

Empowering Transforming Growing





“We will direct the government, with all its sectors, to implement a more efficient system of management which places, on top of its priorities, financial balance, economic diversification, the sustainability of the national economy, besides developing all relevant laws and regulations, God willing.”

His Majesty Sultan Haitham bin Tarik
23 February 2020

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Message from Our Chief Executive Officer

(102-14)

Dear Stakeholders,

I am pleased to present Bank Muscat's Sustainability Report covering the Bank's achievements across environment, social and governance-related (ESG) performance for the year 2020. The Bank's commitment to responsible banking is further strengthened by its alignment with Oman's Vision 2040 as well as the United Nations Sustainable Development Goals.

In 2020, the Bank successfully navigated through challenges brought about by the COVID-19 pandemic by focusing on safety, security and sustainability. It also revisited its medium term strategy and sharpened focus on customer centricity and future readiness so as to realign with emerging trends. As a result, Bank Muscat was able to achieve good results and deliver on its sustainability and social responsibility programmes as scheduled.

During the pandemic, the Bank maintained critical operations and provided extra support to employees, customers and partners. Timely and proactive measures were undertaken to address the fast changing situation on the ground.

The Bank continues to create a positive impact in the Omani society in a number of important areas such as Financial Inclusion, Financial Literacy, SME Development, Education, Youth, Sports, Alternative Energy and Health. As part of its initiatives to contribute to financial inclusion, the Bank further expanded its network in 2020 to a total of 173 branches, 2 mobile banking units, 467 ATMs, 125 CDMs and 185 Multi-function devices in 2020. The Bank launched a banking package for pensioners while special limited-period loans were also offered to small businesses.

Bank Muscat continued its strong support to Micro, Small and Medium-sized enterprises (MSMEs) through its Al Wathbah, Najahi and Meethaq SME units, which offer both financial and non-financial support. The Al Wathbah Academy training programme, Najahi Talks, Maharat Min

Google digital marketing courses and Irshad financial coaching sessions were conducted online during the year to provide great support to Omani entrepreneurs. Effective leveraging of technology also enabled the Bank to exponentially increase participants in the Maliyat online financial literacy programme.

By providing a professional work environment based on fair and equal opportunity to all, state-of-the-art technology and global best practices in the financial services sector, the Bank continued its important role as one of the largest employers of Omani youth with about 95 percent Omanisation. About 48 percent of all bank employees are women, working across all levels including the management.

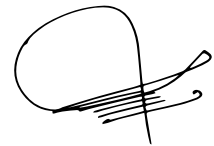
Continuing its strong role in Public-Private Partnership, the Bank allocates a percentage of its profits every year for sustainable programmes and initiatives. In partnership with the Ministry of Heritage and Tourism, the Bank successfully completed the old Misfat village project in the Wilayat of Al Hamra to promote heritage tourism and entrepreneurship in the country. The Bank also partnered with Muscat Municipality to develop the 15,000 square metre Al Khoud Public Park for the benefit of the local community. In 2020, it also continued its anti-fraud awareness campaign in partnership with the Royal Oman Police (ROP) to protect customers and the general public from fraud.

The Bank's flagship Green Sports programme supported the development of a further 15 fields across the Sultanate taking the total number of beneficiary teams to 123 since its launch. In partnership with the Ministry of Social Development, the annual Tadamun programme continued for the seventh year and has benefited about 1,400 families since its launch in 2014. The Bank also extended strong support during the year to the Fak Kurba initiative by the Oman Lawyer's Association to resolve 166 cases of insolvent citizens.

Furthermore, Bank Muscat donated automated wheelchairs to the Oman Association for the Disabled and hearing aids to the Oman Association for the Hearing Impaired as part of its efforts to support people with disabilities. It is currently partnering with the Ministry of Social Development to provide a disabled-friendly playground at the Al Aman Centre for Rehabilitation. In 2020, the Bank contributed towards the construction of a new headquarters for the Centre of Early Intervention for Children with Disabilities and also supported Dar Al Atta'a. Bank Muscat employees volunteered for several charity initiatives during the year, further strengthening the Bank's sustainability programmes and initiatives.

In solidarity with national efforts, Bank Muscat contributed more than RO 1 million to the healthcare sector for the purchase of medical supplies and equipment. Loan deferment options and waiver of merchant discount rates in line with regulatory directives were also provided to support customers and partners.

Sustainability is key to the further development of our nation and as a leader in social responsibility, the Bank continuously engages with its stakeholders to play a crucial role in driving sustainable outcomes and transforming Omani society. The Bank welcomes feedback from its stakeholders to help further sharpen its focus on this crucial role, and re-affirm its partnership with them in line with the Bank's vision of "serving you better, every day".



Waleed K. Al Hashar
Chief Executive Officer

Empowering our nation's success



I. Introduction

About the Report (102-48), (102-49), (102-54)

Bank Muscat is proud to present its annual sustainability report for the eighth year running, which represents its commitment to environmental, social, and governance-related best practices and performance for the year 2020. The Bank has focused on providing different kinds of support to all stakeholders, especially customers and employees, during the pandemic. As an institution providing financial services to Omani society, the Bank recognises their responsibility to provide much needed support to people in challenging times.

This report has been prepared in accordance with the GRI Standards: Core option. The Bank also refers to guidelines which regulate sustainable business practices globally. These include the GRI Financial Services Sector Disclosures, and its alignment with the United Nations Global Compact (UNGC) Principles, the United Nations' Sustainable Development Goals and the Oman Vision 2040.

Scope of the Report (102-50), (102-51), (102-52), (102-53), (102-56)

This report showcases Bank Muscat's sustainability performance for the calendar year 2020, across its operations in Oman only. Operations, subsidiaries, partners, other sister companies or third-party suppliers outside Oman are not referenced. Only financial performance and economic impact figures include its global partners.

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

External Assurance

The Bank has opted not to use external assurance for this report, and instead followed an internal assurance process in which all internal stakeholders involved, revised and approved content related to their department.

Contact Point

For any inquiry on this report, kindly contact the Corporate Communications & CSR Department (CSR Unit) on (+968) 24768595 or visit the website: www.bankmuscat.com

Key Highlights



Our People

- > Gender Representation in Top Management: **12%**
- > Omanisation: **95%**
- > Employee Satisfaction Score: **4.05/5**



Our Community

- > Green Sports Beneficiaries: **4,500**
- > Tadamun Beneficiaries: **174**
- > Al Wathbah SME Academy Graduates: **37**



Our Environment

- > Paper Recycled: **87,411 KGs**



Our Achievements

- > Maliyat Certifications: **+22,000**

II. About Bank Muscat (102-1), (102-2), (102-3), (102-4), (102-6), (102-7), (102-10), (102-12), (102-13)

Established in 1982, Bank Muscat is the leading financial institution in Oman, with headquarters in Muscat. It has the largest network of Bank branches in Oman, with 173 branches across the Sultanate, including remote areas of the country. The Bank has a comprehensive presence in all arenas of banking, including corporate and personal banking, investment banking, private banking, asset management, treasury and Islamic banking. The Bank owns Muscat Capital LLC in Saudi Arabia and transnationally, the Bank has branches in Saudi Arabia, Kuwait and representative offices in Dubai (UAE), Iran and Singapore. Bank Muscat has an active customer base, with over 2 million clients and a workforce of 3,779 employees.

Bank Muscat is a forerunner in the growth of Omani society in all avenues, particularly through supporting and investing in various Corporate Social Responsibility and development projects for local communities, as well as implementing measures to work towards the financial inclusion of all citizens. The Bank continues its strategy to cultivate a customer-centric culture that is open and available to all.

Our Vision To Serve You Better Everyday

Core Values



Leadership

Always deliver above expectations, becoming role models for those around us



Innovation

Continuously ask ourselves what we can do better today than yesterday



Partnership

Create win-win situations for our stakeholders in whatever we do



Accountability

Acknowledge and stand responsible for our actions and decisions



Integrity

Always adhere to moral and ethical principles, under any circumstances

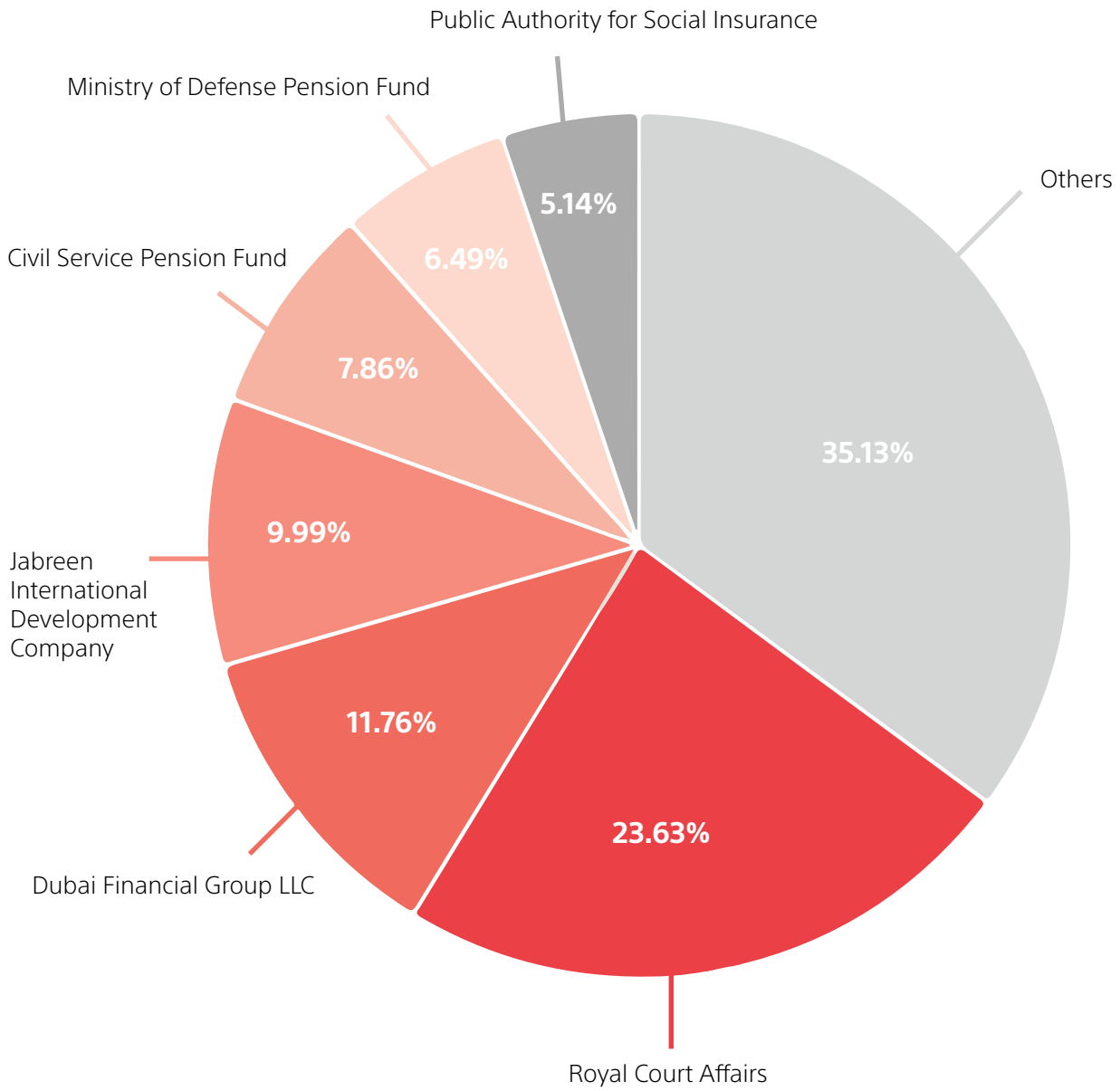
Meethaq Islamic Banking

Launched in 2014, Bank Muscat's Islamic Banking Service 'Meethaq' offers a full suite of Shari'a compliant banking products and services for its customers and partner companies' large projects, supporting the economy of the Sultanate. It stands as the market leader in Islamic banking in Oman.

Every Meethaq product goes through the process of Shari'a compliance certification by the Shari'a Supervisory Board, and is created in alignment with guidelines set by the Central Bank of Oman. The adoption of Accounting & Auditing Organisation for Islamic Financial Institutions standards (AAOIFI) distinguishes Meethaq Islamic banking practices in terms of standardisation of products and services.

For more information, please visit <https://www.meethaq.om>.

