

A close-up photograph of an olive branch with several green olives and long, narrow leaves, set against a light blue background. The branch is positioned diagonally across the frame.

Sustainable Shared Prosperity

ahli

Annual Report

2021

Sustainable Shared Prosperity



**Annual Report
2021**



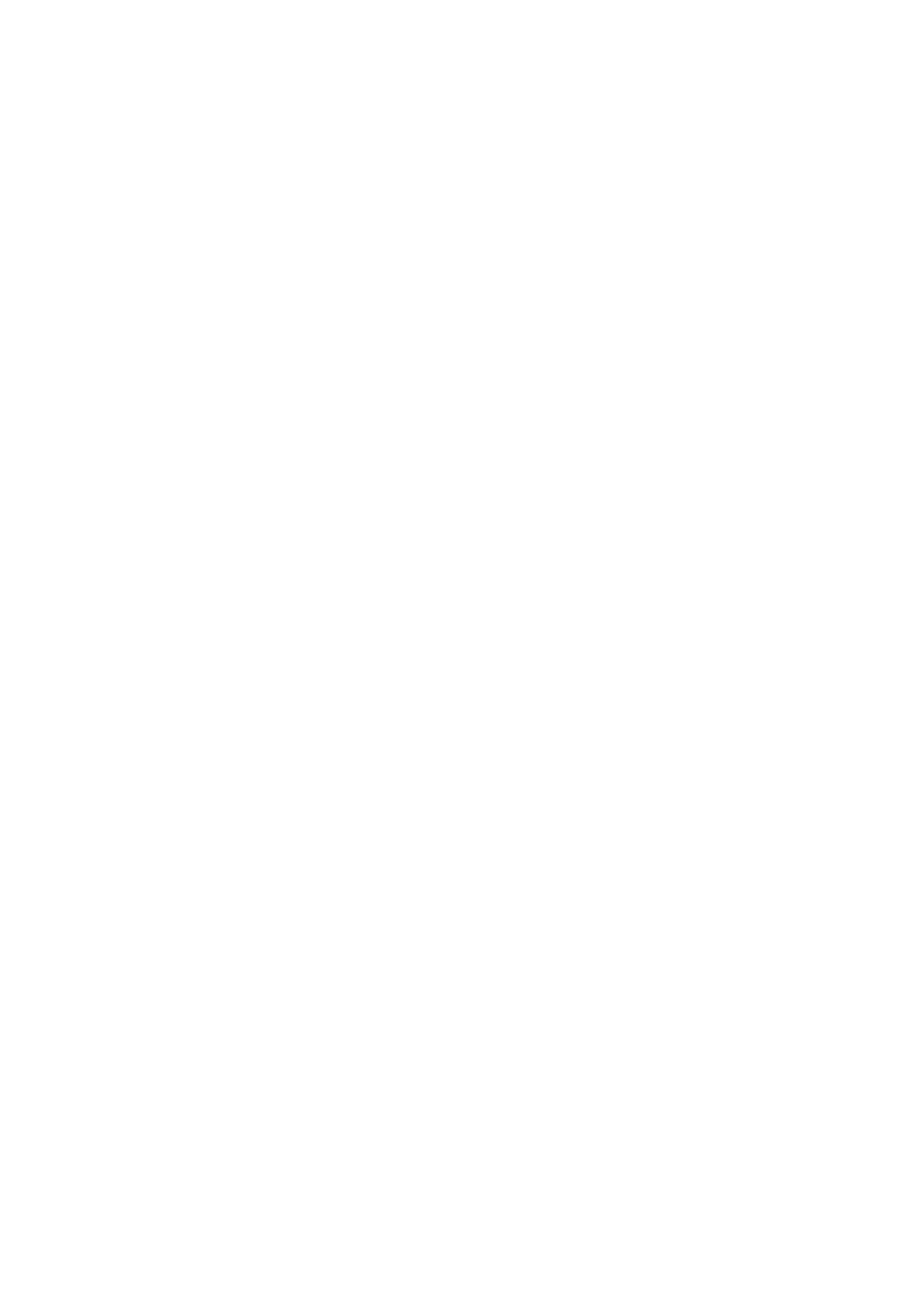


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Our Charter

Our Vision

To drive the financial & non-financial prosperity of customers and the communities we serve.

Our Mission

Offer sustainable financial & non-financial services that are customer centric, digital, and innovative.

Our Values

Specialization, Professionalism, Excellence, Ownership, Honesty, Creativity and Innovation.

Strategy Ambitions

Increase long-term sustained economic performance & drive agile and lean operations, by transforming our bank products & services into digital innovative solutions, that address our personas' motivations & challenges, to create personalized experiences that differentiate Ahli Bank from the competition in alignment with the shared prosperity framework.

Strategic Objectives

- Increase long-term sustained economic performance
- Grow stakeholders' base
- Transform into digital
- Offer innovative solutions
- Adopt agile & lean operations
- Enhance data integrity
- Enhance people's experiences

Through the three main themes:



Corporate Shared Prosperity Framework

As you know, in the past few years, we have institutionalized our heritage by officially announcing the 'Shared Prosperity' framework for Ahli Bank, which is a unique stakeholder focused model in order to deliver long term value to all stakeholders in a responsible, balanced and sustainable way that produces prosperity for all, and sets the stage for a new type of conscious capitalism that we believe has become a moral imperative for humanity in the 21st century. We continue to evolve this Framework within our strategy and good governance principles. What makes us take great pride today is that our framework has developed to become "Corporate Shared Prosperity" in which all stakeholders of Shareholders, Customers, Employees, Regulatory Bodies, Partners & Suppliers, Environment and Community are involved for a value added objective that is pivotal for achieving a sustained economic growth, provide an access to knowledge and social equality.

Shareholders

- Guarantee a secure investment and maximizing shareholder value.
- Provide shareholders with all institutional information in an accurate, transparent and regular manner through general assembly meetings, annual reports and other means in order to ensure equity between all investors.
- Regulate the relationship with all other stakeholders including official and regulatory bodies.

Customers

Maintain an exceptional relationship through the use of leading customer management systems that reinforce the competitive position of Ahli Bank and which offer, among other features, complete secrecy for customer accounts and deposits and reward programs.

Employees

- Corporate culture.
- Focus on empowerment and capacity building in order to offer diversified opportunities and ensure a promising institutional career.
- Reinforce the competitive position of employees by offering an ideal working environment.
- Continuous internal and external engagement through various channels.
- Reinforce community engagement.

Environment and community

Within our commitment to sustainable performance, we recognize the ESG challenges facing society, therefore we are keen to implement the necessary measures proactively for the benefit of our community.

Regulatory Bodies

- Full adherence to applicable laws and regulations and transparent disclosure.
- Support official efforts in various fields and fronts in a manner that serves the community.

Partners and Suppliers

- Building long term relationships, based on transparency and quality performance.
- Maintaining effective long term partnerships built on quality, effectiveness, value added and efficiency.
- Building new strategic partnerships.
- Fruitful cooperation, transparent and continuous engagement.

Chairman of the Board	Mr. Saad Nabil Yousef Mouasher
Vice Chairman	H.E. Dr. Umayya Salah Ala Uddin Toukan
Board Members	Mr. Nadim Yousef Issa Muasher
	Mr. Rafik Saleh Muasher Rajai Muasher & Brothers Co. Representative
	Mr. Imad Yousef Issa Mouasher Mouasher Investment & Trading Co. Representative
	H.E Mrs. Majd Mohammad Abdul Kareem Shweikeh Jordan Investor Center Representative
	Mrs. Ranya Moosa Fahed Alaraj Social Security Corporation Representative
	Mr. Alan Fouad Wanna Byblos Bank S.A.L/Lebanon - Representative
	H.E. Dr. Tareq Mohammad Khaleel Hammouri
	Mr. Karim Tawfiq Amin Kwar
	Mr. Yazan Munther Jeries Haddadin
	Mr. Khalil Safwan Khalil Saket
	Basim Mahmoud Zuhdi Malhas
Legal Advisor & Board Secretary	Mrs. Maisa Ziad Moh'd Turk
External Auditors	Deloitte & Touche



Message from the Chairman

Esteemed Shareholders,

On behalf of myself and all members of the Board of Directors, allow me to extend my warmest regards and to present you with Jordan Ahli Bank's 66th annual report. Within this report, the Board of Directors will present the Bank's results, main activities, closing accounts for 2021, as well as the Bank's operational future plans for 2022.

2021 has been a transitional year that came with hopes of a normal economic return, despite the continued pressures and economic repercussions imposed on the economy by the Corona pandemic; several recovery indicators reinforced those hopes, including the rebound of the national economy with an estimated growth of 2% as and the improved performance of many economic sectors. 2021 was an exceptional year, especially for the Jordan Ahli Bank family, due to the mutual efforts to overcome the obstacles and challenges imposed by the pandemic and the accompanied unprecedented circumstances.

As the whole world is still recovering from the consequences of the Corona Pandemic, this pandemic has assured the importance of the digital transition to adapt to the difficulties and challenges it created. After years of establishing and developing the needed technical infrastructure, Jordan Ahli Bank was ready to launch several mobile applications and electronic payment platforms, which gave the bank an advantage to benefit from the growing demand and reliance on digital services. That strengthened the opportunities of exploring new horizons for the banking sector by increasing the base of financial inclusion for the local communities. Jordan Ahli Bank launched several smartphone applications, including the "Ana meen" platform, which allows the user to create a digital identity and open a bank account electronically and with no low-balance fees and a minimum deposit to open it. Ana Meen platform allows immediate payment and transfer of funds service between bank's clients without commissions through Central Bank's CliQ service.

Today, we are committed to keeping up with the accelerated growth and development of technology. In late 2021, the bank adopted a new strategy focusing mainly on the digital technologies in the banking industry as the basis of its strategic plan and future programs. Playing a pivotal role in forming the shape of the banking industry environment in the 21st century; these technologies help in enhancing sustainable economic performance and in leading flexible and effective operations, transforming bank's products and services into pioneering solutions that satisfy the demands and needs of the targeted segments, through developing the digital infrastructure that creates customized and personalized experiences.

Jordan Ahli Bank strives on several fronts to maximize the benefits of artificial intelligence, and machine learning utilizing them in Data Science to automate tasks and workflow analysis. So far, Jordan Ahli Bank has automated over 400 internal operations and adopted second-generation technologies such as Blockchain, Cloud Computing, Microservices, Open API to improve customer experience, enhance productivity, and align them with reducing costs and risks plans.

On a related front, Jordan Ahli Bank was – and continues to be – an early leader in the entrepreneurial environment through its financial technology company "Fintech" established in 2017 to be the bank's technological arm. Today, Fintech plays a vital role in adopting entrepreneurial projects and advancing the ecosystem of the financial technology sector in Jordan. Ahli Financial Technology has invested in 4 financial technology companies in the region, in addition to receiving dozens of pioneering projects to develop communication channels, banking services, and electronic payment platforms that benefited from the launch of this business accelerator to enhance components and opportunities for success.

I cannot help but extend my thanks to the previous board of directors who spared no effort to accomplish the bank's vision and strategy. The board of directors was exemplary in forming a distinguished relationship with the executive management according to the highest international standards. Today, we can say that Ahli's corporate governance has made progress in forming the board of directors and stakeholders relations in response to the regulatory and good governance organizational changes. The members of board directors were elected for the term 2021-2025 to occupy independent and non-independent seats in the board. Many considerations were considered for this board of directors, including gender diversity, out of the importance of women's participation in leading positions, and the diversity of skillset, qualifications, age, alongside other attributes. Those considerations play a vital role in fulfilling the responsibilities of the board member, which will positively be reflected on the efficient supervisory role to access the sustainable shared prosperity within a rational framework in a flexible and dynamically changing business environment.

In terms of the financial performance,, Jordan Ahli Bank was able to achieve remarkable progress in various indicators compared to last year, despite the difficulties and challenges encountered as a result of the current economic situation. This progress was the result of the credit policy the bank follows, based on credit quality, diversification and stability of revenues, in addition to adopting the principles of transparency and good governance. Net profit before tax deductions for this year outgrown last year's figure by 50%, reaching 27.2 million Jordanian Dinars compared to 17.5 million in 2020. Total assets increased by 3.8% to reach about 2.953 billion dinars, while total shareholders' equity increased by about 1.7% to reach 327.7 million dinars. In addition to that, the 38.4% decrease in allocations, and the 2.4% decrease in expenses, contributed to boosting the after-tax profit by 36.3%, reaching 14.2 million Jordanian Dinars compared to 10.4 million dinars in 2020. The return on shareholders' equity and assets have improved compared to last year's performance, reaching 4.4% and 0.5%, respectively.

Despite the drop-in interest rates, that the Jordanian market witnessed during the past two years, Jordan Ahli Bank maintained its interest net income

Ahli Bank managed to sustain its interest revenues, growing by 1.8% (net) during 2020 compared to 2019, while employees' expenses dropped by nearly 7%.

Moreover, while credit facilities maintained their 2021 levels standing at JD 1.37 billion by the end of 2020, customer deposits, on the other hand, registered a 2.17% growth, surpassing the JD 1.9 billion level despite mounting competition to attract deposits in the Jordanian market.

registering an increase of 0.52% and an increase in clients' deposits of 5.2% during the last year, reaching 2 billion Jordanian Dinars. The bank's top management also continues to strengthen the financial position and solvency of the bank and its reserves, Where the capital adequacy ratio increased to 15.92%, while the ratio of non-performing debts to total facilities decreased to 6.04%, and the coverage ratio of non-performing facilities improved to 75.3% at the end of last year, compared to 67.6% for the year 2020.

lastly, I want to assure you that we will continue to set the bar for excellence in the banking sector, and renew our commitment to improving the bank's Key Performance Indicators (KPIs) and saving no effort to achieve the ambition and vision of our pioneering institution, and to bring sustainable economic growth to our national economy and local communities.

With that said, I extend my gratitude to every one of our clients and shareholders for their trust and belief in the capabilities of this national institution and its vision that we aspire to achieve by its family efforts that we are proud of.

I would also like to extend my thanks and appreciation to the executive management team as well as all of the outstanding employees for their persistent effort and commitment and determination to achieve the bank's goals.

I am honored to also commend the efforts of all the regulatory authorities in Jordan and commend the efforts and collaboration of the Central Bank of Jordan, Securities Commission, Corporate Control Department for their keenness to strengthen the banking system in Jordan under the guidance of his Majesty King Abdullah the Second, may Allah protect him.

Saad Nabil Mouasher
Chairman of the Board



CEO's Message

Ladies and Gentlemen,

On behalf of Jordan Ahli Bank's management, I am pleased to present you with Jordan Ahli Bank Annual Report for the year 2021. In this report we highlight the Bank's financial results and future plans, along with key achievements during periods of increasing competition and unprecedented circumstances, particularly, the Bank's ability to lead a huge leap forward in its innovative digital solutions.

In the context of our continuous efforts to stay ahead of the technological changes and to put them to use to meet our clients' needs and aspirations, and in a step that reassures our vision to create a shared value proposition for all stakeholders and offer them a distinctive experience, JAB became a pioneer in adopting an innovative approach for developing banking services as it continues to offer top of the line services that adapt to the increasing needs of our clients. Most importantly, new and existing clients can open bank accounts electronically and without the need to visit any of the Bank's branches. In addition to serving Jordanians residing in the Kingdom, this step allowed Jordanian citizens living abroad to benefit from this service as well by offering them the ability to open bank accounts immediately and to enjoy all banking services without any exceptions.

Moreover, JAB also introduced new features and updates to Ahli mobile application and Ahli online service by offering a variety of new digital services and extending the scope of banking services that can be conveniently accessed through the app and online services, thus effectively contributing to increasing customer satisfaction and enhance overall performance.

JAB also relaunched a new promotional campaign for saving account prizes during last year, which is in line with the Bank's policy to reward its clients for their loyalty and trust and for being part of the larger Ahli family, in addition to promoting a savings culture among its customers and contributing to their future prosperity by providing suitable and high quality services and products.

In terms of financial performance, the bank achieved outstanding results following the outbreak of the Corona pandemic, which had a tangible effect during the last period, as the bank's business results improved in 2021 and our financial indicators remained stable and consistent.

The bank achieved pre-tax profits of 27.2 million dinars, an increase of 55.2 percent over the previous year, which enables us to continue our steady march toward strengthening our position in the local and regional markets.

I would like to extend my gratitude and appreciation to everyone who participated in overcoming the difficult times during the pandemic. Also, thanks to the Central Bank of Jordan for their wise and thoughtful decisions that contributed to weather the storm and to maintain the wellbeing of citizens and overall soundness of our economy. We hope that this year brings more economic prosperity allowing us to achieve our forward-looking aspirations and ambitions.

Finally, allow me to extend my gratitude to all members of our Board of Directors for their relentless efforts, and special thanks to our Chairman Mr. Saad Mouasher. We highly appreciate our shareholders' trust and belief in this institution and praise their continuous support. I would also like to thank all Ahli Bank staff and members and our subsidiaries for their commitment and efforts to attain the Bank's goals. I take this opportunity to emphasize our dedication to continue our successful journey and to continue to serve our shareholders, clients, employees and our local economies, while we look forward to share with you another prosperous year filled with accomplishments and success.

Mohammad Mousa Dawood
Chief Executive Officer/General Manager

Jordanian Economic Performance 2021

Key Economic Indicators

Productivity, Prices and Employment

- The real Gross Domestic Product (GDP) increased by 2.1% in the first three quarters of 2021, compared to a 1.5% decline in the same period of 2020.
- The general level of prices (inflation) increased by 1.4% during the year 2021, compared to 0.3% in the same period in 2020, as measured by the relative change in the consumer price index (CPI).
- The unemployment rate reached 23.2% in the third quarter of 2021, down from 23.9% in the same period of 2020.

Banking and Financial Sector

- At the end of 2021, the balance of the Central Bank's gross foreign reserves (including gold and special drawing rights) was approximately 18.04 billion dollars.
- At the end of 2021, the balance of total credit facilities granted by licensed banks was approximately 30.03 billion dinars, up from 28.64 billion dinars at the end of 2020.
- At the end of 2021, the balance of total deposits at licensed banks was approximately 39.52 billion dinars, up from 36.79 billion dinars at the end of 2020.

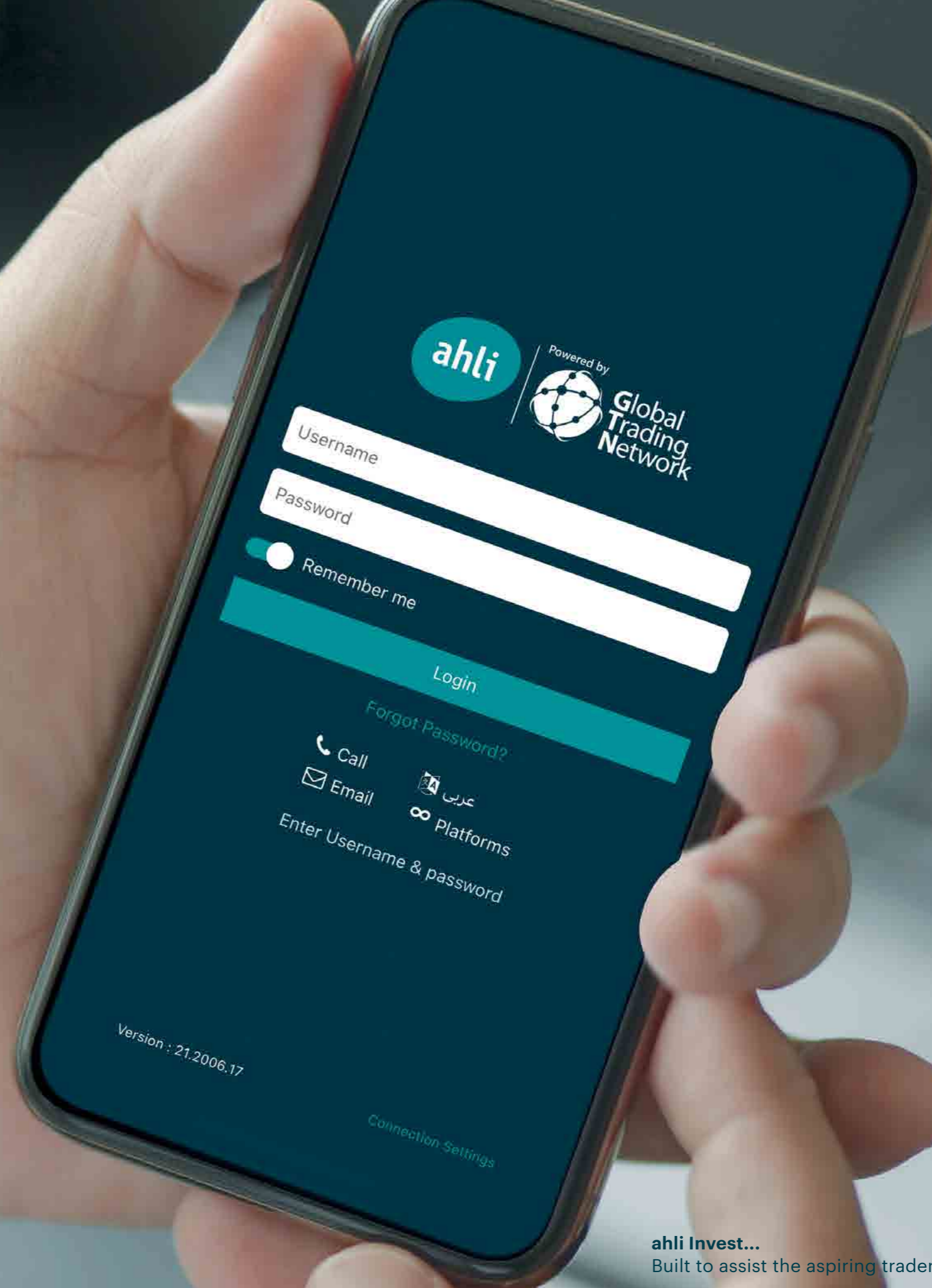
Public Finance

- During the first ten months of 2021, the central government's general budget recorded a financial deficit after grants and aid of 1.283 billion dinars (4.9% of GDP), compared to a deficit of 1.508 billion dinars (5.8% of GDP) at the end of the same period in 2020.
- The government's domestic debt (balanced and guaranteed) increased by 1.081 billion dinars to approximately 20.014 billion dinars at the end of October 2021, while the outstanding balance of external debt (balanced and guaranteed) increased by approximately 794.3 million dinars to approximately 14.89 billion dinars. As a result, the government's debt balance (domestic and external) increased to reach 109.2% of GDP at the end of October 2021, compared to the end of 2020.

External Sector

- The trade balance deficit increased by 29.2% in the first eleven months of 2021, to approximately 7.824 billion dinars, when compared to the same period in 2020.
- Travel receipts increased by 89.9% to 1.899 billion dinars during 2021, while travel payments increased by 131.6% to 627 million dinars, compared to 2020.
- Total remittances received by Jordanians working abroad increased by 1% during of 2021, reaching a record of 2.412 billion dinars.

Board of Directors' Report



ahli Invest...
Built to assist the aspiring trader in you!

BOARD OF DIRECTORS' REPORT

The Bank's Main Accomplishments

Jordan Ahli Bank provides comprehensive banking, financial and credit services for all economic sectors.

Business Sector

The Business Sector is one of the most important units of the Bank as it manages banking relationships with financial institutions as well as SME's, large corporate and consumer banking and offers banking and project financing solutions with the aim of institutionalizing and developing relationships in a manner consistent with the Corporate Shared Prosperity framework that is fundamental to the Bank's mission.

Corporate Banking and Projects Finance

The corporate segment is considered one of the most important segments of the Bank as it is one of the largest drivers of revenue. The department manages banking relationships with clients from the corporate, government and financial sectors by offering a wide array of banking solutions including project financing solutions for key infrastructure projects, through direct lending or participation in syndicated Loans.

- The Corporate Banking and Projects Finance Department was able to establish and develop new client relationships with large corporates through the offering of relevant banking solutions, in addition to building relationships focused on the quality of the credit portfolio utilizing a conservative policy that balances risk and return.
- In 2021 the Bank continued to support the national economy through the offering of a unique integrated financial solutions that match the needs of the segments and which correspond with ever-increasing change in the business environment.
- As a result of the negative impact of the Pandemic Covid-19 on the Jordanian economy the Department continued to offer facilities and banking solutions to support its customers through specialized loans and direct and indirect commercial financing solutions, supporting a number of them in overcoming the financing gaps that they faced in light of the Covid-19 repercussion

Small and Medium Enterprise Banking

Jordan Ahli Bank always believed in the materiality of SMEs, hence in 2006 a specialized SME Group was established with a dedicated team and business centers distributed throughout the Kingdom. We offer specialized programs and services directed to this important segment, with harmony to the company's stage during establishment, entrepreneur, growth reaching to success and prosperity.

In the year 2021, we announced our SMEs Main Business Center with its new theme that provide the best financial and non-financial services to our clients, in alignment with our other Business centers that are distributed inside and outside Amman.

Throughout 2021, Jordan Ahli Bank has reacted efficiently against the economical impact of Corona virus Pandemic and supported our clients. We maintain lending direct and in-direct facilities under our unique products, including "Ahli Izwati" program that is supported with CBJ and JLGC, for the purpose of providing liquidity during difficult periods to cover different financing needs with very competitive prices. In addition to this, we have reduced our lending rates to relief some cost pressure on our clients based on CBJ directions. Adding to this, we postponed payments of different facilities in reaction to cashflow fluctuation for those impacted clients.

We also continued throughout our team and electronic services and channels to offer support to our clients such as salaries payments, transfers, cheques services, Point of sale programs, and many other programs and services that effect positively in ensuring business continuity of our clients to prosper. Also we continued to maintain our partnerships with our main strategic partners such as CBJ, JLGC, and EBRD, throughout expanding the granting of the facilities under subsidized loans and special bundles that carries preferential interest rates and flexible terms and conditions to support SMEs.

Consumer Banking

The Consumer Banking business unit continues its execution of the bank's strategic plan for restructuring branches, either by merging them or reallocating them, in order to raise operational efficiency and reduce costs. As for the Consumer Banking products, several new strategic partnerships have been established to help achieve the bank's financial and non-financial objectives, with shared value across all parties involved, thus enabling the bank to provide solutions with flexible and highly competitive product features to fit the needs of all segments of society. The contact center supports our customers 24/7 to improve customer experience.

Additionally, it improved the services available to exclusive customers, which resulted in a significant increase in the number of customers who use direct debit cards.

Treasury, Investments and Financial Institutions Department

- In compliance with its conservative strategy, The Treasury, Investments, and Financial Institutions carried out its work hedging at a high level. In a response to the current conditions and uncertainty of the capital market, the department focused more on the permanence of liquidity and its flow through employing a set of risk-free vehicles, which includes increasing the government bonds' portfolio. Alongside that, the department also worked on increasing the bank's compliance with the regulatory authorities' requirements, alongside the policies of interest-rate management, liquidity risks, and contingency plans. The management has implied a highly flexible asset-liability management strategy through returns diversification, especially for the returns derived from commissions, reducing the dependence on them due to their low interest-price rate. In addition to that, the management also controlled the cost of funds and maintained a comfortable level of liquidity, as well as strengthening the orientation toward service-automation, and transforming private banking services in the capital market into a digital services platform, Private as a Service (PBaaS).

- Since the launch at the beginning of 2021, Wealth Management services reached the capital market. Integrating various investment tools and products provided by the department in developed and emerging countries has a positive impact on expanding the client base and attracting new accounts, increasing the out-of-budget items revenues.

- Strengthening its presence and confirming its leadership in the field of investment banking in Jordan, the Treasury, Investments, and Financial Institutions integrates both main and support services in the local capital market, meeting the needs of companies and fulfilling the aspirations of investors.

A custodian and paying agent for over 600 million Jordanian Dinars, and an Escrow Bank for a leading company deal, in addition to signing issuance managements and paying agreement to a 7 million Jordanian Dinars corporate bond to be issued in 2022.

- The management has kept the development of its businesses and banking services going to increase the spread of its correspondents to a wider range of Arab and foreign banks and financial institutions. Thus, developing the quality of services provided to our customers and increasing the credit limit to cover commercial services activities. Despite the current reproductions of the Corona Virus pandemic, the corresponding entities relied on the stability and strength of Jordan Ahli Bank as a foundation to strengthen the confidence of these international institutions in our band.

