for their high credibility.

2023 E-learning Numbers



Average Training Hours - By Gender - All Employees	2021	2022	2023
Average training hours for MALE employees	14.7	8.9	12.3
Average training hours for FEMALE employees	14.4	10.1	11.72
Average training hours for ALL employees	14.2	9.3	12.14
Average E-Learning training hours	-	-	12

Average Training Hours - Top Management	2021	2022	2023
Average training hours for MALE employees in TOP MANAGEMENT	10.4	45	10
Executive Education for Male employees in Top Management			1 Year
Average training hours for FEMALE employees in TOP MANAGEMENT	7.3	15.8	16
Executive Education for Female employees in Top Management			1 Year
Average training hours for ALL employees in TOP MANAGEMENT	7.3	26.8	12.5

Investment In Training		
Year	Total cost of training (OMR)	Average costs of training per individual (OMR)
2021	97,192	628
2022	122,455	1,075.7
2023	167,653	980

E. Customer Experience Training

As a financial service provider, we recognize the pivotal role of the employee-customer relationship in shaping the customer experience. We understand that financial services and procedures can often feel daunting for customers. Hence, we ensure our employees are proficient in both soft and technical skills to facilitate our customers’ journey effectively. In 2023, we invested in our customer-facing staff, providing them with 4,190 hours of online training and 2,057 hours covering physical trainings a wide range of essential topics such as:

Induction Program

Effective Customer Service for Disabled Customers

Islamic Wealth Management

Relationship Selling

Sustainable Green Finance Products

Coaching for Managers

Iskan Program

Enterprise Project Governance and Management Workshop

Sales Masterclass

4.4 Customer Experience

Our customers are the cornerstone of our business, guiding the evolution and development of all our endeavors at the bank. Our primary objective is to deliver an exceptional customer experience that strengthens and deepens our relationship with them, seamlessly fulfilling all their needs along the way.

In our commitment to delivering the unparalleled quality and distinctive experience promised to our customers, Bank Nizwa diligently develops and implements initiatives focused on enhancing the customer experience. Below, we showcase some of our notable efforts in 2023.

The Bank conducted a regular program for customer Islamic awareness and roadshows in different regions from time to time.

The Bank introduced the automated process of boarding through the mobile app whereby the customer can open the account and complete the full documentation and card receiving process without visiting the branch.

The Bank delivered a training workshop for all branches whereby we highlighted the repetitive discrepancies to tackle the mistakes and hence improve the turnaround time (TAT) and accordingly reduce the complaints.

The Bank’s Service Quality and Customer Care division conducted a refreshment training on the “Customer Care Management System” the complaint handling system at Bank Nizwa. For all Customer care employees at all levels in the Branch.

Consumer Protection Regulation

Recognizing our pivotal role in safeguarding the integrity of the financial system, Bank Nizwa is dedicated to providing customers with transparent access to information regarding our suite of products and services. Our robust control framework is meticulously designed to ensure the utmost protection of our customers’ personal information and banking data.

As we advance in our journey to position our Bank Nizwa as a leading and most trusted Islamic Bank in Oman, the bank adopted consumer protection regulations that underscore our dedication to innovative financial solutions for the betterment of our customers.

In our relentless pursuit to not only meet but exceed customer expectations, we have established a comprehensive feedback and complaint mechanism. This system is meticulously structured to identify underlying concerns, facilitating the development of targeted training and awareness programs for all members of our staff.

Objectives of the Consumer Protection Regulation

Promote fair banking practices by setting minimum standards in our dealings with you.

Increase transparency so that you can have a better understanding of what you can reasonably expect from us.

Encourage market forces, through competition, to achieve higher operating standards.

Promote a fair and cordial relationship between you and your Bank.

Foster confidence in the banking system.

Increase awareness of customers and enhance customers’ protection.