Ownership Structure (102-1), (102-2), (102-3), (102-5)



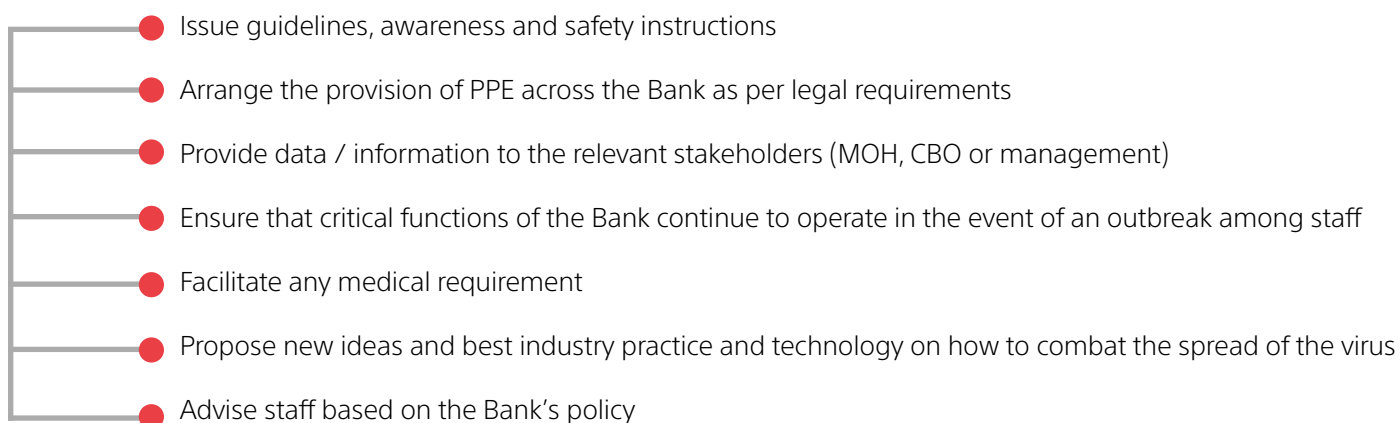
Awards & Recognition (102-13)

- Best Local Bank in Oman Award from EMEA Finance
- Best Local Investment Bank Award from EMEA Finance
- Best Private Bank Award from EMEA Finance
- Best Asset Manager Award from EMEA Finance
- Recognised for 'Best Services in Oman' in Euromoney Trade Finance Survey
- Best Private Bank in Oman Award from Global Finance
- Best Investment Bank in Oman Award from Global Finance
- Ranked first globally for 'Base Metals forecasts in 2019' by Fastmarkets MB
- Best Client Innovation Award from Infosys Finacle
- Best Trade Finance Bank in Oman Award from Global Trade Review
- Listed among the 'Top 100 companies in the Middle East' by Forbes Middle East
- Oman's Best Bank Award from Euromoney
- Operational Excellence Award from Wells Fargo
- Best Bank in Oman Award from Global Finance
- Best Consumer Digital Bank (Oman) Award from Global Finance
- Best Domestic Bank in Oman Award from Asiamoney
- Best Bank for SMEs in Oman Award from Asiamoney
- Best Corporate & Investment Bank in Oman Award from Asiamoney
- Best Private Bank Award from The Banker
- Safest Bank in Oman Award from Global Finance
- Best Lending Implementation Award (jointly with Newgen Software) from The Asian Banker
- Best Bank (Large Size) Award from Oman Economic Review
- Outstanding Crisis Leadership in Healthcare Award from Global Finance
- Bank of the Year (Oman) Award from The Banker
- Outstanding Premier Banking Services for Asalah Priority Banking from Signature Luxury 100
- USD MT 103 Elite Quality Recognition Award (US Dollar Clearing Award) from JP Morgan
- USD MT202 Elite Quality Recognition Award (US Dollar Clearing Award) from JP Morgan
- Honoured for CSR, Sustainability and Community Service at the Fourth Oman Forum for Partnership and Social Responsibility.
- Honoured at the event organised by the Ministry of Social Development on the occasion of the International Day of Persons with Disabilities for supporting people with disabilities.

Bank Muscat & COVID-19

Bank Muscat took a comprehensive approach to operating during the pandemic. With the creation of a COVID-19 Committee; expedition of quick digital pathways for financial transactions, facilitation of customers' transitions to e-channels for speedy delivery of services and assistance; and investment in protective equipment and sanitation services, the Bank was able to navigate the pandemic while maintaining a stable business and contributing to the fight against COVID-19. For its work, Bank Muscat was awarded the 'Outstanding Crisis Leadership in Healthcare Award' from Global Finance.

The Covid-19 Committee was set up as the directing body for the Bank's commitment to the safety and security of staff and customers, as well as the sustenance of critical services. While the Committee oversaw all the required procedures that had to be completed every day, its specific functions were as follows:

- 
- Issue guidelines, awareness and safety instructions
 - Arrange the provision of PPE across the Bank as per legal requirements
 - Provide data / information to the relevant stakeholders (MOH, CBO or management)
 - Ensure that critical functions of the Bank continue to operate in the event of an outbreak among staff
 - Facilitate any medical requirement
 - Propose new ideas and best industry practice and technology on how to combat the spread of the virus
 - Advise staff based on the Bank's policy

To ensure that our staff and customers did not risk exposure to the virus, the Bank heightened initiatives to improve sanitation and cleanliness in the workplace. Some of the key measures implemented include; regular deep cleaning and sanitisation of the head office and branches, provision of hand sanitisers to employees, bank branches and buildings as well as providing masks and gloves to staff dealing with currency notes, checking body temperatures of visitors and employees entering the premises. The Bank cancelled all events, physical onsite learning programmes and business trips until further notice. The Bank has also moved some of its employees to its business continuity centre in Ruwi, to ensure social distancing is possible.

To sustain the practice of hygiene and sanitation, the Bank has contracts for cleaning services with a leading Integrated Facility Management Service Provider and with another company leading in washroom hygiene to provide sanitisers. The Bank also distributed Personal Protective Equipment (PPE) for each employee, provided masks at the entrances, locked down all breakout areas and outlet sitting areas, placed acrylic partitions between workstations and replaced soap and sanitiser dispensers with sensors to reduce the need for physical contact.

To ease customers' worries, fulfill their requests and needs and provide them with the support needed, Bank Muscat distributed important communications materials through digital and social media channels, developed service provision through digital and social mediums, and encouraged customers to adopt digital solutions in order to decrease the risk of being exposed to the virus. Official social media channels are consistently updated with new information from the Bank, safety guidelines and other important notifications for customers.

The Bank's customer and employee-centric COVID initiatives are highlighted in further chapters.

Sustainable business solutions



III. Business Overview (102-7), (102-45)

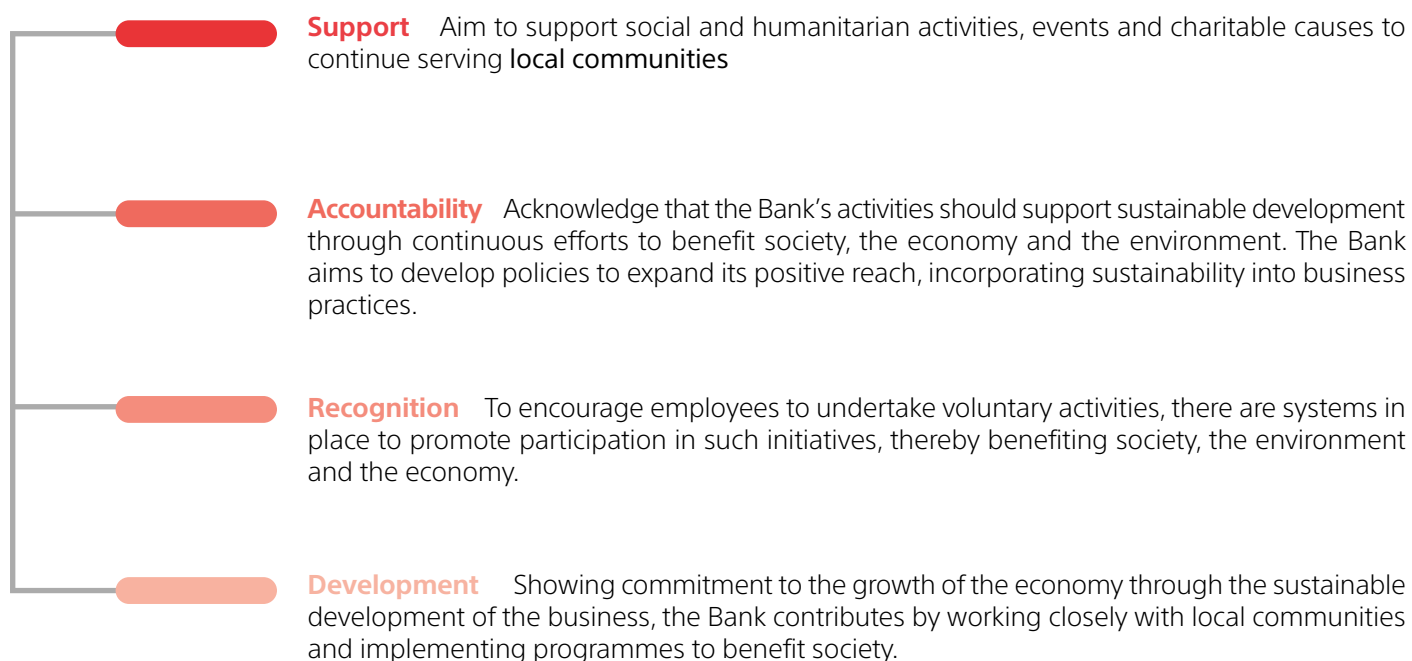
Business performance and growth is critical to all industries, but it is particularly important to the banking sector as not only does the Bank compensate employees and suppliers, but aims to empower customers and other citizens to make sustainable financial decisions and investments. Maintaining stability and growth in revenue is crucial to the Bank, so it endeavours to strengthen and expand services and products, deliver value to customers' lives, and build resiliency in the face of global challenges.

2020 Financial Performance (103-1), (103-2), (103-3), (201-1)

Financial Performance and Economic Value Generated and Distributed (RO 000's)	2019	2020
Total assets	12,290,608	12,453,765
Total equity	2,002,636	2,043,648
Net income	185,550	163,358
Operating income / Revenues (before recovery & charges)	472,171	456,539
Operating costs	-175,262	-159,602
Employee wages and benefits	-104,848	-91,506
Cash dividends to shareholders	108,317	81,238
Tax expense	-34,563	-32,291
Depreciation	-20,669	-20,250

IV. Sustainability Management (102-12), (102-15)

Bank Muscat's policies and procedures have a lasting impact not just on its financial performance, but also on its holistic growth and relationships with local communities and other stakeholders. The Bank is dedicated to taking on board the opinions of its stakeholders with the objective of optimising the sustainability of all its operations, and providing mutual long-term benefits to them. To do so, the Bank has aimed to incorporate sustainable thinking and management in every department using the following framework:



Sustainability Committee

The Sustainability Committee is a supervisory body for all current and future programmes that oversees the integration and management of sustainable practices across the Bank. It meets six times a year to discuss the Bank's policies and procedures in terms of: contribution to economic performance, development from within, empowering the community and responsible banking while adhering to the Bank's corporate values.

Sustainability Committee Members

Name	Designation	Role in the Committee
Abdulnasir N. Al Raisi	Deputy General Manager - Premier Banking	Chairman
Damian O'Riordan	Deputy General Manager - Internal Adult	Alternate Chairman
Sheikha Al Farsi	Chief Strategy & Corporate Services Officer	Member
Said Al Aufi	Group Deputy General Manager - Human Resources	Member
Ahmed Al Ojaily	Group Deputy General Manager - Technology	Member
Saleh Al Habsi	Deputy General Manager - Investment Banking	Member
Osamah Abdullatif	Assistant General Manager - Project Finance	Member
Taya Bait - Sabeea	Assistant General Manager - Interior Regions	Member
Ibrahim Al Bulushi	Assistant General Manager - Small & Medium Enterprises	Member
Intisar Al Aرامي	Human Resources Manager	Secretary

Listening to Stakeholders (102-21), (102-40), (102-42), (102-43), (102-44), (102-47)

Bank Muscat's stakeholders are those who are influenced by its operations, whether directly or indirectly, and whose actions can in turn have an effect on us. The Bank listens to stakeholders and holds their voices critical in the development of sustainable practices by gathering feedback and addressing their concerns through various channels, as mentioned below:

Stakeholder Group	Method of Engagement	Priority Sustainability Concerns	Bank Muscat's Action
Employees	<ul style="list-style-type: none"> Annual performance reviews Regular dialogue and interaction with employees Training and education programmes Grievance mechanism 	<ul style="list-style-type: none"> Job satisfaction Fair compensation Fair and transparent appraisal system Staff engagement Providing a stimulating work environment 	<ul style="list-style-type: none"> A state-of-the-art head office providing the best work environment Online HR System Staff engagement function within HR Department Learning and development strategy Internal newsletter (Aloomna) and the Bank Muscat intranet, iShare, Work Place, team meetings, periodic one-to-one meetings Jadara CareMore initiative
Customers	<ul style="list-style-type: none"> Call Centre Feedback Management System (FMS) Company website Focus groups Customer networking events for specific customer segments Branches and access points including ATMs and CDMs Media and social media channels Annual report and sustainability report Other bank publications, including investor presentations 	<ul style="list-style-type: none"> Information security Effective and friendly customer service Innovative and convenient products and services Enhanced use of technology and improved access to banking services 	<ul style="list-style-type: none"> Dedicated customer care unit within Customer Service Department (CSD) Feedback/complaints monitored and reported to management committee for action Mystery shopper programme @bankmuscatcare