Credit Sector

Credit Review Department:

- Study and Review credit applications from business departments (Corporate and SME) to identify customers financial capabilities towards servicing their debt in compliance with Central Bank of Jordan's instructions.

- Performing the proper evaluation of the credit portfolio in relation to the repercussions of the COVID19 and took necessary actions to mitigate potential risks.

- Continuing to update Credit Policy according to bank procedures.

Credit Execution Department:

- Continuing the processes related to documentation, and activation in compliance with legal and administrative requirements.

- Continuing the activities of early warning system to identify cases of financial distress and maintain quality control.

Credit Remedial Department:

- Responsible for managing defaults and restructuring them to become active or taking the necessary measures and solutions.

- Managing Debt collections to maintain acceptable doubtful debt Ratios.

Support Sector

Operations & Shared Services

In recognition of the importance of BUNA's platform - Arab Monetary Fund in streamlining and harmonizing payments in multi currencies across banks operating in the Arab Region, Jordan Ahli Bank conducted a high profile global Instant Payment Initiative to test receiving a cross currency cross border instant payment sent by a bank in Italy. The entire process was seamless and straight through, effecting the payment to the beneficiary's account within a matter of seconds.

Out of our care for and satisfaction of our customers and to bolster the quality of our services offered to them, we have broadened the scope of our electronic advices that we send to their email addresses to include remittances, loans, deposits, Standing Orders, Cash Sweep, Letters of Credit, Bills of Collection, Accounts Services and Cheques.

Due to the importance of Innovation in developing our banking services, we benefited from Robotics Process Automation in automating more than 77 various processes within Operations in order to ensure its rapidity, accuracy and to greatly improve its efficiency.

Information Technology

The information technology department is responsible for providing support for the operations that utilize technology solutions including offering maintenance and continuity of the technical platforms whether hardware or software to ensure an environment of maximum security from cyber threats.

- Implement 3 live DR Drills and Operating Mall Branches from DR Site successfully.
- Implement Privilege access management solution
- Implement Two Factor authentication for critical systems and Email
- Complete all PCI-DSS requirement as well as SWIFT security framework.
- Launch new Internet Banking System for Cyprus branch
- Implement SDWAN technology for offsite ATMs
- Implementing instant payment service (CLIQ) on Mobile Banking application.
- Reaching Maturity level (3) for most of I&T processes per the CBJ requirements and COBIT 2019 framework.
- Implement IVR for Contact Center
- Implement closed ATM network with Invest Bank
- Publish new Mobile Banking application for retail customers.

Human Resources

The Bank believes that the human capital is one of the most important pillars for the success of any institution and an integral part of its corporate culture. Therefore, based on the Bank's adoption and implementation of the "Shared Prosperity" model, which is a major focus of the comprehensive strategy of the Bank, the Human Resources Department sought during the year 2021 to complete the programs, plans and projects that it adopted during the year 2020, despite the challenges and exceptional circumstances imposed by the Corona Virus (COVID-19) pandemic, as it was necessary to adapt to those circumstances and challenges, continue to work, continue in the process of achievement and development, and expand the scope of work in various areas of human resources. To achieve the strategic objectives of the Bank and to manage human resources in line with the directions and vision of the Jordan Ahli Bank.

During the year 2021, the frameworks of human resources management expanded in the institutional culture project, which was launched in 2019 in order to enhance the optimal values that must be available within our institutional environment and apply them to all practices and reflect positively on performance, growth, creativity and innovation, as work has been done to implement programs, work courses and training activities for all Employees from various administrative levels seek to enhance our corporate culture, express our values, historical heritage, vision and mission of the Bank, develop employees' skills and capabilities, and enhance their experiences, in a manner that simulates the "shared prosperity" model. During the year 2021, the Credit Officers Program was held, which aims to prepare a new generation of qualified employees in the field of Credit, and many specialized professional courses and diplomas were held for each of the branch and department employees in several fields.

In the context of the continuation of the Corona virus pandemic and the issuance of many government decisions and instructions in this regard for the purposes of preserving the health and safety of society and making it free of this virus, the Human Resources Department had a fundamental and pivotal role in following up on the commitment of all bank employees to all instructions, decisions and defense orders issued to limit the spread of the virus. The virus between employees and their families, and work continued to implement and implement all preventive and precautionary measures and measures to be followed, and to provide a flexible work environment to ensure work continuity by activating remote work.

In continuation to the endeavors to provide the Bank with the human cadres necessary to meet the business needs, the Human Resources Department has been keen to enhance the Bank's cadre with qualified employees who possess the required qualifications and experiences that are in line with the Bank's values and environment to create added value to achieve progress, prosperity and leadership in the banking sector, and to set the necessary plans and development programs to retain. With the competencies and charting career paths for them, and providing opportunities for development, promotion and internal mobility for the Bank's employees to enrich and diversify their experiences, in addition to enhancing the performance culture of all employees, as the functional goals of each employee were linked with the Bank's strategic goals, which enabled us to measure the performance of employees in scientific ways and within specific standards. And based on reports prepared for this purpose.

In the context of improving the benefits and benefits of employees and the bank's aspirations to provide the best and useful for our employees, the benefits provided to employees in the field of life and health insurance have been improved, such as adding coverage of the "epidemics" item such as the (Covid-19) virus within the coverage of the employee life insurance contract, and renewing the subscription. The coverage ceiling in the King Hussein Cancer Center's care program was raised, and during the year 2021 coordination and arrangement were made to conduct a free campaign to conduct free Check Up laboratory tests for our employees at their workplaces.

Innovation

- Jordan Ahli Bank is expanding the offering and reach for the present & future clients via partnerships, fintech investment, and alliances.
- Jordan Ahli Bank is redefining the business architecture by utilizing lean and agile approaches to offer personalized & innovative solutions for being redesign using design thinking methodologies.
- Design Thinking methodologies are also deployed to realign and enhance the operational frameworks of multiple functions within the bank.
- Jordan Ahli Bank is using the capabilities of Data Lake house to improve financial decision making and product design via AI & Machine Learning.
- Jordan Ahli Bank saves time and effort on all fronts by automating more than 400 processes using Microsoft and UiPath software.
- Jordan Ahli Bank is rapidly implementing next-generation technologies such as Blockchain, Cloud, Microservices, Open APIs and the latest Core Banking system.
- The technical and business management expertise of the members of the Innovation department is extended to support and guide the fintech startups that participate in the AHLI FINTECH Seed Accelerator program. This further enables sharing of knowledge and experience in accelerating the development and deployment of FinTech solutions, and scaling them exponentially in the local and regional markets.

Strategy and Project Management Office

The Strategy and Project Management Office at Ahli Bank aims to enabling and achieving the annual strategic objectives through its qualified and specialized team by managing strategic projects and by supervising and following-up on projects owners to ensure their commitment to implement their projects in accordance to the projects management framework and the bank's procedures that are based on the highest international standards.

To achieve the goals of the Strategy and Project Management Office, 73 projects distributed among the various departments of the Bank were monitored and managed while focusing on achieving the goals and outputs of projects within the defined scope of work, time and budget. Periodic and detailed reports on the projects progress status and its completion are raised to the executive management to ensure achieving strategic alignment between the bank's goals and projects.

Center of Excellence

During the year 2021, the Center of Excellence was established to comply with the bank's strategic plans "Shared Prosperity Model" to ensure applying an efficient business model and "Integrated Operating Model" based on the merging innovation, strategies, and output of operational projects to be addressed in the design of the organization and banking operations, and finally improving the quality of services provided to customers to become End to End.

The scope of "Processes Re-engineering Department" was enriched to comply with the operating requirements to include Operating Model and Processes' Development through Processes Re-design, Process Automation, and Centralization of various banking systems, where the outputs of design, organization and development of banking operations will be integrated in the preparation, maintenance, documentation and approval of policies and procedures, in addition to financial, administrative and systems' authority matrices.

The Executive Management has enriched the scope, tools and procedures of Internal Control and evaluation methodologies to become the main line of defense and independent of all the executive organizational units of the bank in compliance with "Three Lines Model" part of effective response strategy for the emerging risks. Controls were designed to apply segregation of duties, authority limitation and merging operational and control roles within the procedures and process workflow in order to efficiently achieve strategic and operational bank goals and to assure that operations and activities are complied with circulars, instructions and regulations issued by all regulatory and legislative bodies that supervise banking industry. Also, the bank has continued to develop and document a complete governing system framework for information technology in accordance to best practices (COSO Framework & COBIT 2019) merging assurance, regulatory and consultancy roles of Board regulatory committees and the regulatory practices that should be executed by all organizational units that is derived from the deep supervisory role of the board of directors.

With the aim of developing and enhancing the general values of the center, the center of excellence will continue to improve the integrative and operational model of the business in a manner that simulates the best banking practices and focus on strengthening supervision and raising the level of general maturity in addition to activating process reengineering function and practices.

Shareholders Affairs

The Bank undertakes the necessary measures to ensure the effectiveness of the persistent communication through the Shareholders Affairs at the Board Secretariat Department in accordance with best practices, in order to reinforce the trust of the shareholders in the Bank. The Shareholders Affairs follows up on the details of their shares and the distribution of any dividends, whether cash or in-kind. The AGM invitations, agenda and annual report are distributed to shareholders at their registered mail addresses, emails and are also disclosed on the Bank's website and in the necessary media channels.

In order to substantiate the shareholders' knowledge of all matters related to the and their rights, especially as they are one of the stakeholders under the Shared Prosperity Model, a mechanism was adopted to receive complaints and suggestions submitted by shareholders and were published on the bank's website.

Geographical Coverage and Number of Employees

The Bank exercises its operations through a network of branches spreading across Jordan, Palestine and Cyprus as well as through its subsidiaries, in which the total number of branches among Jordan, Palestine and Cyprus are 61 as detailed at the end of this report herein, and the total number of the Bank's employees are 1311 as of the end of 2021, as detailed below:

	No. of Branches	No. of Employees 31/12/2021
Hashemite Kingdom of Jordan	50	1084
Palestine	10	214
Cyprus	1	13
Total	61	1311

Distribution of Employees and Branches

The distribution of Jordan Ahli Bank branches and number of employees according to the Bank's Governates and its external branches as of the end of 2021 are as follows:

Within the Hashemite Kingdom of Jordan					
Branch	No. of Employees	Branch	No. of Employees	Branch	No. of Employees
Amman					
Central Amman					
Main Branch	11	Abdoun	10	Wadi Saqra Street	9
Corporate	19	Taj Mall	12	Ibn Khaldoun Street	3
Exclusive	17	Jabal Amman	8	Abdali Boulevard	8
East Amman					
Sahab	6	Tabarbour	6	Dahieh Yasmine	7
Madaba	10	Al-Hashimi Al-Shamali	6	Marka	6
Hurriya Street	7	Downtown	6	Jabal Al Hussein	5
		Middle East Circle	10	Marj Hamam	6
West Amman					
Umm Uthaina	4	Mecca Mall	8	Makkah Street	7
Al Bayader	7	Wasfi Al-Tal Street	9	Queen Rania Street	5
Sweifieh	9	Khalda	8	City Mall	11
Abdullah Ghosheh	6				
Balqa					
Deir Alla	6	Al-Salt Gate	7	Balqa Applied University	7
Al-Salt	7	Fuhais	5	Jubaiha	9
Zarqa & North					
Zarqa Main Branch	9	Ramtha	6	Irbid	12
New Zarqa	6	Mafraq	6	Jerash	7
The Free Zone	3	Arabella Mall - Irbid	12	Rusayfa	4
South					
Tafila	6	Mu'ta	8	Karak	6
Ma'an	9	Aqaba	12		

Outside The Hashemite Kingdom Of Jordan

Branch	No. of Employees	Branch	No. of Employees	Branch	No. of Employees
Palestine					
Regional Office	120	Jenin	11	Ramallah	12
Nablus	12	Tulkarm	9	Bethlehem	12
Shalala - Hebron	2	Beit Sahour	9	Masyoun	6
Salam - Hebron	11	Betonia	10		
Cyprus					
Limassol	13				

Capital Investment

The capital investments of Jordan Ahli Bank amounted to 88 million Jordanian Dinars with fixed assets amounting to 80.36 million Jordanian Dinars and intangible assets amounting to 7.59 million Jordanian Dinars as at the end of 2021.

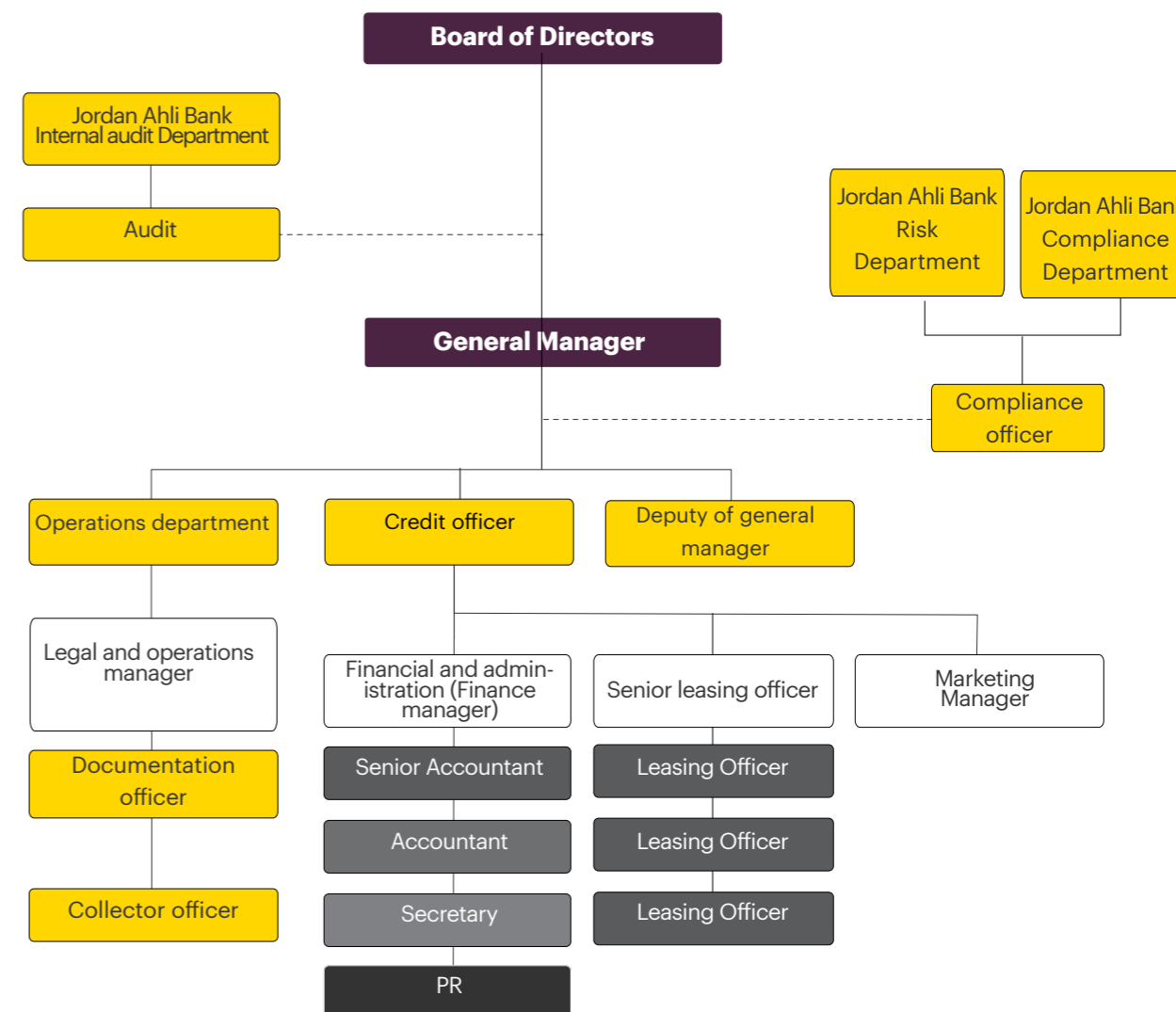
Jordan Ahli Bank Subsidiaries

Table Providing Detailed Information in Respect of Subsidiaries

Name of Company	Type of Company	Address	The nature of the company's business	Capital	No of Employees	No of Branches	Major Shareholders (5% of more of Capital)				
							Name	No of Shares as of 31/12/2020	%	No of Shares as of 31/12/2021	%
Ahli Financial Leasing	Private Shareholding Co.	Amm. - Jo. Tel: 06 5003333	Leasing	17,500,000	14	1	Jordan Ahli Bank	17,500,000 JD/Share	100%	17,500,000 JD/Share	100%
Ahli Micro-finance	Limited Liability Co.	Amm. Jo. Tel: 06 9706558 Fax: 06 586 5952	Micro-finance	6,000,000	250	27	Jordan Ahli Bank	6,000,000 JD/Share	100%	6,000,000 JD/Share	100%
Ahli Brokerage	Private Shareholding Co.	Amm. Jo. Tel: 06 5624471 Fax: 06 5821162	Brokerage	3,000,000	8	1	Jordan Ahli Bank	3,000,000 JD/Share	100%	3,000,000 JD/Share	100%
Ahli Fintech	Private Shareholding Co.	Amm. - Jo. Tel: 06- 526000	Information Technology	Authorized 1,500,000 Subscribed & Paid up 600,000	-	1	Jordan Ahli Bank	Authorized 1,500,000 Subscribed & Paid up 600,000	100%	Authorized 1,500,000 Subscribed & Paid up 600,000	100%

Ahli Financial Leasing Company PSC

A wholly-owned private shareholding company established in 2009, Ahli Leasing Company currently operates with a paid-up capital of 17.5 million Jordanian Dinars and aims at providing comprehensive financial leasing services and non-traditional lending solutions for a wide community, including both retail and corporate clients. The main areas of lending belong to financing capital investments such as real estate, plants and equipment, medical supplies, in addition to transportation, whereby Ahli Financial Leasing Company was able to become one of the leading leasing companies in Jordan in a very short period.



Achievements of the company in 2021

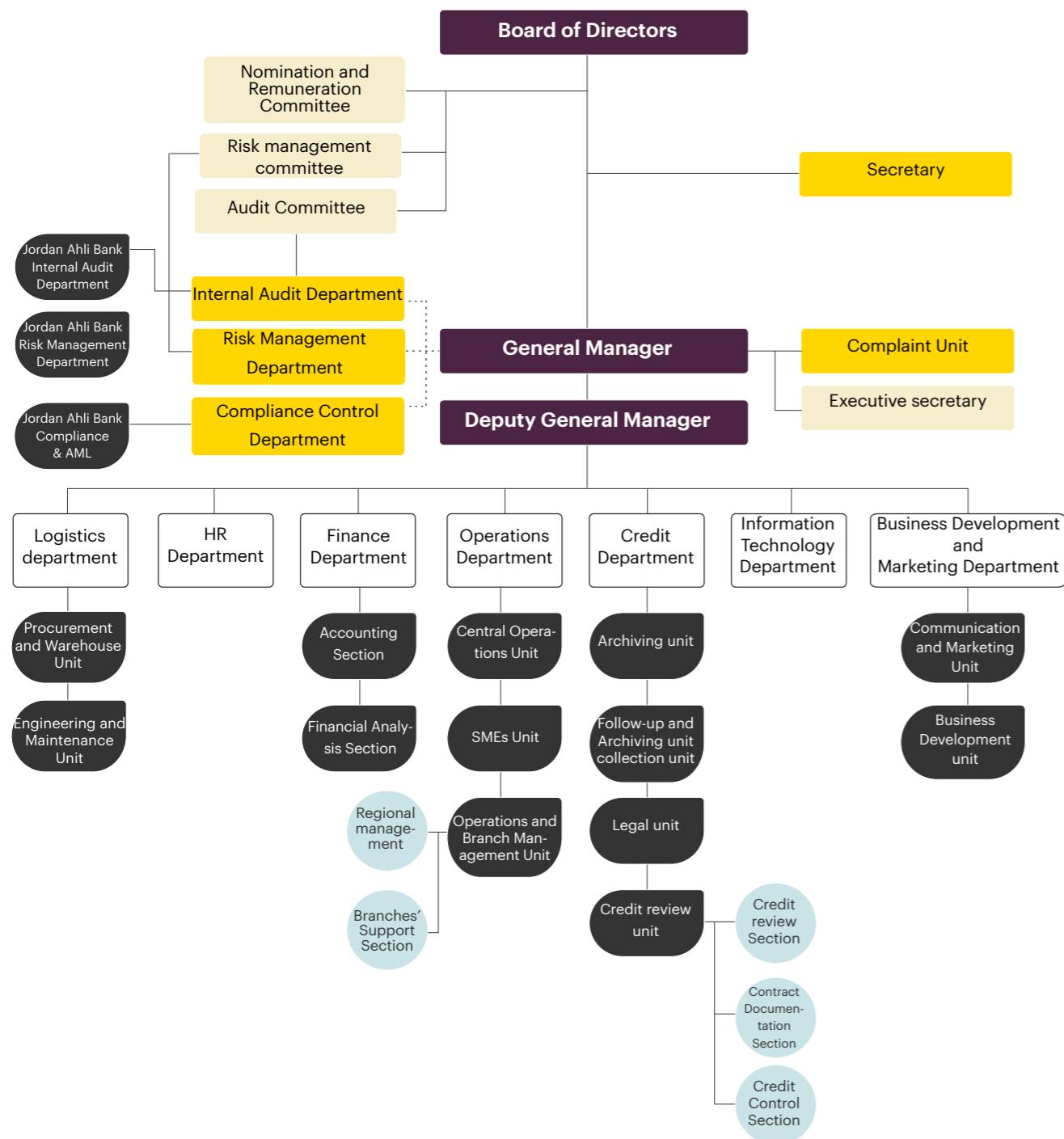
- Offering a finance lease in the amount 37 million JOD under 211 financial leasing contracts.
- The company's net profit before tax increased by 8% to reach JD 3.5 million
- The company's total assets decreased by 2.8% compared to the year 2020 to reach 83,677 million JOD.
- The company's equity/(ownership rights) increased by 7% compared to 2020 to reach 37.439 million JOD.

Future Plan for 2022

- Continuing to attract new clients by holding extensive meetings for all economic sectors. in addition to spread awareness and the culture of financing through financial leasing programs.
- Developing our electronic services and launching new products that meet the needs of the market.

Ahli Microfinance Company L.L.C.

A wholly-owned subsidiary of Jordan Ahli Bank and the first for-profit private sector company operating in the microfinance space in Jordan. The company was established in 1999 in Jordan with a capital of 6 Million Jordanian Dinars. It aims to support the development of local communities by providing financing solutions to productive limited income and poor small business owners who are not serviced by traditional financing agencies (banks) and contribute to the reduction of unemployment and poverty by providing seed funding and supporting self-employment thus creating a better economic, social and educational environment with a positive impact on the prosperity of local communities. During this period, the Company has provided total loans exceeding 219 Million Jordanian Dinars and served more than 260 thousand customers through 27 branches located inside the Kingdom.



Achievements of the Company in 2021

- Achieved the company's financial and non-financial targets.
- Reduce expenses and enhance operational efficiency
- Establish new strategic partnerships with number of institutions to serve the company's and customers' interest.
- Expanded the company's outreach by open new Mafraq branch and transfer Nazzal branch in way to achieve company's mission in financial inclusion.
- Developing digital services and launching Al Ahliah Mobile Application phase one.
- Complied with the Central Bank of Jordan regulations and established compliance department.
- Prepared and implemented the departments' policies and procedures to further regulate the company's internal work.
- Continue the development of the internal infrastructure to equip the company for digital transformation.
- Provided number of non-financial services including clients' training in business project management and awareness in financial literacy.
- Activated further the company's role in its social responsibility through supporting social community based projects including national and social occasions.

Future Plan for 2022

- Enhance operational efficiency and automate number of internal processes.
- Achieve annual objectives.
- Approve and implement the digital transformation strategy.
- Continue the expansion in our outreach strategy and open new branch in Jordan Valley and transfer Aqaba branch.
- Continue the development of the company's internal infrastructure and execute number of capital investment projects to enhance company's business efficiency.
- Strengthening corporate social responsibility strategy.

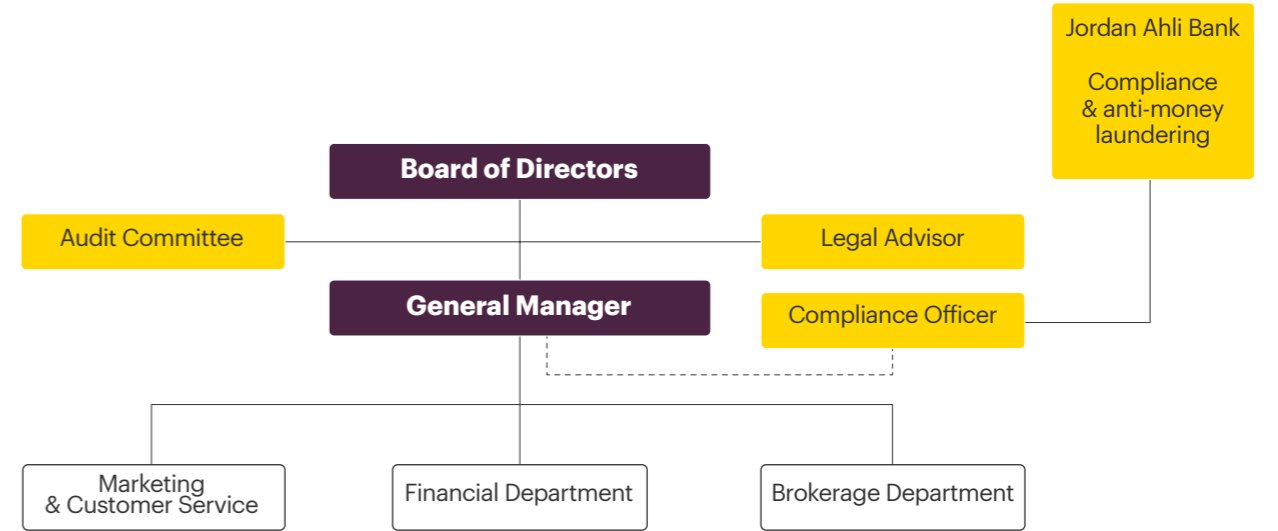
Company's Branches:

Branch	Address	Phone No.	No. of Employees
Bayader	Bayader Street, Ata Ali traffic light, opposite to Jordan Kwait Bank - Ground floor	(06) 5820993	8
Zarqa	Al-Saadeh Street, building 20 - 4th floor, on top of Ahli Bank	(05) 3980083	9
Middle East	Khawla Bent Al Azwar Street, Al Entlaq AL Mowahad building-next to Total gas station - Ground floor	(06) 4777310	8
Irbid	Al Husoun Street, Raed AL Hijazi building, opposite to Jordan Ahli Bank - Ground floor.	(02) 7251072	13
Swaileh	Princess Haya Street, Al Jude building, next to Jo Petrol gas station - Ground floor	(06) 5347594	6
Zarqa Jadeedeh	36 Street, building 37, next to Nuram Shamia sweets - Ground floor	(05) 3863354	7
Rsaifeh	King Hussain Street, building 100 - Ground floor	(05) 3755115	4
Rsaifeh (Jabal Al Shamali)	Yajouz Street, opposite to Prince Faisal Hospital - Ground floor	(05) 3756844	7
Al Hashmi	Al Bathaa Street, AL Montaser building, next to Anabtawi traffic light - Ground floor	(06) 5064990	9
Baqaa'	Al Shu'un Street, opposite to Al Wakaleh school - Ground floor	(06) 4727124	8
Marka	Esawiah Street, building 8 - Ground floor	(06) 4884123	7
Jabal Al Hussien	Khaled Ben Al walid Street, building 130, opposite to Opera House - Ground floor	(06) 4657201	9
Aqaba	Petra Street, opposite to Super Market Hamam - Ground floor	(03) 2030320	7
Irbid - Aydoun	New bus station - Al Sydawi complex, next to Jordan Kwait Bank	(02) 7070260	9
Madaba	Greater Madaba Municipality Street, next to Alawneh Exchange - Ground floor	(05) 3244432	9
Al Karak	Mothalath Al Thonaya Street, Sabri Dal'een building - Ground floor	(03) 2386082	10
Ajloun	Ishtafina Street, traffic, under Ministry of Justice - Ground floor	(02) 6440344	7
Marj Al Hamam	Prince Nayef Street, Abu Khaled Al Manaseer building, next to pharmacy One - Ground floor	(06) 5733984	6
Abu Nseir	Abu Nser Street, next to Cairo Amman Bank - building 224 - Ground floor	(06) 5105786	7
Hai Nazal	Hai Nazzal-Al-Dustour St.-building #147-Ground floor	(06) 4370999	9
Salt	Anees Muasher St.- Dababneh Trade Complex - next to Housing Bank - Ground floor	(05) 3557105	8
Al Hurria	Al-Hurriyah Street, building 95, next to National Poultry Company - Ground floor	(06) 4205072	6
Jabal Al Naser	Adan Street, next to Flamingo Restaurant - Ground floor	(06) 4967529	5
Tabarbour	Tabarbour - Tareq Street, opposite to Tareq Post Office	(06) 5059350	7
Mu'ta Office	King's St. - Mazar area - municipality complex - Ground floor	(03) 2370312	6
Jarash	Hasan Al Kayed Street, near Al Kairwan circle, opposite to the bus station, Al Baraka commercial complex	(02) 6342070	9
Mafraq	Mafraq, King Abdullah I Street, Jordanian Hijaz railway complex, next to Bank ABC - Ground floor	(02) 6232059	6
Main Office	8 th circle, King Abdulla II Street, building 449	(06) 5865970	70

Ahli Brokerage Company P.S.C

Ahli Brokerage Company is a wholly owned subsidiary of the bank, was established in 2006 as a private shareholding company with a current paid-up capital of 3 Million Jordanian Dinars.

