

2024  
ESG REPORT



THIS IS  
OUR  
SHARED

PATH

TO  
SUSTAINABLE  
SUCCESS

HIS MAJESTY  
SULTAN HAITHAM BIN TARIQ AL-SAID

“The responsibility requires the international community to provide the means deemed necessary for the conservation of the ecological system, as well as working plans to realize the sustainable development goals at domestic, regional and international levels. Public awareness about the need to maintain balance in the environment and to invest in its resources in a manner that ensures its sustainability for the coming generations”.



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**A**  
**BOUT**

**T**  
**HIS**

**R**  
**EPORT**



## THIS IS SOHAR INTERNATIONAL'S INAUGURAL ESG REPORT, DETAILING OUR ESG APPROACH, PROGRESS, SUCCESSES, AND ACHIEVEMENTS IN 2024.

As the fastest-growing bank in Oman, Sohar International (the Bank or Sohar International) is committed not only to responding to the emerging drivers surrounding ESG but also to leading the way in this crucial area.

This is Sohar International's inaugural ESG Report, detailing our ESG approach, progress, successes, and achievements in 2024. It highlights the actions we have undertaken to promote sustainable finance, advance economic, environmental and social responsibility, and uphold strong governance practices.

This report forms a part of our regulatory filings to the Muscat Stock Exchange, inclusive of the Bank's Annual Report (which includes a summary ESG section).

### 3.1 SCOPE OF THE REPORT

Our 2024 ESG Report (the report) covers all of Sohar International operations, inclusive of the Kingdom of Saudi Arabia (KSA), unless otherwise stated. The report covers the financial year commencing 1 January 2024 to 31 December 2024.

This report has been developed in alignment with the principles of the Global Reporting Initiative's (GRI) Sustainability Reporting Standards. In accordance with GRI principles, the report considers and discusses all material ESG areas.

Monetary amounts referenced in this document are reported in Omani Riyals (OMR), unless otherwise stated.

In case of any discrepancies between the English and the Arabic version of the 2024 ESG Report, the former will prevail.

### 3.2 NOTE ON COMPARATIVE DATA

As this marks Sohar International's first year of ESG reporting and follows the Bank's merger with HSBC Bank Oman SAOG in 2023, our organization has undergone significant changes. As a result, year-on-year comparative performance data is currently limited. However, the Bank remains committed to incorporating comparative data and, as we continue to develop our ESG value creation narrative, we plan to provide more extensive year-on-year data in future reports.

### 3.3 FRAMEWORKS

The report has been prepared in accordance with the Global Reporting Initiative (GRI) 2021 Standards, and in accordance with GRI, the report considers and discusses all material ESG areas. A complete GRI Index has been included in this report.

In addition, this report considers and incorporates (but is not limited to), the Sultanate of Oman's Vision 2040, Oman's Net Zero 2050 commitment, and the United Nations Sustainable Development Goals (SDGs). With regards to SDGs these are addressed throughout the report, where appropriate.

### 3.4 ASSURANCE

Sohar International has opted not to seek external assurance for this report. Adequate internal assurance processes were adopted, involving detailed review and approval by key internal stakeholders, to ensure the report's relevance and accuracy.

Our internal stakeholders were involved in the revision and approval of content relating to their respective Group, department, or function. Each Group Head has signed off on their respective content within this report.

Moving forward we will consider external assurance and will ensure alignment with regulatory and market expectations in relation to external assurance.

### 3.5 DISCLAIMER AND IMPORTANT NOTICES

The material set out in this ESG Report contains general background information about the Bank's activities for the year 2024. It is information given in summary form and does not purport to be complete. The content has an ESG focus and does not reflect the totality of the Bank's business activities. For a more complete overview of the Bank's business, see the Sohar International Annual Report available at [www.soharinternational.com/investor-relations/reports/](http://www.soharinternational.com/investor-relations/reports/).

This report does not intend to be, and should not be relied upon, as advice to investors or potential investors, and does not render any form of legal, tax, investment, accounting, financial or other advice. No responsibility, liability or obligation (whether in tort, contract or otherwise) is accepted by the Bank or their directors, officers, employees, agents or advisers as to or in relation to this report.

### 3.6 FORWARD LOOKING INFORMATION

The disclosures in this report are unaudited. This report may contain forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations and the assumptions underlying them.

These statements are based on plans, estimates and projections as they are currently available to the management of the Bank. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in the financial markets in the Sultanate, the prevailing market volatility, potential defaults of borrowers or trading counterparties, the implementation of our strategic initiatives, the reliability of our risk management policies, procedures and other risks.

### 3.7 REPORT INQUIRIES

Should you have any inquiries about the content of this report or Sohar International's ESG activities, please email: [investor.relations@soharinternational.com](mailto:investor.relations@soharinternational.com)



**CHAIRMAN**

**AND**

**CEO**



**MESSAGES**



## 4.1 CHAIRMAN'S MESSAGE

I am proud to present Sohar International's first ESG report, reflecting our commitment to a sustainable and equitable future. The Board views ESG as a vital part of our fiduciary duty, balancing shareholder interests with long-term environmental, social, and governance priorities.

Our efforts align with evolving stakeholder expectations and are integral to the Bank's sustainable growth. We are embedding ESG principles into our strategy and governance, with a focus on transparency, accountability, and continuous improvement.

This report marks the beginning of our ESG reporting journey, showcasing our initial progress and vision in three key areas: **enabling a sustainable future, fostering responsible operations, and empowering people**. I thank our management and our people for their dedication and look forward to building on this foundation to drive meaningful impact.

Thank you for your interest in this important journey. Together, we can create a sustainable and resilient future.

### Said Mohamed Al Aufi

Chairman of the Board

## 4.2 CEO MESSAGE

It is with great pride that I introduce Sohar International's inaugural 2024 ESG report, marking a significant step in our journey to create an institution that delivers that delivers financial performance while contributing to a sustainable and equitable world. This ESG report is a testament to our commitment to creating a sustainable and inclusive future. Since the establishment of the ESG Department, we have worked to integrate ESG into the Bank's operations, ensuring we not only deliver financial success, but also drive positive change for our stakeholders and communities.

This report reflects the foundation we have built together, and the progress made in advancing sustainability, empowering people, and fostering responsible business practices. While challenges remain, I am confident that the Bank is well-positioned to continue its ESG journey with purpose and impact.

As a bank, we are uniquely positioned to drive positive change through responsible operations and influence on the broader economic ecosystem. This report highlights our initial efforts, achievements, and ongoing challenges as we integrate ESG principles across three key pillars:

- **Enabling a sustainable future:** Committed to addressing climate change, we are enhancing sustainable finance and managing our environmental footprint to support the transition to a low-carbon economy.
- **Empowering people:** We focus on inclusion, engagement, and support for employees, customers, and communities, promoting financial literacy, diversity, and equity while broadening access to financial services.
- **Embedding responsible operations:** Upholding integrity, transparency, and strong governance, we strive to be an accountable partner to our stakeholders.

This report is just the beginning. By embedding ESG into all we do, we aim to create lasting value for shareholders, employees, clients, and society. I thank our employees, partners, and stakeholders for their dedication as we continue building a more sustainable, equitable, and resilient future.

Moving forward, Sohar International remains committed to growth driven by purpose and responsibility, delivering meaningful ESG impact while achieving greater success for all.

### Abdulwahid Mohamed Al Murshidi

Chief Executive Officer



**A**BOUT

**S**OHAR

**I**NTERNATIONAL



Sohar International is a leading financial institution headquartered in the Sultanate of Oman, offering a wide range of banking and financial services. Established in 2007, we are the fastest growing Bank in Oman. Our operations span across Oman, and in 2024, included the addition of a corporate branch in the Kingdom of Saudi Arabia.

Key highlights are summarised below.

THIS IS WHO WE ARE,  
AND HERE IS WHERE OUR WINNING JOURNEY BEGINS.



**Our vision**  
Our vision

To become a world-leading Omani service company, helping customers, communities and people to prosper and grow.



**Our promise**  
Our promise

We believe in being one step ahead of the game, equipping you, our customer, with an ecosystem of responsive banking services to reach any goal.



**Our purpose**  
Our purpose

At Sohar International, our goal is to help people win every day by delivering banking services designed for an ever-changing world.



**Our personality**  
Our personality

Sharp, human and unstoppable are traits that help us innovate the way we think and do, pushing boundaries to transform the customer experience for the better.



**Our principles**  
Our principles

More velocity. More value. More vision. That's what we seek to deliver, making things simpler and more relevant by staying connected to the needs and wants of our customers.

**5.1 OUR VALUES**

The Bank is driven by the following four main values, which aim to ensure that we maintain the highest standards of excellence across all services:

- **Be straight-up:** Act with honesty, courage and kindness.
- **Be open-minded:** Listen openly, encourage ideas, embrace innovation, welcome feedback.
- **Do the right thing:** Take responsibility, make tough calls, think of others.
- **Make it better:** Find or create solutions – step-up, own it, do it.

**5.2 OUR MAIN BUSINESS SEGMENTS**

- **Retail Banking**
- **Priority Banking**
- **Islamic Banking**
- **Wholesale Banking**
- **Government and Private Banking**
- **Kingdom of Saudi Arabia (Corporate Banking Branch)**

**5.3 OUR PERFORMANCE**

**5.3.1 Financial Snapshot**

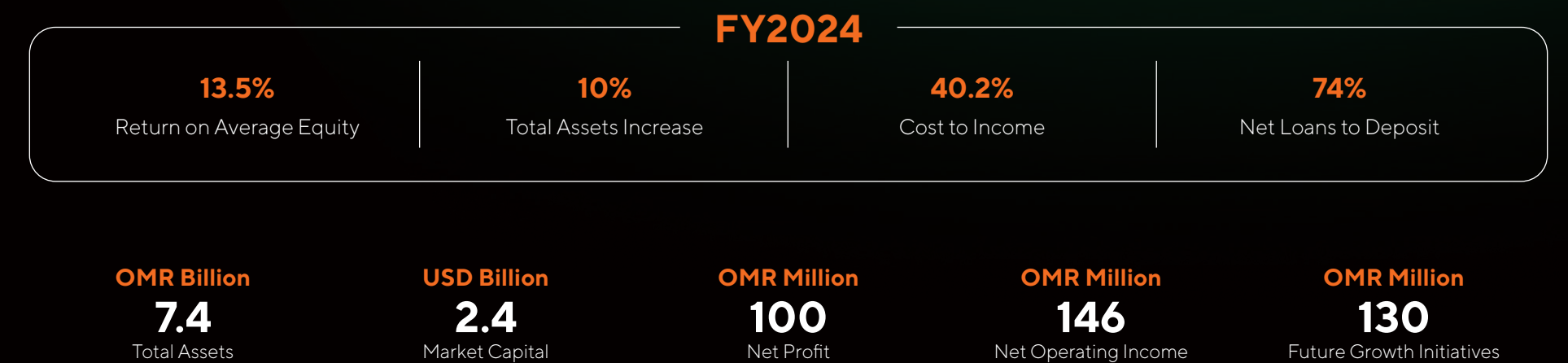
**Our Performance**

Your "win" is our "win"

**2024 Financial Performance Highlights**

**Top 3 Companies**

Ranked in market capitalization on the MSX



**5.4 ESG Snapshot**

**Our Performance**

**2024 ESG Performance Highlights**



**Omanisation**  
**94%**  
Omanis national represent 94% of employees at SI



**3.2** Days  
Average Learning Per Employee



**207,420** OMR  
Community Investment



**87%**  
Customer Satisfaction Score



GHG emissions intensity  
**3.7** (tCO2 e/FTE)



**99%**  
Employees formally trained on Business Continuity Management (BCM)



**94%**  
Employees who have formally acknowledged with the Code of Conduct and Ethical Behavior



**45%** Of Corporate Customer  
**19%** Of Retail Customer  
Are formally empowered and promoted awareness of online banking tools and cybersecurity



**UR**



**SG**



**PPROACH**



## 6.1 ESG Framework

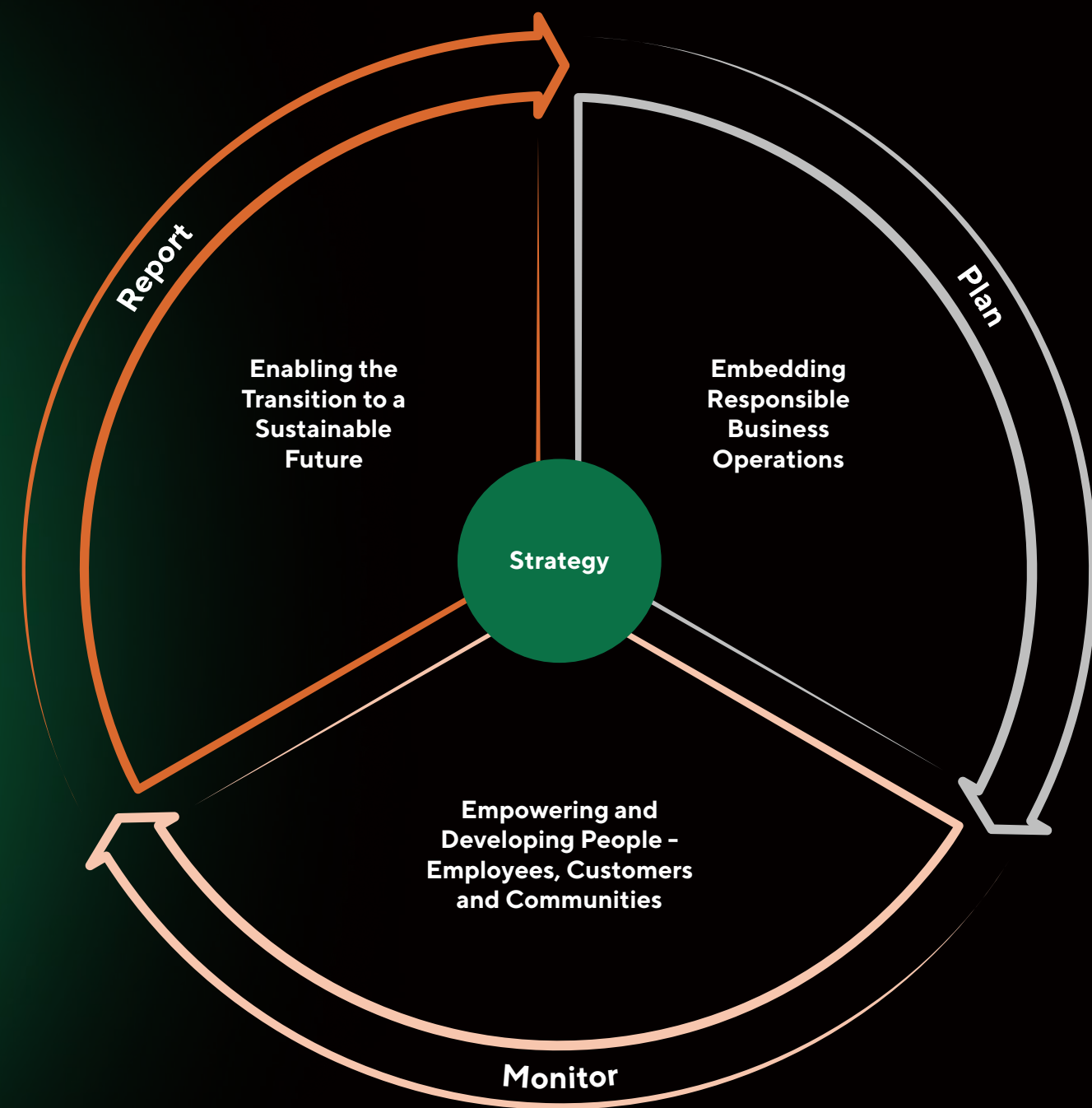
Our ESG Approach is underpinned by the Bank's ESG Framework which maps out how sustainability is woven into our strategy and business.