Stakeholder Group	Method of Engagement	Priority Sustainability Concerns	Bank Muscat's Action
Government (Including Regulatory Bodies)	<p>Government Business Division</p> <p>Investment in the national economy</p> <p>Supporting initiatives of national importance</p>	<p>Contribution to the national economy</p> <p>Alignment to Oman's 2040 vision</p> <p>Regulatory compliance and transparency</p>	<p>Maintain continuous communication with government bodies through the government business unit</p> <p>Continuous dialogue with ministries and other government bodies on sustainability, economics and social development issues</p> <p>CSR initiatives</p>
Correspondent / Other Banks / International Entities	<p>Financial Institutions Group (FIG)</p> <p>Company website and other publications</p> <p>Roadshows and presentations</p>	<p>Normal business transactions</p> <p>Enhance lines of credit and growth business</p>	<p>Dedicated department to engage with stakeholders</p> <p>Annual Report</p> <p>Following a relationship-based approach</p> <p>ISO 9001:2015</p>
Shareholders/ Investors	<p>Investor Relations Department</p> <p>Shareholder meetings</p> <p>Roadshows and presentations</p> <p>Company website and other publications</p>	<p>Creating added value services and products for shareholders and investors</p> <p>Steady net income and asset growth</p>	<p>Annual General Meeting of shareholders</p> <p>Extraordinary meeting of shareholders (when required)</p> <p>Board of Directors meetings</p> <p>Annual Report</p> <p>Periodic investor meetings and presentations</p> <p>Investor Relations page on company website</p> <p>Investor roadshows and presentations</p>
Local Community / Non-profit and Other Charitable Organisations	<p>The Bank's dedicated sponsorship function</p> <p>The Bank's dedicated CSR and Sustainability Department</p> <p>Open dialogue with non-profits and other entities</p> <p>Media, social media and other publications</p>	<p>Responsibility towards all-round development of society</p> <p>Working closely with social and voluntary associations and non-government establishments</p>	<p>CSR programmes e.g. Green Sports, Little Investors, etc.</p> <p>Press releases, social media updates and interviews</p> <p>Sustainability reporting</p>

Stakeholder Group	Method of Engagement	Priority Sustainability Concerns	Bank Muscat's Action
Local, Regional & International Media	Media, social media and other publications Press conferences Media networking events	Clear and effective communication Transparency	Regular press conferences open to all media outlets at the head office Daily updates across all external communication channels Annual report and sustainability report

Materiality Matrix (102-44), (102-46), (102-47)

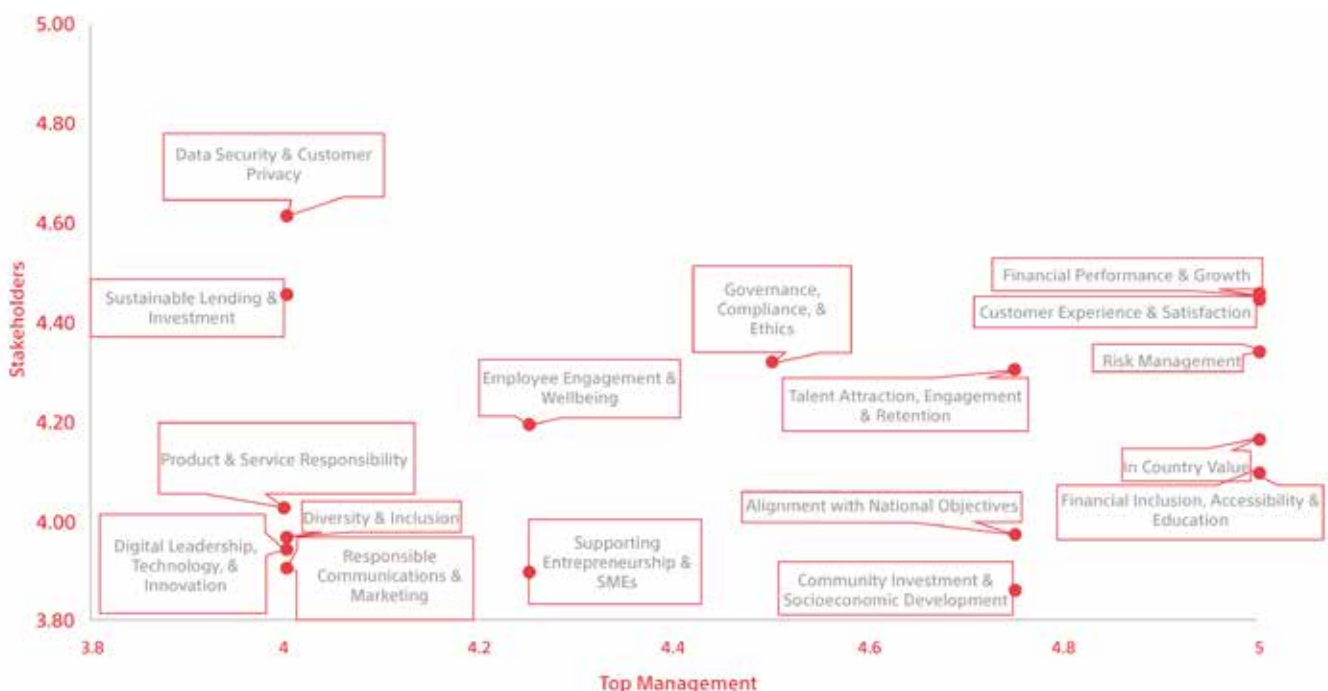
The GRI Reporting Framework Initiative defines materiality as the principle that determines a list of sustainability topics on which the organisation has a significant economic, environmental and social impact. The materiality analysis is created on the basis of the aggregate sensitivity and importance that a particular topic has, as indicated by key stakeholders. In turn, identification of these topics guides the processes for devising and implementing specific action plans that address material topics.

The materiality analysis aims to highlight the most relevant sustainability topics, pinpointing how they affect the Bank and all stakeholders, and how the Bank can create a significant impact while addressing these topics. While the pandemic has hindered means of thorough engagement, the Bank has adapted its methods to best suit the requirements of safety, while not compromising on the quantity and quality of stakeholder opinions.

This year, Bank Muscat followed a two-step approach for Materiality Analysis:

- Secondary research into the banking and financial sector, and a comprehensive benchmarking exercise to gather material topics. The Bank also paid special attention to topics relevant to the conditions of the pandemic, such as risk management, sustainable lending and supporting SMEs.
- Engagement with stakeholders and top management through computer surveys designed to derive insights into their opinions regarding which topics they think are relevant to Bank Muscat.

The following matrix shows the material topics and their importance to Bank Muscat as identified by respondents:



Motivating positive change



V. Responsible Banking




Bank Muscat is aligned with several standards and goals, both nationally and internationally, in order to promote sustainability in its business operations.






United Nations Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) were established by the United Nations in 2015, to be achieved by 2030. All governments and organisations are expected to take measures to ensure that these goals are achieved, as they are especially relevant to the Bank's global future. These goals are particularly important during times of financial crisis, vulnerability to poverty, and hindrance in reception of economic opportunities. As Bank Muscat has already aligned several of its operations with the principles of the SDGs, this year, it was able to truly understand and appreciate the necessity of adhering to global development standards.

The Bank's alignments with the SDGs include:

UN SDG	Target	How Bank Muscat Aligns
	1.4. Ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services.	Tadhamun programme provides basic home electronic appliances to families under social welfare, to improve their quality of life.
	3.8. Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.	<p>Provides good insurance for all employees.</p> <p>Developed several initiatives focused on the mental health and wellbeing of employees, such as Yoga Day.</p> <p>Implemented a green sports programme for the youth and community through which the Bank sponsors green sports fields, and supports sports teams.</p> <p>Contributed to the Ministry of Health towards the cause of COVID-19.</p>
	<p>4.1 By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.</p> <p>4.4. By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.</p>	<p>Jesr Al Mustaqbal programme provides educational scholarships to community youth.</p> <p>Maliyat programme develops financial literacy.</p> <p>Little Investors programme skills children in financial literacy and entrepreneurship.</p> <p>ACCA Program</p>

UN SDG	Target	How Bank Muscat Aligns
	5.5. Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	<p>Workforce made up of nearly half (49%) female employees</p> <p>Female employees are entitled to a total of 50 days maternity leave with full pay, pre/post delivery</p>
	7.b. Expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries.	Green Finance Loan is provided to install solar panels on homes
	8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services.	<p>Support for SMEs with Najahi Account and Najahi Talks.</p> <p>Upskill SMEs through Irshad financial coaching clinic the financial literacy programme, and through Al Wathbah Academy.</p> <p>Invested in a tourism project which aims to develop the old Misfat village.</p>
	10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.	<p>ATM for blind and visually-impaired people.</p> <p>12 employees with disabilities were part of Bank Muscat’s workforce in 2020.</p> <p>Tadhamun programme provides families on social welfare with basic home electronic appliances.</p> <p>Provided wheelchairs and Hearing Aid Devices to people with special needs.</p> <p>Products and services for lower-income populations and women to empower them, such as, a lower minimum salary requirement for service eligibility for lower-income people, and the Zeinah suite of products for women.</p>
	<p>16.3 Promote the rule of law at national and international levels and ensure equal access to justice for all.</p> <p>16.4 By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organised crime.</p>	<p>Provided financial contributions towards relieving 166 cases of imprisoned insolvents or insolvents</p> <p>Strong anti-money laundering policies and policies that protect Bank Muscat from terror financing scams and risks.</p>
	17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience, resources and strategies of partnerships.	<p>Bank Muscat has partnered with a number of organisations in order to reach economic, social and environmental goals, as follows:</p> <ul style="list-style-type: none"> • Ministry of Heritage and Tourism • The Environment Authority • Ministry of Education • Ministry of Social Development • Royal Oman Police • Ministry of Transport, Communications and Information Technology (Former ITA) • Ministry of Higher Education • Muscat Municipality

Oman Vision 2040




“Developing the future vision (Oman 2040) with mastery and high precision in light of broad societal consensus and with the participation of all segments of society. The vision should be relevant to the socio-economic context and objectively foresee the future, to be recognised as a guide and key reference for planning activities in the next two decades.”

- Royal Directive



In Oman’s vision of achieving economic growth through building a diversified economy, the importance of innovation, collaboration and equality is emphasised. The private sector, with its potential for expansion and development, is key to achieving this vision and contributing to sustainable progress. However, strong economic leadership is necessary to align the private sector with global goals and priorities.

The 2040 Vision defines the national economic principles to be achieved over the next two decades. With four themes encompassing social life and evolution, the Vision is supported with clear goals, policies and action plans that are defined with timelines and milestones. This framework is also a means of community protection against unforeseen events. Bank Muscat is committed to contributing to the achievement of this Vision in the following ways:

People and Society

<p>Enhancing Family and Community Health and Well-being</p> 	<p>Several of the Bank’s programmes are geared towards supporting the holistic experience and enjoyment of community life, such as:</p> <ul style="list-style-type: none"> • Public Park Creation • Collaboration with Oman Down’s Syndrome Association • Collaboration with the Omani Association of the Disabled • Collaboration with the Omani Association of Hearing Impaired • Tadamun • Green Sports
<p>Upholding the Oman Identity and Heritage</p> 	<p>Investment in the Misfat tourism project has helped renovate the old Misfat village, while preserving its cultural heritage.</p>
<p>Developing the National Technical And Entrepreneurial Capabilities</p> 	<p>Learning and development programmes are not just restricted to employees, the following programmes are open to the whole community:</p> <ul style="list-style-type: none"> • Jesr Al Mustaqbal • Maliyat • Little Investor • Irshad • Al Wathbah Academy • Najahi Talks

Economy and Development

<p>Creating Wealth through Economic Diversification and Private Sector Partnership</p> 	<p>The Bank creates wealth through:</p> <ul style="list-style-type: none"> • Financial performance • Economic value generated and distributed • Offering diversified loans • Financial Inclusion for Youth & SMEs
<p>Preserving Environmental Sustainability</p> 	<p>The Bank supports communal care and restoration of the environment through:</p> <ul style="list-style-type: none"> • Green Products • Green Park

Governance and Institutional

Improving Governance Effectiveness and the Rule of Law

The Bank's serious commitment to governance and compliance is highlighted in the [annual report 2020](#)

Responsible Procurement (102-9), (103-1), (103-2), (103-3), (204-1), (412-1)

Small and Medium Enterprises (SMEs) are critical to Oman's economy. As they constitute a majority of the corporate sector, the government has taken a number of steps to elevate their growth and expansion, including through strategic lending and investing. At Bank Muscat, supporting responsible procurement practices is of high importance, as integrity and accountability are two of the Bank's key values. The Bank follows a Social and Environmental Management System (SEMS) policy when it comes to lending to SMEs.

The procurement team streamlines the process involved in their service provider sourcing and strategy. Its target is to define a set number of SMEs for investing and monitoring their process and performance in order to determine the Bank's future contracts. The Bank has incorporated In Country Value into its strategy, which refers to the total spend in-country that can benefit economic and business development, contribute to human development and stimulate the local economy.

The Bank's emphasis on supporting local production and supply has taken on increasing importance during the pandemic. During this time, small, local businesses have been negatively impacted by economic crises as they face greater struggles in trying to recover from financial downfalls. The Bank is not just aiming to maximise its In Country Value by increasing lending to local communities, it is also invested in their growth and stability. 85% of Bank Muscat's vendors are local.

Risk Management & Business Continuity (103-1), (103-2), (103-3), (102-11), (412-1), (FS11)

The function of strong and thoughtful Business Continuity Management (BCM) is to ensure that the Bank can continue to operate following unplanned operational disruptions or unprecedented events, such as the COVID-19 pandemic.

Bank Muscat's business continuity plan (BCP) ensures that the Bank's services are always readily available to customers and partners in Oman and around the globe. The Bank has already implemented preventive measures recommended by local health authorities and best practices as per the BCP to ensure the continued safety and wellbeing of valued customers and employees. The COVID 19 Committee that was set up in response to the pandemic, overseeing planning and how to execute needed precautionary measures, while business continuity plans were initiated.