A. Customer Satisfaction

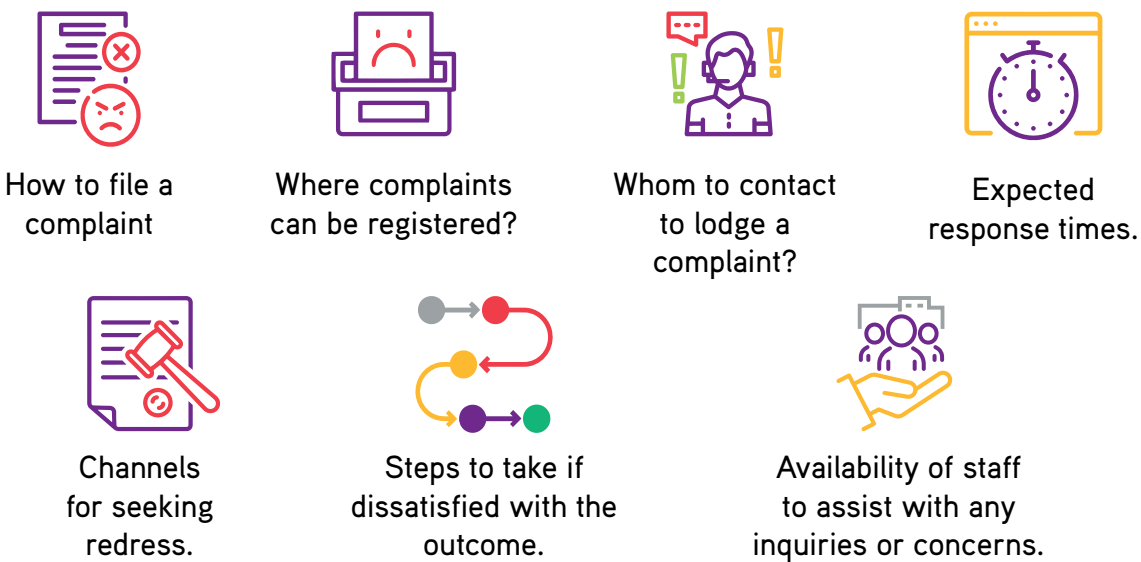
Bank Nizwa diligently evaluates customer satisfaction by actively seeking feedback and identifying areas for improvement. We employ various channels such as our complaint management systems, customer engagements, and Net Promoter Score (NPS) surveys to conduct these assessments. Throughout 2023, we conducted numerous surveys to gauge customer sentiment. For instance, a survey was conducted specifically with Saham branch customers to gather insights on their experience with our new branch. We reached out to 744 customers via SMS and received 57 responses, indicating a robust engagement rate. Notably, the survey targeted retail customers, achieving an impressive NPS of 95%. Our focus lies on assessing the quality of four key aspects, as outlined in the table below.

Branch Facilities	About Branch Staff Feedback	About Bank Products Feedback	About Phone Banking Feedback
Reception, seating area & counters	Friendliness	Bank product	Employee courtesy
Duration of waiting	Knowledge of the banks’ products & services	Procedures	Ability to answer questions about Bank products?
Cleanliness of the branch	Fast and efficient service	Processing & approval time	Fast and efficient service

B. Complaints Management

We firmly believe that maintaining open lines of communication with our customers is paramount for fostering trust and delivering an exceptional customer experience. Through our comprehensive complaints management system and streamlined procedures, we ensure prompt and effective resolution of any issues raised by our customers.

Additionally, we take proactive measures to educate our customers about their rights and provide clear guidance on how they can engage with us effectively. This includes informing them on:



By empowering our customers with this knowledge, we aim to enhance transparency, accessibility, and overall satisfaction throughout their interactions with us.

Moreover, any complaints concerning Bank Nizwa’s products, services, or channels are promptly acknowledged upon receipt of correspondence, whether oral, telephonic, or electronic. We are committed to resolving such complaints within five working days. However, for other types of complaints, the resolution process may vary depending on their specific nature and complexity. Rest assured, we prioritize efficiency and effectiveness in addressing all customer concerns.