The company's main activities are providing financial brokerage services, trading all types of financial securities (Equity and Debt) in Amman Stock Exchange (ASE).



Achievements of the company in 2021

- Ahli Brokerage maintains a resilient and comfortable solvency ratio of 113% by the end of 2021, which is well above the minimum required ratio of 75% set by JSC.
- Achieved a 241% growth in total trading volume compared to the year 2020
- Achieved a 83% growth in total revenues compared to the year 2020
- In 2021, the company provided the E-Fawateercom service which enables users to Top-up their accounts.

Future Plan for 2022

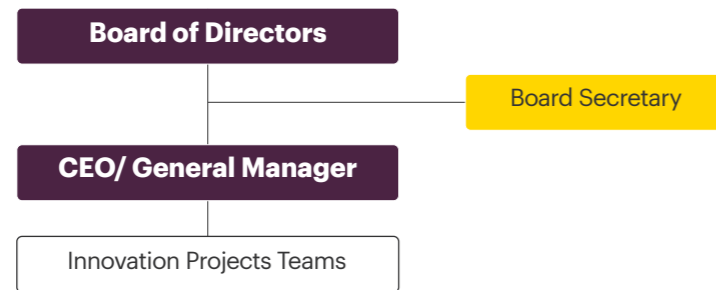
Continue with the efforts aimed at expanding the client base and increasing market share to reinforce the competitive position of the company in the capital market by focusing on innovation in utilizing financial technology tools to satisfy the digital generation.

Ahli Financial Technology Company P.S.C.

Ahli Fintech was established in 2017 as a wholly-owned subsidiary of Jordan Ahli Bank. The company has and authorized capital an authorized capital of 1.5 million Jordanian Dinars and a subscribed and paid up capital of 600,000 Jordanian Dinars. AHLI FINTECH is an independent financial innovation venture and solution building, fintech investor, incubator and accelerator, and financial technologies software, hardware, and professional services provider. Its vision is to promote the fintech ecosystem and establish Jordan as a regional hub for fintech innovation.

The company is fully licensed to create, co-create, license, sell and invest in fintech solutions. It is designed to develop FinTech talent through diverse activities and programs, including FinTech events, conferences, workshops, and training sessions.

The company develops and offers fintech solutions and operates as a growth accelerator through the AHLI FINTECH Seed Accelerator to support entrepreneurs and startups working in the FinTech space.



Achievements of the company in 2021

- During 2021, AHLI FINTECH worked closely with its seed accelerator program alumni fintech startup companies in scaling their business. The startups have been successful in scaling their businesses cross-border and have contributed to the employment of new resources as their businesses grew, increasing number of employees by 4 times.
- AHLI FINTECH developed a QR Code-based, zero-fee, instant payment solution, which it launched in April of 2021 with its partner bank, Jordan Ahli Bank.
- As a UiPath™ Gold Partner, AHLI FINTECH continued with its development of Robotic Process Automation (RPA) solutions, automating over 32 processes for Jordan Ahli Bank, almost 1.5 times the processes that were automated the previous year.
- AHLI FINTECH further enhanced the technical capabilities of its AI and Blockchain-based eKYC-as-a-Service platform, Meen World, and the AnaMeen verified digital identity mobile app, enabling Jordan Ahli Bank to become the first bank in Jordan to fully digitally onboard Jordanian expats around the globe. AnaMeen leverages 5th generation technologies including Deep Learning, Machine Learning and Artificial Intelligence to aid in validating and authenticating the digital identities of its users.
- In the final days of 2020, AnaMeen was awarded the Fintech Galaxy Arab region's "Yalla Fintech" competition prize of the year, held in collaboration with the GIZ, for digital KYC/financial inclusion.

Future Plan for 2022

- Further investing in and accelerating innovative fintech startups in Jordan and abroad, and integrating these innovative fintech services into Jordan Ahli Bank's core offering for its customers to benefit from.
- Grow the AnaMeen customer base in Jordan, while widening the spectrum of entity and industry participants in "meen world", which utilize our instantaneous digital eKYC-as-a-Service functionality.
- Enhance AnaMeen functionality to cater to the services of new industries in Jordan and abroad.
- Develop the functionalities and capabilities of the instant payment service and widen the network of PAW merchants subscribed to the service for a much wider range of usage and payment acceptance.
- Development of electronic payment, data analysis and other strategical solutions that contribute to the expansion of the Fintech industry.

Members of the Board of Directors



Name	Mr. Saad Nabil Yousef Mouasher
Title	Chairman of the Board Non-Executive Non-Independent
Date of Membership	2014
Date of Birth	26/10/1976
Academic Qualifications	<ul style="list-style-type: none"> • Master of Business Administration (MBA) 2000, Stanford University. • B.A. in Economics 1996, Northwestern University.
Experiences	<ul style="list-style-type: none"> • A Member in the Ministerial Committee to modernise public sector formed by the Council of Ministers. • A banker with more than 20 years experience in the financial services industry, last executive position held: Senior Deputy CEO, ahli Bank. • Vice Chairman – Al Nabil for Trade and Investments. • Vice Chairman – Fig Tree Ventures (Al Nabil for Trade and Investments representative). • Vice Chairman - Al Asnaf Company for Tourism Projects Management (representative of Al Nabeel Company for Trade and Investment Management) • Vice Chairman - Luxury Food Company for Tourism Projects Management (representative of Al Nabeel Company for Trade and Investment Management). • Member of the Board - The Generous Palms. • Board Member - Endeavor Jordan (representative of Jordan Ahli Bank) • Member of the Board of Trustees – The Crown Prince Foundation. • Served as Founder and/or active Board Member for many non-profit institutions including Queen Rania Foundation for Education and Development, Jordan Strategy Forum, and Naua/Nahno. • Fellow – The Aspen Institute, Aspen Global Leadership Network. • Active Mentor and Startup Investor. • Member - YPO (Young Presidents Organization).



Name	H.E. Dr. Umayya Salah Ala Uddin Toukan
Title	Vice Chairman Non-Executive Independent
Date of Membership	2017
Date of Birth	26/02/1946
Academic Qualifications	<ul style="list-style-type: none"> • PhD in Monetary economics , 1987, Columbia University. • M.A. in Economic Development/ International Economics, 1982, University of Oxford. • Masters of Business Administration, 1970, the American University of Beirut.
Experiences	<ul style="list-style-type: none"> • Former Deputy Prime Minister and Minister of State for Economic Affairs. • Former Member of the Senate House. • Former Chairman of the Economic and Financial Committee - Senate House. • Former Governor of the Central Bank of Jordan during the period 2001-2010 for two consecutive terms. • Former Finance Minister. • Former Ambassador to the European Union. • Non-executive director at the European Arab Bank. • He worked as part of the experts' group at the International Monetary Fund for the year 2011. • Jordan's representative in the United Nations (Second Economic and Financial Committee). • Economic Adviser to the Prime Minister. • Former General Manager of the Financial Market • Former Board Member at Al Dawliyah for Hotels and Malls.



Name	Mr. Nadim Yousef Issa Muasher
Title	Board Member Non-Executive Non-Independent
Date of Membership	1990
Date of Birth	07/08/1950
Academic Qualifications	<ul style="list-style-type: none"> • Masters in Construction Engineering, 1974, Stanford University. • B.A. in Architecture, 1973, University of Leeds.
Experiences	<ul style="list-style-type: none"> • Awarded the Order of Jordan (third degree) star and the Grand Cross of the Equestrian Order of the Holy Sepulchre of Jerusalem star. • Former Member of the Senate House. • Member of the Economic and Financial Affairs Committee and the Tourism Committee. • Former Honorary Consul - Of Cyprus. • Rapporteur for the Investment Committee/Economic Advisory Council; Investment Deepening Committee /National Agenda. • Former Chairman of the National Tourism Strategic Steering Committee. <p>• He works in the field of business, finance, investment, industry and trade, in addition to the following positions:</p> <ul style="list-style-type: none"> • Chairman of Ranco Diversified Investments Co. • Chairman of the Arab International Hotels Co. • Chairman of Al Dawliyah for Hotels and Malls Co.(Jordan Investor Center representative) • Chairman of El-Zay Ready Wear Manufacturing Co. • Chairman of the Jordan Investor Center Co. • Chairman of Business Tourism Company (Arab International Hotels Co. representative). • Chairman of Jordanian Hospitality & Tourism Education Co. • Chairman of Interior Design Studio. • Chairman of Arab International Real-estate (Arab International Hotels Co representative) • Vice Chairman of the Jordan Worsted Mills Co (Ranco Diversified Investments Co. representative). • Vice Chairman of Jordan Fabric & Worsted Manufacturing Co. • Vice Chairman of Generous Palms Ltd. • Vice Chair of Trustees - Jordanian Hospitality & Tourism Education Co.



Name	Mr. Rafik Saleh Muasher Rajai Muasher & Brothers Co Representative
Title	Board Member Non-Executive Non-Independent
Date of Membership	1985
Date of Birth	1/9/1949
Academic Qualifications	<ul style="list-style-type: none"> • Masters in Construction Engineering, 1974, USA. • Masters in Engineering Projects Management, 1974, USA. • B.A. in Engineering, 1973, USA.
Experiences	<ul style="list-style-type: none"> • Managing business in business and investments. • General Manager at Rajai Muasher & Brothers Co. • Al Ahlih for Securities 1988 - present. • Held positions in RANCO for construction and commerce 1980.



Name	Mr. Imad Yousef Issa Mouasher Mouasher Investment & Trading Co Representative
Title	Board Member Non-Executive Non-Independent
Date of Membership	1990
Date of Birth	21/9/1957
Academic Qualifications	<ul style="list-style-type: none"> • Masters in International Business Administration, 1981, USA. • B.A. in Economics, 1979, USA.
Experiences	<ul style="list-style-type: none"> • Chairman of Mouasher Investment & Trading Co. • Chairman of Jordan Worsted Mills (Mouasher Investment & Trading Co. representative). • Chairman of Jordan Fabric & Worsted Manufacturing Co. • Chairman of the Generous Palms Ltd. • Vice Chairman of Ranco Diversified Investments Co. • Vice Chairman of the Arab International Hotels Co. • Vice Chairman of Al Dawliyah for Hotels and Malls Co. (Jordan Worsted Mills Co representative) • Vice Chairman - Business Tourism Company PSC (Mouasher Investment & Trading Co representative). • Vice Chairman - Jordan Investor Center (Arab International Hotels Co. representative). • Vice Chairman of Arab International Real-estate (Jordan Worsted Mills representative) • Vice Chairman - Wings of Hope Society.



Name	H.E Mrs. Majd Mohammad Abdul Kareem Shweikeh Jordan Investor Center Representative
Title	Board Member Non-Executive Non-Independent
Date of Membership	2002
Date of the Representative Appointment	27/05/2021
Date of Birth	03/08/1966
Academic Qualifications	<ul style="list-style-type: none"> • Bachelor of Business Administration in Finance, 1987, Yarmouk University • Certified Management Accountant IMA, 1999, USA
Experiences	<ul style="list-style-type: none"> • Vice Chairman of EHS -Jordan: Vice Chair - present. • Strategic Partner of 360 Solutions Middle East - 2021. • Board Member Fulbright - 2021. • Senior Advisor Arthur D Little 2021. • Board of Trustees Amman Baccalaureate School 2021. • Minister of Tourism & Antiques 2020. • State Minister for Institutional Performance Development 2019. • Minister of Public Sector Development 2018. • Minister of Information and Communication Technology 2015 - 2016. • Chairperson for Government Economic Development Committee 2019 - 2020. • Chairperson for Women Empowerment Committee 2017. • Member - Young Presidents Organization (YPO). <p>• Other previous memberships:</p> <ul style="list-style-type: none"> • Former Board member and Audit Chair at Etihad Bank 3/2015. • Founder of 360 Solutions Middle East, 2013 - 2015. • Former Group Chief Executive Officer VTEL Middle East & Africa, Amman, 2010 - 2012. • Former Chief Executive Officer for Orange Jordan Mobile and Former Vice President of Jordan Telecom Group 2006 -2010. • Former Board Member at Social Security Investment Fund: 2006 – 2009 • Board of Trustees - Israa University. • Deputy Chairman of the Board of Directors of the Global Fund to Fight AIDS, Malaria and Tuberculosis. • Board Member of the Swiss-Jordanian Business Club.



Name	Mrs. Ranya Moosa Fahed Alaraj Social Security Corporation Representative.
Title	Board Member Non-Executive Non-Independent
Date of Membership	1995
Date of the Representative Appointment	1/9/2021
Date of Birth	30/11/1978
Academic Qualifications	<ul style="list-style-type: none"> • Chartered Financial Analyst @, 2018 • Professional Diploma in Portfolio Management, 2004, Institute of banking studies • Masters in Banking and Finance, 2003, Arab Academy for Banking & Finance • BA in Banking and Finance, 1999, Yarmouk University
Experiences	<ul style="list-style-type: none"> • Treasury & Loans Directorate Manager, Social Security Investment Fund since 2018. • Member at ALCO , Social Security Corporation. • Member at Investment Committee, Social Security Investment Fund. • Part time instructor, various local and regional training institutes. • Member at CFA institute and CFA Society/Jordan. • Acting Equity Investments Directorate Manager, Social Security Investment Fund during 2021. • Acting Equity Support Directorate Manager, Social Security Investment Fund during 2019. • Treasury Section Head, Social Security Investment Fund 2007 till 2018. • Portfolio Manager, Foreign Investments & Operations Dept., The Central Bank of Jordan, 2004 till 2007. • Dealer, Foreign Investments & Operations Dept., The Central Bank of Jordan, 2002 till 2004. • Financial Analyst, , Foreign Investments & Operations Dept., The Central Bank of Jordan, 2000 till 2002. <p>• Represented Social Security Corporation on several corporations' board of directors:</p> <ul style="list-style-type: none"> • Central Electricity Generating Co. 2019 – 2021. • Arab Potash Co. during 2019. • Cairo Amman Bank 2016-2019. • Housing Bank for Trading and Finance during 2016. • Jordan Loan Guarantee Corp. 2014-2016.



Name	Mr. Alan Fouad Wanna Byblos Bank representative
Title	Board Member Non-Executive Non-Independent
Date of Membership	2007
Date of Birth	18/11/1969
Academic Qualifications	<ul style="list-style-type: none"> • Masters in Banking & Financial Sciences, 1995, American University of Beirut. • B.A. in Economics, 1992, Lebanese American University.
Experiences	<ul style="list-style-type: none"> • Deputy General Manager - Byblos Bank. • Board Member at Byblos Bank Africa. • Board member of Byblos Bank Armenia. • Board member of Byblos Invest Bank. • Board member of ADIR SAL (Insurance company).



Name	H.E. Dr. Tareq Mohammad Khaleel Hammouri
Title	Board Member Non-Executive Independent
Date of Membership	2017
Date of Birth	5/10/1975
Academic Qualifications	<ul style="list-style-type: none"> • Ph.D. in Commercial Law, 2002, University of Bristol. • LL.M in Commercial Law, 1998, University of Edinburgh. • LL.B in Law, 1997, University of Jordan. • Diploma Certificate - WTO & AMF - 2003. • Legal Mediation Training - American Bar Association - 2005.
Experiences	<ul style="list-style-type: none"> • Board Member - El-Zay Ready Wear Manufacturing Co • Former Minister of Industry, Trade and Supply, 2018 - 2020. • Former Chairman of Jordan Institute of Standards and Metrology Committee • Jordan Enterprise Development Corporation (JEDCO), Jordan Civil • Consumer Corporation and Supply Chain Ministerial Committee 2018 - 2020. • Vice Chairman of the Ministerial Economic Committee, 2018 - 2020. • Member of the Ministerial Legal Committee, 2018 - 2020. • Chairman of Nominations and Remuneration Committee of Jordan Ahli Bank, 2017 - 2018. • Board Member - Jordan Ahli Bank (and member of the BNRC and BCC), 2017 - 2018. • Administrative, Financial and Legal Advisor to the President - University of Jordan, 2015 - 2016. • Dean of Faculty of Law - University of Jordan, 2012 - 2014. • Former board member - The Islamic International Arab Bank/ was engaged in the following sub committees (Audit Committee - Chairman, and Governance Committee - Member), 2011 - 2017. • Legal Advisor to the Government of Jordan, 2012. • Associate Professor - Faculty of Law - University of Jordan, 2011 - 2018. • Former board member in various institutions, companies and corporations: The King Abdullah II Fund for Development (KAFD), The Social Security Investment Fund (SSIF), The Judicial Institute of Jordan (JIJ), Electricity Distribution Company (EDCO), The National Company for Tourism Development (NTD), Al Rakaez Investment Company. • Head of Legal Department - University of Jordan, 2012. • He was involved in extensive legislative drafting (examples include the Amended Draft Law for the Standards and Metrology Law No. 22/2000, the Law on Security over Movable Assets as Security Debts No. 1/2012 and others). • Frequent speaker at law related events and contributor/author of legal publications. • Recommended attorney for Jordan by various leading international legal firms.



Name	Mr. Karim Tawfiq Amin Kawar
Title	Board Member Non-Executive Non-Independent
Date of Membership	2008
Date of Birth	14/6/1966
Academic Qualifications	<ul style="list-style-type: none"> • BSc in Management, Finance and Computer Science, 1987, Boston College Massachusetts - US in 1987
Experiences	<ul style="list-style-type: none"> • Former Ambassador to the United States of America (2002-2007) • Chairman of Amin Kawar & Sons, Kawar Energy, IrisGuard, NatHealth • Vice-Chairman: <ul style="list-style-type: none"> - Optimiza - Al-Riyah Real Estate Development Co. - Cosco Shipping • Board Member in Jordan Strategy Forum (JSF), and Oasis500 • Trustee in Princess Summaya University for Technology • Membership of Global Agenda Council. • Membership of Young Global Leader. • Membership of Global Leader for Tomorrow of the World Economic Forum. • Membership of Eisenhower Fellow. • Membership of the World Presidents' Organization (YPO/WPO). • Co-founder and President of Bridges of Understanding Foundation. • Founding Chairman of Information Technology Association (Int@j). • Architect of the REACH and REACH 2025 Initiatives. • Founding Chairman of Initiative for Sustainable Energy (EDAMA). • Founding Chairman of REACH. • Founding Chairman of REACH 2025. <p>• Previous Appointments:</p> <ul style="list-style-type: none"> - Appointed by Royal Decree to the Economic Consultative Council by His Majesty King Abdullah II. - Chairman of the board of trustees of King's Academy. - Trustee of King Abdullah II Fund for Development (KAJD). - Vice Chairman and Trustee of the Jordan River Foundation (JRF) headed by Her Majesty Queen Rania Al-Abdullah. - Founding trustee of the American University of Madaba (AUM). - In addition to his former position at Jordan Ahli Bank as a board member and the Chairperson of the Audit Committee and his board membership at United Insurance and Jordan Wood Industries Company.



Name	Mr. Yazan Munther Jeries Haddadin
Title	Board Member Non-Executive Independent
Date of Membership	2021
Date of Birth	24/04/1975
Academic Qualifications	<ul style="list-style-type: none"> • Juris Doctor Degree of Law, Cum Laude, 2000, Northwestern University School of Law • BSc. of Foreign Service, 1996, Georgetown University, School of Foreign Service.
Experiences	<ul style="list-style-type: none"> • CEO & Managing Partner, GMS Capital Partners LLC, 2017 - Present • Board Memberships: <ul style="list-style-type: none"> - Outlook Therapeutics 2017 - present and member of the Audit and Special Finance committees. - Houston Medical Technologies LLC 2020 - present. • Previous Memberships: <ul style="list-style-type: none"> • Sixth of October Development & Investment 2014 - 2019 - member of the Audit and Compensation Committees. • Near East Foundation - 2015 - 2018. • CEO, Group Chief Investment Officer, Capital Investments & Brokerage Co. Ltd (6/2014 - 7/2017). • Senior Advisor, RIPPLEWOOD HOLDINGS, LLC. (1/2013 - 5/2014). • Managing director, PERELLA WEINBERG PARTNERS LP 2009 -2013. • Director - Mergers and Acquisitions, PERELLA WEINBERG PARTNERS LP 2007 -2009. • Chief Operating Officer, PERELLA WEINBERG PARTNERS LP, Advisory Group, 2009 -2009. • Executive Director- Vice President - J.P Morgan Securities Inc. 2004 -2007. • Associate- Mergers and Acquisition - J.P Morgan Securities Inc. 2004 - 2007. • Analyst - Latin America mergers & acquisitions 1996 - 1997.



Name	Mr. Khalil Safwan Khalil Saket
Title	Board Member Non-Executive Independent
Date of Membership	2021
Date of Birth	1/1/ 1976
Academic Qualifications	<ul style="list-style-type: none"> • Bachelor of Science (B.Sc.) Civil Engineering, 1998, University of Toledo - Ohio • Member at Jordan Engineering Association 1999
Experiences	<ul style="list-style-type: none"> • Seasoned professional with more than 22 years of experience in several sector. • Founder of Privy Advisory. • Former Board Member at King Abdula II Design and Development Bureau (KADDB). • Former Board Member at KADDB Investment Group. • Former Audit Committee Member at King Abdula II Design and Development Bureau (KADDB) and at KADDB Investment Group • Former Board Member at Edifice (UK). • Senior VP Investment & Development for a Family Office, managing assets and investment portfolios globally. • Chief Executive Officer (CEO) Saraya Abdali Real Estate Investments, developing mixed-use project incubating leading luxury hotel brands • Business Advisor at Saraya Holding. • Chief Operating Officer at Jordan Dubai Properties - Public Shareholding Company. • Regional business development Manager at Gundle SLT Environmental GmbH. <p>• Certificate:</p> <ul style="list-style-type: none"> • Certificate in Behavioral Economics (Changing Minds, Behaviors and Decisions) issued by The London School of Economics and Political Science (LSE). • Certificate in Strategic Leadership, Mobilizing People and Organizations issued by CIGL. • Entrepreneurship in Emerging Economies Certificate issued by HarvardX • Digital Banking Business Model Certificate issued by SBI. • Negotiations (Strategy and Skills) Certificate issued by the University of Michigan.



Name	Basim Mahmoud Zuhdi Malhas
Title	Board Member Non-Executive Non- Independent
Date of Membership	2021
Date of Birth	24/10/1972
Academic Qualifications	<ul style="list-style-type: none"> • BA in Business Administration, 1995, George Washington University
Experiences	<ul style="list-style-type: none"> • Vice Chairman - Mediterranean Tourism Investments Company (Four Seasons) • Board Member - Mahmoudia Trading Company. • Board Member - Jordan Investment and Tourism Transport (AIFA) • Member - YPO (Young Presidents Organization). • Member - Injaz. • Former Board Member - Bank of Commercial Palestine. • Arab Bank – Amman 1997 - 1998. • HSBC London 1995- 1997.

Executive Management



Mr. Moh'd Mousa Dawood (Moh'd Issa) Chief Executive Officer/
General Manager

Date of Appointment 8/11/2015

Commencement Date of the Current Job 8/11/2015

Date of Birth 1/2/1956

Academic Qualifications

- Bachelors in Major Mathematics, Minor Business Administration / University of Jordan 1978.

Experience

• Previous Experience:

All within Arab Bank Group:

- Executive Vice President - Country Manager of Jordan from 16/12/2012 until 05/11/2015.
- Executive Vice President - Head of Libya project from 09/2012 until 11/2012.
- Executive Vice President - Head of Corporate and Investment Banking/ Jordan & Palestine 04/2009 until 07/2012.
- Senior Vice President - Head of Credit/ Jordan & Palestine from 10/2006 until 03/2009.
- Head of Corporate Finance/ Jordan & Palestine from 08/2004 until 09/2006.
- Other senior posts within Arab Bank plc, Jordan including: Head of Commercial Lending, Head of Syndicated Loans Unit 10/1983 - 07/2004.
- Head of Guarantees Department - Arab National Bank – Saudi Arabia from 08/1982 until 09/1983.
- Credit Officer - Investment and Finance Department 11/1978 until 07/1982.

• He held many board memberships, the most important of which is:

- Deputy Chairman of the Board of the International Islamic Arab Bank.
- Deputy Chairman of the Board of Directors of the Arab National Leasing Company
- Board Member at the Arab Bank - Syria.
- Board Member at the Jordan Mortgage Refinance Company.
- Board Member at the Jordan Loan Guarantee Corporation.
- Board Member at the Jordan Hotels and Tourism Company.
- Board member at the Banker's Association and Institute for Banking Studies.

• Current Board of Directors Membership:

- Chairman of the Board- Ahli FinTech
- Chairman of the Board – Ahli For Financial Leasing.
- Board Member- AIDawlah for Hotels and Malls PLC.
- Board Member- Arab International Company.
- Board Member – Jordan Banks Association.
- Board Member - Jordan Capital and Investment Fund.



Mr. Ahmad Awad Abd Al Halim Al-Hussein Deputy Chief Executive
Officer/ General Manager

Date of Appointment 10/11/2015

Commencement Date of the Current Job 10/11/2015

Date of Birth 16/7/1966

Academic Qualifications

- PHD in Finance / Amman Arab University 2005.
- Master of Management sciences / Finance / University of Jordan 1993.
- Bachelor of Economics and management sciences / University of Jordan 1987.

Experience

• Previous Experience:

- Senior Credit Officer (Levant) - Arab Bank from 1994 until 2015.
- Cairo Amman Bank from 1991 until 1994.
- Bank of Jordan from 1989 until 1991.

• He held many board memberships, the most important of which is:

- Board Member at the International Islamic Arab Bank.
- Board Member at the Arab Bank - Syria.
- Board Member at the Arab National Leasing Company.
- Board Member at Jordan National Shipping Lines Company.
- Board Member at the Palestine Real Estate Investment Company.
- Board Member at the Palestine Mortgage Refinance Company.

• Current Board of Directors Membership:

- Chairman of the Board – Ahli Microfinance.
- Vice Chairman – Ahli Financial Leasing.
- Vice Chairman – Ahli FinTech.
- Board Member- Business Tourism Company.
- Board Member – Jordan Worsted Mills.
- Chairman of Tanmeyah - Jordan Microfinance Network.



Mr. Majed Abdel Karim M. Hijab Senior Vice President/
Head of Treasury, Investments
& Financial Institutions

Date of Appointment 7/2/1998

Commencement Date
of the Current Job 1/1/2019

Date of Birth 11/2/1967

Academic Qualifications

- Masters in Banking and Financial studies / Banking- The Arab Academy for Banking and Financial Studies 1997/09/24.
- Bachelor of Economics - Yarmouk University 22/8/1988.

