

#OABistidama

'20

Sustainability Report



بنك عُمان العربي  
OMAN ARAB BANK

# Oman Arab Bank Sustainability

## Report 2020

1. About this Report
  2. Letter from the Chairman
  3. About Oman Arab Bank
  4. Financial Performance at a Glance
  5. Sustainability at the Bank
  6. Governance, Business Continuity & Risk Management
  7. Environmental Responsibility
  8. Community Partnership
  9. Working Towards Financial Inclusion
  10. Digital Banking with OAB
  11. Responsible Workplace
-

(102-48) (102-49) (102-50) (102-51) (102-52) (102-53) (102-54) (102-56)

# About this Report

---

We are proud to present the first annual Sustainability Report for Oman Arab Bank, outlining our environmental, social and governance performance for the year 2020. In the following pages, we highlight our successes in this area, where improvements are needed and how we are aligning with local and international efforts, such as Oman Vision 2040 and the United Nations Sustainable Development Goals.

A comprehensive overview of our impact and engagement for the year is covered in the pages of this report, and is compared with data from previous years to analyse our performance. We also highlight how we have acted to protect our people and help our customers in the face of a global pandemic, enabling our employees to work remotely and introducing services to relieve our customers of financial difficulties faced.

All monetary values in this report are expressed in Omani Rial (OMR), unless otherwise stated.

## Reporting Framework

This report has been prepared in accordance with the GRI Standards: Core option. We also refer to guidelines which regulate sustainable business practices globally. These include the GRI G4 Financial Services Sector Disclosures and the United Nations Global Compact (UNGC) Principles.

## External Assurance

We followed an internal assurance process to audit our non-financial data for this report.

## Contact us

If you have any feedback, please contact us on: [istidama@oman-arabbank.com](mailto:istidama@oman-arabbank.com)

## Terminology

Through this report, "OAB" or "the bank" or "we" refers to Oman Arab Bank.

---

# Letter from the Chairman

## Mr. Rashad Al Zubair

### Dear Stakeholders,

We are proud to present Oman Arab Bank's first Sustainability Report, outlining our environmental, social and governance performance for 2020. Going forward, we will be conducting this exercise annually in accordance with the GRI Standards.

At Oman Arab Bank, we recognise that it is our responsibility to build a sustainable future, not only for our stakeholders but for the business as well. Under the umbrella of #OABistidama, we seek to give back to the community through projects that focus on our three key sustainability pillars: environmental responsibility, community partnerships and financial inclusion.

Last year showed us that preparedness is essential if we are to have an effective response to unforeseen circumstances. Thankfully, we had a robust strategy in place to ensure that we could continue to serve our customers, employees, shareholders, regulators and suppliers with minimal interruption in the face of the crisis. With the onset of the COVID-19 pandemic, we immediately developed and implemented the Wiqaya guidelines to ensure the safety of our employees by allowing them to work remotely, quarantine voluntarily and we cancelled all events and staff gatherings.



Environmental awareness was also at the forefront of our activities in 2020. The Bank supported a virtual fundraising event organised by the Environmental Society of Oman (ESO), where over OMR 100,000 in donations were raised. We also launched our first eco-friendly desk calendar and showed solidarity with other environment conscious entities by turning off all the lights in our main bank building for Earth Hour.

Community partnerships are a big part of our vision to play a sustainable role in society and have always



**“At Oman Arab Bank,  
we recognise that it  
is our responsibility  
to build a sustainable  
future.”**

been an integral part of our business activities. During the course of the year, we donated 500 meals to frontline workers during Ramadan and 1,017kg of food to Dar Al Atta'a for distribution on World Food Day. We also donated OMR 500,000 to the Ministry of Health to support their efforts to fight COVID-19, to name a few of our initiatives.

We also worked towards understanding the needs of the financially underserved segments of society to effectively promote financial inclusion. OAB launched a debt exemption initiative to help people in need, especially those who are facing difficult circumstances due to the global pandemic. We continuously endeavour to strengthen our presence in the digital arena and implement innovative solutions and modern facilities so that anyone can make use of them.

Our digital banking offering has helped us position the Bank as one of the most digitally advanced institutions locally. With the establishment of our Innovation Lab, Simplify, at the OAB head office and the introduction of 'Step to the Future 3.0', we provide a host of new innovative solutions. Another highlight was the launch of SAIF, our AI WhatsApp bot. It is our mission to provide a workplace where all

employees are fully engaged in what they do and feel empowered to fulfil their responsibilities each day, based on trust and personal responsibility. Another point of focus for us over the past few years has been Omanisation, currently 96% of our workforce is made up of local Omani talent, almost 40% of which are female.

The implementation and development of sustainable initiatives are vital for the growth of any organisation, as well as the communities they serve. That holds true for Oman Arab Bank, which is why we continue to enhance the customer experience and why we ensure a high level of engagement with our stakeholders. Oman Arab Bank is committed to sustainability and has aligned with the objectives of Oman Vision 2040 to ensure wellbeing to all segments of Omani society.

Sincerely,

**Rashad Al Zubair,**  
Chairman

(102-1) (102-2) (102-3) (102-4) (102-5) (102-6) (102-10) (102-45)

# About Oman Arab Bank

---

Oman Arab Bank has been operating since 1984, following the acquisition of all Arab Bank branches in the Sultanate. In 1992, operations were expanded after acquiring all retail branches of Omani European Bank, with which OAB merged in 1994.

Since the inception of Oman Arab Bank, it has been our priority to provide our customers with a comprehensive suite of products and services that meet the needs of our customers and wider society. These products and services fall under the categories of retail banking, corporate and project finance, investment banking and trade finance.



**“It is our aim to pave the way for the future of banking in the Sultanate. With the launch of our digital transformation strategy in 2014, we focused on enhancing the customer journey with our state-of-the-art omnichannel banking experience, this includes both our in-branch experience and the OAB Online app”**

The success of any business is a result of its people, and that is why we are continuously researching and investing in HR initiatives, such as LEAD, to transform local talent into the leaders of tomorrow. We have adopted the SAFe (Scaled Agile Framework for enterprise) approach in delivering value to customers and enhancing our operational efficiency.

The launch of the OAB Innovation Hub in 2020 was a significant milestone on our digital transformation journey. It gave us the opportunity to promote a culture of innovation across all aspects of our operations. Our Innovation Hub was the first of its kind in the local banking sector and we are immensely proud of the talent it has attracted and the value that has been added to the wider community in the Sultanate as a result.

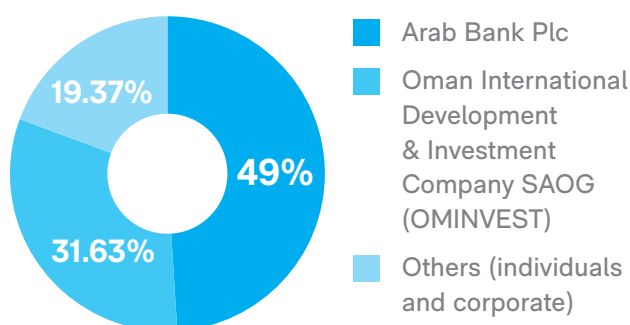
In 2020, we completed the acquisition of Alizz Islamic Bank (AIB), after two years of negotiations. This merger marks the establishment of a major banking entity that will deliver world-class conventional and Islamic banking services, the first of its kind in the local banking sector. Upon completion, Oman Arab Bank will continue its conventional banking business and operations, while Alizz Islamic Bank will remain fully Shari’a-compliant, continuing to offer Islamic Banking products and services as a fully-fledged Islamic bank. The same year, Oman Arab Bank was also transformed into a public joint stock company,

with its shares listed in Muscat Securities Market (MSM).

By forming strategic alliances, we can provide our customers with integrated and high value products and services. As a trusted partner to many, we look forward to maintaining our position as the bank of choice and continue making a positive impact in local communities.

Today, Oman Arab Bank Group operates a nationwide network of 53 conventional branches, 17 Islamic branches, 144 conventional ATMs and 10 Islamic ATMs in locations across the Sultanate with high footfall.

### **Shareholders of Oman Arab Bank SAOG are:**



(102-7) (201-1)

# Financial Performance at a Glance

	2020 RO '000	2019 RO '000	Change %
Net interest income	70,025	72,285	-3%
Other operating income	31,020	20,677	50%
Net operating income	101,045	92,962	9%
Operating expenses	(65,408)	(48,665)	34%
Taxation	(3,778)	(6,208)	-39%
Impairment allowance	(17,688)	(5,533)	220%
Net Profit after taxation	14,171	32,556	-56%
Total Assets	3,300,043	2,497,129	32%
Gross loans and advances	2,739,672	2,059,890	33%
Provision for loan impairment	(104,217)	(53,560)	95%
Net loans and advances	2,635,455	2,006,330	31%
Non-performing loans	123,011	97,151	27%
Customer deposits	2,755,310	1,998,436	38%
Shareholders' funds	359,024	296,290	21%
Share capital	166,941	134,620	24%



	2020	2019
<b>1. Profitability</b>		
Return on shareholders' funds	4.32%	11.21%
Return on total assets	0.49%	1.35%
Cost to income	64.73%	52.35%
<b>2. Capital</b>		
Capital adequacy ratio	15.42%	15.20%
Shareholders' funds to total assets	10.88%	11.87%
<b>3. Asset Quality</b>		
Non-performing loans to total loans	4.49%	4.72%
<b>4. Liquidity</b>		
Net loans to customer deposits	95.65%	100.40%
Net loans to total assets	79.86%	80.35%
<b>5. Others</b>		
Basic earnings per share in RO	0.006	0.020

# Sustainability at the Bank

---

“It is our responsibility to create a sustainable future for all stakeholders and our business. During 2020, we participated in and implemented a number of charity initiatives, all of which underline our dedication to sustainability, which is a fundamental pillar in our operational strategy. Under the umbrella of #OABistidama, the Bank seeks to give back to society through projects focused on environmental responsibility, community partnerships and financial inclusion”

To measure our performance, we align with leading sustainability initiatives, frameworks and our country's vision, including:

---

## United Nations Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) were born in 2012, at the United Nations conference on Sustainable Development in Rio De Janeiro. The objective of these goals is to set guidelines for all governments, groups and individuals to implement in order to meet the urgent environmental, political and economic challenges facing our planet. These goals are a universal call-to-action, asserting the potential

that if we act together, we can end poverty, protect the planet and ensure that all people can enjoy a peaceful and prosperous existence.