	2021	2022	2023
Registered Customer Complaints	1,170	1,482	3,270
Complaints	1,031	1,255	3,270
Inquiries	139	227	861

4.5 Digitalisation

Bank Nizwa consistently evaluates the evolving needs of its customers and aligns its operations with the strategic objectives of the Sultanate. Our business approach revolves around meeting the requirements of our stakeholders. The Bank’s Digitalization strategy is crafted to attract and retain customers while contributing to realizing the Digital Oman Strategy 2023. Our Digitalization strategy strives to lead the transition towards digital financial services in Oman by offering unparalleled products and services in the local market. Since 2020, Bank Nizwa has been dedicated to enhancing its mobile banking application, aiming to make it a cutting-edge technology platform. Continuously, we have rolled out numerous new services as part of this initiative

Bank Nizwa harnesses technology to foster greater inclusivity in banking. Our initiatives include the development of a digital branch tailored to the needs of individuals with disabilities. This branch features easily accessible facilities, including braille-equipped machines and video conferencing capabilities for the visually impaired. We have also introduced digital onboarding, allowing customers to open accounts and issue debit cards digitally. Additionally, we utilize digitalization to support

those with limited incomes and access to financial services. This includes enabling individuals with low incomes to open bank accounts via our mobile application without any minimum balance requirements. Furthermore, we have implemented a Queuing System in branches, and introduced a live monitoring dashboard for enhanced efficiency. For individuals with limited access to traditional banking services, we offer a solution through our mobile wallet application. This service allows them to bank with us directly through the wallet, eliminating the need for a conventional bank account. These measures underscore our commitment to making banking accessible to all.

We have enhanced our customer experience by introducing several innovations aimed at simplifying processes and promoting environmental sustainability. These initiatives have heightened customer satisfaction and optimized automation processes, leading to significant reductions in paper usage through the digitization of various operations.



4.6 Financial Inclusion

At Bank Nizwa, our mission is to offer financial products and services that positively impact people’s lives. Central to this mission is ensuring accessibility and relevance across diverse customer segments. We place special emphasis on meeting the needs of youth and female customers, recognizing their unique requirements and aspirations. Through tailored offerings and inclusive initiatives, we aim to empower these segments and foster financial well-being for all.

Introducing a pioneering initiative, Bank Nizwa presents its Shariah-compliant Youth account, specifically designed for customers aged 12 to 24. This account aims to empower youth by fostering informed financial decision-making and acquainting them with the advantages of Shariah-compliant solutions. Alongside offering a diverse range of benefits, discounts, and exclusive offers, this account serves as a gateway to specialized financial services tailored to meet the unique needs of young customers.

Moreover, at Bank Nizwa, we recognize the significance of fostering financial independence and empowerment among women in our community. Consequently, our ladies banking services are meticulously crafted to cater to the distinct needs and aspirations of women. Our streamlined process allows any female customer over the age of 18 to effortlessly open an account at any of our conveniently situated branches, requiring minimal documentation. Furthermore, our suite of products unlocks a realm of exclusive shopping deals and unique privileges with top brands both locally in Oman and globally.

Our growth	2021	2022	2023
Youth – Female	1,250	1,620	683
Youth – Male	2,196	2,968	1,240
Female Costumers	36,872	43,108	43,658
Minors – Female	5,380	6,526	30,648
Minors – Male	7,080	8,588	33,151

5

Social Commitments



5.1 Our Supply-chain

Our goal is to establish a responsible supply chain that considers all social and environmental effects at every stage of the supply chain, in addition to generating value for our suppliers and local communities. Impacts like carbon footprint and in-country value have a beneficial influence on us as we move forward with strategies to improve our performance in terms of social and environmental factors. The following table highlights our procurement-related operations.

Indicator	2021	2022	2023
Total number of suppliers	1,265	1,402	1,509
Total budget spent on suppliers (in OMR)	17,884,80	24,539,74	25,262,077
Number of LOCAL (Oman based) suppliers	1,036	1,148	1,256
% of Budget spend on LOCAL (Oman based) suppliers	93%	94%	94%

5.2 Enabling SMEs and Corporations

As a supporter of SMEs, Bank Nizwa has an SME strategy with the aim of working with various government bodies and focusing on their supply chain. This strategy also focused on the ICV programs of large corporations in order to maximize exposure towards SMEs. We see enabling SMEs as both a crucial structural growth trend and an anchor of a sustainable economy. This ongoing, continuous partnership with SMEs that have contracts with the government makes up a sizable amount of the portfolio of SMEs. The SME team is committed to advancing future cooperation with government agencies. At Bank Nizwa, we're committed to funding companies that have a beneficial environmental impact by providing them with general sharia-compliant products.