Experience

• Experience within Ahli Bank:

- Head of Investments from 1/1/2018 until 31/12/2018.
- Investments Assistant General Manager from 1/5/2016 until 31/12/2017
- Investments Senior Manager from 1/4/2012 until 30/4/2016.
- Corporate Restructuring Manager from 1/1/2008 until 31/3/2012.
- Corporate Finance Manager from 1/7/2007 until 31/12/2007.
- Corporate Finance Supervisor from 1/6/2007 until 30/6/2007.
- Investments and Financial Analysis from 12/9/1998 until 31/5/2007.
- Branch Senior Officer (Middle East Branch) from 07/02/1998 until 11/9/1998.

• Current Board of Directors Membership:

- Chairman of the Board - Ahli Brokerage.
- Board Member - Jordanian Banks Group Company for Investment.
- Board Member - Ahli FinTech.
- Board Member - Jordan Investor Center.



Mr. Sofyan Ayed Mohammad Duais Senior Vice President/
Head of Corporate Banking
& Projects Finance

Date of Appointment 14/2/2016

Commencement Date
of the Current Job 1/1/2019

Date of Birth 30/10/1976

Academic Qualifications

- Bachelors of Accounting / University of Jordan 25/1/1998.

Experience

• Experience within Ahli Bank:

- Deputy Head of Corporate Banking and Projects Finance from 1/1/2018 until 31/12/2018.
- Corporate Relationship Management and Projects Finance Assistant General Manager from 1/7/2016 until 31/12/2017.
- Corporate Relationship Management and Projects Finance Senior Manager from 14/2/2016 until 30/6/2016.

• Previous Experience:

- Corporate Relationship Senior Manager - Arab Bank from 20/10/2009 until 9/2/2016.
- Corporate Relationship Manager - Business Development - Bank of Jordan from 23/11/2008 until 20/10/2009.
- Corporate Relationship Manager - Arab Bank from 10/10/1998 until 10/11/2008.

• Current Board of Directors Membership:

- Vice Chairman - Arabia Insurance Company / Jordan.
- Board Member - Ahli Financial Leasing Company.



Mr. Ammar (M.S.) R. Alsa'id Vice President/
Head of SME

Date of Appointment 1/11/2017

Commencement Date of the Current Job 1/11/2017

Date of Birth 4/5/1980

Academic Qualifications

- Bachelors in Financial and Banking Services / Yarmouk University 31/8/2004.

Experience

• Previous Experience:

- Head of Commercial Banking - National Bank of Abu Dhabi - Jordan from 20/4/2014 until 30/10/2017.
- Senior Relationship Manager / Corporate - Invest Bank from 2/9/2012 until 23/4/2014.
- Corporate Credit Manager - National Bank of Kuwait from 7/1/2007 until 5/7/2012.
- Credit Analyst / Corporate - Arab Bank from 19/2/2005 until 10/01/2007.

• Current Board of Directors Membership:

- Board Member - ELZAY Ready Wear Manufacturing.



Mr. Mohammad Nizam Jamil Abu Injeileh Vice President/
Acting Head of Consumer Banking

Date of Appointment 01/04/2018

Commencement of the Current Job 01/07/2020

Date of Birth 25/12/1973

Academic Qualifications

- Masters in Accounting & Finance – Hashemite University 28/02/2005.
- Bachelor in Economics & Management Sciences \ Accounting - Mutah University 02/06/1996.

Experience

• Experience within Ahli Bank:

- Vice President \ Consumer Credit & Collections from 01/04/2018 until 30/06/2021.

• Previous Experience:

- Senior Manager \ Retail Credit Approval - Al Hilal Bank from 29/05/2008 until 26/03/2018.
- He worked in Arab Bank from 07/09/1996 until 15/05/2008 and his last position was Consumer Credit & Collection Manager.

• Current Board of Directors Membership:

- Board Member- Middle East Payment services (MEPS).



Mr. Dirar Shebli Khalaf Haddadin Senior Vice President/
Chief Financial Officer

Date of Appointment 2/9/2018

Commencement Date of the Current Job 2/9/2018

Date of Birth 22/10/1973

Academic Qualifications

- Master in Accounting and Financial Management - University of Essex 30/11/2009.
- Bachelor of Accounting / Business Administration - University of Jordan 11/6/1995.

Experience

• Previous Experience:

- Assistant General Manager/ Chief Financial Officer / AGM - Arab Jordan Investment Bank from 2/1/2013 until 31/8/2018.
- Planning and Studies Department Manager at Jordan Commercial Bank from 6/10/2002 until 1/1/2013.
- Cost & Financial Analysis Officer - Housing Bank for Trade and Finance from 21/10/1995 until 1/10/2002.

• Current Board of Directors Membership:

- Board Member- Ahli Brokerage Company.



Mr. Mouin Aziz Nasif Bahou Senior Vice President/
Chief Credit Officer

Date of Appointment 13/9/2004

Commencement Date of the Current Job 1/5/2017

Date of Birth 24/3/1967

Academic Qualifications

- Bachelor of Financial and banking sciences / Accounting - Yarmouk University 22/1/1989.

Experience

• Experience within Ahli Bank:

- Assistant General Manager Credit Review from 01/11/2013 until 30/04/2017.
- Deputy Assistant General Manager - Corporate Credit from 15/08/2010 until 31/10/2013.
- Deputy Assistant General Manager Foreign Credit from 01/06/2010 until 14/08/2010.
- Foreign Credit Executive Manager from 21/09/2008 until 31/05/2010.
- Syndicate Loans Executive Manager from 01/05/2008 until 20/09/2008.
- Syndicate Loans Manager from 01/01/2008 until 30/04/2008.
- Corporate Banking Relationship Manager from 13/09/2004 until 31/12/2007.

• Previous Experience:

- Central Credit Supervisor – Amman Cairo Bank from 11/11/1995 until 12/09/2004.
- ANZ Grindlays Bank from 1/3/1992 until 31/10/1995.

• Current Board of Directors Membership:

- Vice Chairman for Ahli Brokerage Company.
- Board Member- Ahli for Financial Leasing.



Mr. Khalid Zuhair Jamil Abuesh- Shaer Senior Vice President/
Chief Compliance Officer

Date of Appointment 1/2/2016

Commencement Date of the Current Job 1/2/2016

Date of Birth 11/6/1968

Academic Qualifications

- Master of Business Administration (MBA) / Victoria University, 7/6/2006.
- Master of Business - Electronic Commerce & Marketing / Victoria University 3/11/2004.
- Bachelors in business administration / Yarmouk University 7/6/1995.

Experience

- **Previous Experience:**
- Executive Manager - Head of Compliance – Invest bank from 16/07/2006 until 31/1/2016.
- Customer Services - Housing Bank for Trade & Finance from 06/07/1996 until 1/1/2002.
- Assistant Auditor - Tema Abuesh- Shaer for auditing from 01/07/1995 until 1/7/1996.



Mr. Taha Mousa Taha Zeid Vice President/
Chief Risk Officer

Date of Appointment 8/12/2013

Commencement Date of the Current Job 1/1/2020

Date of Birth 23/8/1985

Academic Qualifications

- Bachelors in Risk Management and Insurance / Hashemite University 29/1/2007.

Experience

- **Experience within Ahli Bank:**
- Acting Chief Risk Officer from 21/8/2019 until 31/12/2019.
- AVP Basel from 01/01/2018 until 20/8/2019.
- Basel Manager from 01/06/2015 until 31/12/2017.
- Basel Assistant Manager - from 8/12/2013 until 31/5/2015.
- **Previous Experience:**
- Market and Liquidity Risk Manager - Investment Bank from 1/3/2012 until 3/12/2013.
- Market Risk Unit Head - Capital Bank - from 1/11/2010 until 23/2/2012.
- Head of Market Risk - Middle Officer - Bank of Jordan - from 13/1/2009 until 25/10/2010.
- Banker Remittances and Transfers - Arab Jordan Investment Bank - from 19/08/2007 until 12/1/2009.
- Dealer - Quintet for Financial Services & Consulting from 1/2/2007 until 1/7/2007.



Mr. Safwan Suhail Ali Asfour Vice President/
Chief Internal Auditor

Date of Appointment 05/04/2011

Commencement of the Current Job 01/12/2021

Date of Birth 21/05/1983

Academic Qualifications

- Bachelors of Accounting from University of Jordan in 16/06/2006.

Experience

• Experience within Ahli Bank:

- Vice President \ Center of Excellence from 17/05/2020 until 30/11/2021.
- Vice President \ Internal Control from 17/07/2017 until 16/05/2020.
- Audit Manager \ Treasury & Investments & Risk Management from 01/11/2015 until 16/07/2017.
- Audit Supervisor \ Treasury & Investments & Risk Management from 01/10/2013 until 31/10/2015.
- Senior Auditor from 05/04/2011 until 30/09/2013.

• Previous Experience:

- Financial Manager – Majestic Financial Analysis from 01/04/2007 until 10/10/2009.
- Auditor - Housing Bank for Trade & Finance from 11/07/2006 until 15/07/2008.



Mr. Nidal Jalil Mahmoud Khalifeh Senior Vice President/
Chief Innovation Officer

Date of Appointment 17/10/2021

Commencement of the Current Job 17/10/2021

Date of Birth 15/06/1982

Academic Qualifications

- Masters in Educational Technology from The University of British Columbia 2016.
- Masters in Enterprise Management from University of Durham 2009.
- Bachelors in Commerce \ Management Information Systems from McGill University 2005.

Experience

• Previous Experience:

- CEO – IS (www.integratedsolutions.tech) from 03/2019 until 10/2021.
- CEO & Partner - Safa for Development & Training from 2018 until 10/2021.
- CEO – Edaura in USA from 02/2015 until 10/2021.
- CEO – AKTCO Audio Visual Solutions from 08/2004 until 10/2021.



Mr. Rami Mohd-Murshed Khalaf Dana Senior Vice President/
Head of Operations
& Shared Services

Date of Appointment 2/1/2017

Commencement Date
of the Current Job 2/1/2017

Date of Birth 26/3/1973

Academic Qualifications

- Bachelors of Business Administration / Accounting University of Jordan 22/1/1995.

Experience

• Previous Experience:

- Head of Operations - Al Khalij Commercial Bank (Al Khaliji - Qatar) from 22/12/2011 until 15/12/2016.
- Head of Credit Administration - Credit Control Department - The Saudi Investment Bank from 10/6/1999 until 20/12/2011.
- Loans and Investments Officer - Credit Department - Jordan - Arab Bank from 15/03/1997 until 14/6/1999.

• Current Board of Directors Membership:

- Board Member - Hemaia Jordan for Cash in Transit Ltd.



Mr. Jwallant Arvindkumar Vasani Senior Vice President/
Chief Information Officer

Date of Appointment 1/8/2017

Commencement Date
of the Current Job 1/8/2017

Date of Birth 21/12/1971

Academic Qualifications

- Masters of Business Administration / University of Pune 1/4/1995.
- Bachelors of Engineering (Computer) / South Quajarat University 15/12/1993.

Experience

• Previous Experience:

- Head of Applications Development and Support - Al Khalij Commercial Bank q.s.c from 7/7/2013 to 20/7/2017.
- SVP Information Technology - First Gulf Bank from 15/4/2006 to 17/5/2010.



Mrs. Maha Khaled Fathallah Dado Vice President/
Chief Human Resources
Officer

Date of Appointment 15/5/2005

Commencement Date
of the Current Job 1/6/2021

Date of Birth 5/6/1980

Academic Qualifications

- Bachelors of Industrial Engineering / University of Jordan 17/2/2003.

Experience

• Experience within Ahli Bank:

- Acting Chief Human Resources Officer from 2/6/2019 until 31/05/2021.
- Head of Talent Programs from 8/3/2011 until 1/6/2019.
- C&B Manager from 24/10/2010 until 7/3/2011.
- Performance Management and C&B Manager from 20/6/2010 until 23/10/2010.
- Performance Management Manager from 15/05/2005 until 19/6/2010.

• Previous Experience:

- Management Consultant at Philadelphia Consulting Group from 01/02/2003 until 1/5/2005.



Mr. Esam Ishaq Ibrahim Qaqish Senior Vice President/
Head of Remedial

Date of Appointment 4/2/2017

Commencement Date
of the Current Job 4/2/2017

Date of Birth 9/9/1971

Academic Qualifications

- Master in Management Sciences / Accounting - University of Jordan 31/8/1997.
- Bachelor of Accounting / Business Administration - University of Jordan 24/1/1993.

Experience

• Experience within Ahli Bank:

- Remedial Manager at Bank of Jordan from 3/7/2011 until 10/4/2017.
- Internal Audit & Control Manager at Telecommunication Regulatory Commission from 15/6/2004 until 3/7/2011.
- Inspector at Central Bank of Jordan from 2/1/1994 until 15/6/2004.
- Loans officer - The Housing Bank for Trade & Finance from 3/4/1993 until 7/12/1993.

• Previous Board of Directors Membership:

- Board Member - ELZAY Ready Wear Manufacturing.

Resigned Members of the Executive Management during the year 2021



Ms. Lina Najib AL Bakhit AL Dababneh Former Executive Vice President / Chief Business Officer

Date of Appointment 1/4/1998

Resignation Date 31/7/2021

Date of Birth 28/4/1963

Academic Qualifications

- Bachelors degree of Political Science & Public Administration - The American University of Beirut 11/7/1984.

Experience

- **Experience within Ahli Bank:**
 - Head of Treasury, Investments & Financial Institutions.
 - Assistant General Manager for Treasury, Investments & Financial Institutions.
- **Previous Experience:**
 - Head of Treasury and Foreign Investments -Jordan Investments & Finance Bank from 1/4/1990 until 20/12/1998.
 - Dealer- Petra Bank from 16/04/1985 until 23/12/1989.
- **Current Board of Directors Membership:**
 - Vice Chairman- Ahli Microfinance.



Mr. Rami Marwan Abdel-Hadi Al Karmi Former Senior Vice President / Chief Innovation Officer

Date of Appointment 9/4/2017

Resignation Date 30/6/2021

Date of Birth 6/6/1976

Academic Qualifications

- Bachelors of Electrical Engineering / University of Jordan 14/6/1998.

Experience

- **Previous experience:**
 - CEO - Founder - F03 Venture Partners from 2013 until 2017.
 - CEO - N2VLabs & Group Executive - from 2010 until 2013.
 - CEO - Shabakat Al Ordon - from 2005 until 2010.
 - General Manager - Alternatives Inc from 2004 until 2005.
 - Advisor to H.E. Minister Health on Information Technology - Ministry of Health - from 2003 until 2004.
 - Group Chief Technology Officer / Jordan Country Manager - SigmaSoft Solutions from 1999 - 2003.
 - Knowledge Server - iHorizons from 1998 until 1999.
- **Previous Board of Directors Membership:**
 - Board Member - Ahli FinTech.



Mr. Zaid Wasef Shams-Eddin El-Khatib Former Senior Vice President/ Head of Consumer Banking

Date of Appointment 18/12/2016

Resignation Date 30/6/2021

Date of Birth 8/8/1976

Academic Qualifications

- Bachelors of Accounting - Al-Ahliyya Amman University 2/2/2000.

Experience

• Experience within Ahli Bank:

- Branches Network and Sales Management Department Manager from 12/9/2017 until 20/1/2018.
- Business Development and Corporate Communications Manager from 18/12/2016 until 11/9/2017.

• Previous Experience:

- Acquiring Director - Emerging Markets Payments from 2/6/2013 until 15/12/2016.
- District Manager - Consumer Banking at Arab Bank from 1/9/2009 until 26/5/2013.
- Products Development Manager at Housing Bank for Trade and Finance from 11/2/2007 until 1/5/2009.
- Car Loans Product Manager - Consumer Banking - Standard Chartered Bank from 13/3/2005 until 21/8/2006.
- Personal Banking Advisor at HSBC from 1/8/2000 until 13/03/2005.

• Previous Board of Directors Membership:

- Board Member- Middle East Payment services (MEPS).



Mr. Iyad T. N. Ammari Former Vice President/ Chief Internal Auditor

Date of Appointment 1/4/1996

Resignation Date 30/11/2021

Date of Birth 9/4/1971

Academic Qualifications

- Bachelor's degree of Accounting - Mutah University 18/9/1994.

Experience

• Experience within Ahli Bank:

- Acting Chief Internal Auditor from 14/11/2016 until 30/4/2017.
- Acting Chief Internal Auditor from 20/1/2016 until 18/7/2016.
- Audit Manager from 01/4/2011 until 19/1/2016.
- Audit Team Assistant Manager from 1/5/2009 until 31/3/2011.
- Audit Supervisor from 17/2007 until 30/4/2009.
- Senior Auditor from 1/1/2004 until 30/6/2007.
- Auditor from 1/4/1996 until 31/12/2003.

• Previous Experience:

- Accountant – The Commercial & Industrial Co CIC from 1/6/1995 until 30/3/1996.

Competitiveness and Market Share

The Bank operates through its branches network inside and outside Jordan, in which the market share among licensed banks in the Kingdom as of 2021 stands at 8.6% in terms of the granted credit facilities, and the market share stands at 9.6% in terms of deposits.

Jordan Ahli Bank stands as the fifth largest bank in terms of total Assets and the sixth largest bank in term of Total Direct Credit Portfolio, as of 2021. It also is ranked fourth in terms of Customer Deposits.

On the level of the bank’s competitive position in Palestine, the Bank’s market share stands at 2.6% in terms of credit facilities granted, and 2.4 % in terms of customer deposits as of mid as of September 2021, in addition to its branch in Cyprus.

Degree of Dependence on Specific Suppliers or Significant Customers

The Bank does not depend on any specific supplier or customer whether local or international 10% or more of the Bank’s total purchases and/or sales.

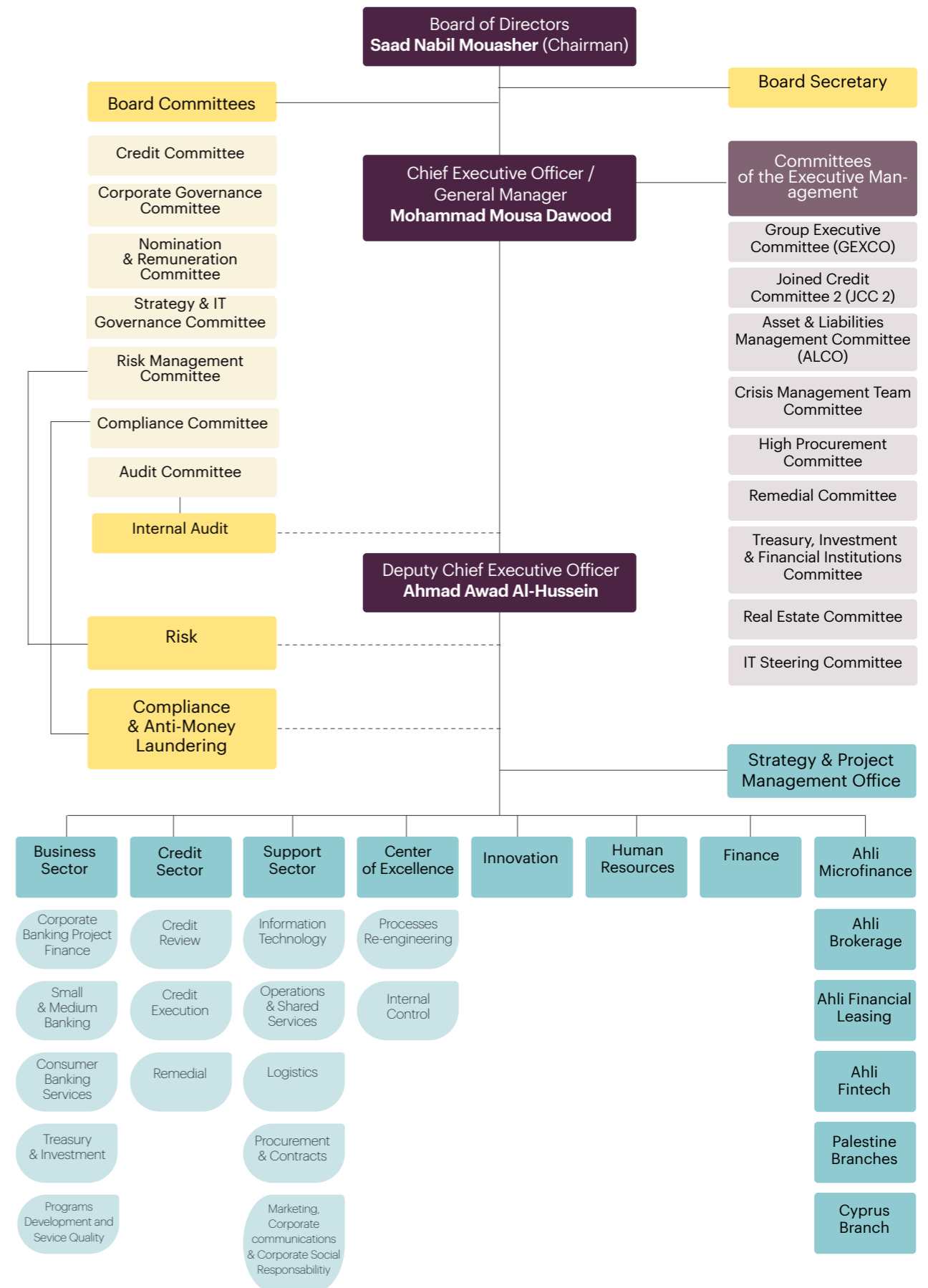
Government Protections or Concessions that the Bank or Any of its Product enjoy by Virtue of Applicable Law, Regulations or Otherwise

There are no government protections or concessions which Jordan Ahli Bank or any of its products enjoy by virtue of application laws, regulations or otherwise.

Decisions Issued by the Government or the International Agencies that have a Material Impact on the Operations or Products of the Bank or its Competitive Position

There were no decisions issued by the government or the international agencies that had a material impact on the operations or products of the Bank or its competitive position, and the bank complies with all the applicable laws, regulations, instructions and standards related to its business, and applies quality standards specifically those related to services and internal audit. The Bank does not enjoy any government or preferential protection and has obtained neither preferential advantages nor specific patents from local or international agencies.

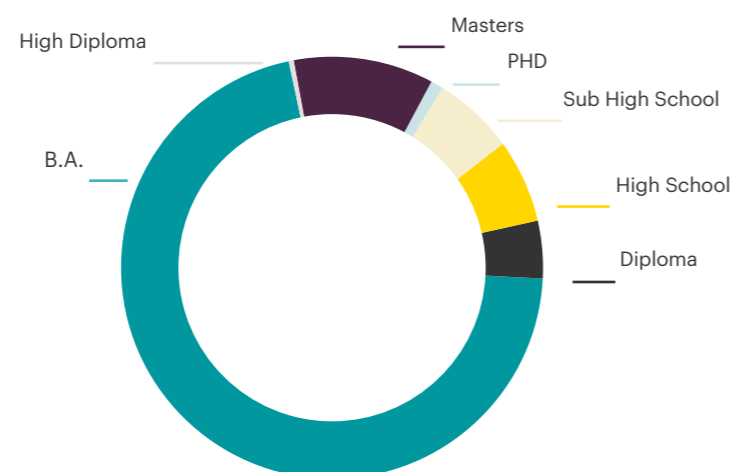
Jordan Ahli Bank Organization Chart



Number of Staff at the Bank and its Subsidiaries

Academic Qualifications	Jordan Branches	Palestine Branches	Cyprus Branch	Ahli Financial Leasing	Ahli Micro-finance	Ahli Brokerage	Ahli Fintech
PHD	8	0	0	1	1	0	-
Masters	100	15	6	4	6	0	-
High Diploma	1	0	0	0	0	0	-
B.A.	803	167	5	8	195	6	-
Diploma	36	19	1	0	38	0	-
High School	67	7	1	1	31	0	-
Sub High School	69	6	0	0	5	2	-
Total	1084	214	13	14	276	8	-

The distribution of employee according to their academic qualifications



Training Programs for the Bank Employees

Type of Program	No. of Programs	Number of training Opportunities	No. of Males	No. of Females
Within the Hashemite Kingdom of Jordan				
Programs within the training center	134	3444	2233	1211
Programs with local / foreign companies and training agencies	83	515	352	163
Training programs / Institute of Banking Studies	23	65	39	26
Outside the Hashemite Kingdom of Jordan				
Programs with foreign companies and training bodies	1	1	1	0
Training Programs / Palestine	31	133	80	53
Training Programs / Cyprus	23	78	24	54
Total	295	4236	2729	1507

Fields of Training Courses:

The Program/Course	No. of Programs	No. of Training Opportunities	No. of Males	No. of Females
Audit Programs	2	4	2	2
Awareness Programs	18	257	172	85
Certificates & Diploma	29	77	62	15
Compliance Programs	21	308	181	127
Forums, conferences and seminars	32	91	61	30
Credit	7	47	31	16
Selling Skills & Customer Care	7	47	24	23
Computer Programs	1	2	1	1
Financial Programs	9	43	29	14
Functional Programs	17	332	193	139
Innovation Programs	9	497	389	10
HR Programs	2	6	0	6
Insurance Programs	2	35	25	10
IT Programs	2	4	4	0
Language Programs	3	8	4	4
Legal Programs	4	66	37	29
Management Programs	31	446	328	118
Operational Programs	14	263	139	124
Banking Products Knowledge	39	787	453	334
Risk Programs	26	604	399	205
Soft Skills	6	100	72	28
Technical Programs	5	73	36	37
Treasury Programs	8	137	86	51
Marketing Programs	1	2	1	1
Total	295	4236	2729	1507

Risk

Credit Risk

The management of credit risk is conducted through a framework of policies and procedures that comply with the strategic direction of the Bank and sound international best practices. These include having in place a comprehensive credit risk management policy that details the types of risk and the methods for flagging, measuring and overseeing these risks; having a credit policy and operating practices that set limitations and parameters for the granting of credit, the concentration of credit and the determination of acceptable collateral; separating decisions related to credit approval from credit execution in order to achieve oversight; as well as putting in place oversight measures throughout the process and putting in place a credit risk rating system to measure the credit worthiness of customers.

The credit risk policy aims to diversify customers, economic sectors and geographical footprint which allows for the reduction of potential credit risks. The Risk Committee meets regularly to discuss all issues related to credit risk. It receives comprehensive quarterly reports to analyze the quality of the credit portfolio and to identify weakness and areas of concentration in the various economic sectors, as well as to review default rates. The Credit Risk Dept. seeks to continuously monitor and supervise credit exposure and credit concentration and to ensure that they remain within the risk parameters adopted by the Board. In order to assess risk exposure, the Credit Risk Department conducts regular sensitivity analysis tests to evaluate the financial position of the bank under different scenarios, in order to determine adequate procedures that would contribute to mitigating financial risks or lessen their impact.

In compliance with IFRS9 issued by the International Accounting Standards Board and the Central Bank regulations issued at the beginning of 2018, the Credit Risk Dept. launched a project to deploy the expected credit loss calculation system. This also included an upgrade to the operating procedures, standards and measures used and the implementation of a specific authority matrix for the various departments that is consistent with the methodology adopted as part of the implementation.

Basel Department

Basel Department is responsible for calculating the Bank capital adequacy ratio in accordance with Basel III supervisory guidelines. This considers Regulatory capital and Pillar I Risk Weighted Assets (RWA) for credit, market and operational risk, in order to operate in line with the latest developments in the banking sector and to enhance the quality of the Bank capital. Basel Department conducts periodical stress testing and sensitivity analysis and consider the level of impact (low, medium, high) on bank capital adequacy as well as P&L.

Basel Dept. also adopted general framework for the Risk Appetite and tolerance levels for the purpose of managing, measuring and monitoring Risk tolerance levels within a governance framework adopted by the BOD, which determines the responsibilities of the Board of Directors and the executive management team, and lists Risk Appetite levels for each of (capital, assets, profit, liquidity, credit portfolio, and investment portfolio).

Basel Department also prepares an internal evaluation on capital adequacy in compliance with Basel III requirements and IFRS9, which is conducted in accordance with the best practices and Corporate Governance Guidelines for the purpose of managing, measuring and monitoring risk and capital adequacy and development of the risk management framework to remain in line with the latest local, regional and international developments.