At Oman Arab Bank, we take into consideration the goals and objectives of the SDGs across all of our environmental, social and governance strategies and initiatives.

Sustainable Development Goals we are currently working towards:

Sustainable Development Goal	OAB Alignment - See Chapter	Sustainable Development Goal	OAB Alignment - See Chapter
 <p><b>1 NO POVERTY</b></p>	<b>Community Partnership</b> Charitable Donations through OAB App & International Day of Charity	 <p><b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b></p>	<b>Digital Banking with OAB</b>
 <p><b>2 ZERO HUNGER</b></p>	<b>Community Partnership</b> World Food Day & Meals During Ramadan	 <p><b>10 REDUCED INEQUALITIES</b></p>	<b>Responsible Workplace</b>
 <p><b>4 QUALITY EDUCATION</b></p>	<b>Digital Banking with OAB</b> <b>Community Partnership</b> E-Learning Initiative for Special Needs Students	 <p><b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b></p>	<b>Environmental Responsibility</b>
 <p><b>5 GENDER EQUALITY</b></p>	<b>Responsible Workplace</b> On the road to gender equality: 39% of our workforce is now female	 <p><b>13 CLIMATE ACTION</b></p>	<b>Environmental Responsibility</b>
 <p><b>8 DECENT WORK AND ECONOMIC GROWTH</b></p>	<b>Financial Inclusion</b> <b>Responsible Workplace</b> <b>Digital Banking with OAB</b>		



## Sustainability at the Bank



### Oman Vision 2040

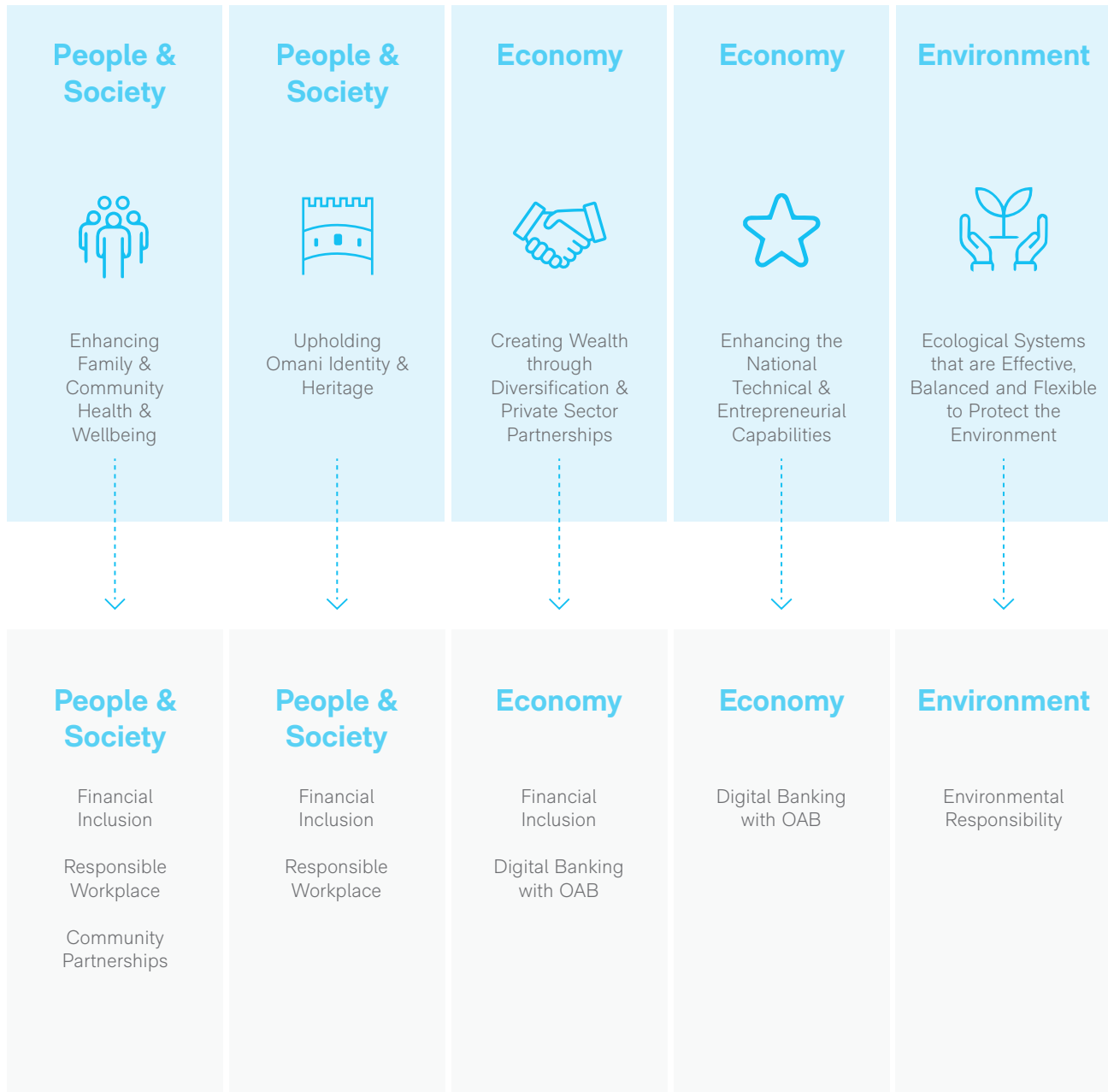
The Oman Vision 2040 defines national priorities to be achieved over the next two decades. It is divided into three themes: People & Society, Economy, Governance and Environment. The vision is outlined with clear goals, key policies and action plans supported by milestones and timelines.

---





## Oman Vision 2040



Refer to the above chapters to know more about our alignment

## Sustainability at the Bank

(102-21) (102-40) (102-42) (102-43) (102-44)



### Listening to our Stakeholders

We know that our stakeholders have as much influence on the success of the Bank as we have on them, so we ensure a high level of engagement with all of our stakeholder groups is maintained. We engage with our stakeholders in order to gain feedback, address their concerns and influence our decisions

# Our Stakeholders

Stakeholder	Method of Engagement
 Employees	Employee Engagement, Emails, Workplace (FB @ Work)
 Customers	Social Media Platforms, Call Centres
 Community	Partnerships with community organisations, charities, government institutions
 Board of Directors	Board of Directors meetings
 Government	Compliance with the local regulations
 Investors	Investors Relations Team and website section
 Suppliers	Tenders & RFPs
 The Environment	Partnerships with environmental organisations, government environmental offices
 Media	Regular press releases, press conferences, media events

## Sustainability at the Bank

(102-46) (102-47)

### Materiality Analysis

We conducted a materiality exercise to understand which non-financial topics are important to our stakeholders and Oman Arab Bank. The picture below shows the results of that exercise and indicates what we should prioritise and where we should continue to invest.

IMPORTANCE TO STAKEHOLDERS	Very High	Employee Training and Development Technology & Innovation	Business Continuity & Risk Management Employee Engagement & Wellbeing	Sustainable Finance and Investment Privacy and Security
	High	In-Country Value	Talent Attraction, Retention and Development Fair and Transparent Marketing and Advertising Financial Inclusion through Diverse Products & Services Customer Engagement & Experience	Social & Economic Inclusion and Diversity
	Medium		Supporting the Community Reduce Operational CO <sub>2</sub> Emissions Responsible Procurement & Partnership	
		Medium	High	Very High
IMPORTANCE TO BUSINESS				

## Sustainable Banking Framework

Earlier this year, we completed our strategic vision for sustainability. Under this vision, we are working towards three primary pillars: environmental responsibility, community partnerships and financial inclusion. This vision allows us to place Oman Arab Bank on the right path towards maximising social impact, alongside our commercial activities. The overall goal is to position OAB as more than just a banking partner for its stakeholders.



<b>Strategic Pillars</b>	Environmental Responsibility	Community Partnership	Financial Inclusion
<b>Key Drivers</b>	UN SDGs	Oman Vision 2040	Bank Strategy
<b>Implementation Mechanisms</b>	Operations, Products & Services	Partnerships	Employee Volunteering
<b>Impact Measurement</b>	Input Indicators	Change Indicators	Impact Reporting

Unfortunately, a couple of months after launching our sustainability strategy the COVID-19 pandemic hit Oman and we had to review some part of our sustainability framework such as “employee volunteering” for safety reasons. We are hoping that in the coming years, we will be able to keep raising awareness about volunteering among our employees and get their support for our different initiatives.

# Governance, Business Continuity & Risk Management

---

“Being prepared is key to enable an effective response to any crisis, and 2020 tested the resilience of every organisation’s Business Continuity & Risk Management policies and procedures. Prior to the pandemic, we already had a robust strategy in place to ensure that we could continue to serve our customers, employees, shareholders, regulators and suppliers with minimal interruption in the face of a crisis”

---

Our preparation proved effective in the face of the challenges posed by the pandemic. As well as having a clearly defined process for crisis management, over the past few years, we have been continually investing in technology and innovation. As a result, we were quickly able to allow our employees to work from home and increase our online services so our customers could continue to bank safely with us during quarantine. In this chapter, we highlight the different systems we have in place which have supported our business and stakeholders throughout 2020.



## 1) Health & Safety

At Oman Arab Bank, we consider it imperative to conduct all business in an environment where employees are free from injury and harm. Our Health and Safety policy is applied to all our contractors, customers and members of the public.