The Framework was developed to focus on the most critical ESG issues for the Bank, our stakeholders, and the impact of these ESG issues. This dynamic approach draws insights from both within the Bank and from the external stakeholders to ensure we remain responsive to market trends and stakeholder expectations. To this end, the Bank's approach to developing the ESG Framework, and this report – aligns with the Global Reporting

Initiative 3 (GRI 3) – Material Topics 2021 Standard.

The ESG Framework was approved by the Board in 2023 and is outlined in the following chart.

Our Framework has been developed with regards to global standards; frameworks and guidelines and aligns with Oman's Vision 2040 and the UN Sustainable Development Goals (SDGs).



## 6.2 MATERIALITY ASSESSMENT FOR THE 2024 ESG REPORT

Following a detailed benchmarking exercise and ESG materiality assessment in 2023 supporting the development of our ESG Framework, the Bank conducted further analysis in 2024. This ensured our focus areas remained aligned with evolving stakeholder concerns and market dynamics.

Our approach to the ESG materiality assessment is outlined below.

Step 1	Step 2
<b>Identify a list of key topics related to ESG</b> <ul style="list-style-type: none"> <li>Reviewed GRI Standards and other global standards/ guidelines (UNEP FI; IFRS Sustainability Standards etc).</li> <li>Identified ESG topics appropriate to the Bank's activities.</li> <li>Performed secondary research to align with key themes relevant to the banking sector in the GCC, and review of other leading banks globally.</li> <li>Develop exhaustive list of ESG topics of strategic importance for the Bank.</li> </ul>	<b>Obtaining the stakeholder feedback</b> <ul style="list-style-type: none"> <li>Collected feedback on ESG topics from internal stakeholders (first-year materiality approach).</li> <li>Conducted a desktop review and held internal discussions to address stakeholder concerns (e.g. customer complaints, investor queries).</li> <li>Benchmarked ESG practices across 15 local and international banks.</li> <li>Validated focus areas and identified gaps from the benchmarking exercise.</li> </ul>
Step 3	Step 4
<b>Validating and prioritizing material topics</b> <ul style="list-style-type: none"> <li>Consolidate all data points and inputs into full list of material topics (NB: The Bank's full list consisted of 23 ESG material topics).</li> <li>Validated full list of ESG material topics with internal stakeholders.</li> <li>Stakeholder feedback results used to support prioritization, consolidation and aggregation of ESG material topics</li> <li>Grouped common topics based on validation by senior management.</li> </ul>	<b>Consolidation of material topics</b> <ul style="list-style-type: none"> <li>Consolidated and prioritized 23 ESG material topics into 11 key themes by grouping related areas (e.g. human resources).</li> <li>Validated the 11 topics with internal stakeholders and integrated them into the sustainability strategy.</li> <li>In 2024, conducted internal survey across the Bank to confirm the continued relevance of these topics. The results resulted in no changes and output has informed the 2024 ESG Report development.</li> </ul>

### 6.2.1 Stakeholder Engagement

Stakeholder engagement underpins everything we do – it is also a critical element that drives ESG materiality. Continuous open dialogue provides the Bank with a clear understanding of stakeholder expectations on ESG issues.

Going forward, Sohar International will continue to work towards responding to the ESG issues that matter most, and which drive value for our stakeholders.

Our engagement approach		
Stakeholder group	ESG topics identified	Engagement methods
Customers	<ul style="list-style-type: none"> <li>Customer experience</li> <li>Ethical banking practices</li> <li>Fair pricing</li> <li>Information security and data privacy</li> </ul>	<ul style="list-style-type: none"> <li>Corporate – Voice of Customer Program</li> <li>Customer Grievance Channels</li> <li>Branch visits</li> <li>Social media platforms</li> <li>Digital touch points – online / mobile banking</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Health and wellbeing and work balance</li> <li>Training and skill development</li> <li>Flexible work arrangements</li> </ul>	<ul style="list-style-type: none"> <li>Employee engagement through the following: Coffee with CEO; HR Town Halls; and through HR Business Partners.</li> <li>Staff Grievance and Disciplinary process</li> <li>Annual staff gathering</li> </ul>
Investors	<ul style="list-style-type: none"> <li>Robust governance framework</li> <li>Board independence and diversity</li> <li>Bank-wide policies</li> <li>ESG disclosures</li> </ul>	<ul style="list-style-type: none"> <li>Annual General meeting</li> <li>Extraordinary meeting of shareholders (when required)</li> <li>Board of Directors meetings (one and one)</li> <li>Periodic investor meetings and presentations</li> <li>Investor roadshows and presentations</li> </ul>
Government and regulators	<ul style="list-style-type: none"> <li>Contribution and supporting the national agenda</li> <li>Alignment to Oman's 2040 Vision</li> <li>Regulatory compliance and transparency</li> <li>Supporting transition to net zero and role of finance</li> </ul>	<ul style="list-style-type: none"> <li>Government Business Division</li> <li>Investment in the national economy</li> <li>Supporting initiatives of national importance</li> </ul>
Local communities	<ul style="list-style-type: none"> <li>Responsibility towards all-round development of society</li> <li>Working closely with social and voluntary associations</li> </ul>	<ul style="list-style-type: none"> <li>Engagement with bodies associated with community services; social welfare; healthcare; financial education; local skills and development.</li> </ul>

## 6.2.2 Material issues

Following all the steps taken to support the Bank's ESG materiality approach, including stakeholder feedback, a list of 23 issues were identified. These were further consolidated to list of 11 material ESG issues.

Exhaustive ESG List	Final Consolidated ESG List
1. Sustainable (Responsible) Finance and Investment	1. Sustainable Finance and Investment
2. Governance, Compliance and Ethics (Culture)	<ul style="list-style-type: none"> <li>Decarbonization; Net Zero; Biodiversity and Natural Capital</li> </ul>
3. Financial inclusion, accessibility and education (financial empowerment)	2. Direct environmental footprint
4. Community investment and socio-economic development [CSR]	<ul style="list-style-type: none"> <li>Energy; Waste; Water management; GHG emissions</li> </ul>
5. Privacy and security	3. Governance, Compliance and Ethics (Culture)
6. Employee Health Safety and Wellbeing	<ul style="list-style-type: none"> <li>AML and Anti-corruption</li> </ul>
7. Waste management	<ul style="list-style-type: none"> <li>Transparency</li> </ul>
8. Water management	<ul style="list-style-type: none"> <li>Financial performance</li> </ul>
9. GHG emissions	4. Climate change (climate risk management / climate transition)
10. Transparency	5. Sustainable Supply Chain / Procurement
11. Customer experience	6. Digital Leadership
12. Diversity and Inclusion	7. Human Capital
13. Nature and biodiversity	<ul style="list-style-type: none"> <li>Employee Health Safety and Wellbeing</li> </ul>
14. Financial performance	<ul style="list-style-type: none"> <li>Diversity and Inclusion</li> </ul>
15. Climate change (climate risk management / climate transition)	<ul style="list-style-type: none"> <li>Talent Attraction, Engagement and Retention</li> </ul>
16. Sustainable Supply Chain / Procurement	<ul style="list-style-type: none"> <li>Employee Training and Development</li> </ul>
17. Net Zero	8. Customer protection
18. Responsible Communications & Marketing	<ul style="list-style-type: none"> <li>Privacy and security</li> </ul>
19. Human Capital	<ul style="list-style-type: none"> <li>Responsible Communications and Marketing</li> </ul>
20. AML and Anti-corruption	9. Customer experience
21. Talent Attraction, Engagement & Retention	10. Financial inclusion, accessibility and education (financial empowerment)
22. Employee Training and Development	11. Community investment and socio-economic development [CSR]
23. Digital Leadership	

## 6.3 MANAGING ESG PERFORMANCE – TARGET SETTING

As already stated, as this is our first year of our ESG reporting journey, we are cognisant of the need to do more.

Although the Bank has in place informal targets (for example in relation to paper reduction; Omanisation; health and safety etc), moving forward, there will be a focus to formalise our targets across all ESG indicators (where appropriate).

This year's reporting process has provided the Bank with an effective baseline to inform the development of ESG performance KPIs in 2025. In the future, our ESG efforts will prioritize the establishment of clear, measurable, and (where appropriate) science-based targets to drive meaningful progress on ESG.

These targets will align with global frameworks such as the UN Sustainable Development Goals (SDGs) and focus on areas where our organization can make the most significant impact.

Regular monitoring and transparent reporting will ensure accountability and enable us to adapt strategies as needed to meet evolving sustainability demands.



**EMBEDDING**



**RESPONSIBLE**



**BUSINESS**



**OPERATIONS**

Strong governance and comprehensive risk management policies, and procedures form the cornerstone of achieving our strategic objectives. By integrating our core values into these frameworks, we ensure the delivery of ethical, responsible, and sustainable business outcomes.

## ROBUST GOVERNANCE STRUCTURE AND RISK MANAGEMENT FRAMEWORK



### 7.1 OUR BOARD OF DIRECTORS

The Bank's Board of Directors (the "Board") is the highest governing authority, and ensures management upholds the highest standards of accountability, ethics, and corporate responsibility, in all aspects of the business.

The Board consists of professionals from various fields and professions and gives representation to the stakeholders and administrators in the process of decision making.

The Board composition includes 6 independent directors, out of 7, representing a percentage of 85 percent independent directors.

The predominance of independent directors has enabled the Board to have meaningful discussions and take an unbiased and qualitative view on matters placed before it.

Clear segregation between the ownership of the Bank and management exists, with the roles between the Chairman of the Board and the Chief Executive Officer (CEO) separated with a clear division of responsibilities between the running of the Board and executive management's responsibilities in the running of the Bank. As per applicable regulations, the CEO is prohibited from holding a Board role, and the Board members are prohibited from interfering in day-to-day activities of the Bank.

The following section is a summary of the Board and Management committees governing the Bank. More details can be found at [www.soharinternational.com/investor-relations/corporate-governance/](http://www.soharinternational.com/investor-relations/corporate-governance/).

### 7.2 OUR BOARD COMMITTEES

The Board of Directors has created various subcommittees with clearly defined terms of reference and responsibilities. These committees ensure the appropriate focus and specialized attention to specific issues related to the Bank's governance.

Board Committees	Roles and Responsibilities
<b>Executive Nomination &amp; Remuneration Committee (ENRC)</b>	<ul style="list-style-type: none"> <li>General performance aspects of the Bank such as strategy setting and implementation, annual budget recommendations, information technology, information security, management of environment, social and governance (ESG) activities</li> <li>Assists the Board in reviewing business proposals, other than credit, and other related issues that require a detailed study and analysis</li> <li>Human Resource, Nomination and Remuneration related issues including providing direction and guidance in the selection and performance management of the CEO and Senior Management.</li> <li>Providing support and direction to the Board in ensuring all stakeholder interests are protected.</li> </ul>
<b>Board Audit Committee (BAC)</b>	<ul style="list-style-type: none"> <li>Assessment and review of the Bank's financial reporting system to ensure that the financial statements are correct, sufficient and credible.</li> <li>Review, with management, the quarterly and annual financial statements before their submission to the Board for adoption.</li> <li>Reviews the adequacy of regulatory compliance, regulatory reporting, internal control systems and structure of the Internal Audit and Compliance Departments. In this regard, the Committee holds discussions with the internal auditors / external auditors on significant findings with regards to the control environment.</li> <li>The BAC also has oversight in the discharge of the responsibilities of the Chief Internal Auditor. The Chief Internal Auditor reports directly to the Board Audit Committee.</li> </ul>
<b>Credit Approval Committee (CAC)</b>	<ul style="list-style-type: none"> <li>Approval of credit and loan facilities above the credit and lending mandates of Executive Credit Committee (ECC)</li> <li>Review of credit product policies, credit policy, credit portfolio, and existing credit facilities – all within its authority as defined under the Bank's Wholesale Banking Credit Policy and Consumer / Retail Lending Policy</li> <li>Review of strategies to support the Bank's credit and lending goals and makes appropriate recommendations to the Board.</li> <li>Reviews the Bank's internal control procedures in relation to credit risk assets and ensures that they are sufficient to safeguard the quality of the Bank's risk assets.</li> <li>Ensures compliance with regulatory requirements regarding the granting of credit facilities.</li> <li>Reviews the Bank's Asset and Liability Management approach to ensure fit for purpose and in line with regulatory requirements.</li> <li>Handling issues referred to the Committee from time to time by the Board.</li> </ul>

<b>Board Risk and Compliance Committee (BRCC)</b>	<ul style="list-style-type: none"> <li>• Making recommendations to the Board on the Bank’s risk appetite in relation to credit, interest rate, market, liquidity and operational risk.</li> <li>• Oversees the implementation of the Bank’s risk strategy and policy in addition to ensuring that a robust risk framework is in place within the Bank which optimizes the quality and return on deployment of assets.</li> <li>• Provides guidance and direction on all credit, market, interest rate, liquidity and operational risk policy matters.</li> <li>• Provides oversight in the discharge of the responsibilities of the Chief Risk Officer and Chief Compliance Officer. Both the Chief Risk Officer and Chief Compliance Officer report directly to the BRCC.</li> </ul>
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### 7.3 EXECUTIVE OVERSIGHT

The Board Committees are supported by several senior executive and executive management committees. These management committees are responsible for the ongoing oversight and management of critical risks that may impact the business.

In addition, for the first time in 2024, the Bank included limited ESG-related KPIs within the Executive Management’s performance metrics. Examples included ESG milestones linked to the ESG Framework implementation; Omanisation targets; compliance and risk metrics; and customer satisfaction and NPS.