Market Risk

Market Risk Department manages losses that may arise as a result of any financial positions that the Bank may have taken, whether on or off-balance sheet as a result of market changes in respect of interest rates, exchange rates, asset value, product pricing and as an extension of Jordan Ahli Bank's efforts to implement best local and international practices in managing, measuring, and monitoring market risk in compliance with Central Bank risk management requirements and Basel guidelines. In order to enhance the internal

compliance function within the Bank. Market Risk Department prepared a Market Risk Management Policy, Liquidity and Interest Rate Risk Policy consistent with the Corporate Governance Guidelines and best practices.

In order to enhance oversight measures a new set of reporting was adopted through which all equity investment activities of the Bank could be monitored and the potential losses of the portfolio and open financial positions of the Bank could be evaluated, monitored and calculated on a daily basis to ensure that they remain within the Risk Appetite levels in addition to monitoring reports that were developed to manage and oversee market risk.

The Market Risk Department continues to review and upgrade the compliance framework within the Bank in a manner that complies with the Central Bank requirements and the overall economic ecosystem and in a manner, that empowers the oversight role of the Department on Foreign branches.

Liquidity Risk

Liquidity risk represents the Bank's inability to make the necessary funding available to meet its obligations on their maturity dates or to finance its activities without incurring high costs or losses. liquidity risks are divided into two types:

- **Funding Liquidity Risk:**

This risk represents the Bank's inability to convert assets into cash - such as the collection of receivables - or to obtain funding to meet its obligations.

- **Market Liquidity Risk:**

This risk represents the Bank's inability to sell the asset in the market or selling the asset at a significant financial loss due to shallow liquidity or demand in the market.

Liquidity management at the bank is carried out by means of managing cash, legal and reserve liquidity levels in accordance with the regulatory requirements and the bank's risk tolerance policies in addition to cash inflows/ outflows management to ensure sufficient high-quality unencumbered liquid assets that can be converted easily and quickly into cash and in compliance with Basel III requirements regarding Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR).

Liquidity risk is managed through a liquidity strategy that takes into account diversifying the sources of funds, maintaining a reasonable balance of financial instruments readily realizable in the financial market, diversifying maturity dates of credit facilities, avoiding concentration of customer deposits and fund investments, and maintaining limits with correspondent banks and ensuring easy access to them within reasonable time and cost.

Cyber Security/Information Security

Jordan Ahli Bank continues its pursuit to upgrade its electronic services while reducing the risk associated with cyber and information security and to build the cyber resiliency of the Bank. The Cybersecurity/Information Security Department works on strengthening the monitoring and security environment and on building a cyber resiliency program that protects the confidentiality, availability and integrity of the Bank's data. The Department also works on promoting the utilization of best acceptable security practices in relation to the use of technology in a secure operating environment. In addition, the Department contributes in raising awareness of information security risks and solid security practices and promotes best practices and holds training and awareness courses for the bank's employees. The Department also performs the following procedures and controls:

- Establishing cybersecurity and information security policies and plans and aligning them with the bank strategic directions.
- Adopting and applying best practices and controls within the information technology environment in the bank.
- Preparing a comprehensive assessment that meets the requirements of the Central Bank of Jordan and the legislative bodies.
- Conducting security and technical tests to identify vulnerabilities in the IT environment, such as penetration testing and vulnerability assessments.
- Deploying a number of procedures and monitoring tools to achieve operating efficiency and security.
- implementing the security operations center (SOC).
- Developing and deploying mechanisms and tools that are able to effectively protect the bank's assets and its customers by identifying, detecting, responding and recovering from any electronic cyber-attacks.

- Continuous identification and evaluation of the information technology and security risks, including emerging risks using anti- penetration security systems.
- Overseeing and monitoring software, network components and operating security systems to mitigate cyber breach.

In addition, the Cybersecurity/Information Security Department performs its tasks within a set of policies and procedures, the most important of which are the following:

- Acquiring ISO 27001 certificate that's related to Information Security Management System (ISMS).
- Implement the information security program in the bank through a number of information security related projects in response to regulatory and mitigating risk requirements.
- Implement GDPR legislation in Jordan.
- Implement the requirements of COBIT as it relates to the management and processing of security data.
- Verify the efficiency of the information technology environment and the continuous pursuit of improving its security.
- Instilling cybersecurity and information security culture across the bank.

Operational Risk

Operational risk is defined as the risk of loss resulting from failure or insufficiencies of internal operations, personnel and systems, which arise as a result of external circumstances, including legal risks.

Based on the above Ahli Bank adopted the Risk Control Self-Assessment framework (RCSA) to manage operational risk. The Bank manages operational risk within the following parameters:

- An established operational risk management policy that includes the framework for managing operational risk and the roles and responsibilities for all related departments.
- Implementing a specialized operational Risk Management System.
- Creating risk profiles for the bank entities which includes identifying all operational risks, identifying the related controls to mitigate the risks and conducting a self-assessment in order to ensure the efficiency of the controls and to enhance areas of weakness or to implement

additional control measures that aim to mitigate or protect against such risks.

- Setting up a database around operating losses to assess the level of exposure of the bank to operational risk and to assess the effectiveness of safeguards in place.
- Review of the Banks's policies and procedures in order to identify the related risks and to evaluate the adequacy of oversight measures.
- Providing the executive management and the Board Risk Management Committee with necessary reporting on operational risk.

In addition, as part of the care the Bank affords to business continuity, the Operational Risk Department prepares, in coordination with concerned units and departments business continuity plans that allow for the provision of electronic banking services in a manner consistent with the Bank's strategies and policies.

Thus, Operational Risk Department is working proactively in reviewing and updating the Business impact analysis results to ensure that continuity plans remain up-to-date and effective.

Risk Management Framework

The Bank has adopted a regulatory framework that contains different layers of oversight and which can be summarized as follows:

- First level: Business lines are the first line of defense and are directly responsible for risk management and evaluating oversight procedures related to them.
- Second level: The Risk and Compliance and Anti-Money Laundering Departments are the second line of defense as they are responsible for coordinating risk management and compliance tools being used and followed by the Bank to manage risk and to comply with applicable laws, regulations and instructions.
- Third level: The Internal Audit Department represents the third line of defense and is responsible for conducting its independent Review.

The Bank also gives the requirements of Basel, corporate governance and other international best practices for risk management consideration as they represent a framework for entrenching and improving the Bank's ability to upgrade its compliance environment and to address different kinds of risk, including operational, market and credit risks. The Bank has taken practical steps

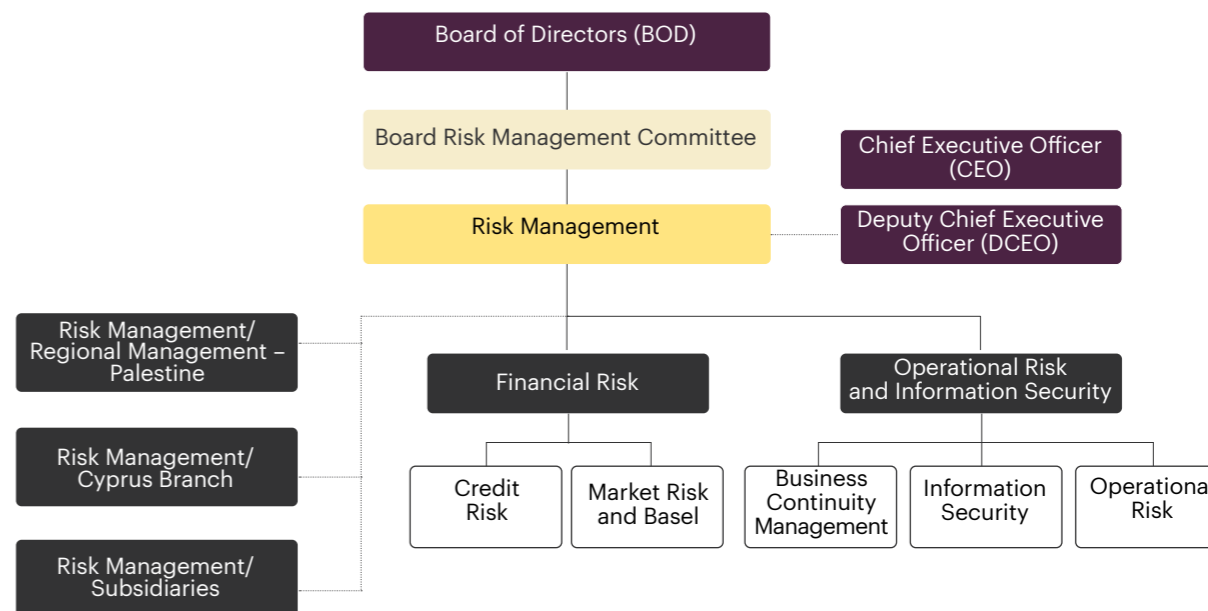
toward the implementation of their requirements including establishing specialized units to manage the various risks and whose responsibility is to monitor, measure, manage and mitigate the different kinds of risk and to assess the degree of compliance of the Bank with applicable laws, regulations, standards and requirements issued by the various local and international bodies in line with international best practice and taking into account the size of the Bank, its operations and the nature of the risks that it faces.

In This regards the Risk Department undertakes the following main functions:

- Preparing the Risk Management Framework for the Bank.
- Preparing and executing the risk management strategy and developing policies and procedures that assign roles and responsibilities for each of the stakeholders on all levels of management.
- Preparing risk Management policies and regularly updating them to ensure effectiveness.
- Preparing the internal Capital Adequacy Assessment Process (ICAAP) that is comprehensive and effective and can identify potential risks taking into account the Bank's strategic and capital planning.
- Prepare Risk Appetite framework for the Bank.
- Overseeing the compliance of all executing departments of considered levels of Risk Appetite.

- Ensuring the presence and testing of the Bank's business continuity plans.
- Presenting risk reports in relation to the expansion of the banking activities to the Board Risk Committee.
- Conducting periodical stress testing analysis to measure the bank's ability to withstand shocks and high-risk scenarios and presenting the results to the Board Risk Committee.
- Reporting to the Board Risk Committee on information on actual Risk Profile of all Bank's activities and comparing it to the risk appetite and to address any deviations.
- Verifying the integration of risks assessment measures with Management Information System (MIS) used therein
- Conducting awareness in relation to risk management in all units of the Bank to entrench the compliance environment and create a risk sensitive culture with a deep understanding of relevant issues faced by the Bank at all managerial levels.
- Reviewing all strategic decisions and providing recommendations to avoid risk and ensure the most effective deployment of capital.
- Coordinating with various oversight departments to ensure effective oversight measures to control these risks or to otherwise outsource such risks or insure against them.

Based on the above the following risk management structure has been adopted:



Risk Appetite Levels

- Risk Appetite Levels are set through a process that considers the nature of the various risks and their role in the Bank being able to achieve its strategic objectives. These parameters are included in the risk appetite study that is adopted by the Bank and which is subject to regular review and oversight in order to address any breaches or shortcomings.
- The general framework for risk appetite is set taking into consideration the strategic priorities of the Bank and the requirements of regulatory bodies as well as the requirements of sound management of credit, liquidity and capital risk in support of the Bank's growth and development plans.

Stress Testing

- Stress tests across the Bank represent an integrated part of the risk assessment program where these tests provide information about the financial stability of the Bank under stress scenarios. They also provide early warning signals to possible threats to the Bank's capital.
- Stress tests are also considered an integral and indivisible part of the Bank's corporate governance framework as it relates to risk management. It alerts management teams to the potential unexpected results of the various risks and it has an impact on decision making on both an administrative and strategic level and provides the Board of Directors and the executive management team with required capitalization level indicators to withstand shocks or changes that could occur and which would have an impact on the Bank and its financial position.
- Stress tests are carried out in accordance with sensitivity analysis scenarios and consider the level of impact (low, medium, high) on capital adequacy and on anticipated profit and loss.
- Stress test results are analyzed and evaluated in terms of impact on the quality of the Bank's asset and financial position whether in terms of expected loss or reputational Risk. Stress testing outputs used in capital planning and direct impact of additional Buffers required on Capital in accordance with Internal Capital Adequacy Assessment Process (ICAAP).
- Various scenarios are played out considering the size and nature of the risks that face the Bank. They are listed from the lowest to the highest impact, depending on the level of potential loss that the Bank could face in order to uncover risks that have not been addressed. These

scenarios are carefully planned and regularly revisited considering developments in the Bank specifically or in the banking sector in general.

- Stress tests are conducted bi-annually in a manner that complies with regulatory requirements and may be conducted more frequently depending on the recommendation of the Risk Department based on the developments in the banking sector or the economy in general.

Internal Capital Adequacy Assessment Process (ICAAP)

The Internal Capital Adequacy Assessment Process (ICAAP) aims to achieve the following:

- Use of best practices to manage risk to ensure Capital Adequacy.
- Determining the responsibilities of the Board of Directors and executive management in developing the Internal Capital Adequacy Assessment program and putting in place capital targets that match the risk profile of the Bank and its regulatory environment.
- Comprehensive quantitative and qualitative evaluation of risks that the Bank may face in the current environment and in stress scenarios.
- Addressing risks that have not been addressed under the first pillar (liquidity, interest, concentration, reputational, strategic, business cycle).
- Understanding the nature and level of risk that the Bank might face and how to connect between those risks and capital requirements.
- Ensure that the management team of the Bank continues to take responsibility for ensuring capital adequacy to face all risks and to exceed minimum set requirements.

The Main Accomplishments of the Risk Management

- Entrenching the governance framework for risk management by incorporating the bank's overall risk management strategy, Risk Appetite and methodologies.
- Developing risk management strategy.
- Automation of risk management reports.
- Maintaining the Bank Capital Adequacy Ratio within the Targeted Ratios.
- Preparing a set of stress testing scenarios in order to simulate the impact of COVID- 19 consequences over the Bank.
- Enhancing operational Risk Management across the bank through preparing risk profile for the bank entities as per the approved plan
- Activating and reinforcing measures and controls to mitigate operational risk and information security risk in addition to reinforcing oversight and assessment of the cyber security environment.
- Implementation of Risk Management possesses related to Control Objective for Information and Related Technology (COBIT 2019).
- Achieving the international standard certificate ISO 27001(ISMS) Information Security Management System.
- Adopting best practices regarding protection of personal data EU-GDPR, as Jordan Ahli Bank.
- Initiating and approving the information security and cyber security framework, completing information security and cyber security projects and Activating the role of the Security Control Operations Center.
- Activating and testing the business continuity plan in addition to the Business Alternative Site (BAS) and Disaster Recovery Sites (DRS)
- Promoting a risk management culture and conducting training sessions, workshops and educational session.

The Future Plans of the Risk Management

- The adoption of established international best practices in Risk Management, ISO31000 and Enterprise Risk Management Framework.
- Continue to implement risk management strategy (2020-2023) to achieve the Bank objectives.
- Reviewing and updating the governance framework for risk management and further develop its oversight and control procedures in addition to reporting processes.
- Completion of operational risk profiles through running Risk and Control Self-Assessment (RCSA) workshops in Jordan and Palestine.
- Testing the Bank Business Continuity plans, Business alternative site and Disaster Recovery site.
- Developing and Implementing Information security and cyber security Strategy and programs based Central Bank of Jordan requirements and the international standards and best practices i.e. ISO, COBIT, NIST, ...etc.
- Supervise the implementation of the Cybersecurity framework for Jordan Financial Sector that's approved by the Central Bank of Jordan.
- Instilling Risk Management culture across the Bank through the Training and Awareness programs.
- Adopting the Bank corporate culture practices.

Summary of 2021

Robust Financial Performance in a challenging year



Total Assets

JOD 2,953 Mn
+3.8% YOY



Customer Deposits

JOD 2,004 Mn
+5.2% YOY



Direct Credit Facilities , Net

JOD 1,358 Mn
-0.9% YOY



Profit Before Tax

JOD 27.2 Mn
+55.2% YOY



Profit After Tax

JOD 14.2 Mn
+36.3% YOY

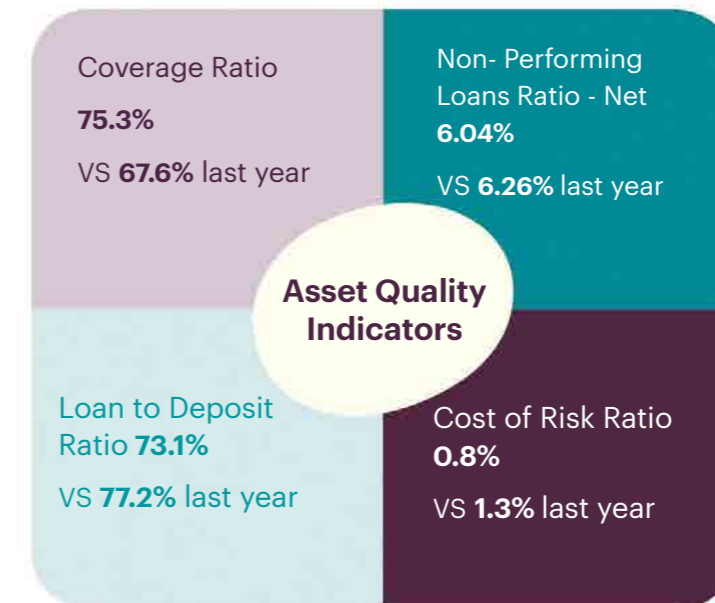
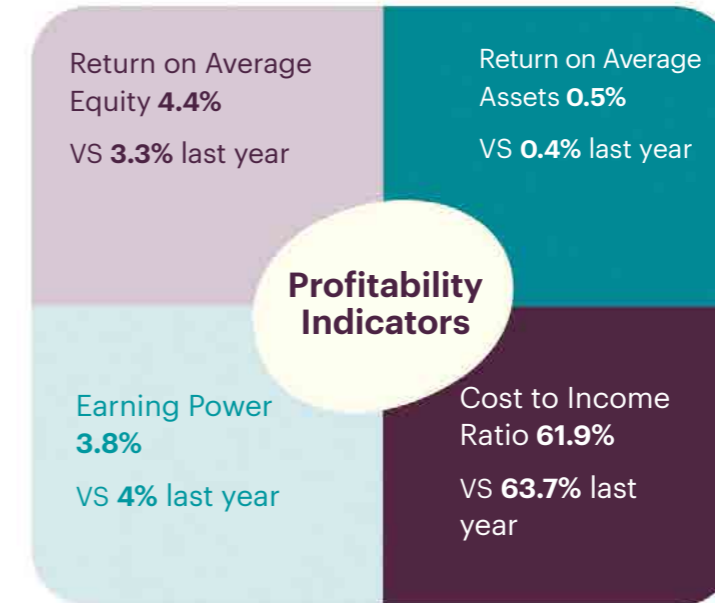


7%

Cash Dividends to Shareholders

Financial Indicators

Strong in Results... Adapting to new challenges



15.9% Capital adequacy Ratio
VS **15.5%** last year

Financial Impact of Non-Recurring Operations of the Year 2021

There are no non-recurring operations during 2021.

Analysis of Business Results for 2021

Pre-tax profit increased 55.2% to reach JOD 27.2 mn in 2021 versus JOD 17.5 mn in 2020. Achieving strong operating profits in 2021 despite the continuing implications of Corona virus pandemic. This reflects the successful utilization of income-generating assets, the optimization in source funding and the effective management of all kind of expenses.

The bank's financial position was strengthened, with total assets increase of 3.8% YoY to reach nearly JOD 3 bn. Customer deposits also increased by 5.2% YoY to reach JOD 2 bn, which reflect customers' confidence in AHLI Bank. The capital base was also strengthened, with total shareholders' equity of JD 328 mn and a growth rate of 1.7% YoY.

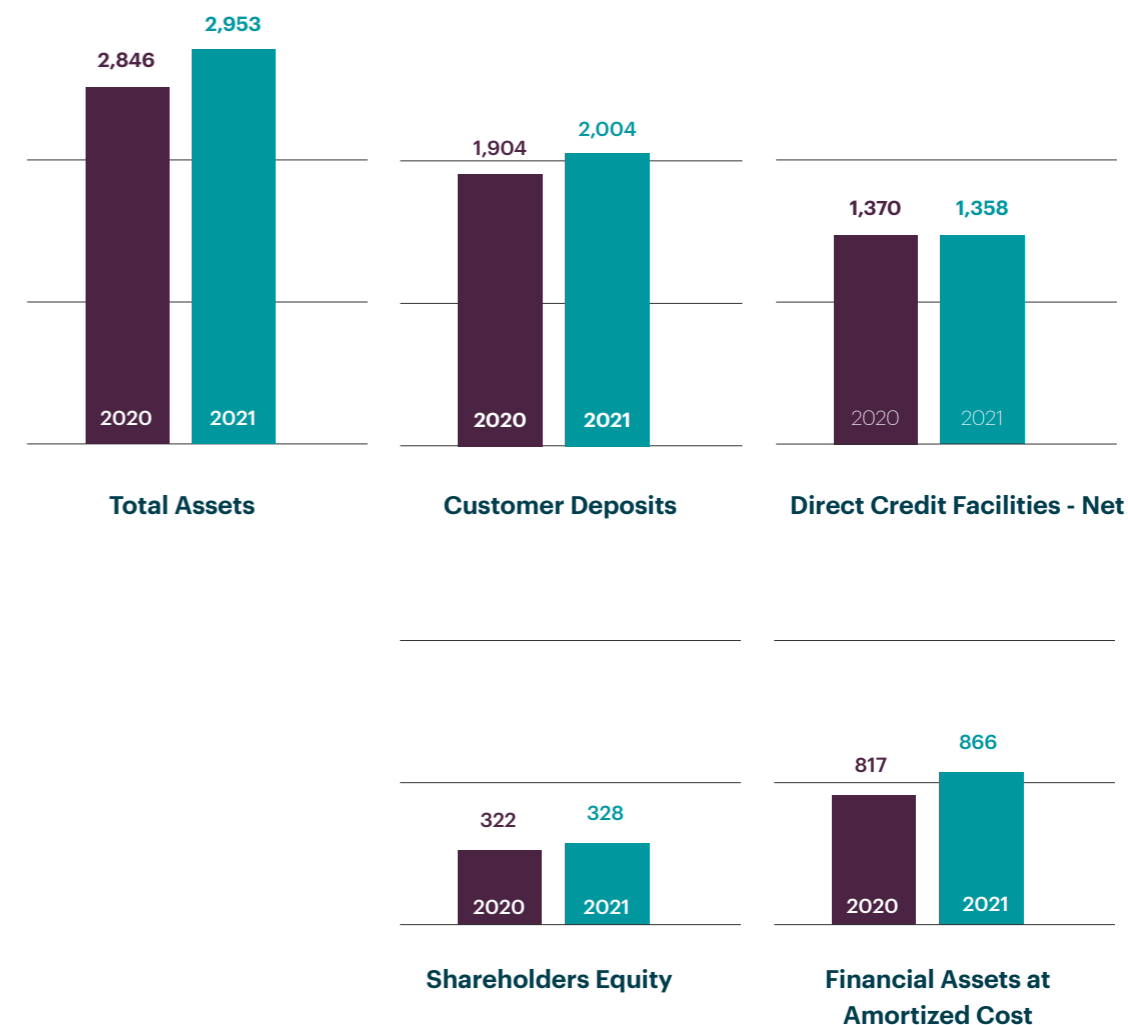
Time-Series Data of the Main Financial Indicators

(Amounts in million Jordanian Dinars)

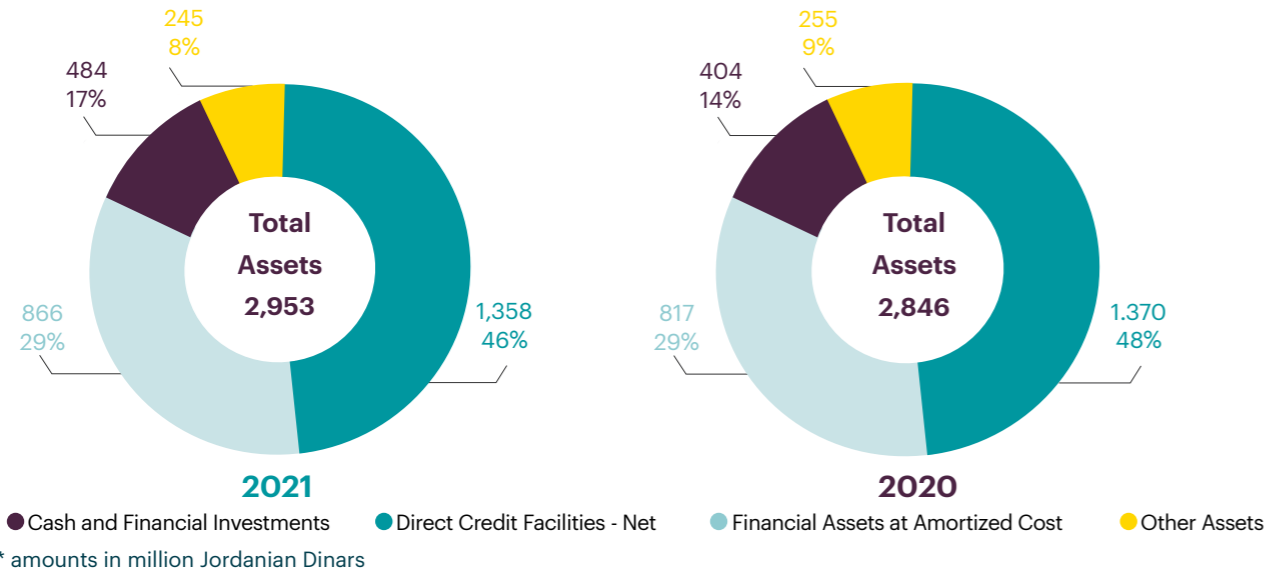
Item/ Year	2017	2018	2019	2020	2021
Total Assets	2729	2783	2767	2846	2953
Customers' Deposits	1919	1912	1864	1904	2004
Loans and Credit Facilities (Net)	1484	1425	1370	1370	1358
Shareholders' Equity	306	301	312	322	328
Profit before Tax	20.1	33.2	36.2	17.5	27.2
Profit after Tax	13.3	21.3	23.7	10.4	14.2
Cash dividends distributed to the Bank Shareholders	9.2	11.6	-	8	14
Basic and diluted earning per share	0.069	0.106	0.118	0.052	0.071
Dividend Payout Ratio (JD)	0.05	0.06	-	0.04	0.07
Number of Free Shares distributed	% 5	% 4	% 0	% 0	% 0
Closing share price (JD)	1.18	1.08	0.95	0.77	0.97

Financial Position Highlights

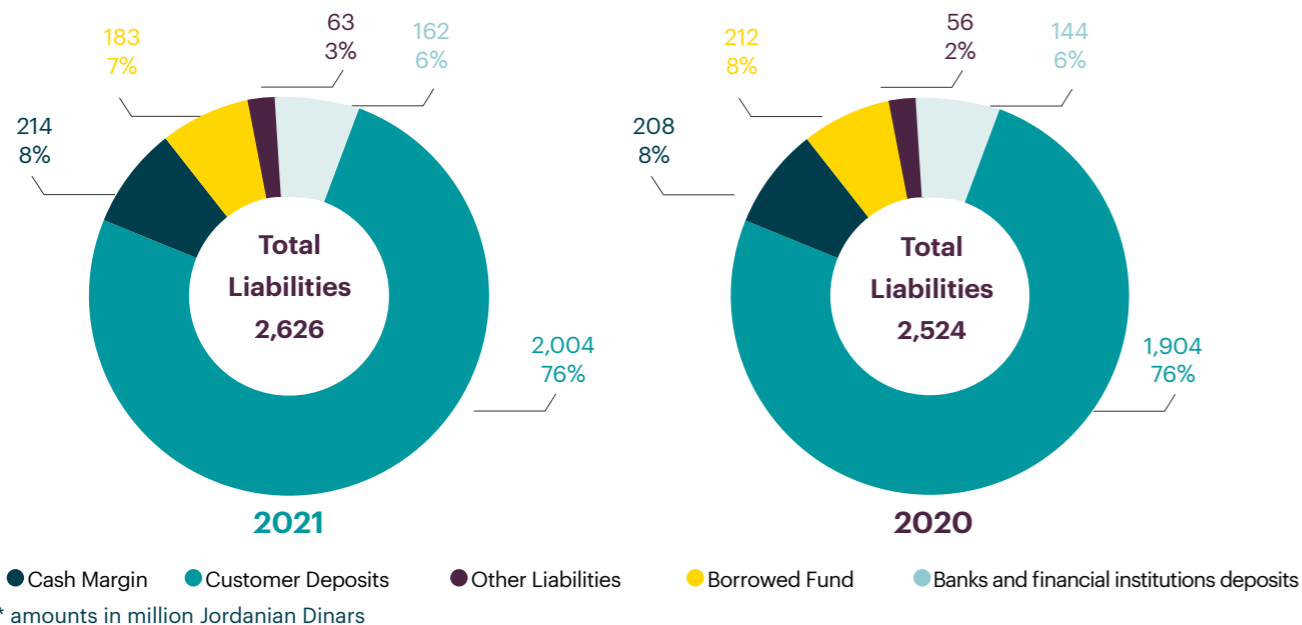
(Amounts in million Jordanian Dinars)



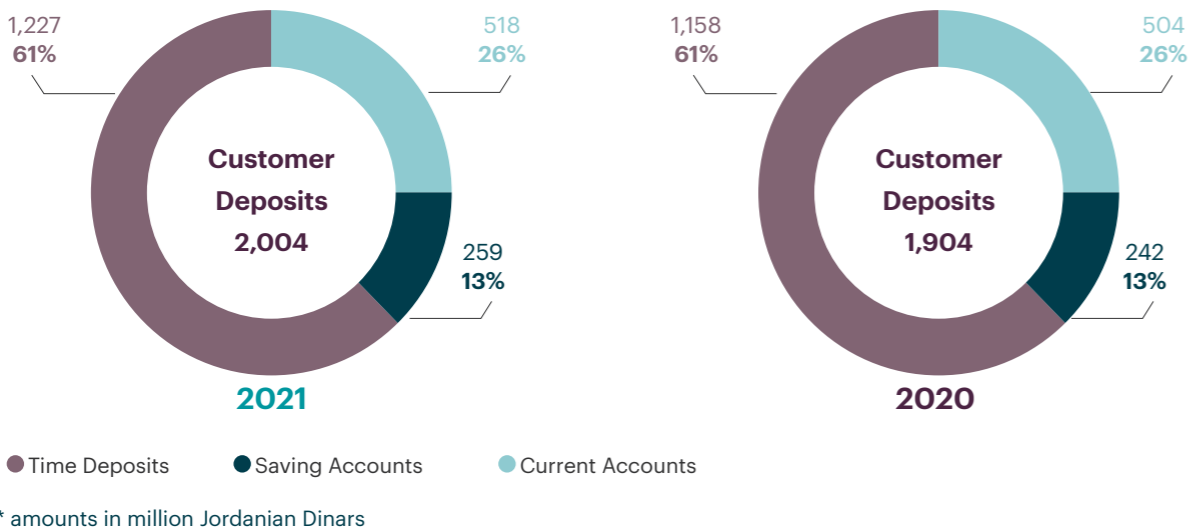
Assets Structure



Liabilities Structure



Customer Deposits Composition



Future Outlook and Plans for 2022

Corporate Banking and Projects Finance

- The Corporate Sector will continue to grow and further strengthen its ties with its customer base as well build new ones through it's highly professional dedicated team; provide the best products and services as well as financial solutions to support the corporates especially during the unprecedented times we are passing through.