We are currently in the process to obtain approvals for financing a one of a kind Blue Carbon Project in Oman. This project is a collaboration between one of our SME clients and the Environmental Authority of Oman. Whereby the client is proposed to plant 100Mn Mangrove trees over an area covering 20,000 Hectares of land.

The initiative underscores Bank Nizwa's dedication to leading sustainable development and advancing environmental objectives through coastal protection and carbon sequestration, while also supporting the empowerment of the local community through ecotourism initiatives.

In line with our commitment to supporting ventures that strive for the greater good of the community and uphold values of ethics, integrity, and morality, Bank Nizwa has financed two major projects under our sustainable finance initiative.



Sustainable workforce accommodation projects undertaken Renaissance Duqm Accommodation Company (RDAC)

Bank Nizwa supported the development of sustainable workforce accommodation projects undertaken by RDAC with a facility around OMR 34.65 million. This financing was used for the development of RDAC's Renaissance Village Duqm in the Special Economic Zone at Duqm (SEZAD). Renaissance Village Duqm is a state-of-the-art facility, providing the highest quality accommodation for employees of various industries and businesses in the SEZAD region. Key features of Renaissance Village Duqm include:

- 18,860 beds
- World-class accommodation for workforces
- ISO 9001:2008 certification
- CIEH (Chartered Institute of Environmental Health) accreditation
- HACCP (Hazard Analysis Critical Control Point) compliance
- Award-winning local workforce development program
- Winner of the Oman Award for Excellence in Design, BOO projects, and ILO accommodation standards
- QA/HSE accreditations
- Delivered with the Renaissance ethos: Safe, Efficient, Green, Local



Sustainability Linked Financing to ASYAD Group

Bank Nizwa extended sustainability-linked financing to a subsidiary of ASYAD Group, a global integrated logistics services provider in Oman. This is the first-of-its-kind sustainable finance deal in Oman, with financing terms linked to predefined key performance indicators (KPIs) encompassing various Environmental, Social, and Governance (ESG) norms. By outlining diverse and quantifiable KPIs between the client and Bank Nizwa, this facility adopts a holistic approach to promoting sustainability, aiming to foster balanced, long-term socio-economic growth.

5.3 Enabling inclusive Quality Education

In compliance with the objectives of Oman Vision 2040, which include creating a knowledge-based economy, Bank Nizwa is dedicated to a number of significant collaborations that advance education and raise educational standards.

Honoring ceremonies

appreciating the outstanding students from all schools in Nizwa for their outstanding marks and contribution.

honoring ceremony for top students in both Samail and Bidbid.

honor the schools that have achieved the highest score in terms of electronic education.

Honoring ceremony to those who completed the memorization of the whole Quran

Sponsoring Events

Organizing Educational initiatives Forum that aims at showcasing the most excellent educational initiatives which will be presented by schools across the governorate.

Launch Opening Event of the Open Arab university.

Muscat Governorate Teacher's Day event to celebrate such occasions and appreciate all outstanding teachers.

Al Rustaq Shares Waqf where the fund will target to support several activities including Masjeds, Quran schools and other charitable activities

Supporting Needs

support a group of needy students to pursue their education studies.

Building Quran school in Nizwa to educate and have various activities related to Quran recitation for public which will target a huge segment of children and youth in the region

5.4 Enabling Employment Opportunities – Sahim Program

The Ministry of Labor launched the Sahim initiative to help job seekers and fresh graduates get temporary work permits in various sectors, including the public and private sectors. We participated in Sahim program as an organization that works and operates in Oman. In addition, for job seekers and recent graduates entering the competitive job market, Bank Nizwa offers timely and pertinent Islamic finance options, such as credit cards, savings and mudaraba investment accounts, financing facilities and services, and many other banking products.