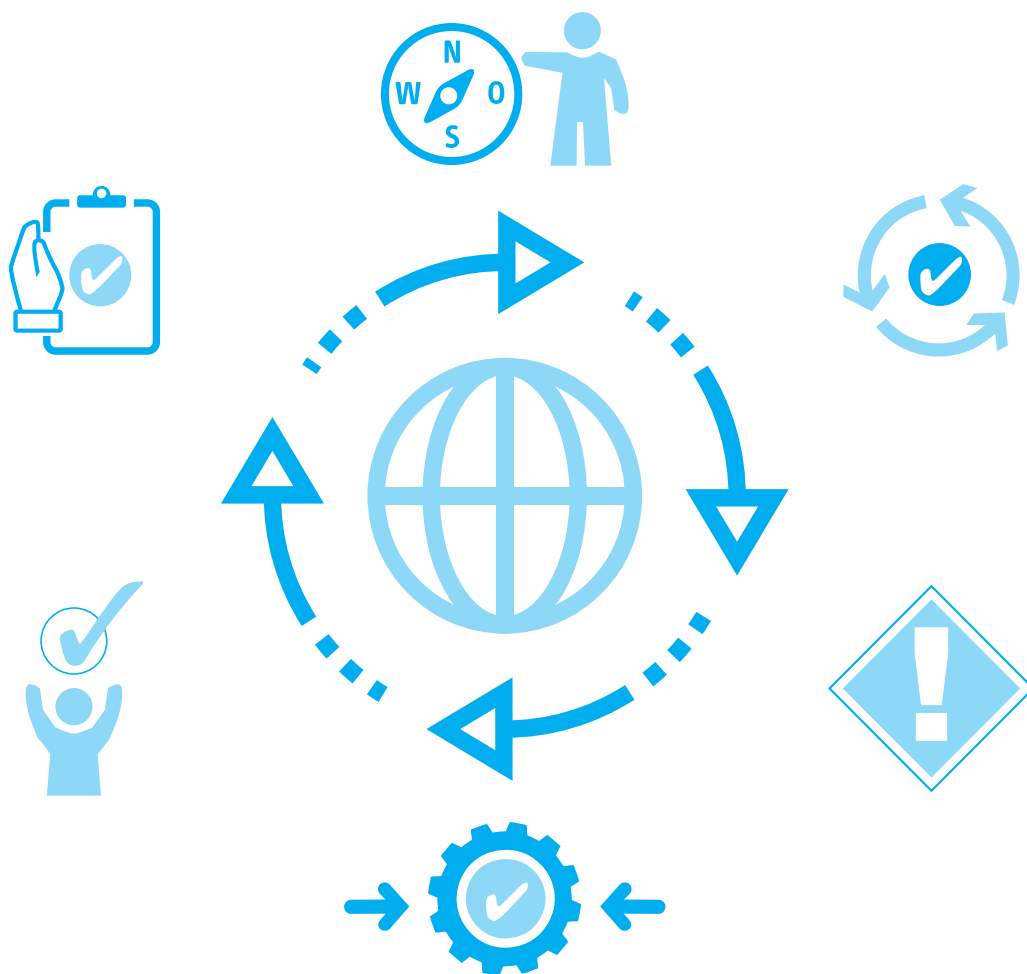
In any health and safety emergency, our Human Resources Department may develop policies and procedures based on local regulations, which will be applicable for the specific duration of the emergency.

Medical Insurance	Health & Safety in the Face of a Pandemic
We are committed to providing medical facilities to ensure the health and well-being of our employees and their families.	In the face of the pandemic, we swiftly put in place a crisis management team. The team met every week to mitigate the risk of disruption to operations. One of their first actions was to send everybody home, including employees working in call centres. The only employees that had to go to work were branch staff and the finance team, who were operating with reduced staff. All employees have been back in the office since December.

## Governance, Business Continuity & Risk Management

### Wiqaya Health & Safety Guidelines

Our Interim Health and Safety Guidelines "Wiqaya" provide a framework for addressing health and safety issues in the Bank. Within these guidelines are proactive and reactive measures adapted to protect the safety and health of employees on their return to work during the pandemic.





As per Wiqaya guidelines, we have implemented the following measures to protect our employees:

<b>Working from Home &amp; Voluntary Quarantine</b>	<p>Working from home (WFH) and voluntary quarantine were applied for employees in certain circumstances, for example:</p> <p>If any employee or employee's family member was suspected of exposure to COVID-19, it was mandatory for employees to report this to HRD and take voluntary quarantine leave for 14 calendar days. A medical check was arranged by HRD before resuming work.</p> <p>Employees who travelled overseas were directed to take a medical check after 14 days of quarantine before resuming work.</p> <p>Employees with respiratory, immune system and chronic diseases as well as pregnant women, were allowed to work from home for a specified period, to be set by HRD in coordination with division heads.</p>
<b>Training</b>	<p>Employees who were attending any overseas training, conferences or business trips in high-risk countries were required to work from home for 14 days after returning. Before resuming work the employee was directed to undertake a medical check.</p> <p>Attending overseas training/ conferences/ workshops/ seminars was postponed.</p> <p>Class-based training programmes and activities were reduced and replaced with e-learning solutions, where appropriate.</p>
<b>Recruitment</b>	<p>There was a temporary freeze on non-critical position hires. For any other recruitment, initial interviews were conducted via phone call or video conference.</p>
<b>General Guidelines</b>	<p>No events or large staff gatherings were conducted.</p> <p>HRD coordinated with the respective departments to replace physical meetings and staff gatherings with virtual meetings through the use of technology.</p> <p>Awareness tips were shared on a regular basis through Workplace (FB @ Work), email as well as other channels.</p> <p>A team from HRD was dedicated to communicate and respond to anything related to COVID-19.</p> <p>Corporate Support Services (CSS) in cooperation with the HRD team were regularly arranged to cleanse and sanitise work stations at the end of working hours and on Saturdays.</p>

## Governance, Business Continuity & Risk Management

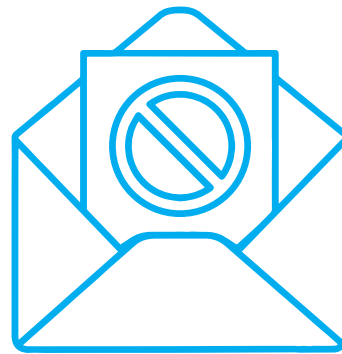
(102-16) (102-17)

### 2) Grievances

We provide our employees with a mechanism for filing grievances about work-related affairs, to ensure full protection of their privacy, confidentiality of their information and guarantee that all grievances are treated in a fair and objective manner.

The aggrieved employee must have tried all possible means for solving the subject matter of the grievance, either with his line manager or the relevant department before submitting a formal grievance.

With reference to the policies and procedures of work-related complaints of OAB employees, any employee who makes unfounded claims with harmful intentions or with motives to achieve personal gain, shall be liable for penal measures.



#### i. Harassment and Discrimination

OAB employees are expected to conduct their relationships with colleagues, customers and other parties in a mutually respectful manner. We have a zero-tolerance policy towards any mistreatment, disrespect, violence, harassment and discrimination. Harassment covers any explicit or implicit attitude that would hurt an individual's dignity, health or self-confidence. Any harassment incident that an employee is involved in, directly or indirectly, will be a

clear violation on his part of the CEPC, regardless of the means used in the harassment – either via SMS, email, telephone, or any other means.

Discrimination, meanwhile, includes any biased act that results in unfair treatment towards others, including bullying and holding attitudes that constitute threats, hostility or misconduct towards others.









Our efforts in this area bring us into alignment with the following local and global initiatives:

 <p><b>Oman Vision 2040</b></p>	 <p><b>United Nations Sustainable Development Goals</b></p>
<p>Theme: Environmental Pillar: Ecological Systems that are Effective, Balanced and Flexible to Protect the Environment and Sustain its Natural Resources in Support of the National Economy</p>	<div> <div> <b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION            </div> <div> <b>13</b> CLIMATE ACTION            </div> </div>

#### In this chapter:

- 1** Support for the Environment Society of Oman
- 2** Earth Hour
- 3** OAB's Eco-Friendly Calendar
- 4** Responsible Waste Management

#### Chapter highlights:

Supported the virtual fundraising event for the Environment Society of Oman (ESO), where <b>over OMR 100,000</b> was raised	Showed <b>solidarity with Earth Hour</b> , by turning off all the lights in our main building and starting a conversation on social media	Launched our <b>first eco-friendly calendar</b> for the year 2021
Our total carbon emissions for 2020 were <b>15,599 tCO<sub>2</sub>e</b>	Repurposed <b>62 items of furniture</b> with the Dar Al Atta'a Committee & Al Rahma Association for Motherhood & Child Welfare	Saved <b>1,498kg</b> of old stationery items, CD & old devices from going to landfill.

## Environmental Responsibility

(102-11)



### 1) Support for the Environment Society of Oman

Towards the end of August, we supported a virtual fundraiser organised by the Environment Society of Oman (ESO), the only non-profit organisation in Oman dedicated to conserving the environment. The event, hosted by Her Highness Sayyida Tania Al Said and Omani football legend, Ali Al Habsi, managed to raise over OMR 100,000. We are proud to have supported ESO's work for a number of years and look forward to continuing our partnership for years to come.

### 2) Earth hour

In March 2020, we participated in the globally celebrated Earth Hour event, sending our own message of solidarity towards efforts to protect the environment. As well as switching off all lights in the Bank's main building on the night of March 28, we launched a competition on social media asking followers about the most important lessons they had learned from the coronavirus pandemic that concerned the relationship between humanity and the environment. The competition prompted a huge amount of interaction from our followers, where they shared their thoughts on what they gathered from this eye-opening experience.