Small and Medium Enterprise Banking

- Our plans for 2022, to continue playing as a leader in SMEs market, we will continue to support the continuity and recovery of our clients, during these difficult and challenging periods, we will also continue to focus on the innovative solutions and digital services, which will include applying a new loan origination system, targeting to shorten turnaround time and improve the quality of different services to match customer experience. This falls within our organizational strategy, that includes customer centricity, operational excellence and innovation.

- In 2022, our plan is to expand further our SMEs client base benefiting from our products and services newly introduced by Jordan Ahli Bank. The year 2022 will have a major focus on SMEs and expansion of operations under this important segment. Also, we will continue to work within SMEs Partner Bank framework which reflects our vision to always provide the best financial and non-financial solutions to our SMEs clients, including startups, entrepreneurs and women empowerment, through our SMEs business centers and our expert team. Hence 2022 will carry additional efforts to excel in our products and services as Jordan Ahli Bank is always a key partner in the market as to achieve financial inclusion, shared prosperity and the development of our country economy.

Consumer Banking

- Expanding the bank's customer base by developing competitive and digitally accessible financial and non-financial products and services, starting with account opening and obtaining the ahli debit card, in addition to activating the ahli mobile and ahli online banking services instantly without visiting the branch. Our goal is to ensure that our customers' needs are met and that we are reaching them wherever they may be.

- Expanding the bank's ATM network through new and innovative business strategies to ensure an increase in the number of ATMs.

- Continue to develop the branches operating model by automating many of the consumer banking products and services, and enhancing the existing ones, in order to improve the customer experience (CX) and satisfy their financial and non-financial needs in the fastest way and highest standard of service quality possible.

- We provide our customers with bancassurance products and new financial services to satisfy their needs.

Treasury and Investment

The future strategy is built around the integrated digital bridging of private investment services and products in capital markets (PBaaS) provided by the Department of Treasury and Investments in order to fulfil the requirements and aspirations of digital generations.

Credit Sector

- The Credit Group and through its various divisions will continue to closely monitor the Credit Portfolio.
- Update the Credit Policy to face any potential risks and provide the proper solutions on time.
- Managing efficiently the portfolio and maintaining its quality through decreasing its non-performing loans.

Support Sector

Operations & Shared Services

We will work with Arab Monetary Fund to benefit from BUNA's future initiatives in relation to Payments and Trade Finance Business with banks operating in the Arab Region. We will also make available a large number of banking services offered to our customers through the electronic channels in order to improve the quality of our services, facilitate access to them and process them on real time basis in a manner that meets the expectations of our customers.

Information Technology

- Implement New IT Service Management System " ITSM "
- Implement new Corporate Internet Banking Solution
- Implement Digital Voucher Solution.
- Upgrade Core Banking T24 to the latest Release R21
- Implement Loan Origination System for corporate sector
- Implement Data Classification solution.
- Implement financial fraud detection/prevention.
- New CRM and Contact Center
- Implement Back up solution for end points " DLO "

Human Resources

- Continuing to strive to consolidate the concept of corporate culture among the bank's employees and apply it to all practices in a way that highlights the identity of the bank in front of its customers, and to work to secure a comfortable, flexible, stimulating and positive work environment that enhances love, care and belonging to the bank.
- Upgrading employees, enhancing their capabilities, and providing them with skills and experience through specialized training programs that meet clients' needs and interests.
- Review and develop all scorecards in line with the updated strategic plan and objectives.
- Strengthening the role of human resources management in upgrading the employee's experience level, providing distinguished experiences for him and his children, refining their skills and preparing them to move towards the work environment through training courses to familiarize them with the National Bank and the banking sector and the important role played by banks in order to spread the banking culture.
- Maintaining distinguished competencies, developing a system of functional competencies and career development plans, setting the necessary plans to reduce the rate of job turnover.
- Continuing to continue the development and improvement work on the benefits and benefits provided to employees.
- Continuing to update the work policies and procedures of the Human Resources Department in line with the requirements, needs and working conditions.
- Continuing to develop and upgrade the human resources system used in Jordan and Palestine to provide the best services and reduce the time and effort expended to meet work requirements.

Innovation

- Growth in the AnaMeen Jordanian customer base around the world, while widening the spectrum of Entity and industry participants in "meen world", which utilize our instantaneous digital eKYC-as-a-service functionality.
- Continue the path of the digital transformation of our banking services for our customers, including the bank's cards and payments services, ahli mobile, amongst others.

Strategy and Project Management Office

During 2022, the Strategy and Project Management Office will follow up on the achievement of the updated strategic plan through the implementation of the strategic projects that will achieve the bank objectives through an effective project management framework to obtain the best added value and benefits. While considering a periodic review for the strategic performance indicators so the executive management can monitor the performance of these projects.

Center of Excellence

The bank will continue to develop the bank's comprehensive model to ensure the consistency of the business and operating models effectively and adaptably to follow the best banking practices.

The External Auditors' Compensation of the Bank and its Subsidiaries

No.	Name of Company	Audit Fees in JD
1	Jordan Ahli Bank	207,093
2	Ahli Microfinance Company	11,600
3	Ahli Brokerage Company	8,120
4	Ahli for Financial Leasing Company	6,960
5	Ahli Fintech Company	1,740
	Total	235,513

*The services of the additional assignments/consultations provided by the external auditor and other external auditors firms (outside the auditing scope) amounted 201,747 JDs for the year 2021.

A - (1) Jordan Ahli Bank Shares Owned by Members of the Board

Name	Position	Nationality	No. of shares as of	
			31/12/2021	31/12/2020
Mr. Saad Nabil Mouasher	Chairman of the Board	Jordanian	2,502,882	2,502,882
H.E. Dr. Umayya Salah Ala Uddin Toukan	Vice Chairman	Jordanian	116,953	116,953
Mr. Nadim Yousef Muasher	Board Member	Jordanian	7,000,134	7,000,134
Byblos Bank	Board Member	Lebanese	20,829,355	20,829,355
Represented by Mr. Alan Foad Wanna			-----	-----
Rajai Muasher & Brothers Co	Board Member	Jordanian	13,097	13,097
Represented by Mr. Rafik Issa Muasher			2,500,000	2,500,000
Mouasher Investment & Trading Co.	Board Member	Jordanian	529,240	529,240
Represented by Mr. Imad Yousef Mouasher			7,339,722	7,339,722
Jordan Investor Center	Board Member	Jordanian	10,219,048	11,028,646
Represented by H.E Mrs. Majd Mohammad Abdul Kareem Shweikeh			-----	-----
Social Security Corporation	Board Member	Jordanian	20,566,000	20,515,855
Represented by Mrs. Ranya Moosa Fahed Alaraj			-----	-----
H.E. Dr. Tareq Mohammad Khaleel Hammouri	Board Member	Jordanian	14,922	2,922
Mr. Karim Tawfiq Amin Kwar	Board Member	Jordanian	131,989	131,989
Mr. Yazan Munther Haddadin	Board Member	Jordanian	2,000	-----
Mr. Khalil Safwan Saket	Board Member	Jordanian	2,000	-----
Basim Mahmoud Malhas	Board Member	Saudi	166,256	166,256

A - (2) Number of Jordan Ahli Bank Shares Owned by the Companies Controlled by any of the Board of Directors

Board Members	Companies Controlled by any of them	No. of shares owned by the companies controlled any of such Board Members	
		31/12/2021	31/12/2020
Mr. Saad Nabil Mouasher Chairman of the Board	Al Nabil For Trade And Investments	2,846,598	2,846,598
	Jordan Fabric & Worsted Manufacturing Co.	5,118,757	5,118,757
Mr. Nadim Yousef Muasher Board Member	Arab International Hotels Company	1,580,277	1,580,277
	ELZAY Ready Wear Manufacturing Company	195,580	195,580
	Ranco Diversified Investments Co.	1,000,105	1,700,105
	World Fashion Trading Co Wft	31,715	31,715
	Jordan Investor Center	10,219,048	11,028,646
	Jordan Worsted Mills Co.	12,945,315	12,945,315
Rajai Muasher & Brothers Co Board Member	Jordan Worsted Mills Co.	12,945,315	12,945,315
	Arab International Hotels Company	1,580,277	1,580,277
	ELZAY Ready Wear Manufacturing Company	195,580	195,580
Mouasher Investment & Trading Co. Board Member	Jordan Fabric & Worsted Manufacturing Co.	5,118,757	5,118,757
	Arab International Hotels Company	1,580,277	1,580,277
	ELZAY Ready Wear Manufacturing Company	195,580	195,580
	Ranco Diversified Investments Co.	1,000,105	1,700,105
	World Fashion Trading Co Wft	31,715	31,715
	Jordan Investor Center	10,219,048	11,028,646
Jordan Investor Center Board Member	Jordan Worsted Mills Co.	12,945,315	12,945,315
	Arab International Hotels Company	1,580,277	1,580,277
	Middle East Insurance Company	100,000	100,000

B- Number of Jordan Ahli Bank Shares Owned by the Relatives of the Board of Directors and the Companies Controlled by Them

Name	Relationship	Nationality	No. of shares as of		No. of shares owned by the companies controlled by any of such relatives	
			2021	2020	2021	2020
Mr. Saad Nabil Mouasher Chairman of the Board						
Mrs. Tania Anwar Boulos Harb	Spouse	Jordanian	256,698	256,698	----	----
	Minors	----	----	----	----	----
H.E. Dr. Umayya Salah Ala Uddin Toukan Vice Chairman						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Mr. Nadim Yousef Muasher Board Member						
Mrs. Rania Issa Mubadda Dallal	Spouse	----	107,420	107,420	----	----
	Minors	----	----	----	----	----
Byblos Bank Mr. Alan Foad Wanna Board Member						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Rajai Muasher & Brothers Co Mr. Rafik Issa Muasher Board Member						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Mouasher Investment & Trading Co. Mr. Imad Yousef Mouasher Board Member						
Mrs. Nadine Wadi Khalil Halaseh	Spouse	Jordanian	101,019	101,019	----	----
	Minors	----	----	----	----	----
Jordan Investor Center H.E. Mrs. Majd Shwaikeh Board Member						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----

B- Number of Jordan Ahli Bank Shares Owned by the Relatives of the Board of Directors and the Companies Controlled by Them/ Continued

Name	Relationship	Nationality	No. of shares as of		No. of shares owned by the companies controlled by any of such relatives	
			2021	2020	2021	2020
Social Security Corporation						
Mrs. Ranya Alaraj Board Member						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
H.E. Dr. Tareq Mohammad Khaleel Hammouri Board Member						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Mr. Karim Kawar Board Member						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Mr. Yazan Haddadin Board Member						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Mr. Khalil Saket Board Member						
	Spouse	----	----	----	----	----
Maya Khalil Saket Minors	Minors	Jordanian	5000	----	----	----
Haya Khalil Saker Minors	Minors	Jordanian	5000	----	----	----
Mr. Basim Malhas Board Member						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----

C- Jordan Ahli Bank Shares Owned by the Executive Management and the Companies Controlled by any of such Executive Management

Name	Nationality	No. of Shares as of		No. of shares owned by the companies controlled any of them		Companies Controlled by any of the Executive Management
		2021	2020	2021	2020	
Mr. Moh'd Mousa Dawood Chief Executive Officer/ General Manager	Jordanian	11,466	11,466	0	0	----
Dr. Ahmad Awad Al- Hussein Deputy Chief Executive Officer/ General Manager	Jordanian	0	0	0	0	----
Mr. Majed A. M. Hijab Head of Treasury, Investments & Financial Institutions	Jordanian	196	196	0	0	----
Mr. Sofyan Ayed Duais Senior Vice President/ Head of Corporate Banking & Projects Finance	Jordanian	0	0	0	0	----
Mr. Ammar MS. R. Al Sa'id Vice President/ Head of SME	Jordanian	0	0	0	0	----
Mr. Mohammad Abu-Injeileh Vice President/ Acting Chief Head of Consumer Banking	Jordanian	0	0	0	0	----
Mr. Dirar Shebli Haddadin Senior Vice President/ Chief Financial Officer	Jordanian	0	0	0	0	----
Mr. Mouin Aziz Al- Bahou Senior Vice President/ Chief Credit Officer	Jordanian	0	0	0	0	----
Mr. Khalid Zuhair Abuesh- Shaer Senior Vice President/ Chief Compliance Officer	Jordanian	0	0	0	0	----
Mr. Taha Mousa Zeid Vice President/ Chief Risk Officer	Jordanian	0	0	0	0	----
Mr. Safwan Asfour Vice President/ Chief Internal Auditor	Jordanian	0	0	0	0	----
Mr. Nidal Khalifa Senior Vice President/ Chief Innovation Officer	Jordanian	0	0	0	0	----
Mr. Rami (Moh'd Murshed) Da'na Senior Vice President/ Head of Operations & Shared Services	Jordanian	0	0	0	0	----

C-Jordan Ahli Bank Shares Owned by the Executive Management and the Companies Controlled by any of such Executive Management/ Continued

Name	Nationality	No. of Shares as of		No. of shares owned by the companies controlled any of them		Companies Controlled by any of the Executive Management
		2021	2020	2021	2020	
Mr. Jwallant Vasani Senior Vice President/ Chief Information Officer	Indian	0	0	0	0	----
Mrs. Maha Khalid Dado Vice President/ Human Resources Officer	Jordanian	0	0	0	0	----

D-Jordan Ahli Bank Shares Owned by the Relatives of Executive Management and the Companies Controlled by any of such Relatives

Name	Relationship	Nationality	No. of shares as of		No. of shares owned by the Companies Controlled by any of such Relatives	
			2021	2020	2021	2020
Mr. Moh'd Mousa Dawood Chief Executive Officer/ General Manager						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Dr. Ahmad Awad Al- Hussein Deputy Chief Executive Officer/ General Manager						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Mr. Majed A. M. Hijab Head of Treasury, Investments & Financial Institutions						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Mr. Sofyan Ayed Duais Senior Vice President/ Head of Corporate Banking & Projects Finance						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Mr. Ammar MS. R. Al Sa'id Vice President/ Head of SME						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Mr. Mohammad Abu-Injeileh Vice President/ Acting Chief Head of Consumer Banking						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----
Mr. Dirar Shebli Haddadin Senior Vice President/ Chief Financial Officer						
	Spouse	----	----	----	----	----
	Minors	----	----	----	----	----

D-Jordan Ahli Bank Shares Owned by the Relatives of Executive Management and the Companies Controlled by any of such Relatives/ Continued

Name	Relationship	Nationality	No. of shares as of		No. of shares owned by the Companies Controlled by any of such Relatives	
			2021	2020	2021	2020
Mr. Mouin Aziz Al- Bahou Senior Vice President/ Chief Credit Officer						
	Spouse	---	---	---	---	---
	Minors	---	---	---	---	---
Mr. Khalid Zuhair Abuesh- Shaer Senior Vice President/ Chief Compliance Officer						
	Spouse	---	---	---	---	---
	Minors	---	---	---	---	---
Mr. Taha Mousa Zeid Vice President/ Chief Risk Officer						
	Spouse	---	---	---	---	---
	Minors	---	---	---	---	---
Mr. Safwan Asfour Vice President/ Chief Internal Auditor						
	Spouse	---	---	---	---	---
	Minors	---	---	---	---	---
Mr. Nidal Khalifa Senior Vice President/ Chief Innovation Officer						
	Spouse	---	---	---	---	---
	Minors	---	---	---	---	---
Mr. Rami (Moh'd Murshed) Da'na Senior Vice President/ Head of Operations & Shared Services						
	Spouse	---	---	---	---	---
	Minors	---	---	---	---	---

D-Jordan Ahli Bank Shares Owned by the Relatives of Executive Management and the Companies Controlled by any of such Relatives/ Continued

Name	Relationship	Nationality	No. of shares as of		No. of shares owned by the Companies Controlled by any of such Relatives	
			2021	2020	2021	2020
Mr. Jwallant Vasani Senior Vice President/ Chief Information Officer						
	Spouse	---	---	---	---	---
	Minors	---	---	---	---	---
Mrs. Maha Khalid Dado Vice President/ Acting Chief Human Resources Officer						
	Spouse	---	---	---	---	---
	Minors	---	---	---	---	---

Names of Major Shareholders of 5% and More

Name of Shareholder	2021		2020	
	No. of shares 31/12/2021	%	No. of shares 31/12/2020	%
Byblos Bank	20,829,355	10.381%	20,829,355	10.381%
Social Security Corporation	20,566,000	10.249%	20,515,855	10.224%
Jordan Worsted Mills Co.	12,945,315	6.452%	12,945,315	6.452%
Jordan Investor Center	10,219,048	5.093%	11,028,646	5.496%



Major Shareholders Owning 1% or more of the share Capital of the Bank as of 31/12/2021, the Ultimate Beneficial Owner and pledges shares

Shareholder Name	Nationality	No. of Shares Owned as of 31/12/2020	Ownership of Capital %	Major Shareholders	Ultimate Beneficial Owner (UBO)	Percentage of UBO Ownership	No. of pledged shares	Percentage of pledged shares %	Pledgee
Byblos Bank	Lebanese	20,829,355	10.38%	Byblos Invest Holding Luxembourg	Byblos Invest Holding Luxembourg	Dr. Francois Semaan Bassil 9.61%	--	--	--
				29.43%	34.18%				
				The Bank of New York Mellon	The Bank of New York Mellon	Mr. Bassam Nassar 2.52%			
				11.07%	11.07%				
				Dr. Francois Semaan Bassil	International Finance Corporation	Mr. Rami Rifaat El Nimr 2.23%			
				3.57%	8.36%				
				International Finance Corporation	Anasco Holding Company S.A	Mr. Ali Hassan Dayekh 1.64%			
				8.36%	12.27%				
				Anasco Holding Company S.A	Frabas Corporation	Total 16%			
				4.67%	19.64%				
Frabas Corporation	Dr. Francois Semaan Bassil								
3.92%	9.61%								
Mr. Rami Rifaat El Nimr	Mr. Bassam Nassar								
2.23%	2.52%								
Mr. Ali Hassan Dayekh	Mr. Rami Rifaat El Nimr								
1.64%	2.23%								
	Mr. Ali Hassan Dayekh								
	1.64%								
Social Security Corporation	Jordanian	20,566,000	10.25%	Same	Same	10.25%	--	--	--
Jordan Worsted Mills Co.	Jordanian	12,945,315	6.45%	Social Security Corporation	Social Security Corporation	20%	--	--	--
				Jordan Ahli Bank	Nadim Muasher	0.54%			
				10%					
				Arab Bank	Imad Mouasher	0.36%			
				9.36%					
				Jordan Investor Center	Saad Mouasher	0.12%			
				8.26%					
					Ibrahim Mouasher	0.05%			
					1.34%				
				Arab International Hotels Company	Yousef Mouasher	0.13%			
7.03%	Ghada Muasher	0.07%							
	Huda Muasher	0.07%							

Major Shareholders Owning 1% or more of the share Capital of the Bank as of 31/12/2021, the Ultimate Beneficial Owner and pledges shares/ Continued

Shareholder Name	Nationality	No. of Shares Owned as of 31/12/2020	Ownership of Capital %	Major Shareholders	Ultimate Beneficial Owner (UBO)	Percentage of UBO Ownership	No. of pledged shares	Percentage of pledged shares %	Pledgee	
Jordan Investor Center	Jordanian	10,219,048	5.09%	AIDawlah for Hotels and Malls PLC 7.49%	Nadim Muasher 0.70%	1.41%	1,513,653	14.812%	Jordan Bank	
				Business Tourism Company 7.49%	Imad Mouasher 0.41%		1,615,234	15.806%	Housing Bank for Trade and Finance	
				Jordan Ahli Bank 10%	Saad Mouasher 0.10%		4,457,980	43.624%	Société Générale Bank	
				Arab International Hotels Company 49.342%	Ibrahim Mouasher 0.09%		Total			
				Jordan Worsted Mills Co 18.186%	Yousef Mouasher 0.10%		7,586,867	74.242%		
				Jordan Investor Center 7.49%	Ghada Muasher 0.01%					
					Huda Muasher 0.01%					
Imad Yousef Issa Mouasher	Jordanian	Direct Ownership	7,339,722	3.66%	Same	Same	4.71%	--	--	--
		Indirect Ownership	2,106,877	1.05%						
Nadim Yousef Issa Mouasher	Jordanian	Direct Ownership	7,000,134	3.49%	Same	Same	5.33%	--	--	--
		Indirect Ownership	3,692,052	1.84%						
Jordan Fabric & Worsted Manufacturing Co.	Jordanian	5,118,757	2.55%	Jordan Fabric & Worsted Manufacturing Co. 20%	NaNadim Muasher 0.07%	0.23%	--	--	--	
					Imad Mouasher 0.07%					
				Jordan Worsted Mills Co 80%	Saad Mouasher 0.02%					
					Yousef Mouasher 0.02%					
					Ghada Muasher 0.02%					
					Huda Muasher 0.02%					

Major Shareholders Owning 1% or more of the share Capital of the Bank as of 31/12/2021, the Ultimate Beneficial Owner and pledges shares/ Continued

Shareholder Name	Nationality	No. of Shares Owned as of 31/12/2020	Ownership of Capital %	Major Shareholders	Ultimate Beneficial Owner (UBO)	Percentage of UBO Ownership	No. of pledged shares	Percentage of pledged shares %	Pledgee	
Al Nabil for Trade and Investments	Jordanian	2,846,598	1.42%	Ibrahim Nabil Yousef Mouasher 33.333%	Saad Mouasher 0.47%	1.42%	--	--	--	
				Saad Nabil Yousef Mouasher 33.333%	Ibrahim Mouasher 0.47%					
				Yousef Nabil Yousef Mouasher 33.333%	Yousef Mouasher 0.47%					
Mustafa Diya' Habib	Iraqi	2,675,397	1.33%	Same	Same	1.33%	--	--	--	
Saad Nabil Mouasher	Jordanian	Direct Ownership	2,502,882	1.25%	Same	Same	2.09%	--	--	--
		Indirect Ownership	1,685,502	0.84%						
Rafik Saleh Muasher	Jordanian	2,500,000	1.25%	Same	Same	1.25%	--	--	--	
Sideeq Omar AbuSido	Jordanian	2,383,493	1.19%	Same	Same	1.19%	--	--	--	
Ibrahim Nabil Mouasher	Jordanian	Direct Ownership	2,262,616	1.13%	Same	Same	1.90%	--	--	--
		Indirect Ownership	1,545,043	0.77%						
Yousef Nabil Mouasher	Jordanian	Direct Ownership	2,182,304	1.09%	Same	Same	1.82%	--	--	--
		Indirect Ownership	1,464,781	0.73%						
Mahmoud Malhas Investments Ltd.	British Virgin Islands	2,147,200	1.07%	Mahmoud Malhas 100%	Mahmoud Malhas 1.07%	1.07%	--	--	--	
Basim Haron Shihadeh	Jordanian	2,048,917	1.04%	Same	Same	1.04%	--	--	--	

The Chairman and Board of Directors Remuneration and Benefits paid in 2021

Name	Annual Transportation Allowance, Chairing Committees & Other Benefits	Annual Remuneration	Annual Travel Expenses	Total Annual Benefits
Mr. Saad Nabil Mouasher Chairman of the Board	515,000	5,000	0	520,000
H.E Dr. Umayya Salah Toukan Vice Chairman	83,182	5,000	0	88,182
Mr. Nadim Yousef Muasher Board Member	23,500	5,000	0	28,500
Rajai Muasher & Brothers Co Mr. Rafik Saleh Muasher Board Member	26,700	5,000	0	31,700
Mouasher Investment & Trading Co. Mr. Imad Yousef Mouasher Board Member	23,100	5,000	0	28,100
Jordan Investor Center H.E. Mrs. Majd Mohammad Shweikeh Board Member	19,300	0	0	19,300
Social Security Corporation*	23,500	5,000	0	28,500
Byblos Bank Mr. Alan Foad Wanna Board Member	18,700	5,000	0	23,700
H.E. Dr. Tareq Mohammad Ham-mouri Board Member	49,700	834	0	50,534
Mr. Karim Tawfiq Kawar Board Member	29,900	0	0	29,900
Mr. Yazan Munther Haddadin Board Member	25,900	0	0	25,900
Mr. Khalil Safwan Saket Board Member	31,500	0	0	31,500
Mr. Basim Mahmoud Malhas Board Member	22,700	0	0	22,700

*The benefits are paid to the Social Security Corporation

Remuneration and Benefits in respect of resigned Board Members and/or whom membership paid in 2021

There are no members who submitted their resignations during the aforementioned year, but the membership of the members / appointment of the representative ended with the election of the new Board of Directors on 4/29/2021 or changed thereafter, whom are as follows:

Name	Annual Transportation Allowance, Chairing Committees & Other Benefits	Annual Remuneration	Annual Travel Expenses	Total Annual Benefits
Mr. Mahmoud Zuhdi Malhas ZI&IME Ltd representative	6,400	5,000	0	11,400
Mr. Aladdin Sami ZI&IME Ltd representative	5,600	5,000	0	10,600
Mr. Tarek Ziad Jallad	9,600	5,000	0	14,600
Mr. Izzat Rashed Dajani	12,400	5,000	0	17,400
H.E. Mr. Wasef Y. N Azar Jordan Investor Center	4,400	5,000	0	9,400
Mrs. Ibtissam (M.S) I. El-Ayoubi Until the date of the Board's election on 29/4/2021, after which Mrs. Ibtisam was appointed as the representative of Jordan Investor Center until 4/5/2021	31,360	5,000	0	36,360

Executive Management Compensation and Benefits in 2021

Name	Annual Salary	Annual Transportation Allowance	Annual Remuneration	Annual Travel Expenses	Annual Benefits
Mr. Moh'd Mousa Dawood Chief Executive Officer/ General Manager	571,667	0	102,150	0	673,817
Dr. Ahmad Awad Al- Hussein Deputy Chief Executive Officer/ General Manager	380,831	0	66,150	0	446,981
Mr. Majed A. M. Hijab Senior Vice President/ Head of Treasury, Investments & Financial Institutions	108,665	0	0	0	108,665
Mr. Sofyan Ayed Duais Senior Vice President/ Head of Corporate Banking & Projects Finance	112,000	3,600	0	0	115,600
Mr. Ammar MS. R. Al Sa'id Vice President/ Head of SME	80,000	2,400	0	0	82,400
Mr. Mohammad Abu Injeileh Vice President/ Acting Head of Consumer Banking from 01/07/2021	40,000	1,1200	0	0	41,200
Mr. Dirar Shebli Haddadin Senior Vice President/ Chief Financial Officer	178,336	0	0	0	178,336
Mr. Mouin Aziz Al- Bahou Senior Vice President/ Chief Credit Officer	109,332	0	0	0	109,332
Mr. Khalid Zuhair Abuesh- Shaer Senior Vice President/ Chief Compliance Officer	101,600	0	0	0	101,600
Mr. Taha Mousa Zeid Vice President/ Chief Risk Officer	64,000	0	0	0	64,000
Mr. Safwan Asfour Vice President/ Chief Internal Auditor	5,482	200	0	0	5,682
Mr. Nidal Khalifeh Senior Vice President/ Chief Innovation Officer from 17/10/2021	33,100	0	0	0	33,100
Mr. Rami (Moh'd Murshed) Da'na Senior Vice President/ Head of Operations & Shared Services	137,600	0	0	0	137,600
Mr. Jwallant Vasani Senior Vice President/ Chief Information Officer	252,000	0	0	0	252,000
Mrs. Maha Khalid Dado Vice President/ Acting Chief Human Resources Officer	63,865	0	0	0	63,865

The Resigned Executive Management Compensation and Benefits in 2021

Name	Annual Salary	Annual Transportation Allowance	Annual Remuneration	Annual Travel Expenses	Annual Benefits
Ms. Lina Najib Al Bakhit Al Dababneh Executive Vice President/ Chief Business Officer till 31/07/2021	114,433	0	330,124	0	444,557
Mr. Rami Marwan Al Karmi Senior Vice President/ Chief Innovation Officer till 30/06/2021	91,156	0	0	0	91,156
Mr. Zaid Wasef El-Khatib Senior Vice President/ Head of Consumer Banking till 30/06/2021	75,573	1,800	64,000	0	141,373
Mr. Iyad T. N. Ammari Vice President/ Chief Internal Auditor till 30/11/2021	68,296	2,200	106,667	0	177,163

Jordan Ahli Bank donations during the financial year 2021

Category	Amount in (JD)
Community support and empowerment (Local Development)	299,434
Education and youth	178,465
Internal social responsibility	2,303
Business support and others	17,249
Total	497,451

Contracts, projects and dealings concluded between the Bank and the Subsidiaries, Members of the Board of Directors, the General Manager or any Employee of the Bank or their Relatives

All contracts, projects and dealings concluded between the Bank subsidiaries, members of the Board of Directors, the General Manager or any employee of the Bank or their relatives are compliant with the policies and procedures of the Bank and the requirements of the Central Bank of Jordan and the Banking Law.