5.5 Community Welfare - Ramadan Campaigns

As an Islamic bank that upholds Islamic principles, Ramadan is a wonderful time to carry out charitable activities. One of Bank Nizwa's efforts is the Jordan Social Club Quran Competition, which is a competition centered around 'zakat' and a Quran for kids between the ages of 5 and 18. Additionally, during the fasting month of Ramadan, sponsorship of sporting and cultural competitions was provided, and doing Iftar Gathering for Employees.

5.6 Remediating Environmental Impacts

Climate change has been a major component in Bank Nizwa's initiatives because, in the last several years, Oman has seen frequent hurricanes and floods, which are clear signs of climate change. Through its programs, the Bank spreads knowledge about the risks associated with environmental changes and takes part in several national and international forums to emphasize how crucial it is to pay attention to these changes. Oman Exhibition for Sustainable Environment was one of the forums that brought dialogues and renewable sources. Sponsoring Oman Sustainability Week 2023 event with more than 12,000 OMR, this event aims to engage the national development stakeholders to present Oman as a new model for sustainable development and to achieve the global target of Net Zero.

5.7 Financial Literacy

As leaders in the field of Islamic banking, it is our responsibility to inform our clients and the community about Islamic financial practices. In 2023, the Bank held introductory lectures on Islamic finance in a number of Sultanate governorates as well as abroad. These lectures were part of the Bank's well-known "Islamic Finance Knowledge Series (IFKS)". This program seeks to provide communities with the information they need to make informed decisions by educating them about the principles, opportunities, and benefits offered by Islamic finance. There are other events that Bank Nizwa participated in or conducted regarding the islamic finance and islamic banking activities. The bank has invested over 30,000 OMR in awareness program during last year and has reached out to more than 10,000 individuals nationwide till end of 2023.

Al Roya Islamic Finance Forum	2nd International Conference of Sharia College	COMEX 2023 - Islamic Banking	IFN Forum 2023	New Age Banking Summit
Conducting the 2nd edition of Oman Islamic Finance Forum that showcased the competitiveness of the country's Islamic finance industry, and highlighted the investment opportunities that are available within Oman and the greater Gulf region.	The three-day conference, held under the theme of "approaches and solutions to contemporary society's issues", highlights various topics related to sharia aspects.	An annual hybrid event that centers on cutting edge technological solutions and topics like digital user experience re-engineering, automation of essential government services, digital infrastructure improvement, change management culture adoption, and knowledge transfer.	Through a series of high-level discussions, key-note addresses, presentations, panel discussions, and case-studies, with the aim of highlighting the opportunities available in the Omani market for both capital and investment in the Sharia compliant space and identifying the issues, challenges, and opportunities facing the Islamic Finance industry.	Presentation of the event is the coveted Oman Banking & Finance Awards, powered by OER, to select banks, NBFCs, insurance firms, technology companies and industry professionals for their path breaking performance, unique solutions and market leadership



6

Environmental Responsibility



As a financial institution, our environmental impact is minimal, as our operations do not involve heavy material usage or significant energy consumption. Our primary emissions stem from our financing and investment activities. Therefore, we have initiated efforts to monitor and quantify our Scope 3 emissions as a crucial component of our sustainability strategy.

6.1 Resource Consumption

The bank leases nine vehicles and one bus to facilitate employee transportation, contributing to our energy usage. In our commitment to promoting mindful energy practices, we diligently switch off all lights and HVAC equipment after 7 pm, with the exception of servers and UPS systems. Additionally, we actively encourage our employees to take responsibility by turning off their cabin lights when leaving the office.

Resource	2021	2022	2023
Petrol purchase (Liters)	18,244	23,163	30,113
Diesel purchased (Liters)	25	25	0
Electricity Consumption (KwH)*	22941.602	2,042,694	725,526

6.2 Materials and Waste Management

At Bank Nizwa, we provide dedicated recycling bins to streamline waste collection and recycling operations, managed by a specialized third-party recycling service. Moreover, to reduce paper usage, the Bank has actively decreased reliance on paper through the adoption of digital solutions such as E-statements. We have replaced and provided our customers with new eco-friendly ATM cards, underscoring our commitment to sustainability. Additionally, we are encouraging customers to utilize our Mobile App, which reduces paperwork and streamlines transactions efficiently.