Topics discussed included how we can collectively re-imagine the concept of building a balanced and sustainable relationship with nature. At the end of the competition, the two best answers on each platform were awarded with prizes. Answers included:



**Alvita Hildegard (Twitter winner)**

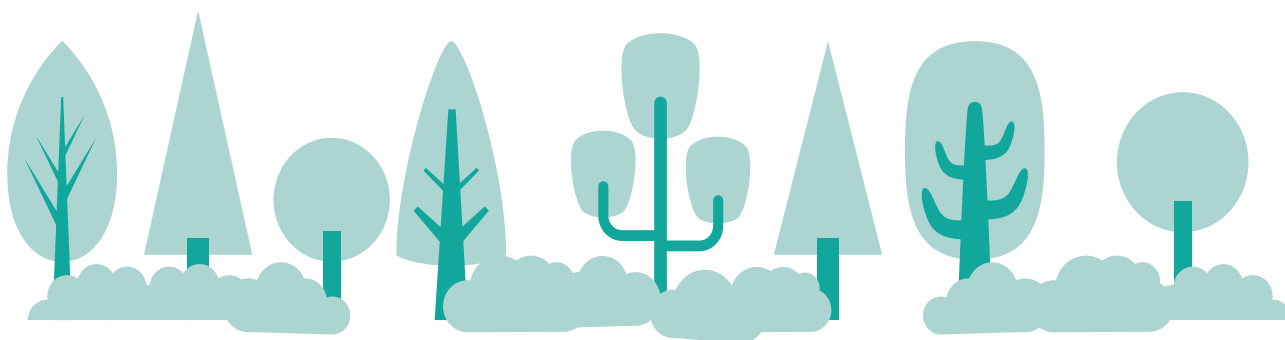
"@Oman\_Arab\_Bank experience of COVID-19 should be a striking wake up call to us all that the ecosystems that support us are sick. This outbreak has made us aware of how dangerous things can get if we don't act individually and collectively, decisively and swiftly. #EarthHour #OABistidama"



**.shivar. (Instagram winner)**

"We have lost touch with nature. Human being's desire to control nature and do their bidding has wreaked havoc. We need to end the cycle and the need for endless profit. The fact that the condition of the earth has improved with a slack in human intervention just shows that in our quest to control nature, one way or the other we will lose. Xenophobia, racism stems from the inability to keep things under control; starting a blame game. We must realise that when the last leaf falls, so do we."

Our participation in Earth Hour is in line with the Bank's strategic approach towards sustainability. Participation in this event brings us into alignment with the third pillar in the approach "protecting the environment".



## Environmental Responsibility

### 3) OAB's Eco-Friendly Calendar

We launched our first eco-friendly desk calendar for the year 2021. Developed with twelve talented Omani photographers, the new calendar features a stunning photograph for each month of the year, depicting natural landscapes, wildlife and traditional scenes in different wilayats of the Sultanate. Each photo has the name of the photographer, their account on social media and the wilayat in which the photo was taken.

The calendar is made entirely from recycled paper and vegetable-based inks.

This calendar is aligned with our sustainability strategy to establish partnerships within our communities, as well as preserving the environment. It promotes limiting the use of environmentally harmful products, while celebrating creativity and showcasing exceptional local talent in the Sultanate.



### 4) Responsible Waste Management



We send all our electronic waste to the NGO National Records & Archives Authority.



We saved 1.498 kg of old stationery items, CD & old devices from going to landfill.



In 2020, we sent 62 items of furniture to be repurposed to the Dar Al Atta'a Committee & Al Rahma Association for Motherhood & Child Welfare



We are decreasing the amount of paper printed by making it mandatory for communication between departments to be via email.



**5) Electricity Consumption** (302-1) (302-3)**2020**

Electricity Consumption (KWH)	4,368,892
Average Electricity Consumption per Employee (KWH)	3,523

**6) Fuel Consumption****2020**

Fuel consumption by vehicles owned or leased by the Bank (Petrol, Litres)	108,133
---	---------

**7) Greenhouse Gas (GHG) Emissions** (305-1) (305-2) (305-3) (305-4)**2020**

Scope 1 Direct Emissions Fuel consumption by vehicles owned or leased (tCO <sub>2</sub> e)	251
Scope 2 Indirect Emissions Electricity consumption (tCO <sub>2</sub> e)	2,811
Scope 3 Other Emissions Business travel (tCO <sub>2</sub> e)	12,537
Total Emissions (tCO <sub>2</sub> e)	15,599
Average Emissions Per Employee (tCO <sub>2</sub> e)	14

**8) Water Consumption** (303-5)**2020**

Utility Water Consumption (Litres)	5,780,987
Drinking Water Consumption (Litres)	206,299
Total Water Consumption (Litres)	5,987,286
Average Water Consumption Per Employee (Litres)	4,828

**9) Waste Management** (306-2)**2020****2019**

Paper Waste (KG)	1,186	727
------------------	-------	-----

'In addition to recycling paper waste in our offices, in 2020 we also managed to recycle 41 hard disks, 23 kg visa cards and 13 metal tools.'















# Community Partnership

---

“Community partnerships are a big part of our vision to play a sustainable role in society as a financial institution, and has always been an integral part of our business activities. We were proud to partner with a number of local charities and NGOs in 2020 to create a positive impact in our community in what has been a particularly challenging year. In recognition of our work in this area, we were proud to be bestowed with the Excellence Award in Social Responsibility during the Fourth Oman Forum for Partnership and Social Responsibility in 2020”

---

Our efforts in this area bring us into alignment with the following local and global initiatives:

 <p><b>Oman Vision 2040</b></p>	 <p><b>United Nations Sustainable Development Goals</b></p>				
<p>Theme: People &amp; Society Pillar: Enhancing Family and Community Health and Well-being</p>	<table border="1"> <tr> <td data-bbox="825 916 970 1055"> <p><b>1 NO POVERTY</b></p>  </td> <td data-bbox="970 916 1128 1055"> <p><b>2 ZERO HUNGER</b></p>  </td> <td data-bbox="1128 916 1286 1055"> <p><b>4 QUALITY EDUCATION</b></p>  </td> <td data-bbox="1286 916 1441 1055"> <p><b>10 REDUCED INEQUALITIES</b></p>  </td> </tr> </table>	<p><b>1 NO POVERTY</b></p> 	<p><b>2 ZERO HUNGER</b></p> 	<p><b>4 QUALITY EDUCATION</b></p> 	<p><b>10 REDUCED INEQUALITIES</b></p> 
<p><b>1 NO POVERTY</b></p> 	<p><b>2 ZERO HUNGER</b></p> 	<p><b>4 QUALITY EDUCATION</b></p> 	<p><b>10 REDUCED INEQUALITIES</b></p> 		

### In this chapter:

- |  |  |  |
|--|--|--|
| <p><b>1</b> World Food Day</p>                                   | <p><b>2</b> Partnership with Shukran</p>             | <p><b>3</b> Mazoon Dairy</p>   |
| <p><b>4</b> Meals during Ramadan</p>                             | <p><b>5</b> Charitable Donations through OAB App</p> | <p><b>6</b> Ministry of Health COVID Account</p>                           |
| <p><b>7</b> E-Learning Initiative for Special Needs Students</p> | <p><b>8</b> International Day of Charity</p>         | <p><b>9</b> Excellence Award for Partnership and Social Responsibility</p> |

### Chapter highlights:

<p><b>1,500 meals</b> donated to frontline workers during Ramadan</p>	<p><b>1,017kg of food</b> donated to Dar Al Atta'a for distribution on World Food Day</p>	<p><b>460 special needs students</b> benefited from interesting educational content during lockdown</p>
<p>Mazoon Dairy Company SOAC commended <b>on one year of operations</b>, producing <b>100% Omani milk</b></p>	<p><b>OMR 500,000</b> donated to the Ministry of Health, supporting their efforts to fight COVID-19</p>	<p><b>OMR 2000</b> donated on behalf of three of our customers to mark the International Day of Charity</p>

## Community Partnership

(413-1)

### 1) World Food Day

World Food Day is an annual food drive that sees individuals and businesses donate food items to those in need. The initiative, launched by the Food and Agriculture Organisation of the United Nations (FAO), is an opportunity to demonstrate commitment towards sustainable development and the achievement of FAO's goal of ending world hunger by 2030. We once again partnered with Dar Al Atta'a to commemorate World Food Day, which took place on October 16, 2020.

Our participation in the annual World Food Day campaign is something that is close to our hearts. Just as we strive to make a difference in the lives of our customers, we aim to create value in the communities that we are part of. This year, we collected more than 1,017kgs of food and donated them to Dar Al Atta'a for distribution.

*"Now, more than ever, it is crucial to support each other and lend a hand to those in need and that's what makes World Food Day so important. We are grateful to the team at Dar Al Atta'a for coordinating and partnering with us for this important cause once again. The staff at Oman Arab Bank have been doing their part by donating food to help make a difference."*

**Hilal Al Siyabi**

Head of Corporate Communications



### 2) Partnership with Shukran

We recently announced the signing of an agreement with the Landmark Group in Oman, which allows our customers to convert OAB Rewards points into Shukrans. Customers who pay using their credit cards will be able to redeem these points for Shukrans and shop from a wide range of popular Landmark Group brands, including; Centrepont, Home Centre, Max, Shoexpress, Emax and more.

We chose 'Shukran' as it is one of the most popular retail loyalty programmes in the Sultanate and it benefits our customers by allowing them to use their well-earned points at retail stores across the country. We are confident that our credit card customers will appreciate this new feature, which offers them more retail store options to spend their points on.

---

### 3) Mazoon Dairy

Established in 2015, Mazoon Dairy is the first 100% Omani dairy brand of its size in the Sultanate. It is primarily engaged in manufacturing and distributing a wide range of dairy products and juices from its facility in As'Sunainah in the Al Buraimi Governorate.

In 2020, we commended Mazoon Dairy Company SAOC on one year of operations, after extending finance to them in November 2019 to create a state-of-the-art dairy manufacturing facility. This decision was based on the economic and social value it would bring on a short and long-term basis, on a regional and international level. It is also in line with our strategic pillar, focused on building fruitful partnerships that will positively impact the national economy as a whole.



*"Over the last few years, Oman has been working towards localising food industries and reducing its dependence on imports to fulfil the objectives of the National Food Security Strategy. This was the reason behind establishing Mazoon Dairy, which commenced production in October 2019. Since then, the company has been able to position itself at the forefront of the industry, achieving its sustainable development goals in record time. We are proud to be the strategic financial partner for this pioneering project, which will contribute greatly towards the Sultanate's economic diversification efforts."*

#### **Al Salt Al Kharusi**

Head of Corporate & Institutional Banking

In line with our strategic objective to foster "Partnerships and Synergies", we have positioned ourselves as a supporter of economic development and as a trusted corporate banking partner. We are now looking to provide ATM and CDM facilities at Mazoon Dairy's plant site, ensuring all employees can take full advantage of our products and services, enriching their employees' banking experience.