Transactions with the Board of Directors and the Related Parties

Credit facilities granted to members of the Board of Directors as of 31 December 2021

Board Members	Direct Credit Facilities	Indirect Credit Facilities	Other exposures (investments in stocks and bonds)	Notes
Mr. Saad Nabil Mouasher				
Inside the Kingdom	78,874	1,000	-	
Outside the Kingdom	-	-	-	
Mr. Nadim Yousef Muasher				
Inside the Kingdom	2,143,612	-	-	
Outside the Kingdom	85,789	-	-	
Mr. Rafik Issa Muasher				Rajai Muasher & Brothers Co Representative
Inside the Kingdom	29,776	-	-	
Outside the Kingdom	698,365	-	-	
Jordan Investor Center				
Inside the Kingdom	27,377	-	3,575,000	
Outside the Kingdom	-	-	-	
Mouasher Investment & Trading Co				
Inside the Kingdom	30,489	-	-	
Outside the Kingdom	-	-	-	
Mr. Imad Yousef Issa Mouasher				Mouasher Investment & Trading Co Representative
Inside the Kingdom	308,200	-	-	
Outside the Kingdom	-	-	-	
H.E Dr. Tareq Mohammad Hammouri				
Inside the Kingdom	82,451	-	-	
Outside the Kingdom	-	-	-	
Mr. Karim tawfik Kawar				
Inside the Kingdom	149,737	-	-	
Outside the Kingdom	-	-	-	

Credit facilities granted to members of the Board of Directors as of 31 December 2021

Group	Where the Credit Facilities are granted	Name	Direct Credit Facilities	Indirect Credit Facilities	Other exposures (investments in stocks and bonds)
Mr. Rafik Muasher Group	Inside the Kingdom	Rafik Saleh Issa Muasher	29,776	-	-
		Rawad Security and Protection Company	-	50,000	-
	Outside the Kingdom	Rafik Saleh Issa Muasher	698,365	-	-
Mr. Saad Mouasher Group	Outside the Kingdom	Saad Nabil Yousef Mouasher	78,874	1,000	-
		AlKaram for Agriculture Products Co.	288,158	-	-
		Al Nabil for Trade and Investments	883,780	-	-
		Messrs. Imad, Nadim Yousef Mouasher and Yousef Mouasher sons	1,000,196	5,000	-
Mr. Imad Yousef Mouasher Group	Inside the Kingdom	Business Tourism Company	5,382,304	32,340	4,778,607
		The Generous Plams Company	150,959	10,000	-
		Al Karam for Agriculture Products Company	288,158	-	-
		Jordan Fabric & Worsted Manufacturing Company	-	400,000	-
		RANCO Diversified Inverstments Xompany	1,203,638	-	-
		Al Izdihar Center for Trade & Investment Company	324,646	-	-
		Jordan Investor Center Company	27,377	-	3,575,000
		Mouasher Investment & Trading Company	30,489	-	-
		Messrs. Imad, Nadim Yousef Mouasher and Yousef Mouasher sons	1,000,196	5,000	-
		Mr. Imad Yousef Mouasher	308,200	-	-

Group	Where the Credit Facilities are granted	Name	Direct Credit Facilities	Indirect Credit Facilities	Other exposures (investments in stocks and bonds)
Mr. Nadim Mouasher Group	Inside the Kingdom	Jordan Hospitality and Tourism Education Company	1,444,324	4,000	-
		World Fashin Trading Company	653,688	300	-
		Business Tourism Company	5,382,304	32,340	4,778,607
		The Generous Plams Company	150,959	10,000	-
		Al Karam for Agriculture Products Company	288,158	-	-
		Jordan Fabric & Worsted Manufacturing Company	-	400,000	-
		RANCO Diversified Inverstments Xompany	1,203,638	-	-
		Interior Design Studio Company	146,927	-	-
		Al Izdihar Center for Trade & Investment Company	324,646	-	-
		Jordan Investor Center Company	27,377	-	3,575,000
		Messrs. Imad, Nadim Yousef Mouasher and Yousef Mouasher sons	1,000,196	5,000	-
Mr. Basim Malhas Group	Inside the Kingdom	Mr. Nadim Yousef Mouasher	2,143,612	-	-
		Mr. Nadim Yousef Mouasher	85,789	-	-
Jordan Investor Center Group	Inside the Kingdom	Mahmoudia Motors Company	950	-	-
		Jordan Hospitality and Tourism Education Company	1,444,324	4,000	-
		Rawad Security and Protection Company	-	50,000	-
		Al Izdihar Center for Trade & Investment Company	324,646	-	-
Mr. Karim Kawar Group	Inside the Kingdom	Jordan Investor Center Company	27,377	-	3,575,000
		Amin Kawar & Sons Company	982,453	-	-
		Mr. Karim tawfik Kawar	149,737	-	-
		IRISGUARD Jordan Company	483,118	-	-

Corporate Social Responsibility at Jordan Ahli Bank

Jordan Ahli Bank is committed to maintaining its status as a “socially responsible bank”, through its well-established corporate social responsibility (CSR) strategy that focuses on supporting national efforts to address social challenges affecting large segments of society by launching and sponsoring various community initiatives, that are in line with our pillars of work, namely: Community Empowerment, Social Innovation and Creativity, Education and Youth, The Environment, Art and Culture, through which the bank is supporting the national development objectives of the Kingdom of Jordan, addressing the social, environmental, and economic needs in society, ultimately contributing to achieve the sustainable development goals. Moving forward, we look forward to expanding the scope of our initiatives and maximizing the number of beneficiaries.

Accordingly, our most notable achievements during 2021 were the following:

Based on the significant achievements of the Bank’s cooperation with Nawa for Sustainable Development -an initiative of Crown Prince Foundation-, during the past three years, the most prominent of which was the implementation of nine projects, which benefited nearly ten thousand members of the local community, the Bank renewed its partnership with the initiative in order to achieve an increasing developmental impact on local communities, and one of the most important aspects of this year’s cooperation is the Bank’s support for SOS Children’s Villages Jordan by sponsoring 30 children, which came out of the Bank’s belief in the necessity of empowering the youth sector, building their capabilities and arming them with the skills needed to enter the labor market by providing a comprehensive and integrated care for orphans to become independent and active, in addition to supporting the Mother’s Day campaign with the aim of fund raising. Keenness of the Bank to develop local communities through the establishment of sustainable projects, the Bank supported Princess Taghrid Institute’s project; Ne’meh for crafts, training, and production huts, which will provide 20 job opportunities for women



from underprivileged areas in Ajloun Governorate, in addition to training more than 30 women in cooperation with specialized foreign organizations.

Furthermore, launching back to school campaign, coinciding with the students’ return to schools, where 250 school bags and their stationery were distributed to the students of one of the least fortunate schools. With the aim of alleviating the economic pressures imposed on disadvantaged families, especially in light of the current difficult circumstances resulting from the repercussions of the Corona pandemic, the bank’s employees distributed blankets to nearly 700 beneficiaries as part of the winter campaign. On Christmas, the bank also launched a campaign where food parcels and vouchers were distributed to decent families which enables them to shop and buy goods that suit their needs, as well as spend quality and nice family times.

By the year’s end Nawa established the Community Impact Council to include those who concerned with social responsibility from the private sector institutions, where Ahli Bank is a member, with the aim of coordinating efforts made to support the community and to integrating social goals within the institution’s profit-making goals by creating common values to maximize the impact and benefit.

In an effort to achieve food security and to ensure that support will reach those most in need the bank offered its sponsorship of 100 families from all over the Kingdom throughout the year incorporation with Tkiyet Um Ali as well as sponsoring one day for distributing hot meals during the Holy month of Ramadan. The Bank also continued its cooperation with the Jordanian Hashemite Fund for Human Development to support the annual “ Goodwill Campaign”, and the Queen Alia Competition for Social Responsibility to increase awareness of topics affecting the community. “Psychological effects on children during the pandemic” was chosen as the theme for 2021.



Coincide with the Kingdom's celebrations of the centenary of the establishment of Jordan, and in translation of our national duty and in response to the needs of underprivileged families, especially in light of the current circumstances, the Bank supported the Ministry of Social Development campaign by providing purchase vouchers to 1,000 families in various governorates of the Kingdom during the Holy month of Ramadan.

Sponsoring the sixth conference organized by the Health Care Accreditation Council (HCAC) virtually to discuss issues related to service quality and patient safety after Corona, with the aim of arming health care providers in Jordan with the knowledge and skills necessary to improve their performance. For the fifth year in a row, the Bank renewed its support for the sixth annual Hakeem Academy competition for creativity and innovation organized by Electronic Health Solutions to foster entrepreneurial projects concerned with developing healthcare through technology, and thus enhancing the quality and efficiency of National E-Health Program in Jordan. On the same level, the Bank provided its support for the second phase of the national technological project organized by Eureka Academy, which aims to qualify and train 500 students from government schools from different governorates of the Kingdom on advanced courses in technology, including information security, artificial intelligence and programming, in cooperation with a number of Jordanian universities.

In order to enhance the fruitful joint work aimed at advancing the educational process in Jordan to high levels, the Bank signed a strategic partnership agreement with the Queen Rania Foundation for Education and Development, through which it continued its support for the Madrasati initiative with the aim of creating an exemplary educational environment that contributes to enhancing the life values, personal and intellectual skills of students especially in the areas most in need, which will positively affect the educational outcomes.

In addition to its support for the Children's Museum - Jordan, to enhance financial literacy and its applications among children through the best and most recent means through the bank's interactive educational exhibit, as well as sponsoring the International Money Week aimed at raising awareness about the importance of planning and financial management, also provided its support for the reading competition for children between the ages of 7 and 12, to encourage them to invest the winter vacation in developing their various knowledge.

Support the programs and campaigns organized by the King Hussein Cancer Foundation throughout the year, where its fund allocated to support the treatment of underprivileged patients from our community, such as the eighth annual football tournament "Goal for Life", World Cancer Day and the International Breast Cancer Awareness Month, to spread awareness among the Jordanian community of the importance of following a healthy lifestyle and motivating them to adopt it to prevent diseases. Moreover, continuing to support the "Cancer Care Program".

Embodying its commitment to preserving the environment and empowering the education sector in the Kingdom, the Bank renewed its partnership with the Princess Alia Foundation and the Ministry of Education under the auspices of the Association of Banks in Jordan for the fourth year in a row, with the aim of supporting the "Green Prints" initiative by recycling and replacing its waste paper with new reams to be distributed for free to government schools in need.

In the same context, the Bank continued its support for the Green Caravan program of the Arab Group for the Protection of Nature to addressing the environmental, as well as economic and social needs of local communities by planting fruit-bearing trees on lands owned by destitute families, so they can benefit from the trees as a source of food and income.



Based on the Bank's belief in the necessity of shifting towards clean energy solutions and encouraging the use of renewable energy sources through the implementation of sustainable solutions, the Bank supported Wings of Hope Association to install solar systems in both the Mujib Biosphere Reserve and the Jordan Society for the Prevention of Road Accidents.

Within the framework of strategic cooperation with the Jordan Hashemite Charity Organization, through the clothes collection bus granted by the Bank to collect in-kind donations, around 70,000 individuals from all over Jordan benefited, in addition to holding an event to distribute Eid al-Adha and Christmas clothes, gifts, toys and sweets to children from less fortunate families. The Bank also provides indirect support to families in the Kingdom through cash donation boxes located in a number of our branches, as well as cash fundraising boxes for King Hussein Cancer Foundation, and the Al-Aman Fund for the Future of Orphans.

In consonance with the bank's strategy for social responsibility and sustainability, the bank organized various volunteering activities within its internal volunteering program, which were diverse to meet the different interests of employees, such as: the annual blood donation campaign in cooperation with and under the supervision of the National Blood Bank, the campaign targeted the Bank's employees and customers, as well as residents of the surrounding area, and contributed to saving the lives of approximately 220 people, in addition to agricultural activities, packing and packaging food parcels and distributing them to families in need, and conducting online workshops in cooperation with many institutions.



The Most Prominent Sustainability Achievements of the Bank for the Year 2021

Sustainability Approach at ahli Bank

The bank's sound corporate structure has always focused on the concept of sustainability and customer satisfaction, we present our economic, social, and environmental performance indicators based on our stakeholders' needs very transparently. We assess the impact of our activities on the environment and the local communities, we also implement an efficient engagement process with all the stakeholders to achieve the required performance. Furthermore, the bank's efforts are not limited to reducing its negative impacts on the environment but it also strives to find solutions and create innovative programs that contribute to the advancement of the society, environment and the economy, to create a better future for our customers and communities.

Our Sustainability Framework

Our sustainability framework includes five main pillars linked to the United Nations Sustainable Development Goals, which in turn guide the bank in making sound decisions and managing risks. We have witnessed a difficult year, as the world wrestles with the impacts of coronavirus and its health and socioeconomic consequences. However, we weathered the storm with success, especially as we continuously keen to achieve shared prosperity and enhance the sustainable development in the Kingdom.

Business Ethics	Responsible Banking	Employer of Choice
<p>We are committed to implementing an exemplary enterprise risk management and compliance system, ensuring transparency and accountability to stakeholders.</p> 	<p>Our mission is to provide excellent and responsible banking services to our clients, ensuring that we conduct business responsibly, and up to the highest standards.</p> 	<p>We truly believe that our workforce is the bank's most valuable asset, which is why we continually support our employees, motivating them to give their best embodying our values.</p> 
	Positive Social Impact	Environmental Protection
	<p>We are committed to playing a key role in strengthening the community and supporting national efforts to identifying and contributing to social challenges.</p> 	<p>We are committed to conducting our operations and business activities responsibly, using technology to help reduce our impact on the environment.</p> 

Key 2021 Highlights

The following are the bank's most notable achievements in terms of sustainability according to the 16 material issues to the bank and its stakeholders to achieve sustainability in our banking operations, it is also worth noting that these issues are aligned to the most widely used sustainability reporting frameworks by financial institutions around the world which guarantees its high-quality, consistency and comparability.

Financial and economic performance	<ul style="list-style-type: none"> Despite the prevailing economic conditions, the bank was able to achieve growth across the majority of its financial indicators.
Systematic risk management	<ul style="list-style-type: none"> Our risk management framework is in line with the best national and international practices on managing diverse forms of potential risks. In order to enhance the governance of risk management as an integrative process within all administrative levels, the concept of "defense lines" was adopted, in addition to enhancing risk management culture for all bank employees by awareness and training programs. Our business continuity plans have succeeded in minimizing the impact of the pandemic on the Bank. Through a concerted team effort to improve efficiency and maintain essential operations, we utilized the current strategies and policies in place and have been able to adapt to the crisis with minimal impact.
Market presence	<ul style="list-style-type: none"> The bank operates 49 branches in Jordan, 9 branches and office in Palestine, and 1 branch in Cyprus. Additionally, we have installed 139 ATMs in Jordan and Palestine.
Governance, business ethics and compliance	<ul style="list-style-type: none"> We have adopted numerous new best practices to elevate governance standards and comply with regulatory guidelines issued by the Central Bank of Jordan and other international regulators. We are also committed to implementing requirements in accordance with the legislative framework governing the banking sector.
Customer privacy and data security	<ul style="list-style-type: none"> We strive to ensure compliance with data protection and privacy regulations and laws.
Customer satisfaction	<ul style="list-style-type: none"> 79.4% Our customer satisfaction rate and looking forward to increase it. We have been able to maintain our responsive rate to customer complaints at 100%.
Talent attraction, development and retention	<ul style="list-style-type: none"> 35 Career development programs offered to employees. 30% Increase in the amount invested on training and developing our employees compared to 2020.
Financial inclusion	<ul style="list-style-type: none"> We are proud of our widespread in all governorates of the Kingdom through the bank's branches and business centers in addition to the electronic channels available around the clock to provide financial services as well as non-financial services available to all customer segments.

SME growth	<p>Key highlights of what was offered with the aim of mitigating the impact of the pandemic on our customers who owns affected companies are the following:</p> <ul style="list-style-type: none"> Expanding the base for granting facilities within the "ahli Ezwati" program. Launching the main and up to date business center, which provides the best financial and advisory services to clients through a specialized team.
Digital innovation	<ul style="list-style-type: none"> More than 40 processes were automated through our strategic partnership with UiPath for Robotic Process Automation (RPA) solutions.
Responsible lending and investment	<ul style="list-style-type: none"> Reducing debit interest rates and postponing installments on facilities and programs offered to our clients in accordance with the Central Bank of Jordan instructions.
Diversity and equal opportunity	<ul style="list-style-type: none"> Diversity is a fundamental part of our corporate sustainability strategy and key to helping us thrive in the market, female employment rate stood at 35%, and 65% is the youth employment rate, while the percentage of disabled employees is 0.28%.
Sustainable procurement practices	<ul style="list-style-type: none"> We exemplify our commitment to support economic growth in Jordan by investing in local suppliers where possible. Local suppliers rate reached 80%, with 5% increase compared to 2020, and our local procurement rate is 80% from total procurement expenditures.
Community investment and socioeconomic opportunity	<ul style="list-style-type: none"> In order to achieve the desired effects on all levels, we carefully select our strategic community investments, which include community empowerment, social innovation and creativity, education and youth, environment, art and culture, in addition to the continuity of the internal volunteering program despite the challenges that prevailed as a result of the repercussions of the pandemic. The most notable achievements in this context are included in the Corporate Social Responsibility and Sustainability Programs part of this report.
Financial literacy and education	<ul style="list-style-type: none"> The bank's interactive educational exhibit within the Children's Museum embodies our continuous endeavor to promote financial literacy and its applications among the community's children from an early age, through the best and most recent means.
Direct environmental impact of operations	<ul style="list-style-type: none"> Continue applying Virtualization using Hyperconverged technology to reduce our environmental impact of information technology, such as reducing the electricity consumption.

Moving Forward in Our Sustainability Journey

As we look towards the future, we will ensure that ahli Bank will continue to operate responsibly and to further enhance our sustainability and performance. We believe that stakeholders engagement plays a key role in supporting the bank to achieve its strategic objectives, and our success as a financial institution is achieved by continuously pursuing maximum value for our stakeholders, we intend to continue engaging with all of them and maintaining a consistent and strategic dialogue, ensuring that our operations and sustainability approach is holistic and inclusive and in line with international guidelines.

Summary of Performance Appraisal and Performance Incentives Policies

The Employee Appraisal and Retention Policy was ratified and adopted by the Board of Directors and has included a number of points which centered around employees being the foundation stone of any organization with a direct impact on its success and prosperity in an ever-changing and competitive environment. In order for any establishment to maintain its distinguished position, it is essential for it to provide extreme attention to its human resources policies and to accompany those policies with concrete actions that reflect the primary importance of ensuring employee retention and continued success.

Accordingly, putting in place a comprehensive bonus and appraisal policy that encourages and stimulates employees to achieve general institutional goals and strategies and which create a sense of ownership for all employees was essential and important. These policies were drafted to satisfy employee needs and to specifically improve employee satisfaction, especially as these incentives are not tied to short term goals but also consider medium and long term efforts that take into account individual performance metrics corresponding to institutional performance.

The General Framework and Main Components of the Appraisal Policy

This policy aims to put in place the general framework for the bonus, appraisal and retention program and is based on the following key components:

- Expresses the vision and values of the Bank.
- Objective and transparent and seeks to retain and recruit effective, skilled and experienced employees and to incentivize and promote them.
- The individual performance but taking into account the role of the individual in the overall performance of the Bank.
- Provides clear objectives for each position at the Bank that match the Bank's general objectives.
- Provides a balance between financial and non-financial incentives on the one hand, and short and long term goals on the other, where the appraisal is not only tied to current year performance but also looks at the medium and long performance (3-5 years).
- Designed to ensure that it is not used in a way that affects the soundness or reputation of the Bank.
- Takes into account risk, liquidity, profitability and its timing.
- Determines incentives in the form of salaries, allowances, raises, options or others.
- Includes a methodology that allows for payment of a reasonable percentage of the appraisal, taking into account the nature, job and risk profile of the employee in order to determine the basis and term of this deferment.
- Conflict of interest of oversight functions (risk, internal audit, compliance, and others) are considered and the appraisal of these departments are not tied to the results of the units that they are supervising.

Operating Strategy

Five strategies for bonus, appraisal and retention have been adopted to include:

- Work environment.
- Internal relationships
- Logistics and support
- Growth and career development
- Financial appraisal

In addition each of the elements of these strategies have been clarified and the responsibilities and roles of each of the stakeholders (Board, CEO/GM, human resources, oversight functions, department heads) have been clearly demarcated.

The policy was divided into two different plans:

Incentives Plan: Annual incentive plan tied to financial performance and the meeting of specific pre-set objectives tied to the annual objectives of the Bank.

In addition, a transparent and objective long term incentive plan was put in place for the executive team and their management teams and other high flyers. The plan was adopted by the Board of Directors and allowed for a profit-share scheme to be implemented when decided by the Board in years of exceptional performance.

Appraisal Plan: Primarily aims at rewarding exceptional performers and incentivizing them to continue to perform and develop and to boost their morale and loyalty to the Bank. Taking into account the sensitive and subjective nature of the reward, parameters and clear terms and conditions were put in place.

Disclosure and Transparency

In line with the Handling of Customer Complaints for Financial Service Providers Regulations (1/2017) and the Transparent and Equitable Handling of Customers Regulations (56/2012) an independent Customer Complaints Department was established and equipped with technology systems and staff. It reports to the compliance and AML department and its scope is to receive and handle the customer complaints received directly and through the channels listed below:

The Bank offers the following communication channels for receipt and handling of customer complaints:

Website	www.ahli.com
Phone	06 5656300
Call Service	06 5007777
Email	complaints@ahli.com
Physical Visit	By visiting one of the customer complaints units in the General Management Head Office - Shmeisani during working hours.
Mail	PO Box 3103 Amman 11181 Jordan.

Customers' Complaints and its Statistical Report:

A total of (109) complaints were received in 2020 of which 28 were considered real and 81 were considered frivolous:

Classification	Total Number of Complaints	Percentage of Complaints
Electronic services	12	5.084%
Commissions and fees	19	8.05%
Professional dealing behavior	60	25.423%
Bank cards	8	3.389%
Interest rates / returns	10	4.237%
Contracts and its terms	81	34.322%
Work environment	24	10.170%
Remittances	5	2.119%
Other	4	1.69%
Warranties and guarantors	3	1.271%
Account classification	8	3.389%
credit inquiry	2	0.847%

Complaints that were received were handled through the above listed channels and all necessary measures were taken to address such complaints within the timeline set by the Bank's internal guidelines for dealing with customer complaints in line with the Customer Complaints for Financial Service Providers Regulations (1/2017).

ahli Cards

Better choices to everyone



Consolidated Financial Statements

To our beloved expats...
Instant access to all our banking
services is as if you are home!



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Independent Auditor Report

AM/ 010932

To the Shareholders
Jordan Ahli Bank
(A Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Jordan Ahli Bank (A Public Shareholding Limited Company) (The "Bank") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2021, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in owners' equity, consolidated statement of cash flows for the year, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Bank as of December 31, 2021, and its consolidated financial performance and its cash flows for the year in accordance with International Financial Reporting Standards (IFRSs) as adopted by the Central Bank of Jordan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The accompanying consolidated financial statement are a translation of the original consolidated financial statements, which are in the Arabic language, to which reference should be made.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matters

Scope of Audit to Address the Risks

- | | |
|--|---|
| <p>1. Impairment of carrying value of the credit facilities as per IFRS 9</p> <p>The Bank's direct credit facilities are stated space in the statement of financial position at around JD 1.36 billion as at December 31, 2021. The expected credit loss (ECL) allowance was around JD 82.5 million as at this date, which comprised an allowance of around JD 17.2 million against Stage 1 and 2 exposures and an allowance of around JD 65.7 million against exposures classified under Stage 3.</p> <p>The audit of the impairment of credit facilities is a key area of focus because of their size (representing 46% of total assets) and due to the significance of the estimates and judgments used in classifying credit facilities into various stages, and determining related allowance requirements and the complexity of the judgements, assumptions, and estimates used in the Expected Credit Loss models. Refer to Note (2) to the consolidated financial statements for the accounting policy, Note (4) for critical judgements and estimates used by management, and Note (39) for disclosures about credit risk.</p> | <p>We obtained a detailed understanding of the Bank's credit facilities, investing assets business processes, and the accounting policies on the adoption of IFRS 9, including the critical accounting estimates and judgments used. We have involved our subject matter experts to assist us in auditing the IFRS 9 ECL models as at December 31, 2021.</p> <p>We tested the design, implementation, and operating effectiveness of the relevant controls which included testing:</p> <ul style="list-style-type: none"> • System-based and manual controls over the timely recognition of impaired credit facilities and investing assets and advances; • Controls over the ECL calculation models; • Controls over collateral valuation estimates; • Controls over governance and approval process related to impairment provisions and ECL Models, including continuous reassessment by the management. |
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Key Audit Matters

The Group recognizes allowances for expected credit losses (ECLs) at an amount equal to 12-month ECL (Stage 1) or full lifetime ECL (Stage 2). A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. It is compared to the ECL amount calculated according to the instructions of the Central Bank of Jordan, and the higher of the two amounts is recorded after excluding credit exposures with/guaranteed by the Jordanian government, or any other special arrangements with the Central Bank of Jordan.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Bank under the contract and the cash flows that the Group expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's effective profit rate. The Bank employs statistical models for ECL calculations, and the key variables used in these calculations are probability of default (PD), loss given default (LGD), and exposure at default (EAD), which are defined in Note (39) to the consolidated financial statements.