Management Committees	Roles and Responsibilities
<b>Asset and Liability Committee (ALCO)</b>	<ul style="list-style-type: none"> <li>• Responsible for managing and optimizing the Bank’s balance sheet, ensuring effective liquidity management, and mitigating financial risks.</li> <li>• Formulates strategies related to funding, investment, and pricing to enhance profitability within a sound risk framework.</li> <li>• Ensure adequate liquidity, managing interest rate risk, aligning assets and liabilities for stability and performance, maintaining sufficient capital for growth, and adhering to regulatory requirements and industry standards.</li> </ul>
<b>Executive Credit Committee (ECC)</b>	<ul style="list-style-type: none"> <li>• Approve credit facilities and make credit-related decisions within the authority outlined in the Bank’s Wholesale Banking Credit Policy and Consumer / Retail Lending Policy.</li> <li>• Serve as the approving authority, oversight function, and governing body for lending matters across all Bank operations.</li> <li>• Evaluate the overall risks faced by the Bank, determining acceptable risk levels and ensuring risk management aligns with the Bank’s strategy, risk appetite, and best interests.</li> </ul>

Management Committees	Roles and Responsibilities
<b>Management Risk Committee (MRC)</b>	<ul style="list-style-type: none"> <li>• Establish and enhance risk awareness and promote a risk-based culture within the Bank.</li> <li>• Monitor / Strengthen / Enhance the Bank’s Risk Management Framework / Corporate Governance, Information Security Governance, including legal compliance, AML, financial crime, and ESG, through robust policies, processes, and systems across the Bank.</li> <li>• Oversee the effectiveness and adherence to the Bank’s policies and frameworks including associated minimum standards.</li> <li>• Escalate / Report unresolved / resolved risk issues / resolution plan (in all areas of risk management) to the BRCC, as deemed appropriate.</li> <li>• Identify, report, monitor and address organizational risks and threats.</li> <li>• Review and recommend to the Board and its Committees bank-wide policies, risk appetite, charters, frameworks, delegation of authorities for review / concurrence / approval, as per requirements of the respective Board Committee charters.</li> <li>• To review CBO’s examination report for the Bank, including the violations / exceptions / recommendations, as presented by Compliance Group or respective business and support verticals.</li> <li>• Review gaps and direct corrective action on gaps, if any, identified by Compliance Group to comply with new guidelines / regulations / directives of the CBO / CMA / other applicable Regulatory authorities.</li> <li>• Review long outstanding / critical high priority Internal Audit Observations, as presented by Internal Audit Group and suitably direct closure / further escalation.</li> <li>• Endorse / Recommend / Approve the establishment of sub committees / task forces / special forums / otherwise within MRCC’s delegation, and / or sub delegation of the Committee’s existing authorities as may be required from time to time to enhance the overall risk management and governance mechanisms.</li> <li>• Approve / Endorse / Note any other matters pertaining to risk identification, risk monitoring and risk controls across the Bank, as may be decided by the chairperson from time to time. Provide concurrence to key risk acceptances, including any waivers and deviations, as presented by respective business or support units</li> <li>• Review, advise and provide directives on matters highlighted and pertaining to Information Security Risk and Cyber Security Risk</li> <li>• Provide continuous guidance and oversight on the implementation of the Bank’s Information / Cyber Security Framework</li> <li>• Provide strategic direction on the Bank’s cybersecurity governance</li> <li>• Review any exceptions and deviations put forward in relation to Information Security Risk.</li> <li>• Continuously evaluate, approve / recommend to the Board, and sponsor institution-wide, cyber security investments.</li> </ul>

Management Committees	Roles and Responsibilities
<b>Investment Risk Committee (IC)</b>	<ul style="list-style-type: none"> <li>Oversee the implementation of the Investment Policy.</li> <li>Approve Investment proposals brought by the Asset Management Department (AMD) and the Investment Officer.</li> <li>Recommend other policies related to investment management.</li> <li>Approve investment manager agreements and authorize execution of such agreements.</li> <li>Approve the Bank's securities lending policy.</li> <li>Monitor risk and performance on a monthly basis of investments against the Bank's agreed investment objectives.</li> <li>Review monitoring reports provided by the Investment Division.</li> <li>Review performance of AMD and take remedial action where necessary.</li> </ul>

## 7.4 GOVERNANCE DATA 2024

Governance areas	Percentage
Percentage of independent directors	85
Percentage of women on the Board	0
:Percentage of Committee Chairs held by women	0
Percentage of Annual Declaration of the Code of Conduct and Ethical Behaviour	94
:Percentage of Business Continuity Management (BCM) completed	99

## 7.5 INTEGRITY AND ACCOUNTABILITY

At the Bank we have developed a range of policies, processes, tools and initiatives to support our employees in making balanced, informed and transparent decisions, including the management of environmental and social risks and opportunities.

### 7.5.1 Code of Conduct and Ethical Behaviour

Sohar International strives to maintain the highest ethical standards in all of our dealings by encouraging the highest personal standards of integrity, at all levels, and a commitment to truth and fair dealing in all activities.

The Bank's Code of Conduct and Ethical Behaviour (the Code) sets the standards of behaviour for all Sohar International employees, and for anyone representing the Bank. This applies equally to employees who are permanent, contractors or consultants.

All employees, on an annual basis, are asked to confirm their acceptance to the Bank's Code. The Bank takes a zero-tolerance approach to all breaches of the Code of Conduct, incidences of fraud, or corrupt practices perpetrated by staff or suppliers.

The Code covers various areas associated with ethics and anti-corruption and is further supported with specific policies and procedures (for example Data Protection; and Business Continuity).

The Code also addresses the area of non-discrimination, where all employees are treated equally and not to be discriminated in any way.

### 7.5.2 Promoting responsible behaviour and culture

The Bank has in place a suite of policies and procedures detailing the expectations of all employees regarding their behaviour, both internally and externally. They are reviewed regularly to align with legislative changes and requirements. The suite of policies include (not exhaustive list):

- Master Information Security Policy
- Compliance Policy
- Personal Investment and Prohibition of Insider Trading
- Security Policy
- Health, Safety & Environmental Management
- Consumer Protection Policy
- Digital Banking Policy
- Complaints Redressed Policy
- Fraud Risk Management Policy & Framework
- Anti-Money Laundering and Terrorism Financing
- HR Policy
- Operational Risk Management Policy and Framework
- Corporate Social Responsibility
- Data Protection Policy.

### 7.5.3 Financial crime, anti-bribery and corruption

Financial crime, corruption and bribery are recognized as growing risks in the global economy, particularly for financial institutions. Sohar International takes such risks seriously and is committed to managing and mitigating such risks to reduce the potential consequences for businesses, communities, and people.

Sohar International continues to maintain the highest ethical standards and compliance with all applicable laws and regulations. The Bank advocates the prevention of all forms of financial crime including but not limited to money laundering, terrorist financing, bribery and corruption, the intentional evasion of sanctions, proliferation financing, and recognizes risk management as a fundamental pillar of its business.

As a result, the Bank has implemented a robust financial crime risk management framework and have in place an appointed Money Laundering Reporting Officer. Their role is to lead a team of experienced compliance analysts, who manage financial crime risks on a daily basis.

Sohar International enforces an effective Financial Crime Compliance Framework, through policies, processes, measures, systems, and training to combat money laundering, corruption, financing of terrorism, financing of criminal activity or illegal organisation and proliferation financing.

### 7.5.4 Whistleblower

The Bank encourages all staff to raise concerns. Concerns can be raised an individual's line-management, contacting Human Resources or the Bank's Regulatory Compliance Officer, or through the Sohar International internal grievance process.

In addition, to further support a 'speaking up' culture – the Bank has in place a dedicated whistleblower hotline and email which allows employees to confidentially raise any concerns.

Information provided via the whistleblower hotline is treated with absolute confidentiality with the identity of the reporter remaining strictly anonymous. The Bank does not condone or tolerate any acts of retaliation against a whistleblower who reasonably believes that the concern that they have raised is true.

### 7.5.5 Cyber Security and Privacy

At Sohar International, data privacy and cybersecurity are a priority when it comes to safeguarding all information – particularly that of our customers.

Governed by the Bank's Data Protection Policy and Information Security Policy, we have put in place an information security management system (ISMS), designed to protect the confidentiality, integrity and availability of all business information, information assets, information processing facilities and to ensure a secure work

environment to all stakeholders, including employees. Additionally, Sohar International's ISMS is certified ISO27001, International Standard for Information security, cybersecurity and privacy protection – Information security management systems.

The Bank's data privacy and cybersecurity systems are designed to protect against data breaches, cyber-attacks and other security incidents. Real-time cyber security monitoring, and regular updates to the systems are made to ensure the Bank remains at pace with evolving threats, and in compliance with regulatory requirements and industry best practices.

In 2024, the Bank began a review of its Data Protection Policy and Information Security Policy to ensure regulatory alignment given the changing business requirements and the impacts of our operation in KSA and any regulatory gaps with regards to Oman Personal Data Protection Law; Saudi Personal Data Protection Law (PDPL); and global regulation on privacy such as the European Union's General Data Protection Regulation (GDPR). The review and any changes to the Policy has been completed and approved by the management.

All employees are required to comply with the Bank's Information Security Policy and Guidelines, this includes the requirement for all Bank staff to complete mandatory Information Security training via Sohar International Digital Academy. Any breaches to the Policy will result in appropriate disciplinary action.

### 7.5.6 Business Continuity Management

Sohar International has always placed great emphasis on business continuity, and with the business landscape constantly evolving, we have in place measures to ensure seamless operational continuity.

As per the CBO's requirements, every bank in the Sultanate of Oman must maintain robust BCM plans and policies. To this end, the Bank has in place a Business Continuity Management (BCM) Framework and Policy which aligns to the CBO's requirements, and which in turn safeguards the interest of our customers, employees, and broader stakeholders, minimising disruptions to productivity, efficiency, and security. It also includes identifying and managing the associated risks in managing third-party suppliers to the Bank.

The BCM Framework, encompassing the plan, policy, and other BCM elements (such as business impact analysis), and undergoes an annual review by the CBO. The Bank, through the implementation of cutting-edge systems, aims to guarantee a recovery time of no more than four hours.

Further, the Bank recognises the ever-increasing impacts of climate change and the frequency of climatic events, particularly in Oman, where the frequency of cyclonic activity is increasing. Here, the Bank's BCM approach considers weather-related events, with climate-related scenario analysis carried out on a yearly basis.

Finally – annually all Bank staff are required to complete mandatory BCM training via Sohar International Digital Academy.



### Case study –Cybersecurity Awareness Rollout to the Ministry of Interior

In 2024, the Bank's Information Security and Business Continuity Management (BCM) Department took part in a Cyber Security Awareness Workshop, hosted by the Ministry of Interior.

The session was delivered by members from the Bank and focused on topics such as:

- The Future of Digital Banking, its understanding, adaptation and uncertainties
- Awareness on best security practices to ensure safe banking (Security is everyone's responsibility)



## 7.6 DIGITAL LEADERSHIP

Sohar International aims to provide modern, robust, and efficient technological solutions that generate value for our customers and stakeholders. We are leveraging technology to evolve beyond conventional banking, with the goal of creating a Bank that is ready for the future, focused customers, accessibility, and delivering a more intelligent customer experience.

Sohar International leads Oman's digital transformation through its 'Digital First' strategy. This has led to the Bank implementing extensive innovative solutions in 2024 including a state-of-the-art payment gateway, mobile POS, and seamless integration with Samsung Pay and Apple Pay. Our customers in 2024 were also able to benefit from instant remittances to over 35 countries, a contactless ATM network, mobile digital insurance, and a unique child account management module.

In relation to corporate banking, the Bank introduced an enhanced mobile application, groundbreaking API solutions, and over 50 new features designed to transform the corporate banking experience.

Further, Sohar International built Oman's first integrated ecosystem, 'My Life, My Goals' Through Oman's first API Banking Platform, customers now have access to 40,000 airports, hotels, car rentals, and more.

### Callout Box – My life My Goals – A Life Better Lived

The Bank is redefining the concept of banking by seamlessly integrating innovative solutions into our customers everyday life. Through 'My Life, My Goals' our focus extends beyond traditional banking, offering customers new ways to achieve their goals and enhance their lifestyle, all through a single, user-friendly app.

Through the Bank's mobile banking application, customers have access to a world of services at their fingertips. Whether planning the next flight, booking a hotel, simplifying and streamlining all your bill payments, sending thoughtful gift cards to loved ones, or investing in and managing your child's academic future, the Bank's application brings it all together effortlessly.

As Sohar International continues to grow its local and international partnerships, these features will evolve, empowering our customers with an ever-expanding suite of services to meet their unique lifestyle needs.

Complementing these achievements, are a cutting-edge Digital Contact Centre, advanced facial recognition, robust data analytics, and expanded our mobile banking services to better serve customers across all regions.

The Bank continuously invests in upgrading technology to improve operations and ensure easier access to banking services – this included conducting over ten updates to its mobile banking services for both conventional and Islamic banking customers.

We have also been focused in 2024 on simplifying processes, such as applying for IPOs through our mobile banking app, to ensure everyone can benefit from seamless digital access, regardless of their location or technical expertise.

Our digital-first approach extends to both Sohar International and Sohar Islamic mobile applications, offering features like remote account opening and enhanced transaction banking for corporate clients. By promoting digital literacy and accessibility, we empower all customers to manage their financial needs efficiently and securely, supporting their unique lifestyles and business goals.

Sohar International is committed to ensuring that customers in remote areas and those less familiar with digital platforms have seamless access to banking services. We recognize the unique challenges these customers face and address them by maintaining a network of accessible branches and ATMs in key locations. Our customer support teams are trained to offer personalized assistance, helping individuals navigate our services effectively, whether in person or via phone.

To further enhance accessibility, we provide simplified, user-friendly digital interfaces and conduct outreach programs to educate customers about digital banking. This ensures that everyone, regardless of their location or technical 'know-how', can confidently access and benefit from our banking services. By combining technology with a human touch, Sohar International ensures inclusivity and convenience for all customers.

## 7.7 RISK MANAGEMENT AND EMBEDDING ENVIRONMENTAL AND SOCIAL RISK

**[Tag line] Reducing risk and enhancing performance by embedding ESG in our approach.**

The Board of Directors holds ultimate responsibility for overseeing risk management. In accordance with its mandate, the Board has delegated the oversight of ESG-related risks to the Executive Nomination and Remuneration Committee (ENRC) and the Management Risk Committee (MRC), ensuring effective governance and management of these matters within Sohar International Bank.

To be prepared for any potential risks, a comprehensive risk management system is in place covering the diverse spectrum of risks impacting the Bank today and into the future.

The Bank follows robust and customized processes that incorporate best practices and the latest technologies including a Governance, Risk and Compliance (GRC) system. To further strengthen the risk management approach, a Risk Governance Structure and three lines of defence model is followed.

### 7.7.1 Environmental and social risk management (ESRM)

Environmental and social risks impact the Bank at every level. Incorporating ESG considerations into risk management and lending practices, enhances due diligence process and ensures risk management is more effective and makes new opportunities easier to capitalise on.

The Bank's journey in embedding considerations into our risk management approach is in its early stages – with a focus on 2025 to ramp up efforts.

To begin with – our focus has been on ensuring all governance activities are aligned and consider ESG. Here in April 2024, the Management Risk Committee approved the inclusion of ESG as part of its remit.

Further, in response to the Central Bank of Oman's released circular *Promoting Sustainable and Green Financial Practices – Regulatory Requirements and Recommendations (Annexure to Circular BM 1208)*, we are now responding to the circular requirements. This has included embedding ESG risk consideration (including climate risk) into our risk management approach.

#### **Callout Box – Embedding E&S risk management**

The Bank has developed an overarching ESG Policy, supported by a Health, Safety and Environment Policy. Underpinning this Policy is our approach to embedding ESG requirements and E&S risk management into the Bank's policy landscape. In 2024, the ESG Department reviewed and embedded ESG considerations into 13 policies. These included the CSR; Consumer Protection; and Security policies.