Bank Muscat has Business Continuity Plans (BCP) for each department and branch that are systematic procedures to ensure resilience. Some aspects of these plans are:

- Regular and mandatory online training to Business Continuity Coordinators
- Regular testing of three Business Recovery Centres
- Conducting Disaster Recovery tests for critical systems in Levels 1 and 2
- Utilisation of Alternative locations or backup sites, and shift work, to maintain social distancing

VI. Governance & Compliance

Governance (102-11), (102-18), (102-19), (102-20)

Bank Muscat holds itself to high standards of Corporate Governance, which is a key aspect in financial services as it determines the ethics and integrity of its work and consequences. The Bank strives to be accountable to all stakeholders and provide them with the appropriate levels of transparency as and when required, in accordance with the Bank's values of leadership, accountability and integrity. Not only does the Bank comply with regulatory requirements, it ensures that it listens to the voices of its stakeholders and is attentive to their needs.

The Board is composed of nine members, elected by shareholders on March 25 2019, for a period of three years.

The Chairman of the Board of Directors and the Chief Executive Officer (CEO) have clearly defined roles separated at the helms of running the Board, and the Executive Management's responsibility for running business, respectively. The Board of Directors oversees how management identifies and serves the needs of shareholders and key stakeholders.

The Bank's Board of Directors' principal responsibilities are as follows:



Bank Muscat is composed of three Board Committees (Board Risk Committee - Board Nomination and Compensation committee - Board Audit Committee) that meet quarterly.

Compliance (102-16)

Bank Muscat complies with all laws and regulations in Oman, as well as in all its countries of operation - without any concessions made for aspects of profit or other motives. The Bank's Compliance Department is the main actor in ensuring that the Board and Management fulfill all related responsibilities.

The Compliance Department is comprised of teams as follows:

Team	Function
Regulatory Compliance Team	Identifies, analyses and monitors all local and relevant international regulations germane to Bank Muscat's operations in order to develop appropriate compliance policies and procedures.
Anti-Money Laundering Team	Adoption of international best practices in Anti-Money Laundering and ensuring protection to the Bank from laundering and other financial crimes.
Anti-Money Laundering Team Sanction and High-Risk Transaction Team	Identifies latest international sanctions and guidelines to establish an internal framework that can maximise compliance with the same, and minimise the risk of breaches or abuse in Bank Muscat's services, such as the risk of terrorist financing.

Whistleblowing (102-16), (102-17)

The Whistleblowing Policy highlights the procedures, confidentiality measures and actions to be taken in the event of receiving a report of misconduct or illegal behavior, in order to ensure that customers, employees, shareholders and stakeholders trust that the Bank adheres to the highest levels of ethics, integrity and transparency. Each stakeholder is in their right to raise their concerns through available whistleblowing channels, which are hotlines operated by the Bank's Internal Audit Department, and managed by independent professionals with employees who are trained in confidential reporting and whistleblower protection.

Leading customer experience



VII. Customer Experience (103-1), (103-2), (103-3)

The Bank recognises that in order for the Bank’s franchise to grow in a sustainable manner, it needs to engage with the patrons of its business: its customers. Innovating in this area is one of the Bank’s key focus areas. Bank Muscat is committed to involving customers in its decision-making processes by engaging them via various channels, gaining their input in the creation of an innovation and customer-centric culture that offers an excellent experience to its customers.

Customer Satisfaction & Engagement

This year, the Bank’s focus on understanding customer’s needs and hearing their voices was elevated, as services were adapted to customer’s changing needs due to the pandemic.

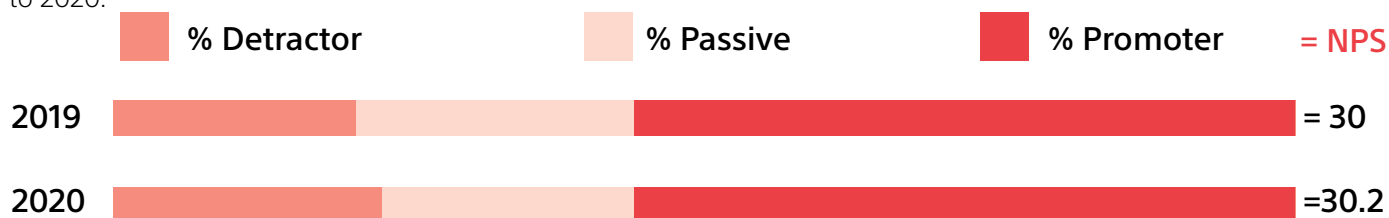
The Bank was not able to engage with its customers through face-to-face channels due to the pandemic, so efforts were given to online focus group meetings in addition to the usual surveys sent to customers to obtain customer feedback and insights. The Bank conducted 183 surveys this year for the Bank’s retail line, compared to 164 in 2019. These surveys, combined with the Customer Experience teams end-to-end handling of all complaints, as well as the Customer Insights team’s management of customer feedback and other data, allowed the Bank to better understand the wants and needs of its customers.

This data analysis helps the Bank to develop user-friendly products and services. Additionally, when developing a product or service, Bank Muscat takes the following customer-centric steps:



Net Promoters Score (NPS)

The Net Promoters Score measures the percentage of customers who would recommend Bank Muscat to others even at the stake of their personal reputation, demonstrating their loyalty. Through continuous efforts to overcome hurdles posed to operations and services by the pandemic, the Bank was still able to increase the NPS by 0.2 points from 2019 to 2020.



These scores and insights help the Bank to implement strategic customer experience initiatives for the following areas:

Designing Products & Services which are relevant, beneficial and user-friendly

Delivering Products & Services that are of good quality and are reliable and trustworthy

Marketing Products & Services so that customers are aware of their options and how to avail them

Managing Customer Services efficiently to ensure that customers do not face challenges with products

Selling Products & Services in a strategic and profitable manner

Minimum Customers Rights (103-1), (103-2), (103-3)

Customer Rights Pillars demonstrate the freedoms and rights the Bank acknowledges its customers have:



To Transparency: To inform customers about the terms and conditions related to financial products or services in a transparent and clear manner.



To Choose: To give customers the right to choose any products or services that best suit their needs and the right to accept or reject them.



To Be Respected: To treat customers with respect irrespective of their gender, social status, religious or cultural background.



To Confidentiality: Maintain total confidentiality concerning a customer's account information and interactions with the Bank, in line with local laws and regulations.

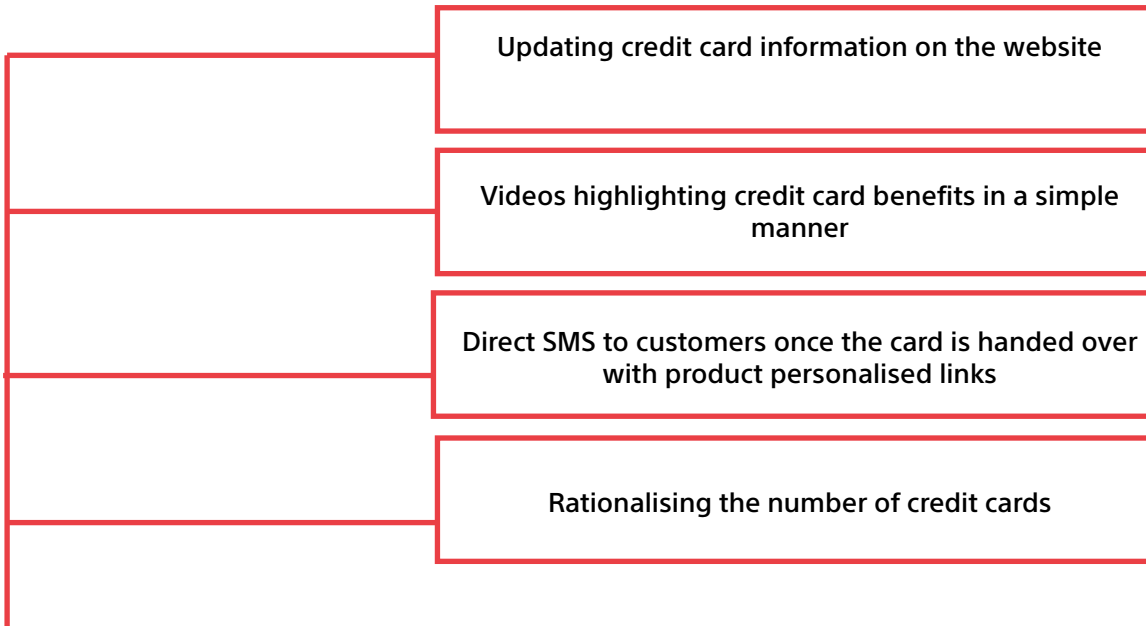


Be Listened To: To listen to customers when providing their feedback concerning any banking service through designated service channels.

Customer Journey Simplification

The customer journey is the process of a customer's interaction with an organisation and its process, and all the involved decision-making processes. This journey is successful when the customer behaves with the products and services in a way that is beneficial to the organisation. It is important for the organisation to make the journey as easy and simple as possible, by listening to customer feedback and implementing it appropriately. Bank Muscat takes department-wide efforts to simplify the customer journey, starting from product and service design to marketing and sales efforts. Products are selected for simplification based on customer feedback.

This year, the Bank worked on the simplification of the customer journey for one of the Bank's credit cards. The touch point was that clients were not absolutely certain about the different features, benefits and value proposition of credit cards. As a result, the Bank implemented 4 different solutions:



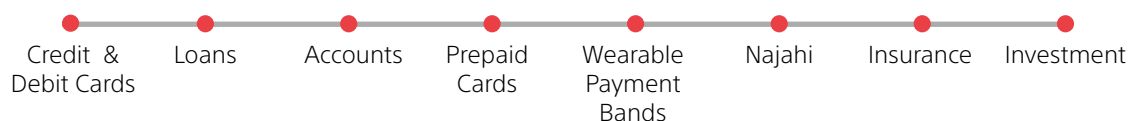
The Customer Satisfaction Score for this product changed from 3.1/5 before 2018 to 4.5/5 in 2020. This instance also describes the Bank's cross-functional cooperation in regards to the whole customer experience, as the Cards, Corporate Communications, Operations and Customer Experience departments worked together to come up with solutions.

Knowledge Management (103-1), (103-2), (103-3)

An important pillar of the Bank's customer rights is to ensure that customers are informed of services in a transparent and open manner, to empower them to make the best financial decisions. An internal webpage was developed with standardised information on products and an easy navigation process, so that staff can find information with ease and accuracy. Relevant employees are trained to use this platform in order to provide the best experience to the customer. Focal points and backups are assigned from respective business units to keep everything up to date.



In addition to adding information about COVID-19 and making products and services digitally accessible, product standardisation has been applied to the following:



In 2020, the Bank made the following advancements to this platform:

- Added all products
- Added Arabic translations for some products
- Added a COVID-19 tab that updates staff about the latest changes in the Bank
- Handed over the updating process to business units so updates are made on time

Access Points (FS-13)

The Bank invests in increasing the availability and accessibility of physical services so that customers do not face challenges in availing any services.

Years	2018	2019	2020
Branches	148	164	173
Automated Teller Machine (ATM's) & Cash Deposit Machine (CDMs)	558	596	592
Funds Flow Memorandum (FFMs)	134	145	185
Point of Sale (PoS) Terminals	19,830	18,245	21,104

Bank Muscat has trained 73 employees in sign language in order to improve their engagement with hearing impaired customers.

Access points also include contact centres, help desks, social media, online and mobile banking, as well as WhatsApp customer service.

As part of the vision to achieve financial inclusion by making banking services available and accessible to all, Bank Muscat uses 5 mobile ATMs to service remote areas when branches are under maintenance. These trucks are sent out to specific locations when requested by the Government, for example; during festivals and to service customers in remote areas.

The Bank has recently announced the launch of two new Mobile Banking Units, in line with its vision 'To serve you better, everyday' and commitment to promoting financial inclusion across the Sultanate, including the most remote parts of the country. The two bus-based Mobile Banking Units will be able to easily travel to and operate in remote locations that do not have branches, greatly improving financial inclusion in the Sultanate. These Mobile Banking Units will prove to be useful in a wide range of situations like remote areas, festival locations, exhibition centres, events and work camps for providing key banking services. Furthermore, these Mobile Service Centres will be highly effective for any disaster management that may be faced in the future. They will be manned by 2 employees and provide a number of non-cash related requests and services, including; account opening, cheque book requests, credit card and loan applications.

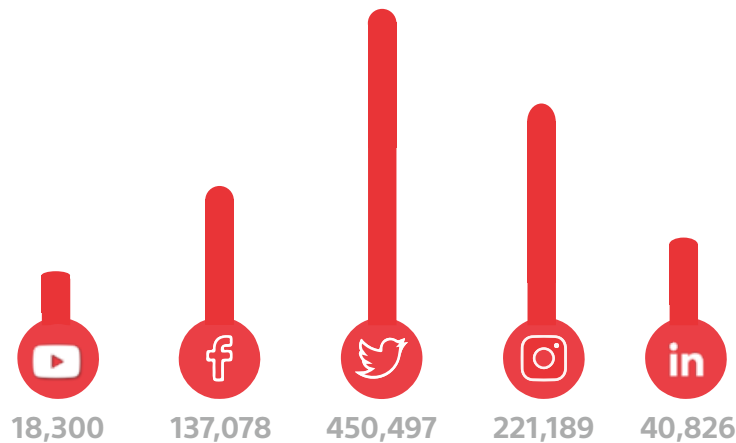
Customer Engagement through Social Media

Increased digitalisation and decreased physical contact have made social media the largest and most convenient platform for customer communications. Social media has become an important tool of communication and awareness, as the lockdown has brought people together on channels like Facebook, Instagram and Twitter. In 2020, the Bank held 40 digital campaigns, a 100% increase from 2019, when only 20 were held.