## Community Partnership

### 4) Meals during Ramadan

In 2020 we partnered with Kargeen restaurant, who continued their commitment to give back throughout the holy month of Ramadan by providing 'Iftar' meals to frontline workers during the pandemic. Our involvement in this initiative is a small way of supporting the heroes who have left their homes and risked their health to help the community during this difficult time. Through this initiative, 1,500 meals were distributed to frontline health workers.

#### Iftar in overview:

**1,500 meals** delivered over a period of 30 days to frontline workers fighting against COVID-19

**100%** of meals distributed went to Omani nationals

**4 chefs** worked to prepare the meals for **4 hours** daily

**37 meals** were distributed to a healthcare facility in Darsait

**13 meals** were distributed to the Ministry of Health, Al Khuwair

**Meals** included: Soup, mandi, shuwa, biryani, kabsa, aqda, burgers with samosa, pakoras, puffs, and more

**Beverages** included: Laban, juice and tea

**Snacks** included: Biscuits, dates, fresh fruits and desserts

Expressing thanks to all associations that supported and donated to the initiative, Jalil Al Asfoor, CEO of Jalil Al Asfoor Enterprises and Kargeen Restaurant, said "As we specialise in the F&B industry, this initiative is the best of what we can offer as a token of gratitude to all individuals working on the frontline combatting this pandemic. On behalf of Kargeen Restaurant, I thank all the sponsors and partners that were influential in helping achieve the objective of this initiative. This is a testament to the fact that together we can make a difference."

## 5) Charitable Donations through OAB Online App

In line with our efforts to enhance our digital offerings, in the holy month of Ramadan we launched a special feature enabling users to give donations via our app. Customers can easily donate to the charitable group of their choice directly through their mobile phones.

Attendance is open to all organisations working in the social sector. Associations and civil society organisations that our customers can donate to through our app, include:



Al Noor  
Association  
for the Blind



Environment  
Society of  
Oman



Takaful



Dar Al Atta'a



Association for  
Children with  
Disabilities



سلطنة عُمان  
وزارة الصحة  
Sultanate of Oman  
Ministry of Health

Ministry  
of Health  
COVID-19  
Fund

## 6) Ministry of Health COVID-19 Account

In order to support the efforts of the Ministry of Health against the novel coronavirus, we opened a dedicated donation account whereby customers who wish to contribute to the Ministry's efforts during the pandemic can donate to the account via the OAB application. Those who are not OAB customers can still contribute by transferring the amount they wish to donate from any local bank into this account. In addition to this, we donated OMR 500,000 to the fund.

*"The launch of this initiative is in line with the directives of His Majesty Sultan Haitham bin Tariq – may the Almighty protect and preserve him – to support the efforts of the government in achieving the objective of cooperation between everyone in the face of this global pandemic, and also stems from our belief that what we face today requires all of us to stand together as one. Moreover, we also believe that everything health workers have done is truly a heroic act and everyone should support them to enable them to perform their duties to the fullest."*

**Rashad Al Musafir**  
CEO



## Community Partnership

### 7) E-Learning Initiative for Special Needs Students

In line with our social responsibility objectives, in 2020 we sponsored an e-learning initiative which aims to counter the negative impact of suspension of study due to the pandemic. This initiative was launched in cooperation with Al Roya newspaper and the Ministry of Education. It was launched on April 16 and provided educational content for 460 children from 17 schools across the Sultanate, specialising in providing education for students with special needs.

This special programme employs the latest technology to serve a very important segment of society, helping students receive education in an interesting way from the comfort and safety of their home. The curriculum includes several major subjects, as well as awareness on COVID-19 using



sign language and audio recordings. The videos were posted on Al Roya channel and Al Roya social media platforms, as well as to the student's private WhatsApp accounts.

#### This project in overview:

**460 students from 17 schools** across the Sultanate have benefited from this initiative

**25 teachers** used resources from this programme to help their students

**130 videos** made

**65 hours** of educational content created

The initiative provided education on **6 subjects**, including: Arabic, mathematics, social studies and Islamic Education and COVID-19 awareness

This initiative took place over **2 months**, from April 16<sup>th</sup> - June 10<sup>th</sup>



## 8) International Day of Charity

To commemorate the International Day of Charity, celebrated on September 5<sup>th</sup> 2020, we launched a special competition on our social media platforms for all our followers. The competition aimed to bring people together who believe in the need for charitable work, while simultaneously raising awareness within the community about the importance of donations.

To enter the competition, followers had to answer the question, "How many charities and funds can you donate to via the OAB Online app". Those who answer correctly were entered into a draw, with the Bank donating OMR 500 on behalf of the winner to one of our partner charities listed on the mobile application. A total of OMR 2000 was donated on behalf of three winners.

*"We believe that individuals play an integral role in helping out people who are in need. This is why the Bank has tied up with several active charities and charitable associations over the years to instill a culture of giving. With the OAB app, customers can easily make donations to their local charity of choice within seconds. This competition reaffirms our efforts to encourage and promote a spirit of charitable contribution among all members of the OAB family."*

**Hilal Al Siyabi**

Head of Corporate Communications

## 9) Excellence Award for Partnership and Social Responsibility



In recognition of our valuable service towards society, we received the Excellence Award in Social Responsibility during the Fourth Oman Forum for Partnership and Social Responsibility. The forum was held at the Grand Millennium Muscat under the patronage of HE Laila Ahmed Al Najjar, Minister of Social Development.

We are extremely proud to have received this award as social responsibility is one of the most important focus areas of our strategy, which is designed to strengthen our social impact under our three strategic pillars; community partnerships, environment and financial inclusion. In 2020, our focus in this area was to limit the social and financial impact of the pandemic, for which our efforts were commended with this award.

# Working Towards Financial Inclusion

---

“Working towards financial inclusion by understanding the needs of the financially underserved segments of society, enables us to offer products and services that improve financial habits and knowledge. We know that good financial well-being is an integral part of overall well-being, and therefore an important aspect of having a healthy and prosperous Omani society”

---

Our efforts in this area bring us into alignment with the following local and global initiatives:



## Oman Vision 2040

**Theme:** People & Society

**Pillar:** Enhancing Family and Community Health and Well-being

**Theme:** Economy

**Pillar:** Creating Wealth through Economic Diversification and Private Sector Partnership



## United Nations Sustainable Development Goals

8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



### In this chapter:

1

Customer Support

2

Supporting our Customers During a Pandemic

3

Financial Inclusion of Young People

## Working Towards Financial Inclusion

### 1) Customer Support

#### i. Debt Exemption

To mark the occasion of the 50<sup>th</sup> National Day, we wrote off over 150 defaulting loans. This initiative is part of our social responsibility efforts and was prompted by the special circumstances of account holders which include the elderly, widows and people with disabilities. Additionally, debts of deceased customers that were not covered by insurance companies were given exemptions, in order to relieve their families of financial burdens.

We launched this debt exemption initiative to help people in need, especially those who are facing difficult circumstances brought about by the global pandemic. This way, we can enable them to progress with their lives without having to worry about existing loans. This initiative stems from our commitment towards social responsibility and is our way of giving back to Omani society.

#### ii. Encouraging Our Customers to Save

While we supported our customers with debt exemption, we also recognised the need to encourage saving during these unstable times. At OAB, we continue to support our customers' efforts to save and spread awareness about its importance, especially as the market reopens. 2020 has highlighted the importance of having a strong financial foundation to be able to weather the storms of an uncertain world.



#### Hasaad Saving Scheme

Customers that save with Hasaad Savings Account are entered into monthly draws, mega draws and salary transfer draws to be in with a chance of boosting their savings with monetary prizes.

## 2) Supporting our Customers During a Pandemic

2020 posed a number of challenges for businesses, employees and customers due to the pandemic. The Central Bank of Oman (CBO) addressed the downturn in the market through a number of policy measures that aimed to provide additional liquidity to local banks to facilitate continued support to affected customers. At Oman Arab Bank, we recognised that many of our customers were negatively impacted by the pandemic, so we initiated a number of ways to support them financially.

### i. Loan Deferrals

Starting from May 2020, we offered deferments on personal, housing and auto loan installment applications for up to three months. During this period, we received 4,362 requests.

These deferments were available for customers who suffered from a reduction in salary, unpaid leave or a drop in business turnover.

### ii. Credit Card for Frontline Workers

To show our appreciation for frontline healthcare workers combatting the effects of the pandemic, we launched an exclusive credit card with 0% interest, and no annual fees. Omani and non-Omani healthcare workers do not need to transfer their salary to the Bank, and a one-month salary limit is applied to the card.

We believe that frontline workers are putting their own lives at risk and that their hard work and determination deserves to be honored and recognised. This offer is our small way of thanking them for going above and beyond their call of duty to make sure the Sultanate is safe for all its residents.



## Working Towards Financial Inclusion

### 3) Financial Inclusion of Young People

We realise that gaining a good understanding of finances from a young age provides a sturdy foundation for a financially secure future. Not only is this beneficial on an individual level, it contributes towards a more secure and prosperous economy. The following accounts aim to encourage young people to start their banking journey responsibly:



#### OAB Youth Account

Our youth account is available for anyone between 18-27 years old. It is designed specifically for graduates and aims to make banking a fun experience.