	2021	2022	2023
Papers Purchased (Kg)	3,650	2,650	1,700
Paper sent for recycling (Units)	NA	5,000	Nil
Plastic sent for recycling (Kg)	11,100**	13,000**	220
E-waste sent for recycling (Kg)	NA	15	Nil

* Electricity consumption data for 2021 and 2022 included both the head office and branches. However, for 2023, the data includes only the consumption of the head office.

** Due to a production error with debit cards, all affected cards were recalled for destruction upon receiving replacements for the defective ones. This resulted in an increase in volume in 2021 & 2022.

6.3 GHG Emissions

We are currently implementing robust procedures to gather high-quality data, enabling precise calculations of our Scope 1 and 2 emissions, while encompassing all pertinent categories within Scope 3. The table provided below delineates our emissions across these two scopes.

	2021	2022	2023
Direct Emissions - Scope 1 (tco2e)	45	57	70
Indirect Emissions - Scope 2 (tco2e)	11	981	382

A. Climate Risk Management

Climate change has emerged as a substantial concern for businesses worldwide, especially in our region, which grapples with harsh climatic conditions. Despite facing tropical storms that inflicted significant damage, the Sultanate is relatively less exposed to risk in terms of credit, assessed as moderate to low risk by rating agencies. Nonetheless, the Bank has devised a six-step process to integrate climate change into our risk management frameworks. This initiative aids in identifying, assessing, and managing the risks and opportunities associated with climate change effectively.



B. Enabling Green Innovations

Aligned with Oman Vision 2040 and Bank Nizwa dedication to fostering innovation and environmental stewardship, we proudly participated as a premium Islamic Banking partner in the Green Hydrogen Summit and Exhibition 2022. The summit aimed to advance the establishment of a green hydrogen economy, emphasizing its myriad benefits such as energy source diversification. Moreover, it served as a distinctive platform for Omani and international enterprises to forge collaborations, bolster global and local energy security, and spur economic advancement. At Bank Nizwa, we conducted training sessions for our Branches team, guiding them to engage market vendors for support and establish tie-ups concerning solar products and Electronic Smart House solutions. Moreover, our Branches team reached out to Car Showrooms, providing financing options for hybrid cars with special offers.

6.4 Environmental Initiatives:

A. Eco-Friendly Banking Cards

In a proactive move to fulfill its environmental pledge and reduce its ecological impact, Bank Nizwa proudly introduces the first Shari’ah-Compliant eco-friendly credit and debit cards in Oman. Crafted from Polylactic Acid (PLA), a bioplastic derived from fermented plant starch like corn, these cards are a sustainable alternative to conventional plastics as they are biodegradable. Leveraging cutting-edge digitalization, these cards provide endless privileges tailored to the lifestyles of the bank’s elite clientele, ensuring a secure and hassle-free experience for users. With a focus on travel, lifestyle, and peace of mind, the eco-friendly cards offer a personalized value proposition. Through this comprehensive benefits package, Bank Nizwa aims to streamline the adoption of eco-friendly products, making them more convenient and appealing to customers.

B. Environmental Volunteering

Demonstrating its dedication to both volunteerism and environmental conservation, Bank Nizwa’s employees actively engaged in a range of volunteer activities through its Masoliyati volunteer program.

C. Beach Clean-Up

Continuing its partnership with the Authority of Environment, Bank Nizwa orchestrated a beach clean-up event for its employees. Under the guidance of bank management, volunteers collaborated to meticulously collect waste glass, litter, and trash along the shoreline, adhering to strict safety protocols. This proactive initiative not only underscored the critical role of beaches in nurturing marine ecosystems and preserving Oman’s ecological balance but also inspired broader community action towards reducing waste and pollution in public spaces.

7. Appendix

7.1 GRI content index



CONTENT INDEX
ESSENTIALS SERVICE

2024

GRI content index

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the English version of the report.