Bank Muscat informs customers how to use certain services, such as mobile and internet banking, and about new developments, such as applications for youth events, SME talks and advertising products that would be beneficial to customers. The Bank also broadcasts information related to keeping accounts safe and secure, potential challenges they may face with online services and how to navigate them, and safety tips on dealing with the pandemic. In addition to a [webpage](#) dedicated to COVID-19 updates, awareness videos have been posted across the Bank's channels, especially on YouTube.



Bank Muscat has used its online presence across various platforms to engage with and give a voice to its customers. The Bank's subscribers on social media channels include:



Part of the strategy this year is to increase collaborations with social media influencers. Bank Muscat collaborates with influencers to promote Brand, Marketing & CSR initiatives. Previous collaborations included promotions for National Day and other events, Maliyat, Signature cards and other products.

Empowering Customers Through Financial Inclusion (103-1), (103-2), (103-3)

The World Bank defines financial inclusion as a strategy that allows all individuals and businesses to receive and access relevant, useful and affordable financial products and services. This is especially important in Oman, as it contributes towards the development of human resources in order to sustain rapid development. To encourage financial inclusion, the Central Bank of Oman published the Financial Inclusion Mandate in late 2019.

The Mandate emphasises action in the following areas: physical and virtual accessibility, recognising and catering to 'unbanked' or 'under-banked' communities, financial literacy and awareness, affordability, and partnerships to increase reach, scope and penetration.

As the provision of support for humanitarian and social causes is emphasised in the Bank's sustainability framework, Bank Muscat has always taken steps to include the Omani populace in financial thinking and services, and its resolve to do so has been heightened due to the COVID-19 pandemic. With a large number of people losing their jobs and their businesses, financial instability is abundant. Therefore, the provision of financial services to these people is critical in order to empower and support them. During such times, the Bank has published an internal paper structuring its work towards financial inclusion and its strategy for future steps. The Bank has also undertaken the following measures to widen its scope for achieving financial inclusion:

Supporting SMEs

Local businesses are particularly vulnerable to economic and financial crises. As the pandemic hit Oman, shops and smaller retail outlets were closed, and the global supply chain faced unprecedented challenges. During this time, SMEs became a focal area in need of extra support in order to stay afloat and retain their businesses going forward. Bank Muscat has been supporting the growth of entrepreneurship and business in the Sultanate, and this year the Bank adapted to digital channels in order to continue its support.

Najahi Account and Talks

The Najahi account, an account created specifically for micro and small businesses, aims to facilitate financial inclusion and develop Omani youth to their full potential.

In addition to the financial product, Najahi also provides supportive, non-financial services to SMEs. 'Najahi Talks' is a knowledge-sharing platform that enables SMEs to hear and learn from the experiences of other successful businesses.

The platform is also aimed at entrepreneurs who are based outside the main commercial and business centres in the country, ensuring knowledge and information is shared widely. For this reason, each event is organised in a different part of the country in an effort to maximise its benefits to entrepreneurs and hear success stories from various guest speakers.

	2019	2020
Najahi Talks	4	9 (2 physical & 7 virtual)

Virtual Najahi talks this year have focused on the topics of:

Topic	Description
Strengthening micro and small businesses	<ul style="list-style-type: none"> • Factors affecting entrepreneurs at present, including exceptional circumstances that have affected businesses globally. • Need to focus on their business plans and budgets before the beginning of every year, while also analysing their past performance. • Importance of identifying factors that could affect a project and stressed the importance of having alternate plans to face possible headwinds.
Role of e-commerce for Omani entrepreneurs	<ul style="list-style-type: none"> • How Omani start-ups can benefit from the present rapid growth in e-commerce, and the key factors that are contributing to the rapid growth of e-commerce. • Discussed the steps that Omani entrepreneurs, especially SMEs, should consider before selling products and services through electronic channels as well as the importance of digital marketing. • Challenges faced by entrepreneurs in setting up an e-Commerce platform and how these can be overcome.
Legal aspects of buying and selling businesses	<ul style="list-style-type: none"> • Discussed the legal aspects and considerations that must be taken by sellers and buyers of commercial projects, such as insurance, liabilities, agreements, etc.
Importance of branding	<ul style="list-style-type: none"> • Discussed at length the concept and importance of branding. • Importance of using social media sites for marketing a business, and the need to choose an appropriate platform to promote the business. • Awareness of customer requirements and trends.
Gig Economy	<ul style="list-style-type: none"> • Role that the gig economy can play in creating employment opportunities. • Described how the gig economy works with examples of activities that can be offered in Oman under the same.
Impact of COVID-19	<ul style="list-style-type: none"> • The economic and social impacts of the pandemic in the world and on the Sultanate in particular. • Importance of technology and online solutions for the delivery of services by different institutions as well as the government. • Need to have contingency planning in place as well as the importance of finding alternative mechanisms to continue business operations.
Planning and preparing for a new year	<ul style="list-style-type: none"> • Discussion of the challenges that this exceptional year imposed and how to identify factors that can affect the business's performance. • The importance of having a solid business plan that includes contingency scenarios. • How to mitigate risk through mindful planning. • The importance of following the latest updates and technological trends to increase the competitive edge and success rate.

Najahi Marketplace

Najahi helped facilitate the sale of products and services on a fast-gaining Digital Mall, MarkeetEx, and its mobile application, through an agreement between Bank Muscat and MarkeetEx. This digital mall is like an online retail store which provides more than 2,000 Omani merchants and SMEs a platform to sell groceries, household goods, mobiles and computers, fashion, beauty and health products at competitive prices. This service is especially important during the pandemic, as SMEs are facing challenges due to restricted movement and buying. Online retail allows customers to shop safely and provides business to SMEs.

Maharat min Google

In line with its commitment to sustainability, Bank Muscat signed an agreement with Google to train Najahi customers, SME owners and interested individuals on digital skills using the 'Maharat min Google' programme. This collaboration comes as a continuing effort by the Bank to provide non-financial services to both customers and the public as part of its sustainability initiatives.

Formalised after positive feedback on previous training with Google

First session on 'Fundamentals of Digital Marketing' saw 30 attendees

Second session on Google Meet saw 80 attendees

Focuses on enhancing digital marketing skills

Supporting Youth

The youth have been subject to unprecedented conditions as their movement, education and avenues for socialising have been negatively affected by the pandemic. Bank Muscat is committed to the holistic development of Omani youth, in order to enrich their lives and prepare them to lead the country into the future. Below are the services that the Bank offers for Omani youth in order to reduce their exposure to financial and economic risk. Even though these products are targeted at the youth, they are open to all people.

AXA Education Savings Plan

Bank Muscat has partnered with the multinational insurance provider AXA to offer a unique Education Savings Plan to its customers, which allows savings in regular instalments. This allows customers to provide the best education to their children, even in the case of any unfortunate events or challenges that they might experience.

Shahadati Higher Education Loan

The Shahadati Higher Education Loan is open to working citizens who wish to acquire additional qualifications without the financial burden. Bank Muscat covers all education related expenses, including tuition fees, accommodation, transportation, books and more.

Zaffa Marriage Loan

At Bank Muscat, social responsibility and initiatives aimed at sustaining the country's progress and development are of great importance. Zaffaa reiterates the Bank's commitment to the country's future generations. This loan targets unmarried Omani youth and fulfils an often neglected social need, by extending a helping hand to those who require financial support for their marriage.

Supporting Women

Zeinah Suite

Zeinah suite of products is geared towards women specifically. These products include the Zeinah bank account, cards, as well as a health and beauty loan. The Zeinah account includes a personalised debit card as well as easy and secure online payment services and scheme draws.

Supporting Retirees

Woqar

Woqar is a specialised banking package designed for pensioners who worked in government and private institutions. The package provides a range of banking facilities and services and allows pensioners to lead a dignified and financially secure life on their own terms. It provides loans to retirees against their pensions, with a payment period of up to 10 years. Interest rates are low, starting from 3.75%.

Affordable Products

The pandemic exposed many people to financial vulnerability and insecurity, and created a situation where households were not able to afford basic necessities, let alone banking services. Bank Muscat has always been dedicated to making products and services affordable for the masses, so that even those who might be excluded from accessing such services due to their financial conditions are able to avail the Bank's services. Although the following provisions are open to everyone, the Bank recognises them as particularly useful for those who are financially struggling.

Reduced Minimum Salary Requirement

To encourage people with financial requirements to avail useful services, the Bank decreased the minimum salary requirement, and segregated it for the private and government sector as the former has a higher earnings comparatively. The Bank has reduced the minimum eligible salary to OMR 250 for customers working in the government sector, and OMR 350 for customers working in the private sector. In other banks, the minimum salary to be eligible for loans is in the range of OMR 300-500 and above, or there is no separation of eligible salaries for government and private sector customers. The new credit policy has also relaxed the minimum service period to obtain loans, entitling them to loan products with lower interest rates.

Housing Loan

In partnership with Oman Housing Bank, Bank Muscat offers financial support to housing sector projects, enabling customers to purchase or build a home. It has a low minimum monthly salary of RO 250 for Omani nationals.

Welcoming non-Arabic Customers

Multilingual Bank Muscat (BM) Remit App

Bank Muscat's mobile banking Remit App, which can be downloaded from Google Play or Huawei AppGallery, has language options like Bengali, Hindi, Urdu, Malayalam, Tamil and English, to cater to the Bank's wide range of customers, including those from Bangladesh, India and Pakistan. The app boasts of a simple user interface for easy navigation and will make Speed Transfers available 24/7 for a large segment of customers in their respective native languages. BM Remit also has some other commonly-used features including Mobile Top-ups and account enquiries like Available Balance and Mini Statement.

International Speed Transfers	Currency Accounts
Speed transfer remittance services to India, Pakistan, Philippines, Srilanka and Bangladesh.	Foreign currency accounts to enable expats to store their native currencies with safe and easy procedures.

Incentivising Customers to Manage their Finances

The COVID-19 pandemic has demonstrated the importance and necessity of growing a personal savings fund or an emergency nest, as the world is vulnerable to unseen and unprecedented volatility at any given moment. The Bank has always recognised this fact and encouraged customers to save money with various incentives, so that they are better prepared in times of crisis.

Maliyat Programme for Financial Literacy

Maliyat is an online financial educational series and certification aimed at both customers and non-customers, intended to teach participants how to manage and save money in order to increase their scope for independence and financial stability. Due to increased exposure on social media, Bank Muscat was able to significantly increase participation in Maliyat this year.

	2019	2020
Maliyat Certifications	458	26,312

The Little Investor Programme

Launched 3 years ago in partnership with Injaz Oman and the Ministry of Education, the Little Investor programme teaches the younger generation financial and soft skills that will polish their self-confidence, decision-making, entrepreneurial and critical thinking skills. In 2020, over 10,000 students have taken part in the Little Investor programme, which is open to both customers and non-customers alike.

Irshad

Aimed at providing financial coaching on how to make the most out of earnings, the Bank launched Irshad Financial Coaching Clinic, which provides free financial coaching and guidance to SMEs, startup companies, entrepreneurs and individuals with respect to managing their finances and future financial planning, including their retirement plans. Coaching will be provided on areas such as managing financial debt, budgeting, the importance of saving, challenges for SMEs and how to raise capital. It is open to both customers and non-customers. In response to the pandemic, Irshad sessions were conducted online.

Support During COVID-19

Bank Muscat took prompt customer-gearred actions in response to the COVID-19 pandemic. The Bank shares communication materials on various digital platforms that taught customers how to bank digitally with ease, and created dedicated support pages on the official website as well as the mBanking platform.

The Bank is also taking initiatives to make services more convenient for customers in this unprecedented time. For instance, loan deferments have been offered to eligible customers for personal loans as well as housing and auto loans. Over 17,000 requests for loan deferments have been fulfilled, with the majority being in consumer salary loans, followed by Baituna home loans, and auto loans. The ATM and CDM network has 24/7 access, and various bill payments can be managed from here. Charges for local transfers have also been waived for mobile and internet banking, and some corporate banking charges have also been waived.

Privacy & Security (103-1), (103-2), (103-3)

Customer Privacy Policy

Customer Privacy Policy is built with the core idea of safeguarding according to strict standards of security and confidentiality regarding any information customers share with us. The Bank has also affirmed to tell customers how and where to conveniently access their account information (except when prohibited by law) and how to notify the Bank about errors which it will promptly correct.

Cyber Security

Cyber crimes are one of the greatest risks to the banking and financial services sector and can have lasting consequences for customers and banks, as well as the wider financial ecosystem. Bank Muscat takes cyber security seriously and is vigilant in monitoring cyberspace activity. The Bank's teams responsible for information and cyber security invest in maintaining and updating the software and hardware systems, as well as procedural systems that are designed to shield banks from any cyber risks.

The information / cyber security risk management function focuses on the following important aspects:

Information security governance through security policies, procedures, guidelines and standards

Implementing a robust security defence network, as well as maintaining strong internal controls to enforce "need-to-know" principles

Information security monitoring using the latest solutions and tools – monitoring includes real time as well as at fixed frequency monitoring

Cyber security incident response plans in order to implement effective management of cyber security incidents

Information security reviews comprising of new and existing technologies, solutions, networks and also the various processes/ operations within each and every department of the Bank

Royal Oman Police and Bank Muscat

Royal Oman Police and Bank Muscat have been partnering to conduct a comprehensive anti-fraud public awareness campaign in the Sultanate to tackle cyber fraud. Online scams, phishing, malware attacks and other harmful cyber attacks have increased significantly during the pandemic, taking advantage of a state of uncertainty and financial instability. The Bank embarked on this initiative, which focuses on educating the general public in Oman about digital best practices so as to prevent falling prey to cyber fraud. Royal Oman Police and Bank Muscat are currently using multiple media channels to spread awareness, as well as seminars and workshops in colleges and universities across Oman. The Bank has created YouTube videos on voice phishing, SMS phishing, business-email phishing and PIN sharing.