##### Benefits include:

- Up to 24GB of free internet data for Omantel customers, simply by saving a monthly minimum balance
- A vibrantly designed Visa debit card
- Eligibility to participate in the Hasaad monthly draw scheme
- Special offers and discounts for youth card holders

#### Child Education Saving Plan

Parents are eligible to subscribe to the Child Education Savings Plan. There are several benefits which encourage parents to start saving early for their children, such as:



Bonus  
Rewards



Prize  
Draws



Flexibility  
on  
Savings



High  
Interest  
Rate





الإيجار  
FURNISHED  
FLATS FOR  
RENT  
23321821  
71181109

OMAN ARAB BANK





## 10

# Digital Banking with OAB

---

**“Oman Arab Bank is one of the most digitally advanced banks locally, we continuously endeavour to strengthen our digital presence by implementing innovative solutions to deliver seamless customer experiences”**

Globally, businesses are experiencing rapid technological developments, with e-commerce emerging as one of the most promising sectors. As a result, consumer behaviour has significantly evolved, especially during the pandemic, as more customers were open to shifting to digital channels and more willing to switch from cash transactions to online payments. This reinforces the need to

establish robust digital payment platforms that enable real-time and secure payments. We believe it is our responsibility to proactively understand customers' ever changing behaviours and cater to their requirements by accelerating our digital transformation journey and implementing solutions that deliver unique value to our stakeholders.



Marking our efforts in digital banking, in 2020 we won the award of Excellence in Digital Banking at Alam Al-Iktisaad Magazine Awards ceremony 2020. Our efforts in this area bring us in alignment with the following national and global strategic agendas:

 <p><b>Oman Vision 2040</b></p>	 <p><b>United Nations Sustainable Development Goals</b></p>
<p><b>Theme:</b> People &amp; Society  <b>Pillar:</b> Enhancing the National Technical and Entrepreneurial Capabilities  <b>Theme:</b> Economy  <b>Pillar:</b> Creating Wealth through Economic Diversification and Private Sector Partnership</p>	<div> <div> <b>5 GENDER EQUALITY</b>   </div> <div> <b>8 DECENT WORK AND ECONOMIC GROWTH</b>   </div> <div> <b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b>   </div> </div>

## In this chapter:

1

Innovation at the Bank

2

Fintech

3

Our Social Media Presence

## Chapter highlights:

Received the **Excellence in Digital Banking** award at the Alam Al-Iktisaad Magazine awards ceremony

Opened the first-of-its-kind Innovation Lab in Oman, Simplify, at OAB HQ

Awarded 500 customers prizes of **OMR 50** and 50 with **OMR 500** as part of our 'Power of 50' campaign

Introduced 'Step to the Future 3.0'

Launched our WhatsApp platform, with our friendly bot **Saif** as its face

Launched the biggest Hackathon in Oman in 2019, for students, Fintech startups and OAB employees.

**Launched three 'firsts' to the market during the pandemic:**  
 Digital onboarding, Top up on personal loans digitally and a super savings account.

## Digital Banking with OAB

### 1) Innovation at the Bank

Since our digital transformation journey started just over four years ago, we have been committed to delivering seamless customer experiences by launching a series of innovative solutions. Our agility as an organisation has enabled us to accelerate this journey, especially during the pandemic.

reinforce our position as an innovative, agile financial institution. We are keen to enhance our customers' experience by offering a comprehensive and convenient way to bank, something that has grown in importance especially now, when socially distancing measures are still in place.

We will continue to be proactive in investing in digital solutions that provide seamless experiences and

#### i. OAB's Innovation Lab: Simplify

In 2019, we announced the launch of Simplify, a first-of-its-kind innovation lab in Oman. The OAB Simplify Lab is at the forefront of innovation, where Fintech companies, students and employees can collaborate to develop innovative Proof of Concepts and solutions that will create value for our customers and elevate their banking experience.

Simplify hosts a myriad of opportunities by providing access to one-to-one mentoring, specialised workshops, and industry experts for local students, OAB staff and local, regional and international Fintech companies.

This new facility is envisioned to serve as a platform to enable innovation, accelerate OAB's enterprise-wide digital agenda, develop local talent and strengthen the fintech ecosystem. It occupies a floor at OAB HQ that aims to drive innovative thinking in a collaborative space and further develop Oman's knowledge-based economy.



**Rashad Al Musafir**  
CEO

---

**“We are extremely proud to be creating a facility that supports His Majesty’s vision and Oman’s national agenda to drive innovative thinking, develop local talent and promote entrepreneurship.”**

## ii. Innovation Hub

In 2019, we launched the largest hackathon platform in the banking industry, the “Innovation Hub”. It became one of the most distinctive events in Oman, bringing together over 350 participating individuals, far exceeding the initial goal of 200. The hackathon sets the stage for students, professionals/Fintechs and employees to collaborate and develop new and innovative solutions (in the form of a prototype) around specific themes that drive value for OAB and our partners, in just 24hrs.

Leading up to the Innovation Hub event, we ran a series of workshops to help participants prepare and develop their innovative ideas. The winning student teams win a cash prize and join a 6-month paid internship programme to develop their Proof of Concepts into solutions that will be rolled out to the market with the support and guidance of internal experts and mentors. The top students will be offered employment opportunities with us. The winning Fintech team will have the opportunity to be incubated in OAB’s Innovation Lab, and will work together with our Innovation and Business teams to introduce their solutions to the market.

Given the situation surrounding the spread of the novel coronavirus, and following the decision made by the Ministry of Health regarding the postponement



of events in the Sultanate, “Innovation Hub 2.0” which was expected to take place in 2020 was rescheduled, with the next edition taking place on April 2021, virtually. This gave participants more time to prepare their ideas, seek guidance and advice, enabling the event to be more inclusive with an exciting line-up of speakers and activities, and making it bigger and better for everyone involved.

The upcoming Innovation Hub event will focus on three themes: Fintech, Cybersecurity and Tourism, and will offer students, Fintechs and OAB employees an opportunity to test their innovative ideas around these themes. This will be Oman’s first virtual hackathon.

## Digital Banking with OAB

### iii. Step to the Future 3.0

In 2020, we marked the next stage of our digital evolution with the launch of 'Step to the Future 3.0'. This includes various Artificial Intelligence-driven e-payment solutions and facilities set to make banking even easier for our customers.

Any Omani citizen or resident can now take advantage of a one-of-a-kind simple and secure online onboarding system via the OAB Online App, which enables an account to be opened in under

5 minutes, without the need to physically visit the branch or sign any printed documents. Additionally, OAB customers with personal loans can instantly top-up their existing loans through the app, receive approval and have the additional amount transferred to their bank account almost immediately. Lastly, customers who open new accounts through the app can benefit from a new Super Growth savings account, which offers a special interest rate of 3% per annum.

### iv. Online Learning Hub

On May 4 2020, we launched our Online Learning Hub. This learning platform was developed to upskill the youth and to prepare them for the job market in the future. The platform includes a comprehensive set of workshops that are focused on accelerating students and entrepreneurs' personal and professional growth, delivering the skills, competencies, tools and metrics needed to drive growth and value in their careers and businesses. The learning platform will focus on various topics, including design thinking, innovation, business model canvas, the latest trends in technology, leadership development, self-development, and much more.

The interactive workshops focus on design thinking principles, enablers of innovation, critical reflection analysis, the business model canvas, turning an idea into a proof of concept, new trends in technology, pitching to potential investors and many other topics to help people navigate this evolving landscape.



#### **Adil Al Al Rahbi**

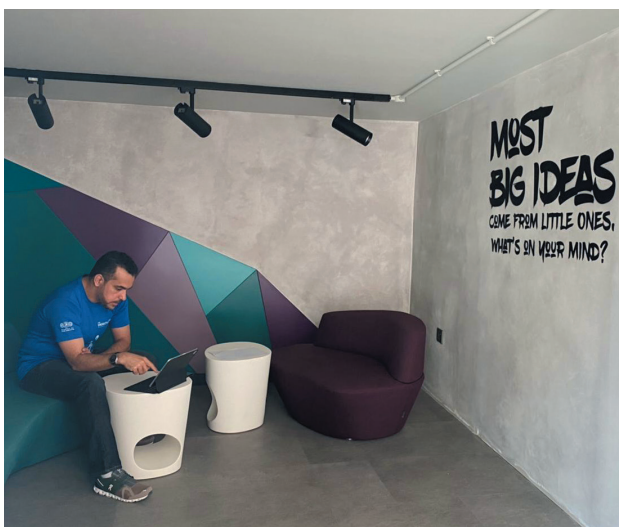
Head of Human Resources Division

---

**“We wanted to offer Oman’s youth access to an interactive online learning community, regardless of the sustained impact of COVID-19; with an opportunity to acquire the skills they need, share knowledge, and unlock their full potential so that they can excel and thrive in the future. The interactive online workshops will see a much more hands-on experience and breaks away from the traditional theoretical curriculum.”**

## 2) Fintech

Incorporating FinTech innovations as part of our services is an integral part of our efforts to accelerate the e-commerce industry and bring about a new age of digital banking. With key programmes and initiatives to develop innovation, local talent and entrepreneurship in place, we will be able to contribute significantly towards building the Sultanate's knowledge-based economy and create value for the community at large.



### i. OAB at the New Age Banking Summit

On October 6 2020, we participated in the New Age Banking Summit held at the Sheraton Hotel Oman. Discussions were held around the theme of “The Future of Banking and Fintech”. As part of this summit, OAB received the ‘Leadership in Agile Banking’ award, reinforcing our dedication to providing a high-quality customer experience. Business agility is a necessity for the long-term survival of any organisation. At OAB, we have established ourselves as pioneers in the region, especially when it comes to adopting Agile practices. Our Agile methodology and approach has helped us stay committed to the development of digital products and services to enrich the overall customer banking experience. We are working towards offering a variety of AI-driven technology that boosts convenience for users, with an omni channel approach that sees the majority of our services available online and through the OAB Online App. Over the years, OAB has successfully contributed to accelerating the sector's digital transformation journey by delivering an unrivalled customer experience. This stems from the implementation of a strong Agile culture, which is primarily focused on cross-functional collaboration.

## Digital Banking with OAB

### ii. E-payments

We continue to enhance our presence in the local banking industry as one of the best-certified e-payment solutions providers. We have heavily invested in building an advanced digital infrastructure, capable of keeping pace with rapid technological changes that influence the growth of businesses, while enriching the digital business environment. Based on this concept, our advanced e-payment gateway has emerged as one of the best e-channels for digital payments in the Omani market.