The ESG Department will continue to be review and update policies to reflect ESG requirements. Priority will be given to policies that drive ESG compliance with ESG-related regulatory requirements, and those that further operationalise the Bank's ESG Framework.

## 7.8 FOSTERING A SUSTAINABLE AND ETHICAL SUPPLY CHAIN

Embedded in Sohar International's ESG Framework is a focus on sustainable supply chain and procurement. While we are at the early stages of this journey, we are committed to evaluating our current practices, identifying opportunities for improvement, and collaborating with suppliers to establish a more sustainable approach.

During the year, the ESG Department reviewed the Bank's Tendering Policy and embedded requirements in the Bank's Guidelines for Tender Selection relation to ESG performance and compliance with economic, social and environmental requirements.

Moving forward, we will look to embed ESG considerations across our procurement activities and promote transparency across the supply chain.

Through these efforts, Sohar International aims to align its operations with global sustainability standards and ethical business practices.

**Finance fuels the economy and business. Financial institutions in Oman have a crucial role to play in steering the economy towards a sustainable future. By directing financing and investment activities, institutions such as Sohar International can act as an enabler in transitioning Oman to a low carbon economy.**

**Globally and locally, there is a noticeable shift towards sustainable finance. Financial institutions are increasingly supporting initiatives such as renewable energy projects, sustainable (or green) real estate, and socially and environmentally focused small and medium-sized enterprises (SMEs).**

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Further, regulatory bodies in Oman are playing a vital role in promoting sustainable finance. They have established guidelines that encourage financial institutions to integrate ESG principles into financing activities. This regulatory support has been instrumental in aligning Oman’s banking sector with sustainability practices in the international financial services sector.

In alignment with Oman’s commitment to achieving Net Zero Emissions by 2050, and the Oman Vision – focused on economic diversification, Sohar International has been an active participant in supporting initiatives that are geared towards building a sustainable future for the Sultanate.

Sohar International has designed its ESG Framework to incorporate a focus on sustainable finance, and in implementing our Framework, we are working towards an approach where all products and services offered consider ESG.

#### Callout Box – What is sustainable finance

Sustainable Finance incorporates climate, green and social finance while also adding wider considerations concerning the longer-term economic sustainability of the organisations that are being funded, as well as the role and stability of the overall financial system in which they operate. (International Capital Market Association (ICMA))

## 8.1 SUSTAINABLE FINANCE FRAMEWORK

The Bank in 2024 has developed a draft Sustainable Finance Framework (SFF). In developing our SFF, we have considered local requirements (Net Zero 2050 Oman; FSA’s Bond and Sukuk Regulation Guidelines (inclusive of green and sustainable bonds); the Central Bank Oman’s Promoting Sustainable and Green Financial Practices – Regulatory Requirements and Recommendations (Annexure to Circular BM 1208), and alignment with global frameworks and best practices (i.e. ICMA Green Bond Principles).

Our SFF also considers the Ministry of Finance Oman’s recently released Sustainable Finance Framework.

With regards to the SFF, Sohar International is aiming to offer financial instruments such as green, social, and sustainability bonds, loans, and sukuk, and other potential products and services. It is anticipated that the Bank’s SFF will be released in 2025.

Regardless of the status of our SFF (although a key priority for finalisation), we haven’t let that stop the Bank from exploring potential opportunities to support sustainability financing and investment activities. To this end, we have been able to finance activities such as: desalination projects; green steel; waste to energy; energy efficiency activities, and post-merger with HSBC Bank Oman SAOG in 2023, we transitioned a syndicated sustainable link loan to our portfolio which we continue to actively manage today, as part of our Wholesale Banking portfolio.

Further, our Government and Private Banking Group, led by Khalil Al Hedaifi, held various meetings with Government ministries to understand the support needed from Sohar International in relation to sustainability-related activities.

#### Callout Box – FSA’s Introductory Workshop on Bond and Sukuk Regulation Guidelines

Sohar International was the biggest bank in attendance at the FSA’s Introductory Workshop on Bond and Sukuk Regulation Guidelines, focus on conventional bonds/sukuk but also green and sustainable bonds and sukuk.

#### Case study – Bringing renewable energy solutions to the Oman market



MoU signing with Nafath Renewable Energy

توقيع مذكرة تفاهم مع نفاذ للطاقة المتجددة

Sohar International former has signed a Memorandum of Understanding (MoU) with Nafath Renewable Energy (Nafath) to offer customers innovative and customized solar energy solutions.

This collaboration represents a significant step in advancing sustainability and fostering the development of renewable energy initiatives within the Sultanate.

By combining Nafath’s expertise in renewable energy with Sohar International’s customer-centric approach, this partnership allows greater ease for people in Oman to access solar solutions to meet their needs. This not only further

demonstrates support for the Sultanate’s net zero transition but empowers customers to also support through efficient and sustainable energy options tailored to their needs.

This included (for example) discussions with the Environment Authority regarding mangrove protection and carbon sink potential and carbon offset potential, to Ministry of Transport, Communication and Information Technology on supporting the electrification of transport sector in Oman and the potential to implement green financing to support infrastructure and electric vehicle uptake.

## 8.2 SUPPORTING LOCAL BUSINESSES IN SUSTAINABLE FINANCING

We recognize the critical role small and medium-sized enterprises (SMEs) play in driving economic growth and fostering innovation. The Bank has been supporting SMEs, providing crucial assistance to help propel their efforts in transitioning to low carbon economy. We do this by offering a range of solutions to support SMEs daily financial needs, including cash management services, flexible working capital, and trade and capital expenditure financing.

To support their ESG journey specifically, we prioritize collaboration by sharing resources, offering capacity-building programs, and providing guidance on sustainable financing considerations.

### Case study – Working with SMEs in the Renewables and Green Hydrogen Sector

Sohar International’s Head of ESG, Hanife Ymer, delivered training in support of Oman’s SME Authority’s development and support of SMEs operating in the renewables and green hydrogen.

The training was held at the SME Authority’s offices and was attended by various SMEs operating across the renewables and green hydrogen value chain (ie. solar panel installations; carbon capture; renewable energy solutions and related construction; to name a few).

The training was well attended and covered: ESG trends globally and in Oman; sustainability as a whole and initiatives that Oman is involved in; ESG landscape (drivers and benefits); and sustainable financing for SMEs, and much more.



## 8.3 SUSTAINABLE FINANCE AND INVESTMENT TRACKER FOR 2024

2024 Pipeline <sup>1</sup>	Total OMR (Million)
Q1	374.76
Q2	190.76
Q3	184.6
Q4	177.6

**Note 1:** Reported number represents opportunity pipeline of transactions that meet the IFC’s finance categories. Pipeline is inclusive of conventional and Islamic and our KSA operations. Q1 is restated (previously stated as RO450 mln. Better tracking and qualification of opportunities informed the restatement. Moving forward in 2025 the reporting and classification will be refined to align with the final Sustainable Finance Framework.

## 8.4 ESG IN WEALTH MANAGEMENT

ESG factors have become integral to investment strategies, reflecting a growing client demand for responsible and sustainable financial practices.

At Sohar International, we are seeing a slow but growing interest in ESG-related wealth management products and services.

Our approach to ESG investing aims to delivering both competitive returns and positive impact by aligning our customer’s financial goals with their values.

Currently, Sohar International provides wealth customers with ESG integrated investment solutions. These include funds categorised as per Article 8 under SFDR (the EU’s Sustainable Finance Disclosure Regulation), where there is a requirement that at least 10% of the value of the portfolio is invested in sustainable investments.

Investment solutions also include funds which consider the promotion of environmental and / or social characteristics in fund design (but where they do not have an explicit sustainable investment mandate). Here considerations (among other characteristics) include environmental and / or social characteristics, and good governance practices as part of the fund / investment product design.

Finally, the Bank offers shariah compliant investment options which place a strong emphasis on ethical and socially responsible investments. These investments align with Islamic principles and often promote social welfare, including investments in healthcare, education, renewable energy, and community development projects.

## 8.5 INVESTMENT BANKING - ESG INTEGRATION

As a member of Sohar International Bank family, our Investment Banking Department (“IBD”) remains committed to integrating Environmental, Social and Governance (ESG) principles into the advisory and financing activities. The Investment Banking team actively supports clients in transitioning to sustainable business models by providing strategic guidance on sustainable financing and impact investments.

IBD has firm commitment to aligning with the Government’s decarbonization and sustainability Vision 2040 by embedding ESG principles into our financial advisory and investment strategies. To support this vision, and as part of SIB overall strategy, IBD has taken firm steps to act as a catalyst and facilitator of Oman’s transition to a sustainable economy. That includes aligning the capital market solutions with responsible investment practices to help driving sustainable growth while addressing global challenges, creating a specialised advisory by hiring Corporate and Investment banking professionals with experience in sustainability, renewable energy, and ESG financing, and establishing for a working-closely culture with various ESG industry stakeholders to ensure proactive approach. Such steps have played and continue to play a key role in creating ESG awareness, advising clients on sustainable investment opportunities, structuring green financing solutions, and ensuring compliance with Oman’s Sustainable Finance Framework and goals and the global ESG standards. In this context, IBD provided professional advisory services and acted as a local ambassador and consultancy partner for one of the consortiums in the green hydrogen industry.

IBD dedication to ESG ensures not only to meet regulatory expectations, but also create long term value for our clients and stakeholders. IBD provides full-service solutions to help businesses navigate regulatory frameworks, mitigate risks, and overcome challenges. From advisory on sustainable financing structures to regulatory compliance and operational support, our IBD is committed to enabling a seamless transition for companies looking to invest in the country’s sustainable future. In addition, a major focus area for the IBD is to attract businesses that help creating In-Country Value (“ICV”), and to foster an ecosystem that drives a full value chain in key ESG industries such as renewable energy, green hydrogen, and sustainable infrastructure. With such advisory services type, IBD helped and advised on proposals for the largest green steel plant in Oman and in continuously working with various global manufacturers in relation to sustainability industry paving the way for foreign investments inflow and expediting achieving Oman decarbonization goals. By working closely with government entities and our clients, we align our financial solutions with national goals, reinforcing Oman’s ambition to become a regional and global hub for renewable energy and green hydrogen. Through such initiatives, we believe we contribute to long-term economic growth while promoting a low-carbon and environmentally responsible economy.

## 8.6 SOHAR INTERNATIONAL - DRIVING DEBATE AND DISCUSSION IN SUSTAINABLE FINANCE

Sustainable finance forums are key to driving awareness; debate; discussion; and collaboration. This is why Sohar International is leading its involvement where possible – these forums provide opportunities to exchange ideas,

shape the agenda, promote innovative solutions, and advocate for responsible finance and investment strategies. Some examples provided below.

- **Estidamah National Program**

In line with Oman’s economic diversification focus – outlined in the Oman Vision 2040 – Sohar International, along with the Embassy of the United Kingdom in Oman, supported the National Program for Fiscal Sustainability and Financial Sector Development ‘Estidamah’, to establish the Omani Business Growth Fund. The collaboration aims to strengthen the financial sector, enhance competitiveness, and expand access to tailored financing options (inclusive of sustainability finance) in line with global best practices.

- **Oman Sustainability Week (OSW)**

At this year’s OSW, Sohar International played a significant role as the forum’s Sustainable Finance sponsor. Our involvement in one of Oman’s flagship sustainability-themed events included having our own Hanife Ymer, SVP and Head of Sustainability, participate on a panel titled: **Banking and Investing for Sustainable Development: Driving Finance and Investment Towards Oman’s Sustainable Future.**

- **UTIP MENA Conference – Smart Transportation for Sustainable Cities**

As the main sponsor, Sohar International participated on a panel titled **Driving urban sustainability through public transport.** In addition, our support helped deploy of Oman’s first electric public transport bus. Our involvement in this event enabled Sohar International to be associated with the Oman’s pursuit of sustainable transportation. Subsequent to this event, on Oman National Day, the electric bus was used to move Sohar International people between offices, and served, not only as a better option to transport staff in order to allow their participation in festivities associated with the day – but in also driving an understanding and awareness of sustainable transport within the Bank.

- **First International Conference of Innovative Engineering Sciences and Technology Research (ICIESTR 2024)**

With scientific research considered critical to innovation and knowledge economies, and it being one of the priorities within Oman’s Vision – the University of Technology and Applied Sciences decided to take lead in driving and prioritising ‘scientific research’ and driving a culture of scientific research. Sohar International was there to support them with the first scientific conference (ICIESTR 2024) in Oman as the main sponsor. This international conference covered innovative and sustainable engineering sciences and technical research issues and focused on sustainable development. The conference covered topics such as: emerging technologies, sustainable engineering, artificial intelligence, robotics, renewable energy, data science, and more – noting that the event received 1156 scientific papers, of which 110 were presented.



### Case study – Engaging in the energy transition dialogue – Green Hydrogen in Oman

The “H2-diplo – Decarbonization Diplomacy” initiative, led by the German Federal Ministry of Foreign Affairs, aims to foster international cooperation on green hydrogen as a pathway to global decarbonization. This initiative facilitates dialogue among key stakeholders from public, private, and scientific sectors to explore opportunities and challenges in the hydrogen economy. One such pivotal event, “Investing in Green Growth: Oman’s Role as a Front Runner in the Green Hydrogen Market,” focused on positioning Oman as a global leader in green hydrogen production and trade, with an emphasis on strengthening its energy relations with Europe.

Manish Dhameja, Head of Wholesale Banking at Sohar International, contributed valuable insights during the panel discussion on “Creating the Enabling Environment for Green Hydrogen: Skills and Financing.” His participation highlighted the crucial role financial institutions play in supporting Oman’s green hydrogen ambitions.



He highlighted the primary challenge of securing adequate investment for large-scale hydrogen projects, emphasizing the need for innovative financial solutions such as green bonds, blended finance, and sustainability-linked loans. He also pointed out the importance of mitigating investor risk through clear regulatory frameworks and public-private partnerships.

On the topic of skills development, he pointed out that building a specialized workforce is key to the long-term success of the hydrogen economy. He advocated for strategic partnerships with educational institutions to foster talent and bridge the skills gap, ensuring that Oman can meet the technical demands of this emerging sector. His insights underscored Sohar International’s commitment to driving sustainable growth and supporting the Sultanate’s vision of becoming a leader in green hydrogen production.

Looking ahead, overcoming these challenges will unlock significant opportunities. With the right financial mechanisms and a skilled workforce, Oman can position itself as a global leader in the green hydrogen market. Sohar International’s commitment to supporting this transition, fostering sustainable economic growth, and strengthening Oman’s international partnerships in renewable energy.

### Case study – Hackathon drives sustainability and knowledge base economy

In February, Sohar International supported the University of Technology and Applied Sciences Muscat’s Innovation Hackathon.

In a pioneering initiative to support innovation and stimulate a knowledge-based economy, the Innovation Hackathon took place. Running for 48 continuous hours, the event brought together a total of 60 programmers, designers, and entrepreneurs under one roof. Together they were tasked with finding innovative solutions to pressing environmental and economic challenges.