The anti-fraud campaign has been highlighting different methods used by fraudsters from across the globe to target both the general public as well as business entities. The Bank has called on the business community in the Sultanate to be particularly aware of the threat of business email compromise, where fraudsters attempt to defraud victims into initiating fund transfers into a fraudulent bank account, instead of the supplier's genuine bank account.

Technology & Innovation

Bank Muscat's digital journey commenced a few years ago, bolstered by the key value of innovation highlighted by the Bank. This came into tangible use during this pandemic as customers were faced with the challenges of restricted movement. The Bank's digital services, such as mobile and online banking and e-wallets, which allow account opening, transfers, requests, etc, came into necessary use. The Bank also increased its communication with customers through various social media and electronic channels, ranging from WhatsApp and Twitter to contact centres.

BM Wallet & the mBanking App

Mobile Payments System is a customer-friendly application that allows customers to transfer money, request money and even initiate merchant payment requests, through a safe and easily accessible gateway. This tool has been especially important during a time when physical banking has been discouraged.

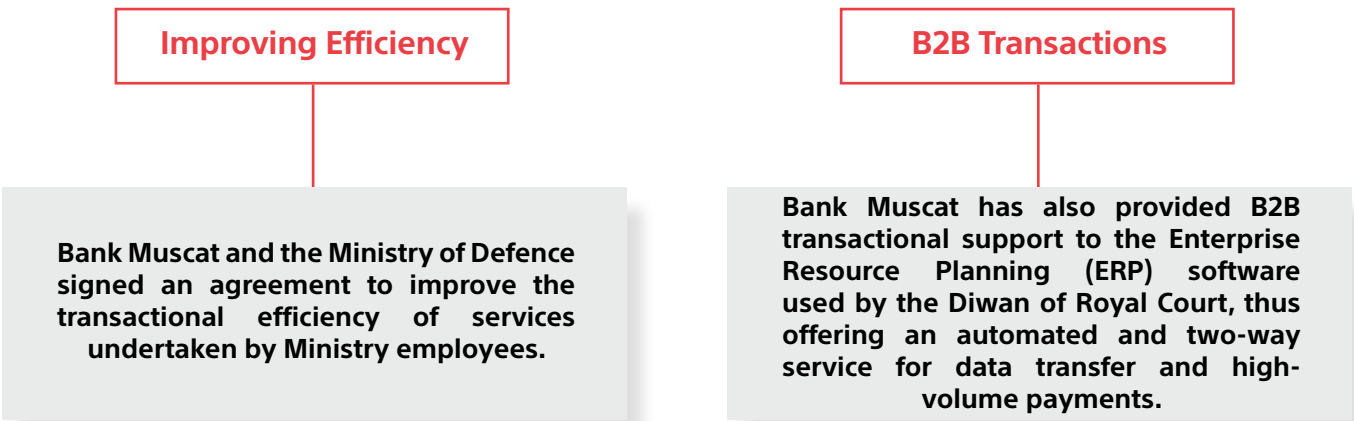
Just Tap Cards

Just Tap is contactless technology installed on all new debit, credit and prepaid cards, enabling contactless transactions. The Bank has been encouraging customers to adopt this product for safety during the COVID-19 pandemic.

Bank Muscat & Unimoni Exchange LLC	Bank Muscat and Ooredoo
<p>Unimoni Exchange LLC is a leading Money Exchange, which has been integrated with Bank Muscat's Corporate Internet Banking platform, a payments solution platform, while also providing access to the Bank's Remote Deposit Capture (RDC) facility. The Remote Deposit Capture (RDC) is the corporate digital solution for management of cheques.</p> <p>Through the RDC solution, the corporation will be able to scan images of cheques from their office location before the cheques are physically submitted to the Bank for clearing.</p>	<p>Bank Muscat and Ooredoo, a leading telecom services provider, have entered into a Memorandum of Understanding (MoU) to create digital solutions for Ooredoo's payments and transactions.</p>

Corporate Banking & Government Partnerships

Corporate Banking offers a comprehensive suite of products and services to a wide range of customer segments including Government-related Enterprises, with the core focus being to deliver customized solutions through robust technology platforms backed by high quality service. The Bank's approach to each client with bespoke solutions has resulted in it being the partners of choice for many clients. For example, below are two services provided to Government partners, through this platform:



Widening the nation's horizons



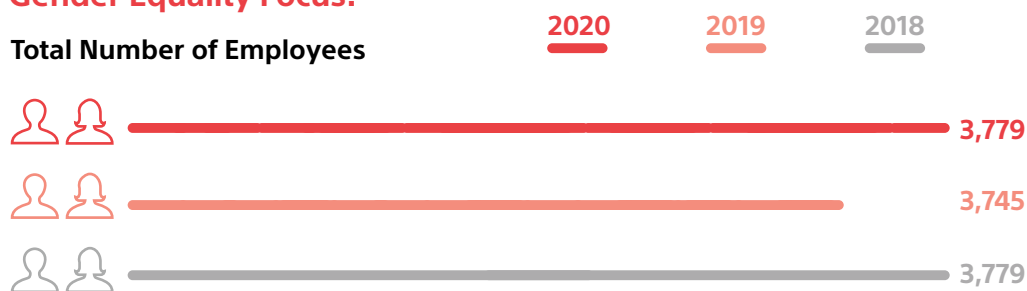
VIII. Value for Employees (102-8)

The Bank aims to cultivate an organisational and management culture where employees feel supported and fulfilled, and where they have access to the opportunities and assistance required to reach their full potential. The Bank also wants to ensure that human resources are provided with appropriate help in times of need, such as during the pandemic. The Human Resources (HR) department works closely to identify how it can support employees at work as well as personally.

Diversity and Inclusion (103-1), (103-2), (103-3), (405-1)

Diversity is very important to Bank Muscat, and is becoming embedded in every aspect of the business by recognising that diverse opinions and perspectives engender an open, innovative and productive working environment. The Bank also wants to do its part in community empowerment by ensuring that minorities, such as women and people with disabilities, are represented in the workforce.

Gender Equality Focus:



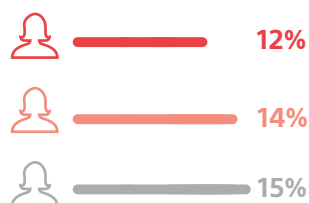
Female Employees



Male Employees



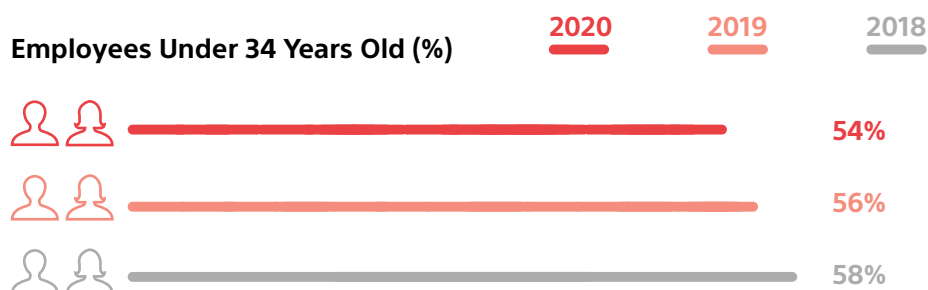
Females in Top Management (%)



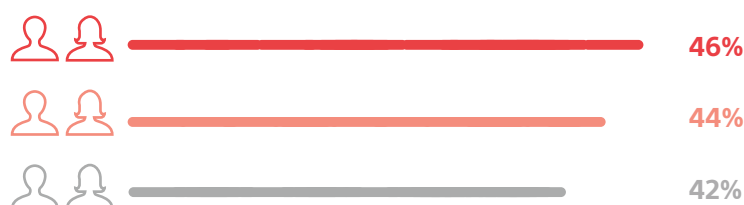
Males in Top Management (%)



Youth Focus:



Employees Over 34 Years Old (%)



Employees with Disabilities



Omanisation (401-1)

As the flagship financial services provider in the Sultanate, Bank Muscat has achieved 100 per cent Omanisation in branch operations, giving priority for Omanis to occupy all key positions. Total employee strength stood at 3,779 employees on 31st December 2020, with 94.67% Omanisation. The Bank's human resources strategy is notable in maintaining gender diversity as 48 per cent of employees are women in roles that include senior management positions. Bank Muscat recognises having competent people as a key strength and is focused on equipping them to make vital contributions to the Bank's growth and success. The Bank plays a prominent role in the development of Omani talent and is committed to investing in improving their skills and expertise.

The Bank is the largest employer of Omani youth and has collaborated with the Ministry of Manpower and targeted fresh graduates from top tier institutes in Oman. Out of the 188 Omanis recruited this year, 144 were fresh graduates.

	Omani Employees (%)	Omani Employees in Top Management (%)
2020	95%	76%
2019	95%	76%
20218	95%	73%

Employee Engagement

Human Resources Pulse Survey (103-1), (103-2), (103-3), (402-1)

The Human Resources Pulse survey measures how valued employees feel at Bank Muscat, how much their work feels fulfilling and how invested they feel in Bank Muscat's growth and progress. Their satisfaction is a direct indicator of the strength of the relationship between the Bank and its employees.

	Overall Satisfaction Score
2020	4.05/5
2019	4.09/5
2018	4.09/5

In addition to the Pulse survey, the Bank observes two other factors to indicate employees' satisfaction with their work and the Bank. These are their years of service with us, and their turnover rate, both of which tell the Bank how much of a commitment the employees want to demonstrate towards us. The Bank has a greater proportion of employees this year with more years of service, as well as a decreased turnover rate.

	Between 5 to 14 Years of Services (%)	Employees Turn-Over Rate (%)
2020	53%	4.26%
2019	48%	5.74%
20218	41%	6%

Learning and Development (103-1), (103-2), (103-3), (404-1)

The development of human resources is a priority at the Bank, which makes substantial allocation in the annual budget for the training and development of human resources in all functions and responsibilities assigned to them.

Bank Muscat attaches great importance to national initiatives for human resources development. In 2020, the Bank's Jadara Academy, which is accredited by the Global Association of Corporate Universities and Academies, organised 171 training programmes, which were attended by more than 2,000 employees. Taking into consideration social distancing norms and flexibility in time, employees were offered numerous online programmes this year instead of regular classroom-based learning.

Talent Management

The Bank has a formal Talent Management process for building its leadership pipeline based on the Bank's philosophy of hiring and nurturing young talent. The objective of this initiative is to Identify, Develop, Retain and Mobilise key talent within the Bank.

This process consists of three stages:

1. Talent Review: where 10% of 'high potential' employees are identified within the Bank as a 'talent pool'
2. Critical role analysis: identifying the most critical roles within the Bank based on analysis and assessment
3. Have a robust succession plan in place for critical roles and retirement within the Bank

The Talent Development approach is based on a 70-20-10 learning model, where 70% of learning occurs through on-the-job exposure, 20% by learning from others and 10% through classroom/online training programmes. These 'best in class' leadership programmes are facilitated by leading global business schools. The talent pool is segmented into six levels based on experience, role and grade. Bank Muscat creates unique training programmes which can be coupled with online and self-learning modules. An ongoing talent measurement process is in place to monitor and report progress in the area of On-the-job exposure and training programme outcomes.

The focus of this approach is to groom internal talent to fill vacant positions from within the Bank, and develop a robust succession pipeline.

The Talent Board, a sub-committee of the Sustainability Committee, takes care of the talent management of Bank Muscat.

Training (404-2)

Jadara Learning Centre

Aimed at talent development, Bank Muscat is very proud of the Jadara Academy, Oman's leading Learning and Development Academy, which is staffed with industry professionals and supported by the latest technology and learning resources.

Jadara Academy ensures that equal training opportunities are given to all employees irrespective of their gender, marital status, origin or religion. New joiners are provided the required information about their rights from the HR Manual at the time of induction. Subject to the above, 165 employees (87% new hires) have participated in the induction program.

The Academy focuses on developing skills and capabilities through e-Learning modules, scholarships, professional certifications, management and leadership training programmes. The training and development programmes are carried out through specialised educational courses conducted by accredited training centres or through academic links with colleges, universities and leading training institutes at regional and global levels.

Although the pandemic presented the Bank with challenges in terms of adapting the training to digital channels, it still managed to remain close to the average training days for the last year.