Our e-payment gateway provides direct connectivity for all types of local and international bank cards, in addition to competitive service fees and 24/7 technical support. This single-integration point allows our customers to easily make transactions and accept payments from anywhere in the world. Moreover, our team supervising the gateway is always ready to facilitate the activation process for new customers, and support them in all their banking requirements.

### iii. Digital Transformation

For the safety of our customers during the pandemic, we enabled them to have access to our services and products through our app. We understood quickly the importance of accelerating our digital transformation during this challenging period to ensure they continue to have access to all our banking services from the comfort and safety of their homes.

Some of our online banking features:



#### Accounts & Cards

Details of customer account

Card control, payment and transaction history



#### Payment & Transfers

Local and international transfers

Bill payments



#### Services & Personal Loan Top-up

Cheque book request

Apply for a loan

Open account

Loan deferment



#### Donations

Donations to our different partners

### 3) Our Social Media Presence

At Oman Arab Bank, we place a high level of value on our online presence, and operate an omnichannel social media strategy to ensure that we can connect with as many of our customers as possible on their preferred channel of choice. We have built a strong engagement across all of our social media channels. We stay mindful to share important information and updates on our platforms, while running engaging and educational campaigns

#### Our Social Media Presence & Followers



Twitter

**12.3K**



Facebook

**41.5K**



Instagram

**26.4K**



YouTube

**1K**



LinkedIn

**22.6K**

#### WhatsApp

WhatsApp has become one of the most popular communication platforms in the Sultanate of Oman and across the Middle East. We have therefore taken the initiative to develop an innovative technical solution through a dedicated WhatsApp business account that will connect customers with the Bank 24/7.

In 2020, we launched our WhatsApp platform, which is spearheaded by "SAIF", an animated character that provides customers with the best solutions to their enquiries in a simple and easy to understand manner. It also provides information about the latest available offers and discounts, as well as providing tips on the best savings techniques.

This new initiative is in line with our efforts to reinforce our leading position in the banking sector in the Sultanate of Oman in terms of digital infrastructure and customer service, with a focus on innovation and the use of artificial intelligence.

#### The Power of 50

To commemorate Oman's 50th National Day, signifying five decades of the country's transformational journey, we ran a promotional campaign which took place from September 15 to November 18 2020 under the slogan, "The Power of 50." Since the 50th National Day marks the golden jubilee of the renaissance of Oman, our campaign was designed to reach the widest segment of potential customers. We also showed our gratitude and appreciation towards our valued customers for their continuous loyalty and trust over the years.

As part of this campaign, the first 500 existing customers to refer a friend, acquaintance or family member to open an account with us via the OAB Online App, each received a cash prize of OMR 50. The first 500 customers to open an account with OAB and transfer a salary of OMR 500 or more, also received a cash prize of OMR 50. Throughout November, every OAB customer had the opportunity to be part of a special Hasaad draw, for a chance of winning one of the 50 OMR 500 cash prizes.

As a part of this campaign, our Retail Division introduced a new service window on the OAB Online App that simplifies the new account nomination process. Existing customers can submit details of the person they wish to nominate, we then follow-up to check whether the nominee is interested in opening an account. Upon approval, the account will be opened, with a cash prize of OMR 50 deposited to the new customer's account when they transfer their salary, as well as into the account of the customer who nominated them.



# Responsible Workplace

---

“At Oman Arab Bank, it is our mission to provide a workplace where all employees are fully engaged in what they do and feel empowered to fulfil their responsibilities each day. A responsible workplace is a place where people want to work, a workplace that is based on trust and personal responsibility. When such a workplace is provided, employees feel connected to the vision and mission of the Bank, customer satisfaction improves, staff turnover reduces and productivity and profitability increase. Employees should have a sense of pride in what they do and the organisation they work for”

Our areas of focus when it comes towards providing a responsible workplace are; gender diversity, women empowerment, Omanisation, encouraging lifelong learning and development and recognising our employees efforts through awards programmes.

---



Our efforts in this area bring us into alignment with the following local and global initiatives:

 <p><b>Oman Vision 2040</b></p>	 <p><b>United Nations Sustainable Development Goals</b></p>
<p><b>Theme:</b> People &amp; Society  <b>Pillar:</b> Enhancing Family and Community Health and Well-being</p> <p><b>Theme:</b> People &amp; Society  <b>Pillar:</b> Upholding Omani Identity &amp; Heritage</p>	<div> <div> <b>5</b> GENDER EQUALITY   </div> <div> <b>8</b> DECENT WORK AND ECONOMIC GROWTH   </div> <div> <b>10</b> REDUCED INEQUALITIES   </div> </div>

### In this chapter:

- 1 Diversity & Inclusion
- 2 Empowering Women
- 3 Omanisation for Growth
- 4 Lifelong learning & Development
- 5 Rewards Programmes Mukafaati
- 6 Social Support Fund

### Chapter highlights:

Almost <b>40%</b> of our workforce is now female	<b>Two</b> of our female employees received awards at the Al Mar'a Magazine Excellence Awards 2020	Female employees are entitled to <b>50 days of maternity leave</b>
<b>96%</b> of our workforce is made up of local Omani talent	In 2020, <b>50%</b> of the participants in our Leadership Enhancement and Development (LEAD) were female	<b>1</b> employee completed the Certificate in Finance, Accounting and Business (ICAEW CFAB) in 2020

## Responsible Workplace

(102-8)

### 1) Diversity & Inclusion

At Oman Arab Bank, we believe that an inclusive and diverse workplace is an essential aspect of any sustainable organisation that is ready for the future. Having a diverse and inclusive workforce is not only helping to build a better society, it provides us with diverse perspectives and ideas which ultimately drive innovation and makes us a better business all round.

#### i. Gender Diversity

We are constantly improving in the area of gender diversity. It is of great importance to us to attract, develop and retain top female talent in order to achieve a good gender balance and a diverse

workforce. While we have some work to do to achieve this, women currently represent almost 40% of our workforce.

#### OAB Full Time Employees by Gender

Full Time Employees by Gender	2019	2020
Total number of employees	1,240	1,145
% of male full time employees	61%	61%
% of female full time employees	39%	39%

#### OAB Newly Hired Employees by Gender (401-1)

Newly Hired Employees by Gender	2019	2020
% of newly hired male employees	51%	66%
% of newly hired female employees	49%	34%

#### OAB Top Management by Gender

Top Management by Gender	2019	2020
% of male employees in top management	90%	91%
% of female employees in top management	10%	9%

## 2) Empowering Women

To support the empowerment of women, we are working to create a culture of mentoring, whereby women learn mentoring skills to enable them to advise and lead other female employees, supporting their personal and professional development. To date, we have 26 mentees and 10 mentors taking part in the programme.



### Al Mar'a Magazine Excellence Awards 2020

The Al Mar'a Magazine Excellence Awards 2020 was held at Sheraton Oman Hotel, and aligned with the Sultanate's 50<sup>th</sup> National Day of the Renaissance celebrations. The ceremony highlighted the achievements of Omani women and their role in the development of the Sultanate. Awards were given to Dalal Al Rahma, our Head of Digital Marketing,

Communication & Events, who received the Al Mar'a Magazine Special Award for Marketing & Communications and our Head of Innovation, Leen Al Atassi, who received the Al Mar'a Magazine Special Award for Innovation. The Al Mar'a Annual Book, which was unveiled at the ceremony, includes the success stories of five other female employees from OAB.

## Responsible Workplace



### Caring for our Mothers

We know how important it is for mothers to spend quality time with their new borns for the health and well-being of both the child and mother. To support our female employees, we offer 50 days maternity leave. On returning to work, women are given one 'maternity hour' each day for a period of 3 months.

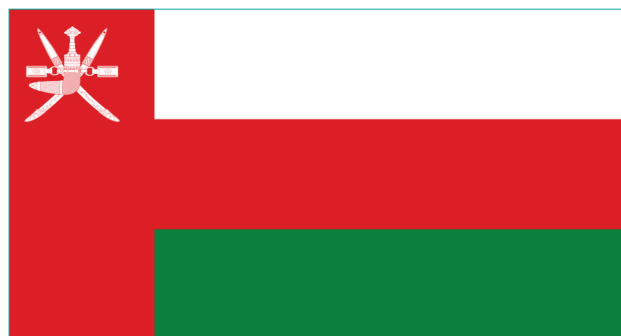
<b>Parental Leave (401-3)</b>	<b>2019</b>	<b>2020</b>
Number of female employees entitled to maternity leave	313	313
Number of female employees that took parental leave	66	54
Number of female employees that returned to work after parental leave	66	54
Number of female employees who were still employed 12 months after returning to work	66	54
Retention rate for female employees who went on maternity leave	100%	100%

### 3) Omanisation for Growth

#### i. Nurturing Local Talent

We are working extensively to enhance the presence of Omanis across the Bank at all levels, in line with our efforts to enhance our market share in the local banking sector, by focusing on attracting national talent and developing the capabilities of the team through well-designed programmes.

Omanisation has always been a strategic approach at Oman Arab Bank. Our strategy's initial launch several years ago focused on setting a clear path for the Omanisation process in various job designations, with talent management being identified as one of the four key pillars. This strategy, coupled with our succession plan, has been highly effective in bringing us to where we are today. We are proud to have achieved an Omanisation percentage of approximately 96%, a milestone that will enrich our future growth plans due to the presence of a highly experienced and capable national workforce.



#### Employees by Nationality (405-1)

Employees: Local vs Expatriate	2019	2020
% of Omani employees	95%	96%
% of expat employees	5%	4%

#### Top Management by Nationality

	2019	2020
% of Omani in top management	86%	87%
% of expats in top management	14%	13%

## Responsible Workplace

### 4) Lifelong Learning & Development (404-1) (404-2)

Learning opportunities for our employees have always been important at Oman Arab Bank. Some of our training programmes are highlighted below.