Key objectives of the Hackathon included developing innovative technical solutions for sustainability challenges; enhancing knowledge-based economy by supporting start-ups; and creating opportunities for collaboration between experts in technology, environment fields, and business – the latter focused on the commercialisation and financing (including sustainable finance) of solutions.

This hackathon comes as part of a broader national strategy to support innovation and diversify the economy, aiming to strengthen the Sultanate’s position as a regional centre for innovation and advanced technology, especially in the fields of clean energy, low carbon technologies, and broader activities linked to support environmental solutions.

The conclusion of the Hackathon not only provided great ideas and potential new solution technologies, but more importantly, left participants with new skills in problem solving and team building. The Hackathon also facilitated a culture of innovation across diverse stakeholder group, breaking down silos and showing what is possible for Oman and the future of sustainability in a ‘knowledge-based economy’.

## 8.7 MANAGING OUR DIRECT IMPACTS

**[Tag line] Reducing the environmental impact of our banking operations is critical to being responsible and doing the right thing**

Sohar International is focused on resource management – energy; waste; water; paper. We want our business operations to support our strategy but at the same time be cognisant of our direct impacts, and our responsibilities.

Post the merger with HSBC Bank Oman SAOG in the second half of 2023, Sohar International in 2024 (with a consolidated view) conducted a detailed assessment of its overall environmental footprint for the first time.

This detailed piece of work informs our reported energy; water; waste and paper usage for the 2024 year and will (in 2025) inform the Bank's resource management KPIs, and the establishment in 2025 of a Resource Management Plan, aimed at exploring cost effective ways to continue to innovate and reduce our environmental footprint. We will also look to reflect our baseline efforts and methodologies for reported environment footprint into an environmental management system, establishing such approaches will enable us to set measurable goals, monitor performance, and align with global ESG standards.

### 8.6.1 Our environmental footprint

Energy <sup>2</sup>	Unit	2024
Total electricity consumption (Direct)	MwH	2.48
Total electricity consumption (Indirect)	MwH	10,279
Energy Intensity	MwH/per FTE	6.6
Renewable electricity from other sources	MwH	0

Note 2: Our reported energy number does not include a breakdown of energy usage by generation type, as nearly 99.9% of our total energy consumption is derived from indirect electricity purchased from the national grid.

Water <sup>3</sup>	Unit	2024
Total water consumption	m3	33,466

Note 3: The reported number excludes three Sohar International Offices (Al Reem, PASI and KSA) as no data was available. This will be correct in 2025, as we work with the landlord of these buildings to access water consumption data. In addition, it is noted that the total amount of water reclaimed has not been reported, given the nature of our business.

Waste <sup>4</sup>	Unit	2024
General waste	Kilograms	8,805

Note 4: Data includes general office waste (food waste, plastics etc) and is limited to Sohar International's office buildings only. Waste generated at branches will be included in the 2025 reporting cycle.

Paper <sup>5</sup>	Unit	2024
Paper (Office)	Tonnes	24.3
Paper (Pre-printed)	Tonnes	2.3

Note 5: Assumed all paper purchased is consumed in 2024.

Greenhouse Gas Emissions <sup>6</sup>	Unit	2024
Scope 1 – Direct <sup>7</sup>	Tonnes CO2e	1,279
Scope 2 – Indirect <sup>8</sup>	Tonnes CO2e	4,373
Total emissions	Tonnes CO2e	5,652
GHG emissions intensity <sup>9</sup>	Tonnes CO2e / per FTE	3.7

Note 6: Scope 3 emissions have been excluded from the ESG Report 2024. There are many challenges and complexities associated with the reporting of Scope 3 emissions in the banking context, particularly in relation to financed emissions. To this end, Sohar International is actively exploring approaches to address these challenges and aims to begin the inclusion of Scope 3 emissions in future reporting cycles.

Note 7: DEFRA emissions factor applied

Note 8: IPCC emissions factor for Oman and KSA respectively applied in calculation.

Note 9: MSX requirement E2.2 Total non-GHG emissions per output scaling factor has not been reported. Banks typically do not report SOx and NOx emissions separately in ESG reports as their operations primarily involve office-based activities with minimal direct emissions, making these pollutants less relevant compared to industries like manufacturing or energy.

📄 **Case study – Reducing Carbon Footprint: The Impact of SD-WAN Technology**

In 2024, Sohar International made the transition to SD-WAN technology across our 57 branches and 133 ATMs (inclusive of both conventional and Islamic banking services). This significantly enhanced operational efficiency and reduced the Bank’s energy use considerably.

This was done by removing the need for physical network switch devices – resulting in energy reductions particular in relation to technology cooling systems, which in turn led to emissions reduction.

The SD-WAN system streamlines our network infrastructure by relying on cloud-based solutions, which are more efficient and require less maintenance than traditional hardware networks. This transition also (indirectly) reduces the demand for raw materials, cutting down on energy-intensive processes like metal extraction and component manufacturing. Furthermore, transportation-related emissions and the environmental impact of e-waste disposal are minimized, addressing concerns about toxic materials and promoting a more sustainable lifecycle for our network infrastructure.

In addition to environmental benefits, adopting SD-WAN lowers costs related to hardware acquisition, energy consumption, and maintenance. This initiative positions Sohar International as a leader in sustainable banking practices, enhancing our reputation and aligning with global efforts to combat climate change. By balancing technological innovation with environmental responsibility, we demonstrate our dedication to sustainability and strengthen our compliance with regulatory expectations, reinforcing our role as a forward-thinking institution in the banking sector.

📄 **Case study – Recycled Plastic Card Rollout**

In 2024, Sohar International launched debit cards made from recycled plastic.

The new cards are crafted using 100 percent recycled PVC (polyvinyl chloride).

Abdul Qader Al Sumali, Chief Retail and Premier Banking Officer, highlights the Bank’s focus on reducing our environmental impact.

“Our shift to recycled materials for our cards underscores our efforts towards combating plastic pollution and supports the Sultanate’s 2040 Vision focused on managing plastic products and their waste.”



This initiative, combined with other efforts by the Bank to address its direct environmental impact such as paperless digital transactions through SOFT POS and Samsung Touch and Pay, and Apple Pay, not only showcase Sohar International’s leadership in environmental stewardship but also responds to the increasing demand from customers for sustainability focused banking practices.

Sajeel Bashiruddin, Chief Digital Officer at Sohar International commented: “At Sohar International we maintain a comprehensive selection of banking cards, expertly blending security, convenience, and worldwide acceptance to enhance the banking journey for both retail and corporate clients. From prepaid and debit to credit cards, each option is tailored to suit the varied lifestyles and business needs of our customers. This initiative not only bolsters the bank’s standing among stakeholders but also reinforces its leadership in promoting a sustainable future.”

**P**  
**EOPLE**



**E**  
**MPLOYEES**

**C**  
**USTOMERS &**

**C**  
**OMMUNITIES**



## 9.1 OUR PEOPLE

**[Tag line] Sohar International – a values-led, performance-based culture, where the Bank acknowledges that its true strength lies in the dedication and excellence of its workforce.**

### 9.1.1 Our approach

At Sohar International we are focused on driving performance, quality and continuous improvement across our workforce of 1548 full time employees (FTEs) (FTE is defined as full time employees and includes Oman and KSA full time staff. This number excludes short term contractors and temporary workers). We recognise the benefits a diverse workforce can bring, and as we continue to grow and expand our operational footprint, we are committed to making positive changes in our stakeholders and the markets and communities in which we operate.

### 9.1.2 Driving equity and inclusion for all

Sohar International is committed to creating a workplace that is free from discrimination. We are committed to being a diverse and inclusive place of work, promoting equal opportunities in employment, skill development, and career enhancement, across all levels within the Bank

As outlined in the Bank's **Code of Conduct and Ethical Behaviour** all employees of the Bank shall be treated equally and not to be discriminated on any basis.

Through continuous refinement of our policies and practices, the Bank aims to make every employee feel valued, respected, and supported.

#### 9.1.2.1 Human Rights and Child Labour

At Sohar International, we recognize the critical importance of upholding human rights as a fundamental part of our ESG approach. While not formalized and embedding across the Banks operations, we are committed to taking definitive steps to ensure our operations and supply chains align with global best practices by 2025.

To this end, the Bank complies with local labour laws in the Sultanate of Oman and the KSA, which align with International Labor Organization (ILO) Convention.

The Oman Labour Law (2023) and Saudi Labour Law (2024) establish requirements for the minimum age of employment and working conditions, including prosecution in relation to child labour and forced or compulsory labour. The Bank is in full compliance with the labour laws across both jurisdictions.

Going forward, we plan to develop and implement a comprehensive approach to human rights and child labour guided by the ILO and United Nations Guiding Principles on Business and Human Rights. This will ensure that our operations,

(FTE is defined as full time employees and includes Oman and KSA full time staff)

as well as those of our customers; suppliers and partners, uphold the dignity, equality, and rights of all individuals.

As part of our ESG roadmap, we will work closely with our supply chain to ensure compliance with international labour standards, including the International ILO conventions on child labour. This will include implementing processes to identify, address, and eliminate any risks of breaches in human rights and child labour in our supply chain.

We believe that respecting human rights and eradicating child labour are non-negotiable principles that reflect our commitment to creating a sustainable, ethical, and inclusive future for all. By integrating these priorities into our ESG strategy, Sohar International aims to lead by example and contribute positively to the global sustainability agenda.

#### 9.1.2.2 Diversity

Sohar International supports and promotes diversity – recognising that a diverse workforce not only reflects our diverse customer base and markets but helps to drive difference in thought and innovation. Empowering diversity among the local workforce, builds resilience.

Throughout the year, the Bank has hosted various events designed to drive awareness of the need to be inclusive of all, including (for example) showcasing the achievement of women from within the Bank, and those across communities in the Sultanate.

In addition – at Sohar International employees are able to (and are encouraged to) voluntarily self-disclose any disability. This in turn allows the Bank to design, manage and monitor job roles for these individuals.

#### Case study – IZDIHAR Women's Leadership Program

Sohar International's Human Resource Group has introduced the **IZDIHAR Women's Leadership Program**, an initiative aimed at empowering high-potential female employees through structured development opportunities.

The name 'IZDIHAR' is derived from Arabic, and signifies prosperity and continuous growth, reflecting the program's mission – to cultivate leadership capabilities and foster career advancement.

By focusing on enhancing essential leadership skills, the program reinforces Sohar International's dedication to diversity and inclusion, creating a workplace that values and invests in female talent.

The IZDIHAR program plays a critical role in nurturing a robust and diverse leadership pipeline. Additionally, it inspires female employees to pursue leadership roles, thereby increasing productivity and fostering a culture of ambition.

The inclusion of women in leadership positions contributes to balanced decision-making and fostering a more inclusive and innovative organizational culture.

### Case study – Omani Women’s Day – Highlighting the Achievements and Advancing Opportunities

As part of its commitment to inclusivity and empowerment, Sohar International celebrated Omani Women’s Day by honouring the achievements and contributions of Omani women across diverse fields.

The event featured discussions led by prominent female leaders, including **Ibtisam Al Salmi**, an accomplished sailor representing Oman internationally, **Amal Al Raisi**, a renowned fashion designer blending tradition with innovation, **Dr. Jumana Al Abduwani**, a global health advocate, and **Mahira Al Raisi**, a human resources expert and key member of the Oman Bankers’ Association HR committee, and she is the Chief People Officer of Sohar International.

Their inspiring journeys reflected the resilience and ambition of Omani women and showcased their role in shaping the nation.

Sohar International also emphasized the significance of gender diversity in driving social and economic progress. The Bank highlighted its specialized banking solutions to support women entrepreneurs and professionals, reinforcing its role in fostering a more inclusive economy. By celebrating the achievements of women who embody strength, vision, and innovation, Sohar International showcased its dedication to empowering Omani women and shaping a future driven by their exceptional talent and leadership.



#### 9.1.2.3 Gender Pay equity

Pay equity is essential in ensuring fair and unbiased compensation across the Bank. While we do not disclose specific pay equity ratios publicly, the Bank is dedicated to maintaining equitable practices. We do so through conducting assessments and benchmarking exercises. Further, the Bank is engaged with Korn Ferry, an independent reputed international consultant to further strengthen our approach and access enhanced benchmarking data. Our focus remains on fostering an inclusive workplace where all employees feel valued and fairly compensated for their contributions.

#### 9.1.3 Talent attraction, development and retention

##### 9.1.3.1 Omanisation

Omanisation is a critical component of Oman’s Vision 2040 and contributes to the development of nationals by providing opportunities for career advancement and leadership roles across various sectors.

Sohar International’s emphasis on Omanisation and the development of local talent aligns with the national vision and focuses on enhancing employment opportunities for Omani citizens.

This is reflected in the Bank’s Omanisation numbers, which throughout 2024 exceeded the Omanisation regulatory targets – achieving an Omanisation rate of 94% as of 31 December 2024.

One example of our commitment to upskilling Omani nationals and equipping them for future competitive roles is the launch in 2024 of the **Sohar International Leadership Program**. This program was successfully delivered to our senior leadership team. Focused on Neuro Leadership, the program enhances leadership capabilities and prepares Omani leaders to take on critical responsibilities within the Bank. This initiative targeted our top leaders, equipping them with the insights and skills needed to elevate organizational performance.

#### 9.1.3.2 Supporting the young of Oman

Sohar International demonstrates its commitment to youth inclusion through its expanding internship program. By focusing on empowering Omani youth and creating career opportunities for them, we aim to develop the skills and knowledge they need to tackle future challenges and achieve success. This is further supported by the Bank’s Tomohi Program.

##### 9.1.3.2.1 The Tomohi Internship Program

Launched in 2018, the Tomohi Internship Program is a year-long initiative designed to equip fresh graduates with practical, hands-on experience, preparing them to thrive in the competitive job market.

In July 2024, the program welcomed **20 graduates** from across the Sultanate, representing various educational disciplines.

These ambitious individuals, not long after commencing with the Bank, made an impactful start by presenting their career aspirations and ambitions to the CEO and executive management team, an experience that laid a solid foundation for their personal and professional growth.

The Tomohi Internship Program runs for 12-month period, and is structured to complement the student’s participants’ academic pursuits, equipping them with relevant skills for their future careers. logistics; marketing; and computer science – to name a few.

During their time with Sohar International, participants rotate throughout different departments gaining a well-rounded understanding of the Bank’s functions and more broadly the financial services sector. This year was also the first year the ESG Department participated in the Tomohi program.

As the program progresses, the participants will gain valuable skills and insights through their rotations across

#### Quote:

“I am proud to be one of the trainees in Sohar International’s Tomohi Program, a one-year internship initiative focused on enhancing the skills and capabilities of Omani youth. This program provides invaluable opportunities for professional growth and development, equipping us with the tools and experience needed to contribute effectively to the future success of Oman’s economy and social progress”.

**Rawan AL Khusaibi, Tomohi Internship Program Participant, Sohar International**

various departments at the Bank.

In addition to the formal Tomohi Internship Program, the Bank also onboarded **110 interns** throughout 2024, with internships ranging from one to three months in duration. Some of these interns are students where the internship is a mandatory requirement for graduation, allowing them to gain practical experience and apply their academic knowledge in a real-world setting.