Average Training Days for Female Employees

2020

2019

  6 Days

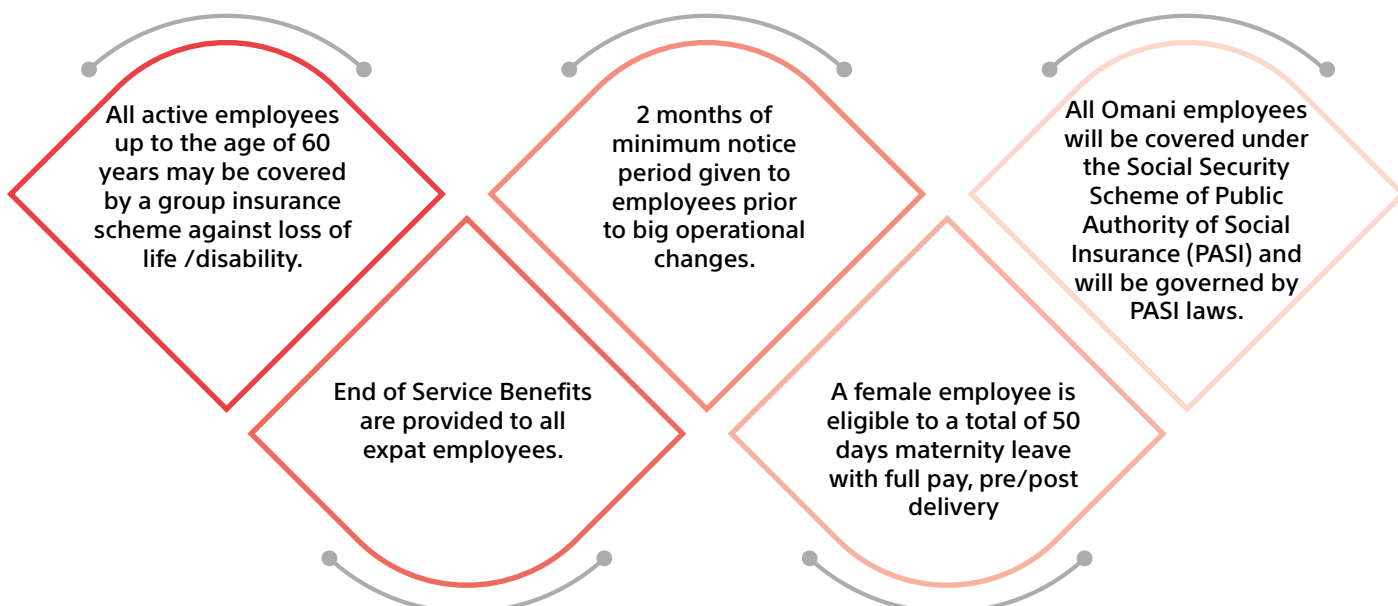
  7 Days

Average Training Days for Male Employees

  5.6 Days

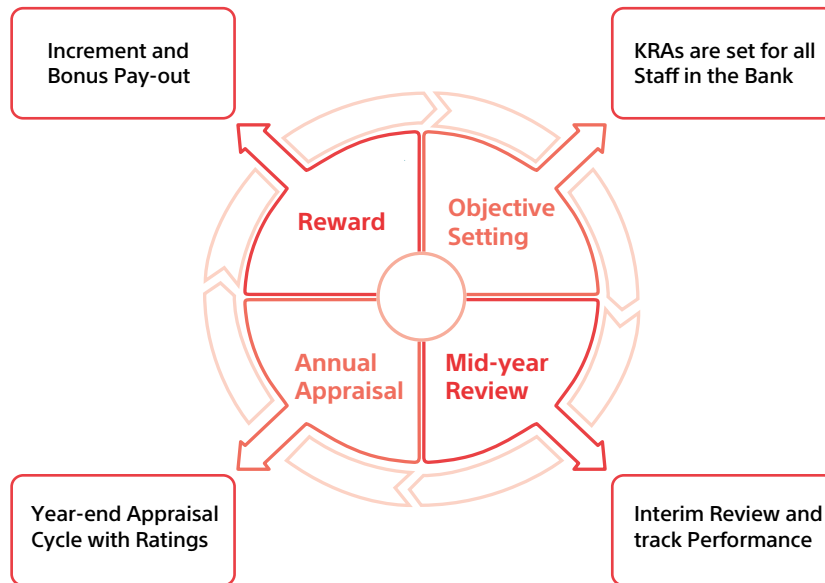
  5 Days

Benefits for Full-Time Employees (103-1), (103-2), (103-3), (401-2), (401-3), (402-1)



Performance Management

The Bank's performance management process is an ongoing process designed to ensure employees are rewarded based on their performance. It is designed to ensure that both the employee and the Bank's needs are being met, and will continue to be met in the following year.



Objective Setting – January

All employees need to set objectives in the system.

The Key Responsibility Areas (KRA) driven performance management system aligns everyone around achieving the Bank's strategic objectives.

At the end of the objective setting process, each employee is able to:

- Describe expectations
- Define their contribution
- Identify development needs
- Know how to work towards their career goals

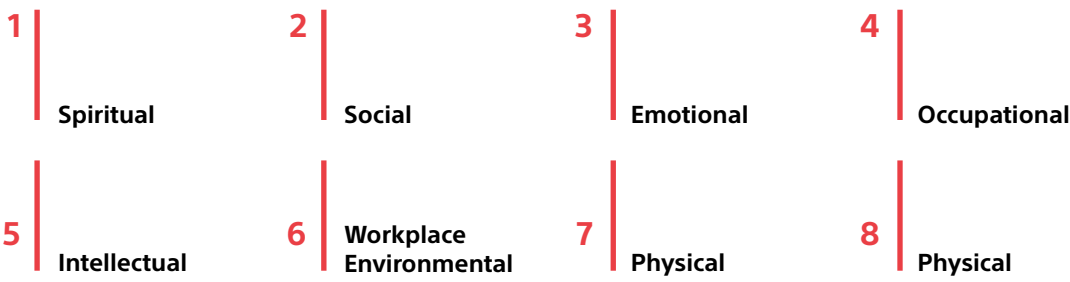
Annual Appraisal

The appraiser assesses performance against assigned objectives and competencies.

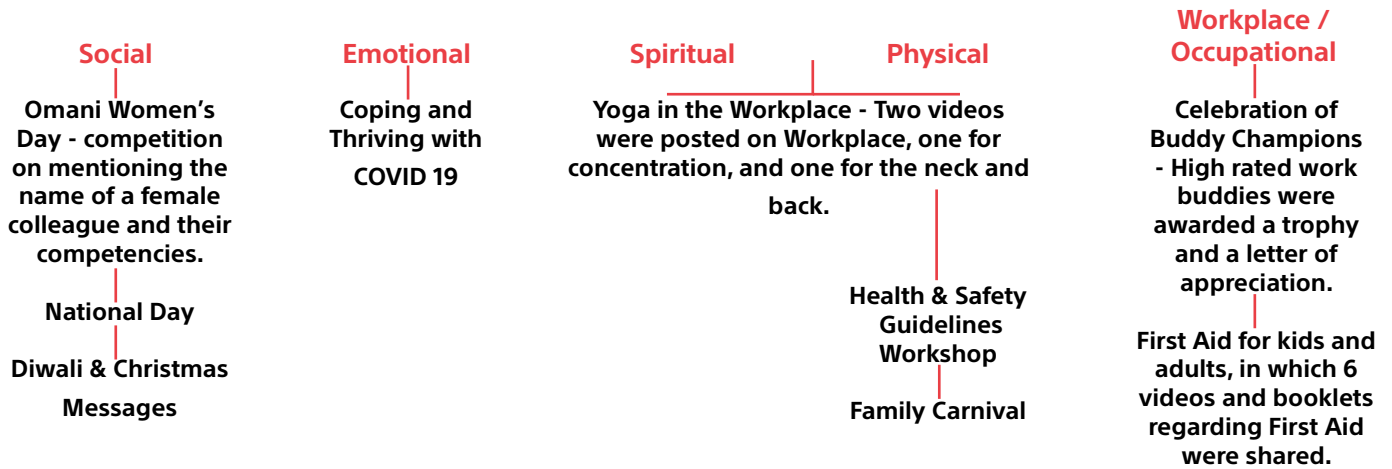
70% rating comes from objectives and 30% from competencies (Corporate Values).

Health, Safety & Wellbeing (103-1), (103-2), (103-3), (403-2), (403-6)

The health and wellbeing of employees has been especially important during the pandemic. The Bank's 8 areas of focus in this area are:



Under each of these categories, the Bank implemented the following initiatives in 2020:



Bank Muscat had no employee-related health and safety incidents during 2020.

Support During COVID-19

The COVID-19 pandemic gave the Bank an opportunity to demonstrate its commitment to employees and their wellbeing. Bank Muscat took several initiatives to ensure its understanding of the evolving situation with the pandemic, and to strategise employee management accordingly in order to keep employees updated, safe and secure.



Inspiring young minds



IX. Empowering Communities (103-1), (103-2), (103-3), (413-1)

Bank Muscat builds a sustainable business with the support and engagement from the communities. The Bank is committed to their empowerment and subsequently to the development of the Omani economy.

The Corporate Social Responsibility (CSR) and Sustainability Strategy pursued by Bank Muscat is focused on delivering long-term benefits to the community and the nation, creating a positive impact on society, covering areas such as education, SMEs, youth, sports, alternative energy and health.

Bank Muscat is the pioneer of CSR initiatives with a dedicated team in the banking sector in Oman, committed to 'doing better' for the economy, community and environment, ensuring that its projects conform to benchmark international environmental and social standards, by allocating a percentage of profit to CSR initiatives. The Bank is also the first to deliver skill-building support for SMEs.

Bank Muscat has 5 Social Investment Pillars, each of which have multiple programmes under them to support holistic and comprehensive community development.

Youth & Sports

Education

Social Welfare

Environment

Economy

Although the COVID-19 pandemic slowed down CSR initiatives, Bank Muscat revisited the ways in which it supports communities and took different paths to fulfill its commitments. For instance, the Bank maintained its contributions across sports, social welfare, cultural development and the economy. It also adapted online avenues for SME and financial literacy training programmes. These efforts have led to the Bank being honoured by the Ministry of Social Development, for its pioneering role in the field of corporate social responsibility, sustainability and community service at the Fourth Oman Forum for Partnership and Social Responsibility.

Youth & Sports Pillar

Green Sports



The Green Sports initiative has proven to be a thoroughly successful model for engaging the local community and establishing a modern sporting infrastructure in the country. The support to develop modern sports infrastructure across the Sultanate complements the government's efforts to build a sporting nation. Making significant contributions to sustainable development, the unique Green Sports CSR initiative aimed at promoting Oman as a sporting nation by greening and developing football fields has supported a total of 123 sports teams across the country to date. As part of its Green Sports programme, in 2020 the Bank inaugurated 35 football fields to teams across the country.

Green Sports	Overall Satisfaction Score
No of Applicants	77
No of Teams Supported	15
No of Beneficiaries	4,500

Education Pillar (FS-16)

Jesr Al Mustaqbal



The Jesr al Mustaqbal programme assists Omani youth who fall under the social welfare umbrella to improve their chances of upward social mobility through educational scholarships. In 2014, Bank Muscat partnered with the Ministry of Higher Education, Research and Innovation to expand the programme and focus on helping young people to obtain bachelor’s degrees.





Little Investors



Over 31,000 students have been trained in financial literacy as part of the Little Investor programme, in partnership with the Ministry of Education and Injaz Oman. Out of these, 10,029 students trained in the academic year 2019/2020. Empowering the community from a young age, the Little Investor programme aims to develop children’s knowledge of finance and equip them with skills that will help them become future entrepreneurs.

2019-2020

	Female	Male
Female	4734	5295

Students		4734	5295
Teachers		188	
Volunteers		68	
Sessions		230	

Maliyat Financial Literacy Program



Aimed at equipping locals in financial planning, Bank Muscat launched “Maliyat”, a complimentary online financial literacy programme. This programme aims to provide general knowledge and help individuals gain the essential skills needed to manage their finances. In 2020, the number of participants increased due to digital delivery channels and increased interest from the public.

	2019	2020
Maliyat Certifications	458	26,312

Irshad



Bank Muscat’s Irshad Financial Coaching Clinic provides financial coaching and guidance to SMEs, startup companies, entrepreneurs and individuals on managing their finances and future financial planning, including their retirement plans. Coaching is offered on areas such as managing financial debt, budgeting, the importance of saving, challenges for SMEs and how to raise capital. The total number of sessions conducted to date is 105.

Social Welfare Pillar

Tadhamun



The Tadhamun initiative is a fine example of the public-private partnership launched by the Bank in association with the Ministry of Social Development. This initiative aims to reach out to social welfare families across the Sultanate and support them with essential household appliances to cope with arid weather conditions. The programme focuses on distribution of basic electronic home appliances, including air-conditioners and refrigerators. Since the launch of the annual Tadhamun programme, the Bank has distributed electronic home appliances to more than 1400 families to date.

2020

No. of families

174

Fak Kurba



In partnership with the Omani Lawyers Association, Bank Muscat has, to date, provided financial contribution to release 576 imprisoned insolvents or insolvents with arrest warrants against them due to claims in civil, commercial, legitimate and labour cases. 166 cases were covered in 2020.

Environment Pillar

Green Products



In line with the Sultanate’s strategy to adapt and mitigate the effects of climate change, the Bank launched a suite of products aimed at encouraging customers and the public to invest in green homes. Incentives are provided in line with products for customers looking to have energy efficient homes with options for renewable sources of energy.

Green Space



Bank Muscat in partnership with Muscat Municipality, officially inaugurated a public park in al Khoudh. The park aims to foster a sense of belonging and appreciation for the green environment among the community. The new park is the biggest public park in al Khoud, with an area of more than 15000sq. It features a multi- sports court, kids playground, outdoor gym, toilets and greenery.

Economy Pillar

Al Wathbah Academy



In recognition of the vital role played by the SME sector in the development of Oman, in 2014 Bank Muscat launched the SME Academy to train entrepreneurs. Due to its popularity and success, the Academy expanded to more locations across the Sultanate. Al Wathbah Academy is an 8-month long training programme conducted in collaboration with the Radiant Sail Foundation and successful trainees receive an internationally-recognised certificate from the US-based Project Management Institute (PMI). More than 130 entrepreneurs have graduated from the SME Academy to date.

In 2020, two groups of entrepreneurs from Musandam and Buraimi completed their course after training sessions were moved online.