Statement of use	Bank Nizwa has reported in accordance with the GRI Standards for the period of January, 1 2023 - December, 31 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No GRI Sector Standards apply to Bank Nizwa

GRI Standard	Disclosure	Location	Omission			MSX ESG Disclosure Metric
			Requirement(s) Omitted	Reason	Explanation	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	13				
	2-2 Entities included in the organization's sustainability reporting	4&5				
	2-3 Reporting period, frequency and contact point	4				G7 & G8
	2-4 Restatements of information	4				
	2-5 External assurance	4				G9
	2-6 Activities, value chain and other business relationships	13&14				
	2-7 Employees	35				S5
	2-8 Workers who are not employees	35				
	2-9 Governance structure and composition	27-29				G1 & G2
	2-10 Nomination and selection of the highest governance body	27-29				
	2-11 Chair of the highest governance body	28				
	2-12 Role of the highest governance body in overseeing the management of impacts	19				E8 & E9
	2-13 Delegation of responsibility for managing impacts	19				

GRI Standard	Disclosure	Location	Omission			MSX ESG Disclosure Metric
			Requirement(s) Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	19				
	2-15 Conflicts of interest	28&29				
	2-16 Communication of critical concerns	30				
	2-17 Collective knowledge of the highest governance body	27-29				
	2-18 Evaluation of the performance of the highest governance body	27-29				
	2-19 Remuneration policies	27-29				S2
	2-20 Process to determine remuneration	27-29				
	2-21 Annual total compensation ratio		This disclosure is omitted from our reporting.	Confidentiality Constraints	Employee compensation information is confidential due to its sensitivity.	S1
	2-22 Statement on sustainable development strategy	6-9				
	2-23 Policy commitments	30-33				
	2-24 Embedding policy commitments	30-33				
	2-25 Processes to remediate negative impacts	30-33				
	2-26 Mechanisms for seeking advice and raising concerns	30-33				
	2-27 Compliance with laws and regulations	30				
	2-28 Membership associations	17				
	2-29 Approach to stakeholder engagement	22&23				
	2-30 Collective bargaining agreements			Not applicable	In Oman, the collective bargaining agreement does not apply	

GRI Standard	Disclosure	Location	Omission			MSX ESG Disclosure Metric
			Requirement(s) Omitted	Reason	Explanation	
Material Topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	24				
	3-2 List of material topics	24				
Governance, Compliance, and Accountability						
GRI 3: Material Topics 2021	3-3 Management of material topics	27-33				
Business Ethics and Prevention of Financial Crime						
GRI 3: Material Topics 2021	3-3 Management of material topics	30-33				
Talent attraction, Engagement and Retention						
GRI 3: Material Topics 2021	3-3 Management of material topics	35 - 39				
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	35 - 39				
	401-3 Parental leave	35 - 39				
Health, Safety and Wellbeing						
GRI 3: Material Topics 2021	3-3 Management of material topics	38				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	38				
	403-2 Hazard identification, risk assessment, and incident investigation	38				
	403-3 Occupational health services	38				

GRI Standard	Disclosure	Location	Omission			MSX ESG Disclosure Metric
			Requirement(s) Omitted	Reason	Explanation	
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	38				
	403-5 Worker training on occupational health and safety	38				
	403-6 Promotion of worker health	38				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	38				
	403-8 Workers covered by an occupational health and safety management system	38				
	403-9 Work-related injuries	38				
	403-10 Work-related ill health	38				
Competitive Benefits						
GRI 3: Material Topics 2021	3-3 Management of material topics	37&38				
Digitalisation and Innovation						
GRI 3: Material Topics 2021	3-3 Management of material topics	44&45				
Privacy and Data Security						
GRI 3: Material Topics 2021	3-3 Management of material topics	33				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	33				

GRI Standard	Disclosure	Location	Omission			MSX ESG Disclosure Metric
			Requirement(s) Omitted	Reason	Explanation	
Non-Material Topics						
Training and education						
GRI 3: Material Topics 2021	3-3 Management of material topics	39-42				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	39-42				
	404-2 Programs for upgrading employee skills and transition assistance programs	39-42				
	404-3 Percentage of employees receiving regular performance and career development reviews	39-42				
Diversity and equal opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	35-39				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	35-39				
	405-2 Ratio of basic salary and remuneration of women to men	35-39				
Local Communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	47-51				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	47-51				
	413-2 Operations with significant actual and potential negative impacts on local communities	47-51				