**Case study: Heading back to school – Sohar International career day and Oman Jobs Fair involvement**

Sohar International again in 2024 ‘took Sohar International back to school’, participating the College of Banking and Financial Studies (CBFS) Career Fair. The event allowed Sohar International employees to connect with students and graduates to talk about the exciting opportunities in banking and finance.

Sohar International’s involvement reflects a focus on empowering the national workforce and fostering future leaders.

We look forward to showcasing more career opportunities at Sohar International and continuing to develop the future talent for Oman.

In addition to supporting CBFS Career Fair, Sohar International participated in the Oman Jobs Fair 2024, held at the Oman Convention and Exhibition Center in collaboration with the Ministry of Labor. Themed “Empowering and Enhancing Talent in Line with Oman Vision 2040,” the fair provided a dynamic platform to bridge the gap between job seekers and employers while promoting workforce empowerment and economic growth. These events foster career development and contribute to the national objective of workforce empowerment and economic growth.

Mahira Saleh Al Raisi, Chief Human Resources Officer, emphasized the importance of such initiatives, stating, “Sohar International recognizes the critical role that job fairs play in bridging the gap between job seekers and employers. Supporting such events is key to workforce empowerment, ensuring talent is aligned with opportunities that best fit their skills and aspirations.”

By supporting such initiatives and fostering direct connections between job seekers and employers, the Bank is able to connect talent with opportunities that suit their skills and aspirations. This alignment not only boosts individual career fulfilment and productivity but also enhances the economy’s overall efficiency, resilience, and competitiveness.



Delivered in a blended approach, via a combination of in-person and online modules covering a variety of technical and behavioural topics, in partnership with leading international providers, this year recorded a significant milestone for the Bank with the rollout of the **Sohar International (SI) Digital Academy** in October 2024. Since its launch – 95% of FTEs had visited the platform.

The new platform represents Sohar International’s commitment to employee development and continuous learning. The digital learning platform offers a comprehensive collection of over 11,000 learning materials allowing employees with diverse opportunities to enhance their skills and build their knowledge. Some of the digital platforms features and benefits include:

- **Democratising learning:** Employees across all levels of the Bank including interns can explore and select content freely without needing pre-approvals, ensuring autonomy in skill development.
- **Multilingual support:** Content is available in multiple languages, catering to the diverse workforce.
- **Integration with career development:** Learning paths are aligned with career progression goals, supporting professional growth.
- **Data-driven insights:** Provides valuable analytics to assess learning trends, identify skill gaps and enhance training strategies.
- **AI-powered Learning:** Incorporates AI-driven features like intelligent search and interactive simulations (CAISY) to deliver personalized learning and real-time feedback.

To promote continuous development, we provide a diverse curriculum of learning opportunities tailored to different roles and levels within the workforce.

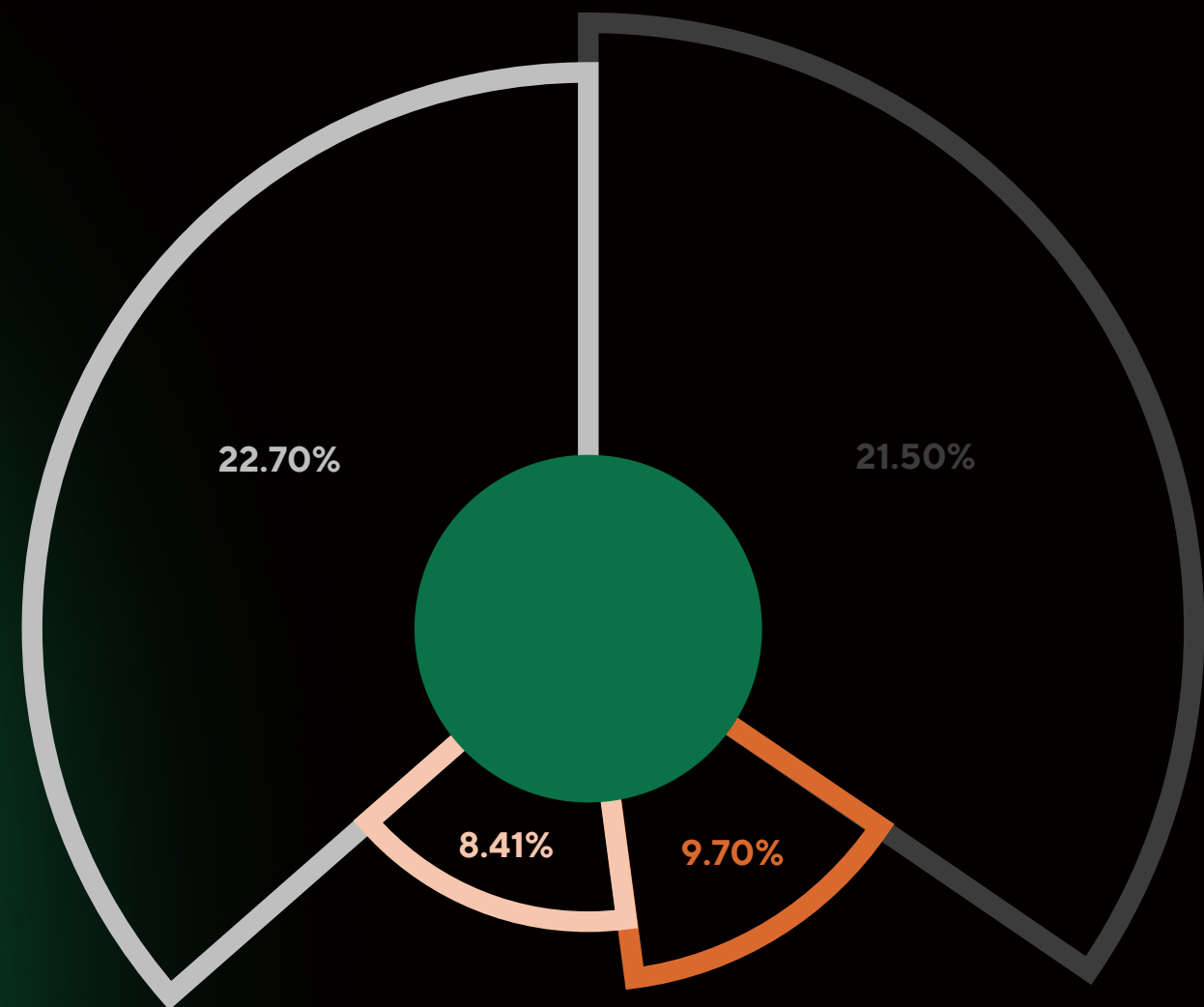
We identify each employee’s strengths and development needs and align them with individual career plans to support their professional goals. SI continued to enable employees to learn via a range of channels including digital and on-the-job learning.

**9.1.4 Training and Development**

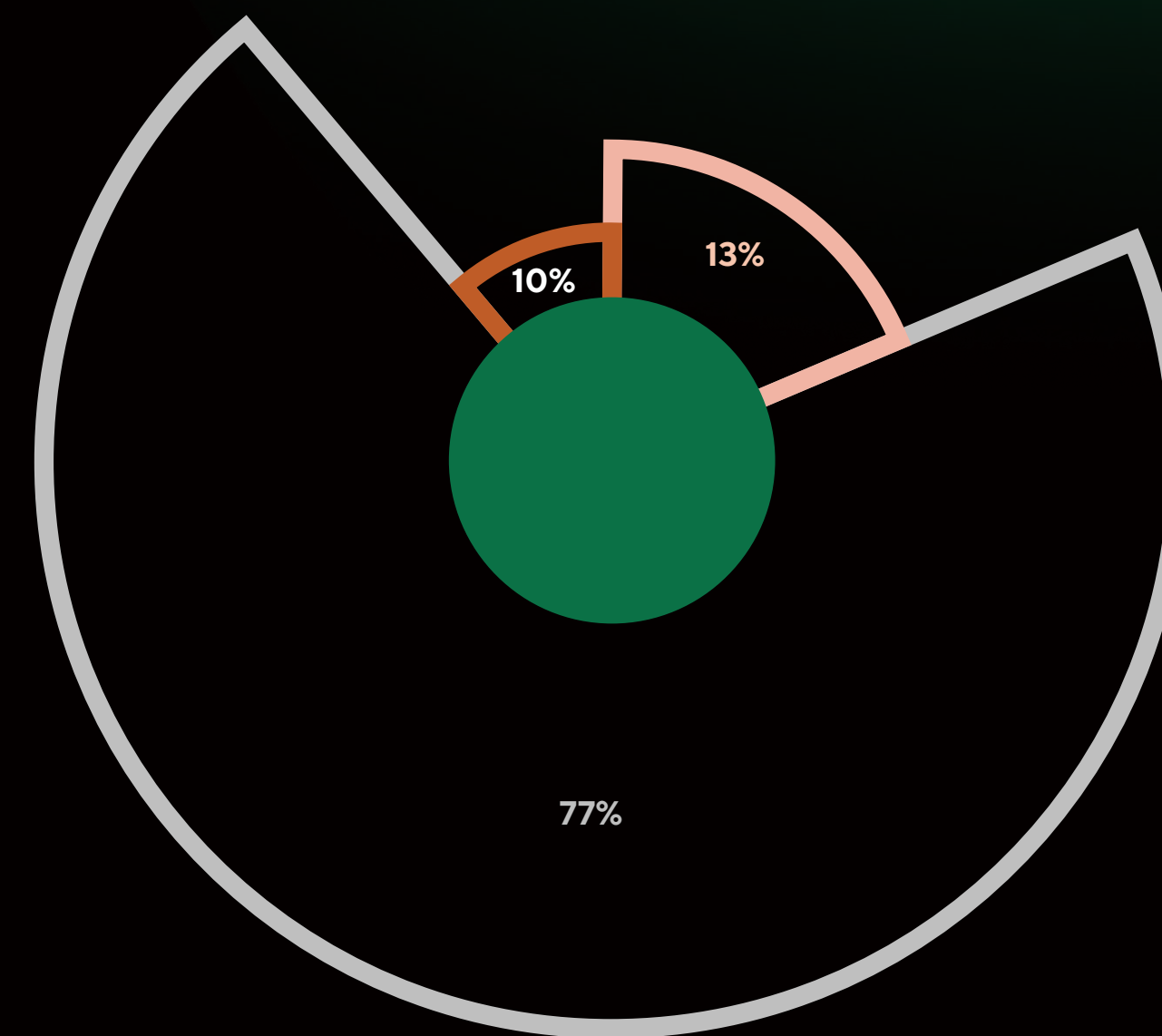
Sohar International prioritizes the development of its employees. With a focus on keeping skills and knowledge up to date, the Bank offers a wide array of development programs and eLearning courses, tailored to various job functions. The Bank is dedicated to promoting a culture of continuous learning that will enhance the employees’ skills and play a pivotal role in the continued success and strategic advancement of Sohar International.

# HIGHLIGHTS BOX

## SOHAR INTERNATIONAL ACADEMY IN NUMBERS<sup>10</sup>



- External Vendors
- SI SME
- SI Academy (including SI Digital Academy)
- CBFS



- ILT
- VILT
- E-Learning



**34% F 66% M**  
TIME SPENT ON LEARNING



**39% 61%**  
PULL PUSH



**3.2 DAYS**  
AVERAGE LEARNING PER EMPLOYEE

#### 9.1.4.1 ESG focused training and development

In 2024, the Bank developed and delivered in-house, mandatory ESG training awareness for all Sohar International employees. This training will also be mandatory for all new hires going forward.

This approach ensures that staff are well-versed in the basics of ESG, the latest regulatory requirements, commitments and mandates set by the Sultanate of Oman, Central Bank of Oman, global developments such as COP and SDGs, climate change and climate risk and the impact of climate on banking, and finally, details the Bank's ESG Framework.

This training empowers employees to make informed decisions that align with the Bank's commitment to responsible banking and long-term value creation. Additionally, ESG training will foster a culture of social responsibility and environmental stewardship within the organization.

By fostering a culture of ESG awareness, we are building a workforce that is prepared to address environmental, social, and governance challenges with insight and responsibility.

#### 9.1.5 Rewards and Recognition

Sohar International Bank recognizes the criticality of fostering a culture of excellence and driving employee motivation through various programs. The objective of various Rewards and Recognition Programs is to recognize outstanding behaviours in support of individual or team / business based strategic goals and objectives, and, further, to support and sustain exemplary performances.

A successful recognition scheme can help to motivate employees and create a culture of excellence. Increasingly, employees qualify for recognition awards when their actions are seen to embody a company's values or focus attention on wider corporate goals.

The Bank regularly takes efforts to introduce various competitive schemes to drive a culture of excellence, including incentive schemes; on the spot rewards; and individual and/or team-based rewards.

In line with these efforts, the Bank has established a comprehensive Reward and Recognition (R&R) Program, a scheme oriented towards employee recognition and appreciation, rewarding staff for their achievements in line

#### Callout Box – ESG Stress Testing – Developing our knowledge and expertise

This year members from our risk management and ESG teams participated in an ESG Stress Testing Master Class. Technical in nature, the training covered scenario construction; modelling techniques and econometric models; pricing options; modelling behavioural options; mapping climate change and economic scenarios to risk factors affecting valuations and P&L – and much more.

Sohar International participants walked away with technical quantitative techniques of how to conduct ESG stress testing and integrating ESG into broader Bank scenario and stress testing activities.

with the strategic goals of the Bank. The R&R Program includes a various number of award types, accommodating the exceptional efforts by staff, be they individual or group based, and provides for varying award mechanisms (i.e. monetary vs non-monetary).

The R&R Program involves the deliberate integration of key elements that effectively attract, motivate, and retain the talent required to achieve desired business results.

Recently, the program has been enhanced with the implementation of a dedicated digital platform which empowers employees to celebrate achievements, promote collaboration, and reinforce core values, thereby boosting engagement, morale, and overall job satisfaction. For example, if a colleague goes above and beyond in helping the completion of a project, staff can now easily reward these individuals with points through the R&R platform, acknowledging their hard work and dedication. This simple act of recognition contributes to a more positive and supportive workplace for everyone.

#### 9.1.6 Employee Health, Safety and Wellbeing

At Sohar International, health, safety, and well-being are integral to our commitment to fostering a safe and supportive environment for our employees (including temporary workers / contractors), customers, and stakeholders.

We believe that prioritizing health and safety reflects our dedication to creating a culture of care and responsibility. By adhering to the highest standards, promoting awareness, and implementing robust practices, we aim to ensure the well-being of all while driving sustainable growth and operational excellence.

The Bank's Health and Safety and Environment (HSE) and Security policies govern our approach and is compliant with local regulations where we operate (Oman and KSA) and international standards.

The Bank's Health Safety and Environment Management System (HSEMS) and associated procedures follow the requirements of HSG (65), Oman Ministerial Decree 286, 2008 and are focused on enabling continuous improvement in HSE framework implementation and performance.

The HSEMS includes procedures for the identification of HSE hazards, the assessment of risks, and the implementation of control measures.

Key activities undertaken in 2024 to drive HSE and wellbeing across the Bank are summarised below.