Location	Buraimi and Musandam
No of Applicants	40
No. of Students Graduated	37
No. of Female Graduated	10

Association of Chartered Certified Accountants (ACCA)



The ACCA programme, funded jointly by Bank Muscat and PDO, supports a number of students to complete their ACCA certificate. Once students successfully receive their ACCA certificate, Bank Muscat offers the certified individuals employment opportunities in various departments across the Bank.

Investment in Tourism (Misfat Al Abriyeen)



With the tourism sector set to play an increasingly central role in the Sultanate's economic future, the Bank officially announced the completion of the old Misfat village project in Misfat Al Abriyeen in Wilayat Al Hamra. The project provides a unique tourism experience centered on the old Misfat village, highlighting the Omani tourism strategy based on a sustainable development model that benefits local communities with preservation of the environment and cultural heritage. The project involved the development of the old village entrance, the visitor centre, a restaurant, a bakery and Harrat Al Shuwa.

Conserving our habitat



X. Managing the Environmental Footprint

Climate change is a growing concern worldwide, and large businesses and corporations are one of the greatest forces that can counteract ongoing environmental degradation. Even though the banking industry has a comparatively smaller impact on the environment than others, the Bank is still committed to taking climate change seriously and adapting the business to incorporate sustainable thinking that can manage the Bank's environmental footprint.

Energy Consumption (103-1), (103-2), (103-3), (302-1), (302-4)

Electricity

The Bank has maintained its initiative of replacing lamps with LED lights. In 2020, the Bank's consumption of electricity and fuel decreased compared to last year, both due to a switch to green LED lighting as well as the fact that operations were scaled back.

	2019	2020
Electricity Consumption (MWH)	11,680	10,829

Petrol Consumption

Petrol consumption decreased this year as work from home and social distancing measures led to reduced travel.

	2019	2020
Petrol consumption by vehicles owned or leased by the Bank (Liters)	1,304,280	971,195

Greenhouse Gases (GHG) Emissions (103-1), (103-2), (103-3), (305-1), (305-2)

The Bank monitors Greenhouse Gas emissions from all its operations in order to understand its impact and plan initiatives as needed.

	2019	2020
Scope 1 Direct Emissions Fuel consumption by vehicles owned or leased (tCO ₂ e)	2,957	2,252
Scope 2 Indirect Emissions Electricity consumption(tCO ₂ e)	752	697

Water Consumption (103-1), (103-2), (103-3), (303-1)

The Bank has implemented small initiatives to decrease water usage, such as by decreasing the water pressure in sanitary devices. Although drinking water consumption decreased this year due to reduced staff on site, utility water consumption increased due to institutional and staff efforts towards cleaning and sanitising as precautionary measures against COVID-19.

Water Consumption	2019	2020
Utility Water Consumption (Liters)	20,642,000	21,209,000
Drinking Water Consumption (Liters)	376,950	237,252
Total Water Consumption (Liters)	21,018,950	21,446,252

Waste Management (103-1), (103-2), (103-3), (306-2)

Bank Muscat's main waste products are paper and electronic waste. To reduce the amount of waste produced, there is a green initiative in place that encourages employees to avoid the use of single plastic and paper bags, and to instead use green bags provided by the Bank. The Bank has been recycling paper since 2015, through Muscat Daily, and this year signed a contract with National Records & Archives Authority, a government entity that has a fully-fledged shredding office structure. In 2018 and 2019, the Bank did reconciliation and sorting from its archives store, and now the task is complete, the Bank has started recycling more documents and ATM rolls. The Bank also recycles electronic waste, such as lead batteries, through BEAH, which is an entity responsible for solid waste management in Oman.

Type of Waste Recycled, Refurbished or Disposed in an Environmentally-Friendly Manner	2019	2020
E-waste (KG)	50,000	50,000
Paper (KG)	53,800	87,411

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

↩ Within the organisation
↪ Outside the organisation
↔ Within and outside the organisation

GRI Standard	Impact Boundary	Disclosure	Page/ URL	Chapter	Omission	UNGC Principles
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GRI 101: Foundation 2016

General Disclosures

Organizational Profile

GRI 102: General Disclosures 2016		102-1 Name of the organization	10	About Bank Muscat		No Specific COP Requirements
		102-2 Activities, brands, products, and services	10	About Bank Muscat		
		102-3 Location of headquarters	10	About Bank Muscat		
		102-4 Location of operations	10	About Bank Muscat		
		102-5 Ownership and legal form	11	About Bank Muscat - Ownership Structure		
		102-6 Markets served	10	About Bank Muscat		
		102-7 Scale of the organization	15	Business Overview		
		102-8 Information on employees and other workers	41	Value for Employees		
		102-9 Supply chain	24	Responsible Banking - Responsible Procurement		
		102-10 Significant changes to the organization and its supply chain	13	About Bank Muscat - Bank Muscat & COVID-19		
		102-11 Precautionary Principle or approach	24	Responsible Banking Governance & Compliance		
		102-12 External initiatives	12	About Bank Muscat - Awards & Memberships		
		102-13 Membership of associations	12	About Bank Muscat - Awards & Memberships		

Strategy

		102-14 Statement from senior decision-maker	6	Message from Our Chief Executive Officer		Statement of Continuing Support
		102-15 Key impacts, risks, and opportunities	16	Sustainability Management		

Ethics and Integrity

		102-16 Values, principles, standards, and norms of behavior	26	Governance, Compliance & Risks		No Specific COP Requirements
		102-17 Mechanisms for advice and concerns about ethics	26	Governance, Compliance & Risks		

Governance

GRI 102: General Disclosures 2016		102-18 Governance structure	25	Governance, Compliance & Risks	
		102-19 Delegating authority	25	Governance, Compliance & Risks	
		102-20 Executive-level responsibility for economic, environmental, and social topics	25	Governance, Compliance & Risks	
		102-21 Consulting stakeholders on economic, environmental, and social topics	17	Sustainability Management	

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General Disclosures							
Governance							
GRI 102: General Disclosures 2016		102-22 Composition of the highest governance body and its committees				Principles 1-10	
		102-23 Chair of the highest governance body					
		102-24 Nominating and selecting the highest governance body					
		102-25 Conflicts of interest	Refer to the Bank Muscat Annual Report 2020 available on https://www.bankmuscat.com/eng/investorrelations/AnnualReports/Annual_Report_2020_En.pdf				
		102-26 Role of highest governance body in setting purpose, values, and strategy					
		102-27 Collective knowledge of highest governance body					
		102-28 Evaluating the highest governance body's performance					
		102-29 Identifying and managing economic, environmental, and social impacts					
		102-30 Effectiveness of risk management processes					
		102-31 Review of economic, environmental, and social topics					
	102-33 Communicating critical concerns						
Stakeholder Engagement							
		102-40 List of stakeholder groups		17	Sustainability Management		Principles 1-10
		102-41 Collective bargaining agreements	Collective bargaining is not permitted within Oman				
		102-42 Identifying and selecting stakeholders	17				
		102-43 Approach to stakeholder engagement	17				
		102-44 Key topics and concerns raised	17				
Reporting Practice							
		102-45 Entities included in the consolidated financial statements	15	Business Overview		No Specific COP Requirements	
		102-46 Defining report content and topic Boundaries	19	Sustainability Management - GRI Standards Content Index			
		102-47 List of material topics	17, 19	Sustainability Management			
		102-48 Restatements of information	9	Introduction			
		102-49 Changes in reporting	9				
		102-50 Reporting period	9				
		102-51 Date of most recent report	9				
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		102-53 Contact point for questions regarding the report	9				
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		102-56 External assurance	9	Introduction			

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GRI 200 Economic Standard Series

Material Topics

Economic Performance

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	15	Business Overview - 2020 Financial Performance		No Specific COP Requirements
		103-2 The management approach and its components	15			
		103-3 Evaluation of the management approach	15			
GRI 201: Economic Performance 2016		201-1 Direct economic value generated and distributed	15			

Procurement Practices

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	24	Responsible Banking - Responsible Procurement		"Principles 1 - 10"
		103-2 The management approach and its components	24			
		103-3 Evaluation of the management approach	24			
GRI 204: Procurement Practices 2016		204-1 Proportion of spending on local suppliers	24			

Anti-corruption

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	Refer to the Bank Muscat Annual Report 2020 available on https://www.bankmuscat.com/en/investorrelations/AnnualReports/AnnualReport2020_En.pdf			"Principles 1 - 10"
		103-2 The management approach and its components				
		103-3 Evaluation of the management approach				
GRI 205: Anti-corruption 2016		205-1 Operations assessed for risks related to corruption				
		205-2 Communication and training about anti-corruption policies and procedures				

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GRI 300 Environmental Standards Series

Material Topics

Energy

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	54	Managing our Environmental Footprint		Principles 7,8,9
		103-2 The management approach and its components	54			
		103-3 Evaluation of the management approach	54			
GRI 302: Energy 2016		302-1 Energy consumption within the organization	54			
		302-4 Reduction of energy consumption	54			

Water

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	54	Managing our Environmental Footprint		Principles 7,8,9
		103-2 The management approach and its components	54			
		103-3 Evaluation of the management approach	54			
GRI 303: Water 2016		303-1 Water withdrawal by source	54			

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GRI 300 Environmental Standards Series

Material Topics

Emissions

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	54	Managing our Environmental Footprint - GHG Emissions		Principles 7,8,9
		103-2 The management approach and its components	54			
		103-3 Evaluation of the management approach	54			
GRI 305: Emissions 2016	☞	305-1 Direct (Scope 1) GHG emissions	54			
		305-2 Energy indirect (Scope 2) GHG emissions	54			

Effluents and Waste

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	55	Managing our Environmental Footprint - Waste Management		Principles 7,8,9
		103-2 The management approach and its components	55			
		103-3 Evaluation of the management approach	55			
GRI 306: Effluents and Waste 2016	☞	306-2 Waste by type and disposal method	55			

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GRI 400 Social Standards Series

Material Topics

Employment

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	41	Value for Employees		Principle 6
		103-2 The management approach and its components	41			
		103-3 Evaluation of the management approach	41			
GRI 401: Employment 2016	☞	401-1 New employee hires and employee turnover	42			
		401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	44			
		401-3 Parental leave	44			

Labor/Management Relations

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	43	Value for Employees		Principle 6
		103-2 The management approach and its components	43			
		103-3 Evaluation of the management approach	43			
GRI 402: Labor/ Management Relations 2016	☞	402-1 Minimum notice periods regarding operational changes	43			

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GRI 400 Social Standards Series

Material Topics

Occupational Health and Safety

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	46	Value for Employees - Health, Safety, & Wellbeing		Principle 6
		103-2 The management approach and its components	46			
		103-3 Evaluation of the management approach	46			
GRI 403: Occupational health and safety 2016		403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	46			
		403-6 Promotion of worker health	46			

Training and Education

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	43	Value for Employees - Learning & Development		Principle 6
		103-2 The management approach and its components	43			
		103-3 Evaluation of the management approach	43			
GRI 404: Training and Education 2016		404-1 Average hours of training per year per employee	43			
		404-2 Programs for upgrading employee skills and transition assistance programs	44			

Diversity and Equal Opportunity

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	41	Value for Employees - Diversity & Inclusion		Principle 6
		103-2 The management approach and its components	41			
		103-3 Evaluation of the management approach	41			
GRI 405: Diversity and Equal Opportunity 2016		405-1 Diversity of governance bodies and employees	41			

Child Labor

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	24			Principle 5	
		103-2 The management approach and its components	24				
		103-3 Evaluation of the management approach	24				
GRI 408: Child Labor 2016		408-1 Operations and suppliers at significant risk for incidents of child labor	None of our suppliers are at risk of child labor				None of our suppliers are at risk of child labor

Human Rights Assessment

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	24	Responsible Banking		Principle 2
		103-2 The management approach and its components	24			
		103-3 Evaluation of the management approach	24			
GRI 412: Human Rights Assessment 2016		412-1 Operations that have been subject to human rights reviews or impact assessments	24			

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GRI 400 Social Standards Series

Material Topics

Local Communities

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	48	Customer Experience - Empowering Our Customers Through Financial Inclusion, Empowering Communities		Principle 1
		103-2 The management approach and its components	48			
		103-3 Evaluation of the management approach	48			
GRI 413: Local Communities 2016		413-1 Operations with local community engagement, impact assessments, and development programs	48	Customer Experience - Our Access Points		
		FS-13 Initiatives to improve access to financial services for disadvantaged people	31			
		FS-16 Initiatives to enhance financial literacy by type of beneficiary	49			

Marketing and Labeling

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	28	Customer Experience		No Specific COP Requirements
		103-2 The management approach and its components	28			
		103-3 Evaluation of the management approach	28			
GRI 417: Marketing and Labeling 2016		417-2 Incidents of non-compliance concerning product and service information and labeling	This information is handled by the legal department and is considered confidential.		Confidentiality Constraints - This information is handled by the legal department and is considered confidential.	
		417-3 Incidents of non-compliance concerning marketing communications				

Customer Privacy

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	37	Customer Experience		Principle 1
		103-2 The management approach and its components	37			
		103-3 Evaluation of the management approach	37			
GRI 418: Customer Privacy 2016		418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	This information is handled by the legal department and is considered confidential.		Confidentiality Constraints - This information is handled by the legal department and is considered confidential.	

Active Ownership

GRI 103: Management Approach 2016		103-1 Explanation of the material topic and its Boundary	24	Risk Management & Business Continuity		No Specific COP Requirements
		103-2 The management approach and its components	24			
		103-3 Evaluation of the management approach	24			
GRI FS11: Active Ownership		FS11 Percentage of assets subject to positive and negative environmental or social screening	24			



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