Training Hours	2019	2020
Average number of training hours for all our employees	2,429	7,726
Average number of training hours for all our male employees	1,488	4,873
Average number of training hours for all our female employees	941	2,853

#### i. Leadership Enhancement and Development (LEAD)

One of the most well-known programmes we have designed and implemented over the years is the 'Leadership Enhancement and Development' (LEAD) talent programme, catered towards second and third line employees across various departments. LEAD's aim is to prepare employees to take on greater responsibilities in the future and is conducted over a period of six months, with five training sessions and

two specialised workshops each. The programme has significantly enhanced career development opportunities for participants, reflecting positively on the strategic goal of Omanisation in middle and senior positions at OAB, which are currently at 91% and 90% respectively. Participation in LEAD also strives to be gender balanced, and this year almost 50% of participants were female.

#### ii. Ta'heel Programme

Our Ta'heel programme provides public service employees with opportunities to develop their capabilities and qualify them to take on more specialised tasks. This programme succeeded in transforming the career path of several employees across various departments. We have a unique career development approach, creating opportunities for individuals to take qualitative leaps up the career ladder.

Following our merger with Alizz Islamic Bank, the formation of a larger banking entity with independent wings in commercial and Islamic banking, as well

as our listing on the Muscat Securities Market, we are aware that we are at a crucial stage in our journey. Therefore, we are continuously enhancing the capabilities of the team and providing them with additional skills to allow them to work towards strategic goals for growth which have been set by management. By empowering the local workforce, we can work towards the success and fulfilment of this major initiative.

### iii. Training in Finance, Accounting and Business

At OAB, we are dedicated to enhancing the skills and talent of our employees. In line with this, in 2020, one of our employees completed the Certificate in Finance, Accounting and Business (ICAEW CFAB) by the Institute of Chartered Accountants in England and Wales (ICAEW). This was conducted in line with our talent management strategy to enhance the talent of our workforce.

The ICAEW CFAB is an internationally recognised certificate that teaches essential knowledge in business, finance and accounting, while also helping individuals in non-finance departments gain a basic understanding of budgets, controlling costs, measuring performance and

providing a general understanding on how businesses function. This allows employees to work towards the shared goal of an efficient and innovative workforce, which is reflected in the products and services delivered to customers.

By providing Omani nationals with access to internationally recognised qualifications and training such as ICAEW CFAB, we are reinforcing our commitment to Omanisation and developing Oman's knowledge-based economy, providing staff with the required skills to help accelerate their contribution to Oman's 2040 economic vision.

## 5) Reward Programme - Mukafaati

Mukafaati is a non-cash rewards and recognition programme, intended to foster a high performance culture. This initiative is part of our innovative culture and encourages each and every employee to contribute to opportunities that improve processes, develops ideas, creates new products and services, serves customer needs effectively and ultimately, produces a seamless banking experience for our customers.

Mukafaati relies on the active participation of all staff. It helps to create a positive work environment based on a culture of teamwork to achieve healthy growth and strengthen a 'one family' principle.

Mukafaati aims to recognise and promote positive behaviour in the Bank and create role models for others to emulate. Under Mukafaati, we award a number of certificates, including:

## 6) Social Support Fund

At OAB, we put in place the Social Support Fund to help and financially support each other in emergency situations. Its aim is cooperation between team members. In 2020, we supported 23 employees with a total of OMR 10,630.

**Bravo**

**Star Innovation**

**Thank You**

**Badir**

**One of All**

**Mutamayizoon**



# GRI Content Index (102-55)

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.



**MATERIALITY  
DISCLOSURES SERVICE**

2021

(W/O) Within and outside the organisation  
(W) Within the organisation  
(O) Outside the organisation

GRI Standard	Impact Boundary	Disclosure	Page number (s) URL references, and direct answers	Omission	SDG Alignment	Oman Vision 2040 Alignment	UNGC Principles
General Disclosures 2016	GRI 101: Foundation 2016 - General Disclosures						
	Organizational Profile						
		102-1 Name of the organization	6				
		102-2 Activities, brands, products, and services	6				
		102-3 Location of headquarters	6				
		102-4 Location of operations	6				
		102-5 Ownership and legal form	6				
		102-6 Markets served	6				
		102-7 Scale of the organization	8				
		102-8 Information on employees and other workers	54				
		102-9 Governance, Business Continuity & Risk Management	18				
		102-10 Significant changes to the organization and its supply chain	6				
		102-11 Precautionary Principle or approach	26				
		102-12 External initiatives	10				
		102-13 Membership of associations	30				
	Strategy						
		102-14 Statement from senior decision-maker	4				
		102-15 Key impacts, risks, and opportunities	4				
	Ethics and Integrity						
		102-16 Values, principles, standards, and norms of behavior	22				
		102-17 Mechanisms for advice and concerns about ethics	22				No Specific COP Requirements
		102-18 Governance structure	4				
	Governance						
		102-20 Executive-level responsibility for economic, environmental, and social topics	4				
		102-21 Consulting stakeholders on economic, environmental, and social topics	14				
		102-22 Composition of the highest governance body and its committees	For more information, please refer to our 2020 annual report				
		102-23 Chair of the highest governance body					
		102-24 Nominating and selecting the highest governance body					
		102-25 Conflicts of interest					
		102-26 Role of highest governance body in setting purpose, values, and strategy					
		102-27 Collective knowledge of highest governance body					
		102-28 Evaluating the highest governance body's performance					
		102-29 Identifying and managing economic, environmental, and social impacts					
		102-30 Effectiveness of risk management processes					
		102-31 Review of economic, environmental, and social topics					
		102-32 Highest governance body's role in sustainability reporting					
		102-33 Communicating critical concerns					
	Stakeholder Engagement						
		102-40 List of stakeholder groups	14				
		102-41 Collective bargaining agreements	Collective bargaining is not permitted within Oman				
		102-42 Identifying and selecting stakeholders	14				
		102-43 Approach to stakeholder engagement	14				
		102-44 Key topics and concerns raised	14				
	Reporting Practice						
		102-45 Entities included in the consolidated financial statements	6				
		102-46 Defining report content and topic Boundaries	16				
		102-47 List of material topics	16				
		102-48 Restatements of information	3				
		102-49 Changes in reporting	3				
		102-50 Reporting period	3				
		102-51 Date of most recent report	3				
		102-52 Reporting cycle	3				
		102-53 Contact point for questions regarding the report	3				
		102-54 Claims of reporting in accordance with the GRI Standards	3				
		102-55 GRI content index	60				
		102-56 External assurance	3				



(W/O) Within and outside the organisation  
(W) Within the organisation  
(O) Outside the organisation

		Disclosure	Page number (s) URL references, and direct answers	Omission	SDG Alignment	Oman Vison 2040 Alignment	UNGC Principles
GRI 200 Economic Standard Series							
GRI 103: Management Approach 2016 for: • Economic Performance		103-1 Explanation of the material topic and its Boundary	7				
		103-2 The management approach and its components	7				
		103-3 Evaluation of the management approach	7				
Economic Performance							
GRI 201: Economic Performance 2016	(W/O)	201-1 Direct economic value generated and distributed	8				
GRI 300 Environmental Standards Series							
GRI 103: Management Approach 2016 for: • Energy • Water • GHG Emissions • Effluents and Waste		103-1 Explanation of the material topic and its Boundary	24			Ecological Systems that are Effective, Balanced and Flexible to Protect the Environment and Sustain its Natural Resources in Support of the National Economy	
		103-2 The management approach and its components	24				
		103-3 Evaluation of the management approach	24				
Energy							
GRI 302: Energy 2016	(W)	302-1 Energy consumption within the organization	29				Principles 7,8,9
		302-3 Energy intensity	29		SDG 13		
Water							
GRI 303: Water and Effluents 2018	(W)	303-5 Water Consumption	29		SDG 6 SDG 13		Principles 7,8,9
Emissions							
GRI 305: Emissions 2016	(W)	305-1 Direct (Scope 1) GHG emissions	29				Principles 7,8,9
		305-2 Energy indirect (Scope 2) GHG emissions	29				
		305-3 Other indirect (Scope 3) GHG emissions	29		SDG 13		
		305-4 GHG emissions intensity	29				
Effluents and Waste							
GRI 306: Effluents and Waste 2016	(W)	306-2 Waste by type and disposal method	29		SDG 12		Principles 7,8,9
GRI 300 Social Standards Series							
GRI 103: Management Approach 2016 for: • Employment • Labor, Management Relations • Occupational Health and Safety • Training and Education • Diversity and Equal Opportunity		103-1 Explanation of the material topic and its Boundary	52			- Enhancing Family and Community Health and Well-being	
		103-2 The management approach and its components	52				
		103-3 Evaluation of the management approach	52			- Upholding Omani Identity & Heritage	
Employment							
GRI 401: Employment 2016	(W)	401-1 New employee hires and employee turnover	54		SDG 5		Principle 6
		401-3 Parental leave	56		SDG 8		
Occupational Health and Safety							
GRI 403: Occupational health and safety 2018	(W)	403-1 Occupational health and safety management system	19		SDG 3		Principle 6
Training and Education							
GRI 404: Training and Education 2016	(W)	404-1 Average hours of training per year per employee	58				Principle 6
		404-2 Programs for upgrading employee skills and transition assistance programs	58		SDG 4		
Training and Education							
GRI 405: Diversity and Equal Opportunity 2016	(W/O)	405-1 Diversity of governance bodies and employees	57		SDG 5 SDG 10		Principle 6
GRI 400 Social Standards Series							
Child Labor							
GRI 408: Child Labor 2016	(O)	408-1 Operations and suppliers at significant risk for incidents of child labor	None of our suppliers are at risk of child labor	Not Applicable	SDG 16		Principle 5
Local Communities							
GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	30			Enhancing Family and Community Health and Well-being	
		103-2 The management approach and its components	30				
		103-3 Evaluation of the management approach	30				
GRI 413: Local Communities 2016	(O)	413-1 Operations with local community engagement, impact assessments, and development programs	32		SDG 10		Principle 1
Sector Disclosure	(O)	FS16 Initiatives to enhance financial literacy by type of beneficiary	38		SDG 10		







This report is printed on recycled paper using vegetable ink.

**#OABistidama**