HSEMS	Training and Awareness	HSE Inspections	Wellbeing
<p>At Sohar International we are continuously exploring opportunities to improve HSE performance.</p> <p>In 2024, we worked to formalize our Incident Reporting approach to streamline reporting and drive better capturing and reporting of incidents.</p> <p>Further, to drive on the ground support and improve response times in case of an HSE/ security event, the Bank put in place Building Evacuation Coordinators (HECs) for each of our office buildings. There 10 individuals are on the ground and will be the first point of contact should an event occur. Moving forward the BECs will also support in driving awareness and understanding of HSE and security matters.</p>	<p>Each year training is provided across the Bank. In 2024, 129 Bank staff attended Fire Warden and First Aid Training.</p> <p>In addition, all new staff to the Bank attend induction training where HSE awareness training is provided.</p> <p>Moving forward in 2025, the Bank will be introducing mandatory eLearning HSE training for all staff (including temporary workers / contractors).</p>	<p>Throughout 2024, the HSE Department conducted 51 inspections across the Bank's operations across all Governorates of Oman. The inspections included 39 branches and 12 offsite ATMs.</p> <p>The inspections are risk-based and examine the suitability of health and safety arrangements including knowledge levels of evacuation marshals; management of combustible materials; good housekeeping; fire alarm system checks; signs and notices.</p> <p>These inspections are critical in ensuring ongoing regulatory and policy compliance. They also provide an opportunity to take HSE and security training out to our operations – especially those based in remote areas – where for each site visit associated with the inspection – HSE and security training are provided to staff.</p>	<p>With a continued focus on employee well-being, in 2024, the Bank introduced flexible working hours to accommodate individual employee needs.</p> <p>The flexible hours allow staff to better manage their personal and professional commitments, promoting a healthier work environment.</p> <p>In addition, to ensure employee medical cover is fit for purpose – a review was conducted in 2024 of current arrangements vs employee needs. Staff were surveyed and provided valuable feedback, which will inform changes to the 2025 arrangements.</p> <p>Moving forward, we are looking to expand our focus on employee wellbeing, including rollout of wellbeing sessions to all staff on issues such as stress management; health, diet and nutrition; and fitness and exercise.</p>

HSE Data	
Number of incidents	2
Injury frequency rate (IFR) <sup>11</sup>	0.65 per 1m hours worked

Note 11: IFR has been calculated based on Head Count. For the purposes of this year's reporting cycle Headcount includes reported FTEs and temporary workers.

**Case study – Sohar International's Participation in Bowling Tournaments to Promote Employee Wellbeing**

At Sohar International, employee wellbeing remains a key focus for the Bank. In line with this commitment, we actively encourage team-building and healthy lifestyle initiatives that foster a sense of community and camaraderie among our staff.

As part of these efforts, Sohar International proudly participated in two competitive bowling tournaments – one for men and another for women held by the Ministry of Culture, Sport and Youth. These events provided a platform for our employees to engage in friendly competition, develop team spirit, and promote physical and mental wellbeing.

The effort of those involved resulted in the Sohar International Women's team getting 2nd Place (Individual); 3rd Place (Master); and 3rd Place (Team). The men's team also did well finishing 2nd Place (Doubles).

The tournaments were not only an opportunity to showcase athletic skills but also reinforced the importance of work-life balance. Employees from various departments collaborated in teams, creating a dynamic and inclusive atmosphere that reflected our commitment to diversity and equality.

By participating in these events, Sohar International demonstrated its dedication to enhancing employee engagement while promoting wellness and teamwork. Such initiatives continue to play a vital role in building a healthier, more motivated workforce, directly contributing to our overarching ESG goals.



**Case study – Inspiring unity: Saudi National Day Celebration at Sohar International KSA Office**

Saudi National Day, celebrated annually on 23 September, marks the unification of Saudi Arabia in 1932 and symbolizes national unity, pride, and heritage. In 2024, Sohar International Bank's KSA office, which began operations earlier in the year, celebrated this significant day for the first time. The event aimed to build a sense of community among employees and highlight values shared by both Saudi Arabia and the Bank, promoting cultural connection and solidarity between Saudi and Omani colleagues.

The celebration brought together employees from various departments. Activities emphasized the cultural and historical importance of Saudi National Day, fostering unity and instilling a shared sense of pride and purpose within the Bank. This initiative demonstrated Sohar International's commitment to becoming an engaged member of Saudi society and supporting national developmental objectives.

"It was heartwarming to see the shared pride and unity between Saudi and Omani colleagues, and the cultural connection and solidarity experienced by both nationalities" expressed Saud Mohammed Sulaiyam Al Amry, Head of Finance, KSA Branch.

Moving forward, we hope to extend Saudi Arabia National Day celebrations to customers and the local community – with the aim of building meaningful community connections, promoting inclusion, and contribute to societal wellbeing. This aligns with Saudi Arabia's Vision 2030 and the Bank's commitment to empowering local communities.



### 9.1.7 People Data 2024

**1548**  
Sohar International Total  
Headcount (FTE)<sup>12</sup>

Note 12: FTE is defined as full time employees and includes Oman and KSA full time staff. This number excludes short term contractors and temporary workers.

Employees by Gender <sup>13</sup>				
Category of personnel <sup>14</sup>	Male	% male of total FTE	Female	% female of total FTE
Senior Management	40	91	4	9
Middle Management	732	67	368	33
Clerical and Non-Clerical	203	50	201	50

Note 13: Employees number represents total FTE inclusive of KSA FTEs  
Note 14: Category of personnel as per those defined by CBO.

Omanisation Data <sup>15</sup>				
Category of Personnel <sup>14</sup>	Omanis	Expats	Total	Omanisation % <sup>11</sup>
Senior Management	37	6	43	86
Middle Management	982	88	1070	92
Clerical and Non-Clerical	402	0	402	100
<b>Overall Omanisation (%)</b>				<b>94</b>

Note 15: Omanisation data excludes KSA employees and is only reported for our Oman operations (i.e. FTEs based in Oman), as per CBO requirements.

Employees Turnover 2024	
No. of leavers	74
Turnover %	4.8

Sohar International Employees Turnover by Categories		
Category of Personnel <sup>15</sup>	# of Leavers	%
Senior Management	4	9
Middle Management	62	5.6
Clerical and Non-Clerical	8	1.9

### 9.1.8 Temporary Workers

Sohar International upholds a transparent approach to workforce composition, ensuring full compliance with regulations and alignment with GRI Standards in the ESG context.

For part-time employees, the Bank adheres to the GRI definition, which includes workers whose weekly, monthly, or annual hours are less than the standard. Based on this definition, the Bank confirms it does not employ part-time workers.

Regarding temporary workers, the Bank also follows the GRI definition, referring to employees on contracts for a fixed period, ending when a specified timeframe or task is completed. Interns, totalling 130 in 2024, fall under this category, accounting for 8.4% of the Bank's total full-time employees (FTE) workforce that year. Temporary workers when combined with reported FTE, represent reported Head Count. It is recognised the Head Count reported excludes contractors and the Bank will seek to further refine its approach to reporting of Head Count moving forward.

The number of temporary workers in this report excludes service providers and consultants. The Bank will explore expanding its reporting with regards to temporary workers as part of the 2025 ESG reporting cycle, and also the reporting of service providers / consultants.

## 9.2 OUR CUSTOMERS

### 9.2.1 Enhancing Customer Satisfaction

At Sohar International, customer satisfaction is at the core of our values and operations. We prioritize delivering exceptional products and services by continuously improving our processes and investing in customer-centric initiatives. Our commitment to understanding and meeting customer needs drives us to gather regular feedback and implement enhancements that align with their expectations.

Through the Bank's digital platforms, personalized services, and transparent communication, we strive to create seamless customer experiences that foster trust and long-lasting relationships.

Customer Experience <sup>16</sup>	Unit	2024
Customer Satisfaction Score	Percentage (%)	87
Net Promotor Score (NPS)	Number (0-100)	48

Note 16: NPS and CSAT has been reported as a consolidated number inclusive of Sohar International Islamic Banking and excludes KSA.

### 9.2.2 Resolving customer complaints rapidly and fairly

At Sohar International, we are committed to resolving customer complaints with speed, fairness and empathy. We view complaints as valuable opportunities to learn and improve, continuously investing in our capabilities and fostering a culture where customer feedback is seen for its advantages.

While we strive to deliver excellent products and services, we recognize issues may arise, and we are dedicated to addressing them promptly and transparently.

Sohar International customers can lodge complaints through multiple channels – these include our mobile app, contact centre, or by speaking directly with our customer-facing staff in both our retail and commercial divisions.

This multi-channel approach ensures complaints are recorded and resolved as efficiently as possible, often at the first point of contact. For more complex issues requiring additional support, complaints are escalated to our specialized resolution teams.

One of our key focuses has been on addressing customer complaints efficiently and within an agreed Service Level Agreement (SLA). We recognize that timely resolutions not only strengthen customer trust but also reflect our commitment to excellence in service delivery. This focus and our efforts are reflected in the CSAT (Customer Satisfaction) and NPS (Net Promoter Score) achieved in 2024.



### 9.2.3 Enhancing customer experience through training and development

To further enhance customer satisfaction and service quality, our employees undergo extensive training to equip them with the skills to understand and anticipate customer needs effectively.

These programs emphasize active listening, problem-solving, and empathy, ensuring that staff can provide thoughtful and practical solutions. Specialized workshops focus on handling complex customer inquiries and complaints, promoting a culture of continuous improvement and accountability.



In 2024, customer-centric training included: Feedback Management System Complaints Management; and Absher (the latter a program aimed to a commitment, or a promise made by employees to carry out a specific action for our customers – more details below). This training was attended by close to 400 employees of the Bank.

The following highlights key customer-centric training programs delivered to frontline staff, focusing on service excellence, product knowledge and digital banking services.

Program	Focus	Total Learning Hours
<b>Maharat</b>	Enhanced customer interactions, communication, problem solving skills to improve service quality.	<b>2279</b>
<b>Maarifa</b>	Provided in-depth training on banking products and services to equip staff with the expertise to guide customers effectively	<b>998</b>
<b>Digital Products Training</b>	Focused on digital banking solutions, ensuring frontline employees can assist customers with online and mobile banking services	<b>128</b>

**Case study – Absher, driving a focus on customers**

Following the merger of Sohar International and HSBC Bank Oman SAOG, the Transformation Group launched the ‘Absher’ program, inspired by the Arab concept of a promise (“it will be done”). Designed to foster a culture of excellence, Absher focuses on five core attributes: speed, empathy, ease, transparency, and accuracy.

The program prioritizes customer-centricity by addressing key challenges such as slow response times and complex problem resolution processes, aiming to enhance both external and internal customer experiences.

To gain deeper insights into customer perspectives, the program in 2024 invited Khalid Ansari, CEO of KMA and Partners, to share his insights.

With over 35 years of experience in Oman’s banking and business sectors, including previous roles as the Chief Executive Officer of Al Anwar Holdings, a Partner and Head of KPMG Oman, Khalid provided valuable observations on Absher’s impact, including improvements in customer service and the Bank’s progress in delivering seamless banking experiences. He also discussed broader trends in Oman’s banking landscape, emphasizing the pivotal role of customer service in driving industry success.

### 9.2.4 Financial Inclusion, Access and Literacy – Financial Wellbeing

At Sohar International, we consider financial wellbeing to be a fundamental aspect of our customer approach. Fostering financial inclusion and literacy supports sustainable development and economic empowerment.

Our objective is to ensure that individuals and businesses, not only have access to comprehensive financial solutions, but that they also clearly understand the product and services being offered, and how the Bank can support them reach their financial goals.

Sohar International approach aligns with regulatory objectives, striving to extend financial services to the underserved and disadvantaged populations across the Sultanate of Oman.

### 9.2.5 Accessibility and Inclusion

Sohar International is dedicated to ensuring that financial services are accessible to all segments of society, including underserved populations such as women, youth, and small businesses. Key initiatives in 2024 included:

- **Expanding Accessibility:** Increasing the reach of digital banking platforms and mobile applications to enable seamless access to financial services, even in remote areas.
- **Tailored Products:** Launching solutions for SMEs to empower entrepreneurs and support small businesses, contributing to Oman’s economic diversification agenda.
- **Inclusive Banking Services:** Providing Sharia-compliant products to meet the needs of customers seeking Islamic financial solutions.

Further, the Bank has implemented various initiatives to support differently abled customers access the services needed – detailed below.

Elements	2024 Status
<b>ATM audio facilities</b>	11 ATMs (Across different governorates)
<b>Brail touchpoints on ATM keypads</b>	11 ATMs (Across different governorates)
<b>Improvements for physical accessibility to branches and ATMs (i.e. sliding door, slope, and alert signs where there are steps going to ATM)</b>	5 ATMs (Across different governorates) fully compliant with accessibility requirements
<b>Branch accessibility (i.e. designated parking for people of determination; auto sliding entrance doors; designated seating in Banking Hall; elevator access; tactile floor indicators)</b>	4 Branches across different governorates are equipped with all accessibility requirements

In addition, in 2024 the Bank implemented a system ‘flag’ for customers who have self-disclosed a disability. This information will support customer on-boarding and allows Bank staff to better accommodate customer needs across their journey with the Bank.

Going forward, the system flag will be used to inform the design of products and services, the design of our channels to market (i.e. branches; digital solutions etc), and how we connect and market to such customers (i.e. audio product disclosure statements).

Finally, in 2024 a mandate was put in place by the Bank that any new branch / ATM being opened or relocated, will be done so in alignment with CBO requirements and will have all the necessary infrastructure to support differently able customers.

### 9.2.6 Advancing Financial Literacy

Building financial literacy is essential to empowering individuals to make informed financial decisions. Sohar International has implemented several initiatives to enhance financial awareness across communities:

- **Educational Programs:** Conducting workshops and seminars targeting youth, women, and remotely located households to build basic financial skills, such as budgeting, saving, and responsible borrowing.
- **School and University Engagement:** Partnering with educational institutions to deliver tailored programs that prepare students for financial independence and entrepreneurship.
- **Digital Literacy Campaigns:** Promoting awareness of online banking tools and cybersecurity to ensure safe and efficient use of digital financial services. The impact of such campaigns saw digital banking usage increase in 2024 by 45% for corporate, and 19% for retail.

The Bank sees it as a duty not only to provide essential financial services to all stakeholders but to ensure the services are underpinned with awareness and understanding.

Sohar International remains steadfast in its mission to bridge financial gaps and empower communities through education and access to financial services.

By advancing financial inclusion and literacy, Sohar International reinforces its role as a catalyst for sustainable development and economic empowerment, aligned with Oman’s Vision 2040 and global sustainability goals.



### Case study – Partnering for financial literacy

Financial literacy empowers customers to better understand personal finances, make informed financial decisions, and most importantly supports the achievement of life goals.

As already reference – Sohar International is focused on activities to deliver financial awareness and knowledge to all – whether this is through educating them on solutions the Bank offers to meet their needs including basic needs, such as saving for their future financial goals.

To this end, Sohar International, represented by Khalil Al Hedaifi, Chief Government and Private Banking Officer, signed an agreement with the Ministry of Education’s Khazna Project Management to support them, and collaborate in embedding principles of financial literacy and financial planning to educate school students about financial planning and management. Delivery of the program is through Career Guidance Specialist, providing students with the essential financial knowledge and skills to enable them to make informed financial decisions and adopt responsible financial behaviours from an early age.

The initiative has inspired students to take control of their financial futures. Through interactive teaching methods, the program allows for financial-related concepts to be delivered in a relatable and impactful manner. Future sessions are planned in 2025, to further enhance financial literacy for students.

Further, in September 2024, Sohar International supported a forum conducted at the Ministry of Education focused on financial well-being. The primary objective of the forum was to equip students with essential financial skills and knowledge, enabling them to make informed financial decisions in their daily lives.

Members of the Bank’s Government and Private Banking Group co-facilitated the forum with the Ministry of Education and covered:

- Introduction to Financial Literacy – defining financial well-being and its significance
- Good Behaviour – focused on wealth growth and wealth protection
- Saving and Investing – covering the importance of saving early (including tips) and sharing an overview of basic investment concepts.
- Financial Wellbeing Action Plan – final session focused on the development of Action Plan.



### Case study – Driving Financial Literacy across Oman

As per the Oman Vision Report 2021, “the financial sector is one of the most important enablers required [for] economic growth”. Underpinning this focus is the role for the financial services sector to drive financial literacy and wellbeing – supporting economic growth and shared wealth for all in Oman.

Financial literacy and wellbeing are critical in equipping people with the knowledge and skills needed to make informed financial decisions, manage money effectively, and achieve financial stability. A well-developed understanding of financial concepts can contribute to wealth accumulation, debt management, and financial stability.

At Sohar International we see ourselves as a critical enabler and catalyst to driving financial literacy and wellbeing for all – so critical that it is embedded in our ESG Framework.

Samiha Al Balushi, Retail Banking Division, has been championing financial literacy and wellbeing for the past two years.

She takes this role on with passion, compassion, and great commitment – the latter not only demonstrated through her efforts in developing the program, but in her continuing focus on delivering the training to all parts of Oman – Muscat, Al Batinah, Ad Dhahirah, Ad Dhakhiliya, Musandam and Dhofar– for various government and private sector organizations (including educational institutions).

Each session has approximately 50 attendees, where Samiha covers topics, such as understanding savings, investments, debt management, budgeting, and discussing saving habits.

Delivery of such a program is not without its challenges as Samiha describes. “In designing and delivering the training, we find participants come with varying levels of knowledge. In bridging knowledge gap between individuals with little exposure to financial management, and those with some background, means I have to remain flexible in my approach so as to ensure everyone who attends the training benefits.”

“Additionally, Samiha describes that “Al Thaqafah Al Maliya” which translates to Financial Literacy in English, goes beyond just managing money and numbers. It equips people and children with essential skills to achieve their financial goals and build a financially stable, informed society capable of handling challenges and finding effective solutions.”

Participants have expressed significant improvements in their financial skills, with many reporting enhanced confidence in managing their finances. The sessions have not only provided practical tools for personal finance management but have also contributed to building a culture of financial responsibility.

Samiha’s efforts are not only helping individuals improve their financial well-being but also strengthens Sohar International’s position as a leader in responsible banking practices and supporting economic empowerment, and long-term financial well-being.

## 9.3 SUPPORTING OUR COMMUNITIES

Shaping a brighter future for our communities and country – is a key focus for Sohar International.

At the Bank we champion corporate social responsibility (CSR) campaigns that reflect our dedication to a better future.

Our CSR efforts are focused and executed in alignment with four key thematic areas:



**Growing  
Omani talent**



**Supporting  
local sustainable  
initiatives**



**Training  
and talent  
development**



**Social  
development  
initiatives**

As a responsible corporate entity, our commitment to the environmental, economic, and societal well-being is evident through a diverse range of initiatives for which we have supported in 2024.

### 9.3.1 2024 CSR Performance

**0.2%**  
of Net Revenue

CSR spend by thematic area	
Themes	Amount <sup>17</sup> (OMR)
Growing Omani Talent	4,046
Supporting Local Sustainable Initiatives	38,300
Training and Talent Development	70,750
Social Development Initiatives	86,323
Charitable Accounts (Islamic Banking)	8,000
<b>Total</b>	<b>207,420</b>

Note 17: CSR reported data includes all projects executed in 2024, noting that processing of payments for noted projects may have been processed in Q1 2025.

#### Case study – Building an inclusive future: Sohar International Partners with Safiya Art Gallery

As part of the Bank's CSR initiatives, Sohar International partnered with Safiya Art Gallery, owned by the talented Omani artist Safiya Al Bahlani.

Safiya, known for her resilience and creativity, overcame personal challenges to become a prominent figure in the local art scene. This collaboration highlights the Bank's dedication to supporting Omani entrepreneurs, promoting inclusion and diversity, and contributing to Oman's cultural development.

Safiya Al Bahlani's journey as an artist and entrepreneur is marked by perseverance. Born with physical disabilities, she faced significant challenges. Despite these obstacles, her passion for art and entrepreneurial spirit led to the creation of Safiya Art Gallery, a platform that not only showcases her work, but also empowers other artists with disabilities.

Through the partnership, Safiya Al Bahlani gained greater recognition as a leading figure in the Omani art scene. This extended to other artists with disabilities, who were inspired by her achievements and encouraged to pursue their own creative endeavours.

#### Case study – From Passion to Profession: The Fashion Future Program

Sohar International, as the sole sponsor, partnered with Dar Al Aseel, a renowned Omani fashion house, to deliver the **Fashion Future Program**. This nine-month initiative empowers young Omani women passionate about fashion by offering theoretical and practical training in areas like fashion forecasting and journalism, providing participants a comprehensive understanding of the industry and preparing them for real-world opportunities.

Oman's fashion industry faces challenges, including high youth unemployment, limited awareness of its economic potential, heavy reliance on imports, and a lack of specialized training infrastructure – all when combined hinder growth for the sector in Oman. However, the sector holds significant potential for entrepreneurship and showcasing Oman's cultural heritage through unique fashion products for local and global markets.

The program has trained ten Omani female entrepreneurs, with four graduates launching their own businesses. Following positive feedback from its first cycle, which concluded in 2024, Dar Al Aseel plans a second cycle in 2025. Sohar International recognises the impact of such a program, including developing skills, fostering entrepreneurship, and contributing to economic diversification while addressing youth unemployment, equipping participants with job-ready skills. To this end, Sohar International has again committed to support the second cycle of the program as the main sponsor.



**PERFORMANCE**



**SUMMARY**



ENVIRONMENT			
Energy consumption within the organization	Unit	2024	Notes
Direct Energy Consumption			
Diesel	Ltr	620	
Renewables	KWh	0	
Indirect Energy Consumption			
Total electricity consumption (Oman)	MwH	10,205	
Total electricity consumption (KSA)	MwH	74	
Summary <sup>1</sup>			
Total Direct and Indirect energy consumption	MwH	10,279	Note 1
Direct and Indirect Energy Intensity	MwH/per FTE	6.6	
Materials consumption and waste	Unit	2024	Notes
General Waste (kg.) <sup>2</sup>	Kilograms	8,805	Note 2: Data includes general office waste (food waste; plastics etc) and is limited to Sohar International's office buildings only. Waste generated at branches will be included in the 2025 reporting cycle
Total Paper Purchased <sup>3</sup>	Tonnes	24.3	Note 3 and 3: Assumed all paper purchased is consumed in 2024.
Total Pre-printed paper (letterhead; envelopes) <sup>3</sup>	Tonnes	2.3	Note 4: The reported number excludes three Sohar International Offices (Al Reem, PASI and KSA) as no data was available. This will be correct in 2025, as we work with the landlord of these buildings to access water consumption data. In addition, it is noted that the total amount of water reclaimed has not been reported, given the nature of our business.
Total water consumption <sup>4</sup>	Thousand m <sup>3</sup>	33,466	
Greenhouse Gas Emissions	Unit	2024	Notes
Scope 1 – Direct	Tonnes CO <sub>2</sub> e	1,279	[Note 5 – Scope 3 emissions have been excluded from the ESG Report 2024. There are many challenges and complexities associated with the reporting of Scope 3 emissions in the banking context, particularly in relation to financed emissions. To this end, Sohar International is actively exploring approaches to address these challenges and aims to begin the inclusion of Scope 3 emissions in future reporting cycles.  Note 6: DEFRA emissions factor applied  Note 7: IPCC emissions factor for Oman and KSA respectively applied in calculation.  Note 8: MSX requirement E2.2 Total non-GHG emissions per output scaling factor has not been reported. Banks typically do not report SO <sub>x</sub> and NO <sub>x</sub> emissions separately in ESG reports as their operations primarily involve office-based activities with minimal direct emissions, making these pollutants less relevant compared to industries like manufacturing or energy.
Scope 2 – Indirect	Tonnes CO <sub>2</sub> e	4,373	
Total emissions	Tonnes CO <sub>2</sub> e	5,652	
GHG emissions intensity	Tonnes CO <sub>2</sub> e / per employee	3.7	

<b>SOCIAL</b>			
<b>Current employees</b>	<b>Unit</b>	<b>2024</b>	<b>Notes</b>
Total number of Full Time Employees <sup>9</sup>	Number	1548	Note 9: FTE is defined as full time employees and includes Oman and KSA full time staff. This number excludes short term contractors and temporary workers.
<b>By Gender<sup>10</sup></b>			
Male	Number	975	Note 10: Employees number represents total FTE inclusive of KSA FTEs
Female	Number	573	
<b>By Category of personnel<sup>11</sup></b>			
Senior Management	Number	44	Note 11: Category of personnel are as per those defined by Central Bank of Oman.
Middle Management	Number	1,100	
Clerical and Non-Clerical	Number	404	
<b>Omanisation<sup>12</sup></b>			
Senior Management	Number	37	Note 12: Omanisation data excludes KSA employees and is only reported for our Oman operations (i.e. FTEs based in Oman), as per CBO requirements.
Middle Management	Number	982	
Clerical and Non-Clerical	Number	402	
Overall Omanisation (%)	Percentage (%)	94	
<b>Experts</b>			
Senior Management		6	
Middle Management		88	
Clerical and Non-Clerical		0	
<b>Temporary Workers</b>			
Tomohi Internship Program	Number	20	
Other Interns	Number	110	

Employees Turnover 2024	Unit	2024	Notes
No. of leavers	Number	74	
Turnover %	Percentage (%)	4.8	
Category of Personnel			
Senior Management	Number	4	
Middle Management	Number	62	
Clerical and Non-Clerical	Number	8	
Injury Frequency Rate <sup>13</sup>	Unit	2024	Notes
Incidents	Number	2	Note 13: IFR has been calculated based on Head Count. For the purposes of this year's reporting cycle Headcount includes reported FTEs and temporary workers
Injury frequency rate (IFR)	per 1m hours worked	0.6	
Customer Experience <sup>14</sup>	Unit	2024	Notes
Customer Satisfaction Score	Percentage (%)	87	Note 14: NPS and CSAT has been reported as a consolidated number inclusive of Sohar International Islamic Banking and excludes KSA.
Net Promotor Score (NPS)	Number (0-100)	48	
CSR spend by thematic area (OMR)	Unit	2024	Notes
By Themes <sup>15</sup>			
Growing Omani Talent	Number	4,046	Note 15: CSR data reported includes all projects executed in 2024, noting that processing of payments for noted projects may have been processed in Q1 2025.
Supporting Local Sustainable Initiatives	Number	38,300	
Training and Talent Development	Number	70,750	
Social Development Initiatives	Number	86,323	
Charitable Accounts (Islamic Banking)	Number	8,000	
<b>Total CSR Spend</b>	<b>Number</b>	<b>207,420</b>	

<b>GOVERNANCE</b>			
<b>Governance areas</b>	<b>Unit</b>	<b>2024</b>	<b>Notes</b>
Percentage of independent directors	Percentage (%)	85	
Percentage of women on the Board	Percentage (%)	0	
Percentage of Committee Chairs held by women:	Percentage (%)	0	
Percentage of Annual Declaration of the Code of Conduct and Ethical Behavior	Percentage (%)	94	
Percentage of Business Continuity Management (BCM) completed:	Percentage (%)	99	



**GRI**

**CONTEXT**

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GRI Standard	Disclosure	Section / Page # / Direct response	MSX Disclosure	SDGs	Omission(s)	
					Reason	Explanation
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GRI 2: General Disclosures 2021	2-1 Organizational details					
	2-2 Entities included in the organization's sustainability reporting		G7: Sustainability reporting G8: disclosure Practices G9: External Assurance			
	2-3 Reporting period, frequency and contact point		G7: Sustainability reporting G8: disclosure Practices			
	2-4 Restatements of information	No restatements of information are included in this report				
	2-5 External assurance	This report has not been subject to external assurance	G9: External Assurance			
	2-6 Activities, value chain and other business relationships					
	2-7 Employees		S3: Employee Turnover S4: Gender Diversity	5- Gender Equity		
	2-8 Workers who are not employees		S5: Temporary Worker ratio S9: Child & Forced Labour	8- Decent Work and Economic Growth		
	2-9 Governance structure and composition		G1: Board Diversity	10- Reduced Inequalities		
	2-10 Nomination and selection of the highest governance body		G2: Board Independence			
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	2-12 Role of the highest governance body in overseeing the management of impacts					
	2-13 Delegation of responsibility for managing impacts					
	2-14 Role of the highest governance body in sustainability reporting		G3: Incentivized Pay			
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	2-23 Policy commitments		S10: Human Rights	8- Decent Work and Economic Growth		
	2-24 Embedding policy commitments					
	2-25 Processes to remediate negative impacts					
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	2-28 Memberships associations					
	2-29 Approach to stakeholders engagement					
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	3-2 List of material topics					
<b>Financial Performance</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics		E-10: Climate Risk Mitigation	13- Climate Change		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed					
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported					
	203-2 Significant indirect economic impacts					
<b>Supporting Our Communities</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs		S11: Community Investment	8- Decent Work and Economic Growth		
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GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system		S8: Global Health and Safety	3- Good Health and Well-Being		
	403-2 Hazard identification, risk assessment, and incident investigation		S7: Injury Rate S8: Global Health and Safety	3- Good Health and Well-Being		
	403-3 Occupational health services					
	403-4 Workers participation, consultation and communication on occupational health and safety		S8: Global Health and Safety	3- Good Health and Well-Being		
	403-5 Workers training on occupational health and safety		S8: Global Health and Safety	3- Good Health and Well-Being		
	403-6 Promotion of worker health		S8: Global Health and Safety	3- Good Health and Well-Being		
	403-7 Prevention and mitigation of occupational health and safety impacts direct linked by business relationships		S8: Global Health and Safety	3- Good Health and Well-Being		
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	205-2 Communication and training about anti-corruption policies and procedures		G5: Ethics & Anti-Corruption	16- Peace, Justice and Strong Institutions		
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	401-2 Benefits provided to full time employees that are not provided to temporary or part-time employees					
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GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee					
	404-2 programs for upgrading employees skills and transition assistance programs					
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GRI 302: Energy 2016	302-1 Energy consumption within the organization		E3: Energy Usage	12- Responsible Consumption and Production		
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