The Corporate portfolio of credit facilities and financing and Investing assets is assessed individually for the significant increase in credit risk (SICR) and measurement of ECL. This requires management to capture all qualitative and quantitative reasonable and supportable forward-looking information while assessing SICR, or while assessing credit-impaired criteria for the exposure. Management's judgement may also be involved in manual staging override as per the Group's policies.

The measurement of ECL amounts for retail exposures classified as Stage 1 and Stage 2 are calculated using models with limited manual intervention. Retail exposures are classified as impaired as soon as there is doubt about the borrower's ability to meet payment obligations to the Bank in accordance with the original contractual terms.

Scope of Audit to Address the Risks

We understood and evaluated the theoretical soundness of the ECL model by involving our subject matter experts to ensure its compliance with the minimum requirements of the standard. We also tested the mathematical integrity of the ECL model by performing recalculations. It is compared to the ECL amount calculated according to the instructions of the Central Bank of Jordan, and the higher of the two amounts is recorded after excluding credit exposures with/guaranteed by the Jordanian government, or any other special arrangements with the Central Bank of Jordan. We assessed the consistency of various inputs and assumptions used by the Group's management to determine impairment.

For allowances against exposures classified as Stage 1 and Stage 2, we obtained an understanding of the Bank's methodology to determine the allowance, assessed the reasonableness of the underlying assumptions and the sufficiency of the data used by the management. We assessed the appropriateness of the Bank's determination of significant increase in credit risk and the resultant basis for classification of exposures into various stages. For samples of exposures, we checked the appropriateness of the Bank's staging.

For forward-looking assumptions used by the Bank's management in its ECL calculations, we held discussions with management and corroborated the assumptions using publicly available information.

We selected samples of credit facilities and financing and investing assets and assessed the accuracy of the Exposure at Default (EAD), appropriateness of the Probability of Default (PD) and calculations of the Loss Given Default (LGD) used by management in their ECL calculations.

For exposures determined to be individually impaired, we tested samples of credit facilities and financing and investing assets, and examined management's estimate of future cash flows, assessed their reasonableness and assessed the resultant allowance calculations. Further, we challenged the estimates and assumptions used by management around the LGD calculation for individually impaired exposures by testing the enforceability and adequacy of valuation of underlying collaterals and estimated recovery on default.

Deloitte.

Key Audit Matters

Impaired credit facilities and financing are measured on the basis of the present value of expected future cash flows including observable market price or fair value of the collateral. The impairment loss is calculated based on the shortfall in the credit facilities carrying value compared to the net present value of future cash flows using the original effective profit rate after comparing it with the ECL amount calculated according to the instructions of the Central Bank of Jordan and recording the higher of the two amounts, excluding credit exposures with/guaranteed by the Jordanian government, and any other special arrangements with the Central Bank of Jordan. The factors considered when determining impairment losses on individually assessed accounts include the customer's aggregate borrowings, risk rating, value of the collateral, probability of successful repossession, and the costs involved to recover the debts.

As disclosed in Note (47) the COVID-19 pandemic significantly impacted management's determination of the ECL and required the application of heightened judgment. To address the uncertainties inherent in the current and future environment and to reflect all relevant risk factors not captured in the Bank's modelled results, management applied quantitative and qualitative adjustments for the impacts of the unprecedented macroeconomic scenarios arising from the pandemic, the temporary effects of the bank and government led payment support programs, which may not completely mitigate future losses, and the impacts to particularly vulnerable sectors affected by COVID-19.

The Bank made amendments to the expected credit loss calculation models (including management overlays) to take into consideration the potential impact of the COVID 19 pandemic to address the impact on certain sectors or specific customers based on relative cash flow forecasts.

Scope of Audit to Address the Risks

We also, assessed the accuracy of disclosures in the consolidated financial statements to determine if they were in compliance with the requirements of IFRSs.

We obtained an understanding of the amendments made by the Bank to the expected credit losses impacted by the COVID-19 pandemic. We assessed those amendments by evaluating the model adjustments in relation to macroeconomic factors and forward-looking scenarios, which were incorporated into the impairment calculations, by utilizing our internal specialists to challenge the chosen scenarios and weights applied to capture non-linear losses

We determined if the amount recorded as the allowance for expected credit losses was determined in accordance with the instructions of the Central Bank of Jordan.

We have tested, utilizing our internal IT specialists, the IT application used in the credit impairment process and have verified the integrity of data used as input to the models, including the transfer of data between source systems and the impairment models. We have evaluated system-based and manual controls over the recognition and measurement of the allowance for expected credit loss, including the consideration of the economic disruptions caused by COVID 19.

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Key Audit Matters

2. IT systems and controls over financial reporting

We identified IT systems and controls over the Bank's financial reporting as an area of focus due to the extensive volume and variety of transactions which are processed daily by the Bank and rely on the effective operation of automated and IT dependent manual controls. There is a risk that automated accounting procedures and related internal controls are not accurately designed and operating effectively. In particular, the incorporated relevant controls are essential to limit the potential for fraud and error as a result of change to an application or underlying data.

Scope of Audit to Address the Risks

Our audit approach relies on automated controls, and therefore, the following procedures were designed to test access and control over IT systems.

We tested IT general controls relevant to automated controls and computer-generated information covering access security, program changes, data center and network operations.

We obtained an understanding of the applications relevant to financial reporting and the infrastructure supporting these applications. We examined computer-generated information used in financial reports from relevant applications and key controls over their report logics.

We performed testing on the key automated controls on significant IT systems relevant to business processes.

Other Matter

The accompanying consolidated financial statements for the year ended December 31, 2020 was audited and reviewed by another auditor who issued unmodified opinion on February 3, 2021.

Other Information

Management is responsible for other information. The other information consists of information provided in the annual report other than the consolidated financial statements and the related auditor's report. We expect that the annual report will be provided to us after the date of our report. Our opinion on the consolidated financial statements does not include the other information, and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as adopted by the Central Bank of Jordan, and for such internal control as management determines necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Group ("The Bank and its subsidiaries") to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and implementation of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Bank maintains proper books of accounts, which are in agreement with the consolidated financial statements. We recommend that the General Assembly of Shareholders approve these consolidated financial statements.

Amman – The Hashemite Kingdom of Jordan
February 13, 2022



Deloitte & Touche (M.E.) – Jordan
Deloitte & Touche (M.E.)

ديلويت آند توش (الشرق الأوسط)

010105

Jordan Ahli Bank

Consolidated Statement of Financial Position

For the Year Ended 31 December 2021

	Note	31 December 2021	31 December 2020 (Restated Note 46)
		JD	JD
Assets			
Cash and balances at central banks	5	259,677,707	191,617,135
Balances at banks and financial institutions	6	177,418,823	167,340,463
Deposits at banks and financial institutions	7	20,312,861	19,618,676
Direct credit facilities - net	8	1,357,684,639	1,369,633,832
Financial assets at fair value through other comprehensive income	9	26,485,706	25,744,834
Financial assets at amortized cost - net	10	866,250,407	817,193,096
Investment in associate company	11	-	1,039,817
Property and equipment and project under construction - net	12	80,356,732	81,498,310
Deferred tax assets	20/b	15,268,775	14,118,818
Right of use assets	38	10,031,598	8,744,226
Intangible assets - net	13	7,586,755	10,810,030
Other assets	14	132,342,750	138,637,804
Total Assets		2,953,416,753	2,845,997,041
Liabilities and owners' equity:			
Liabilities:			
Banks' and financial institutions' deposits	15	161,786,222	143,818,778
Customers' deposits	16	2,003,750,863	1,904,393,574
Margin accounts	17	213,886,543	208,128,987
Loans and borrowings	18/a	157,988,391	187,381,234
Subordinated loan	18/b	25,000,000	25,000,000
Other provisions	19	3,685,682	3,896,808
Lease liability	38	9,663,597	8,419,731
Income tax provision	20/a	10,398,470	5,783,953
Other liabilities	21	39,537,487	36,844,014
Total Liabilities		2,625,697,255	2,523,667,079
Owners' equity:			
Subscribed and paid in capital	22	200,655,000	200,655,000
Statutory reserve	23	65,208,593	62,722,983
Voluntary reserve	23	15,761,637	15,761,637
Periodic fluctuations reserve	23	3,678,559	3,678,559
Fair value reserve - net after tax	24	(5,645,628)	(4,794,408)
Retained earnings	25	48,061,337	44,306,191
Total owners' equity to the bank shareholders		327,719,498	322,329,962
Total owners' equity		327,719,498	322,329,962
Total liabilities and owners' equity		2,953,416,753	2,845,997,041

The accompanying notes from 1 to 48 constitute an integral part of these consolidated financial statements and should be read with them and with the accompanying review report.

Jordan Ahli Bank

Consolidated Statement of Profit or Loss

	Note	For the year ended 31 December, 2021	For the year ended 31 December, 2020 (Restated)
		JD	JD
Interest income	26	142,733,141	148,956,424
Interest expense	27	57,099,234	63,763,492
Net interest income		85,633,907	85,192,932
Net commission income	28	13,184,907	13,315,828
Net interest and commission income		98,818,814	98,508,760
Gain from foreign currencies	29	2,331,802	2,457,974
Dividends from financial assets at fair value through other comprehensive income	31	1,596,787	488,583
Other income	32	8,573,863	7,412,085
Gross income		111,321,266	108,867,402
Employees' expenses	33	35,929,881	37,431,424
Depreciation and amortization	12 & 13	9,206,351	9,720,851
Other expenses	34	21,921,378	22,112,205
Depreciation of right-of-use assets	38	1,852,485	1,844,639
Provision for expected credit losses - net	30	13,180,621	21,398,476
Sundry provisions	14	2,000,000	1,552,580
Total expenses		84,090,716	94,060,175
Operating profit		27,230,550	14,807,227
The bank's share of an associate's (losses) profits	11	(63,776)	2,694,853
Profit for the year before tax		27,166,774	17,502,080
Income tax expense	20/a	(12,936,342)	(7,062,374)
Profit for the year		14,230,432	10,439,706
Allocated to:			
Bank's shareholders		14,230,432	10,439,706
Profit for the year		14,230,432	10,439,706
		JD/ Fils	JD/ Fils
Basic and diluted earnings per share (Bank's shareholders)	35	0/071	0/052

The accompanying notes from 1 to 48 constitute an integral part of these consolidated financial statements and should be read with them and with the accompanying review report.

Jordan Ahli Bank

Consolidated Statement Of Comprehensive Income

	For the year ended 31 December, 2021	For the year ended 31 December, 2020 (Restated)
	JD	JD
Income for the year	14,230,432	10,439,706
Other comprehensive income items		
Add: items not to be reclassified to profit or loss in subsequent periods		
Gain from sale of shares	2,845	-
Change in Fair value reserve - net (Note 24)	(817,541)	206,562
Total Comprehensive Income for the Year	13,415,736	10,646,268
Total Comprehensive Income for the Year Attributed to:		
Bank's shareholders	13,415,736	10,646,268
	13,415,736	10,646,268

The accompanying notes from 1 to 48 constitute an integral part of these consolidated financial statements and should be read with them and with the accompanying review report.

Jordan Ahli Bank

Consolidated Statement Of Changes In Equity

	Subscribed and paid-in Capital	Reserves				Retained earnings	Total Shareholders' equity
		Statutory	Voluntary	Periodic Fluctuations	Fair value reserve, net		
	JD	JD	JD	JD	JD	JD	JD
For the year ended 31 December 2021							
Balance - Beginning of the Year	200,655,000	62,722,983	15,761,637	3,678,559	(4,794,408)	44,306,191	322,329,962
Income for the year	-	-	-	-	-	14,230,432	14,230,432
Gain from sale of financial assets at fair value through other comprehensive income	-	-	-	-	(33,679)	36,524	2,845
Change in fair value reserve (Note 24)	-	-	-	-	(817,541)	-	(817,541)
Total comprehensive income	-	-	-	-	(851,220)	14,266,956	13,415,736
Distributed dividends (Note 25)	-	-	-	-	-	(8,026,200)	(8,026,200)
Transferred to reserve	-	2,485,610	-	-	-	(2,485,610)	-
Balance - End of the Year	200,655,000	65,208,593	15,761,637	3,678,559	(5,645,628)	48,061,337	327,719,498
For the Year Ended December 31, 2020 (Restated)							
Balance - Beginning of the Year	200,655,000	60,964,485	15,761,637	3,678,559	(7,388,412)	34,138,598	307,809,867
Prior years adjustments (Note 46)	-	-	-	-	2,387,442	1,486,385	3,873,827
Adjusted balance beginning of the year	200,655,000	60,964,485	15,761,637	3,678,559	(5,000,970)	35,624,983	311,683,694
Income for the year	-	-	-	-	-	10,439,706	10,439,706
Change in fair value reserve (Note 24)	-	-	-	-	206,562	-	206,562
Total comprehensive income	-	-	-	-	206,562	10,439,706	10,646,268
Transferred to reserve	-	1,758,498	-	-	-	(1,758,498)	-
Balance - End of the Year	200,655,000	62,722,983	15,761,637	3,678,559	(4,794,408)	44,306,191	322,329,962

- An amount of JD 12,826,867 from retained earnings is restricted to be used based on the Central Bank of Jordan instructions, against deferred tax assets as of December 31, 2021 (JD 11,841,104 as of December 31, 2020).
- The use of the surplus from the balance of the general banking risks reserve transferred to retained earnings amounted to JD 3,125,029, as of December 31, 2021 and 2020 is restricted without an approval in advance from the Central Bank of Jordan.
- The use of, periodic fluctuations reserve is restricted unless approved in advance by the Palestinian Monetary Authority.
- The use of the retained earning balance in equivalent of negative balance of the fair value reserve amounted to JD 5,645,628 is prohibited, according to the instructions of Jordan Securities Commission.

The accompanying notes from 1 to 48 constitute an integral part of these consolidated financial statements and should be read with them and with the accompanying review report.

Jordan Ahli Bank

Consolidated Statement of Cash Flows

	Note	For the year Ended December 31, 2021	For the year Ended December 31, 2020 (Restated)
		JD	JD
Cash flow from operating activities			
Profit for the year before tax		27,166,774	17,502,080
Adjustments:			
Depreciation and amortisation	12,13,38	11,058,836	11,565,490
Provision for expected credit losses, net	30	13,180,621	21,398,476
Other provisions	11,19	557,051	933,774
Impairment provision on assets seized by the bank	14	2,000,000	1,344,247
Dividends income on financial assets at fair value through other comprehensive income	9	(1,596,787)	(488,583)
(Gain) from sale of property and equipment and assets seized by the Bank	32	(1,205,494)	(105,475)
Bank's share of associate companies' losses (profits)	11	63,776	(2,694,853)
Net interest revenue		(11,506,747)	(10,601,360)
Lease liability interest	38	431,537	430,527
Effect of exchange rate changes on cash and cash equivalents	29	533,773	(698,815)
Profit before changes in assets and liabilities		40,683,340	38,585,508
Changes in assets and liabilities:			
Deposits at banks and financial institutions (maturing within a period exceeding 3 months)		(685,596)	(11,103,944)
Direct credit facilities		(62,701)	(19,137,477)
Other assets		24,817,405	17,151,805
Banks' and financial institutions' deposits maturing within a period exceeding 3 months		(9,782,326)	9,559,249
Customers' deposits		99,357,289	40,373,198
Margin accounts		5,757,556	(3,654,612)
Other liabilities		(6,403,817)	(9,313,003)
Net Cash flow from Operating Activities Before Income Tax and paid provisions		153,681,150	62,460,724

The accompanying notes from 1 to 48 constitute an integral part of these consolidated financial statements and should be read with them and with the accompanying review report.

Jordan Ahli Bank

Consolidated Statement of Cash Flows / Continued

	Note	For the year Ended December 31, 2021	For the year Ended December 31, 2020 (Restated)
		JD	JD
Income tax paid	20/a	(9,307,588)	(12,190,307)
Other provisions paid	19	(768,177)	(379,695)
Net Cash flow from Operating Activities		143,605,385	49,890,722
Net cash flow from investing activities			
Investing in associate companies	11	-	4,962,962
Financial assets at fair value through other comprehensive income		(743,721)	(414,502)
(Purchases) Financial assets at amortized cost	10	(246,745,943)	(247,787,419)
Matured Financial assets at amortized cost	10	197,566,223	185,080,281
Purchases of property, equipment, projects under construction, and intangible assets	12,13	(5,030,686)	(6,888,019)
Dividends income on financial assets at fair value through other comprehensive income		1,596,787	488,583
Proceeds from sale of properties and equipment	12	189,188	620,128
Net Cash Flow (used in) Investing Activities		(53,168,152)	(63,937,986)
Cash Flow from Financing activities:			
(Decrease) increase in loans and borrowings		(29,392,843)	42,371,508
Dividends distributed to shareholders		(8,026,200)	-
Lease liabilities paid	38	(2,187,528)	(2,212,569)
Net Cash flow (used in) from Financing Activities		(39,606,571)	40,158,939
Effect of exchange rate changes on cash and cash equivalents	29	(533,773)	698,815
Net increase in Cash and Cash Equivalents		50,296,889	26,810,490
Cash and cash equivalents at the beginning of the year		239,652,198	212,841,708
Cash and Cash Equivalents at the End of the Year	36	289,949,087	239,652,198

The accompanying notes from 1 to 48 constitute an integral part of these consolidated financial statements and should be read with them and with the accompanying review report.

Jordan Ahli Bank

Notes to The Consolidated Financial Statements

For the Year Ended 31 December 2021

1. General Information

Jordan Ahli Bank was established in the year 1955 as a public shareholding Company under registration No. (6) on July 1, 1955 in accordance with the company's law for the year 1927, with headquarters in Amman. Its address is Queen Noor Street, P.O Box 3103, Amman 11181 Jordan. AL A'MAL Bank was merged with the Bank effective from December 1, 1996. Moreover, Philadelphia Investment Bank was merged with Jordan Ahli Bank Company Public Shareholding Company effective from July 1, 2005.

The Bank provides all banking and financial services related to its business through its main office, branches in Jordan (49 branches), foreign branches in Palestine and Cyprus (10 branches) and its subsidiaries in Jordan.

The Bank's shares are listed in Amman Stock Exchange - Jordan.

The consolidated financial statements have been approved by the Board of Directors in its meeting No. (1) held on 27 January 2022 and it is subject to the approval of the General Assembly of the Shareholders.

2. Significant Accounting Policies

Basis of Preparation of Consolidated Financial Statement

The accompanying consolidated financial statements for the Bank have been prepared in accordance with the standards issued by the International Accounting Standards Board, and interpretations of the International Financial Reporting Interpretation Committee arising from the International Accounting Standards Committee, as adopted by Central Bank of Jordan.

The key differences between International Financial Reporting Standards that should be applied and what adopted by the Central Bank of Jordan are as follows:

a. Provisions for expected credit losses are calculated in accordance with the International Financial Reporting Standard (9), and according to the Central Bank of Jordan (CBJ) whichever is more strict, the main significant differences are as follows:

- Elimination of debt instrument issued or guaranteed by the Jordanian government, in addition to other credit exposures with the Jordanian government or guaranteed, in which credit exposures over the Jordanian government are amended and guaranteed without any credit losses.
- When calculating the credit losses against credit exposures, the calculation results according to IFRS 9 are compared with those according to the Central Bank of Jordan's Instructions No. (2009/47) dated December 10, 2009 for each stage separately and the toughest results are taken.
- In some special cases Central Bank of Jordan agrees on special arrangements related to the calculation of the expected credit losses' provision of direct credit facilities customers over the determined period.
- The clients facilities related to governmental projects outcomes (transfers of Government dues) are excluded from provisions calculation.
- Based on the two circulars of the Central Bank of Jordan to banks operating in Jordan No. 10/3/4375 and No. 10/3/14960 issued on March 15, 2020, and November 22, 2020, respectively. Therefore, it is permissible for the bank to postpone the instalments due, or which are due on some customers without consideration is structuring and without affecting the customer's credit rating.

b. Interest and commissions on non-performing credit facilities granted to clients are suspended, in accordance with the instructions of the Central Bank of Jordan.

- Assets foreclosed to the Bank are shown in the consolidated statement of financial position, among other assets at their current value when it foreclosed to the Bank or at their fair value, whichever is lower. Furthermore, they are revaluated on the date of the consolidated financial statements separately, and any decrease in its value is recorded in the consolidated statement of profit or loss and consolidated comprehensive income while no increase in its value is recorded as revenue, in which, any subsequent increase is taken to the consolidated statement of profit or loss and other comprehensive income to the extent of not exceeding the previously recorded impairment value. A gradual provision has been taken for real estate acquired in exchange for debts according to the Central Bank of Jordan's generalization (10/1/16239) dated November 21, 2020, which is 5% of the total book value of these real estates from the year of 2021 until the required percentage is reached (50% of these properties by the end of the year 2030).
- The consolidated financial statements are prepared under the historical cost convention, except for financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, and financial derivatives stated at fair value as of the date of the consolidated financial statements. Furthermore, hedged financial assets and financial liabilities are stated at fair value.
- The reporting currency of the consolidated financial statements is the Jordanian Dinar, which is the functional currency of the Bank.
- The accounting policies adopted in preparing the consolidated financial statements are consistent with those applied in the year ended December 31, 2020, except for the effect of the items stated in the notes (3-a & 3-b).

Basis of Preparation the consolidated financial information

- The consolidated financial information include the financial information of the Bank and its subsidiaries under its control, Meanwhile, control exists when the Bank has control over the investee company, or it is exposed to variable returns or holds rights for its participation in the investee company, and the Bank is able to use its control over the investee company to affect those returns.
- All balances, transactions, income, and expenses between the Bank and its subsidiaries are eliminated.
- The subsidiaries' financial information are prepared under the same accounting policies adopted by the Bank, if the subsidiaries apply different accounting policies than those used by the Bank, the necessary modifications shall be made to the subsidiaries' financial information to make them comply with the accounting policies used by the Bank.
- The results of the subsidiaries' operations are consolidated in the consolidated statement of profit or loss effective from their acquisition date, which is the date on which control over subsidiaries is effectively transferred to the Bank, Furthermore, the results of the disposed of subsidiaries are consolidated in the consolidated statement of profit or loss up to the date of their disposal, which is the date on which the Bank loses control over the subsidiaries.
- The non-controlling interests represent the portion not owned by the Bank in the subsidiaries, Non-controlling interests are shown in the subsidiaries' net assets as a separate line item within the Bank's statement of shareholders' equity.

- The Bank owns the following subsidiaries as of December 31, 2021:

Company's Name	Ownership of the Bank	Paid-up Capital	Investment amount	Nature of Operation	Date of Acquisition	Location	For the year ended December 31, 2021			
							Total Assets	Total Liabilities	Total Revenue	Total Expenses
							JD	JD	JD	JD
Al-Alhli Microfinance Company	100	6,000,000	6,000,000	Micro Finance	1999	Jordan	21,361,800	7,961,862	7,599,515	5,987,209
Al-Alhli Financial Leasing Company	100	17,500,000	17,500,000	Finance leasing	2009	Jordan	83,676,970	46,238,024	4,828,857	2,427,688
Al-Alhli Financial Brokerage Company	100	3,000,000	3,000,000	Financial Brokerage	2006	Jordan	4,263,828	884,331	288,822	576,244
Al-Alhli Financial Technology Company	100	600,000	600,000	Financial Technology	2018	Jordan	436,399	701	1,797	167,052
Total		27,100,000	27,100,000							

- The Bank owns the following subsidiaries as of December 31, 2020:

Company's Name	Ownership of the Bank	Paid-up Capital	Investment amount	Nature of Operation	Date of Acquisition	Location	For the year ended December 31, 2020			
							Total Assets	Total Liabilities	Total Revenue	Total Expenses
							JD	JD	JD	JD
Al-Alhli Microfinance Company	100	6,000,000	6,000,000	Micro Finance	1999	Jordan	21,246,767	9,459,143	6,768,220	5,730,136
Al-Alhli Financial Leasing Company	100	17,500,000	17,500,000	Finance leasing	2009	Jordan	86,056,105	51,018,330	4,725,953	2,556,535
Al-Alhli Financial Brokerage Company	100	3,000,000	3,000,000	Financial Brokerage	2006	Jordan	4,055,955	515,957	157,742	284,663
Al-Alhli Financial Technology Company	100	600,000	600,000	Financial Technology	2018	Jordan	601,654	701	2,104	21,480
Total		27,100,000	27,100,000							

Control is achieved when the Bank:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee;
- Has the ability to use its power to affect the investee's returns.

The Bank reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

When the Bank has less than the majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. In this regard, the Bank considers all relevant facts and circumstances in assessing whether or not the Bank's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Bank has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

When it loses control of a subsidiary, the Bank performs the following:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary.
- Derecognizes the book value of any non-controlling interests,
- Derecognizes transfer differences accumulated in Owners' Equity.
- Derecognizes the fair value to the next controlling party.
- Derecognizes the fair value of any investment retained.
- Derecognizes any gain or loss in the income statement.
- Reclassifies owners' equity already booked in other comprehensive income to the profit or loss statement as appropriate.

Segmental Reporting

• Business sectors represent a group of assets and operations that jointly provide products or services subject to risks and returns different from those of other business sectors which are measured in accordance with the reports sent to the operations management and decision makers in the Bank.

• The geographical sector relates to providing products or services in a specific economic environment subject to risk and returns different from those of sectors functioning in other economic environments.

Net Interest Income

Interest income and expense for all financial instruments, except for those classified as held for trading, or those measured or designated as at fair value through consolidated statement of profit or loss, are recognized in 'Net Interest Income' as 'Interest Income' and 'Interest Expense' in the statement of profit or loss using the effective interest method. Interest on financial instruments measured at fair value through the consolidated statement of profit or loss is included within the fair value movement during the period.

The effective interest rate is the rate that discounts the estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated, taking into account all the contractual terms of the instrument.

Interest income / interest expense is calculated by applying the effective interest rate to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance), or to the amortized cost of financial liabilities. For credit-impaired financial assets, the interest income is calculated by applying the effective interest rate to the amortized cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses). For financial assets originated or purchased credit-impaired, the effective interest rate reflects the expected credit losses in determining the future cash flows expected to be received from the financial asset.

Interest income and expense in the Bank's consolidated statement of profit or loss also includes the effective portion of fair value changes of derivatives designated as hedging instruments in cash flow hedges of interest rate risk. For fair value hedges of interest rate risk related to interest income and expense, the effective portion of the fair value changes of the designated derivatives, as well as the fair value changes of the designated risk of the hedged item, are also included in interest income and expense against the lease contract liabilities.

Net Commission Income

Fees and commission income and expense include fees other than those that are an integral part of the effective interest rate. The fees included in this part of the Bank's consolidated statement of profit or loss include, among other things, fees charged for servicing a loan, non-utilization fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement, and loan syndication fees.

Fee and commission expenses concerning services are accounted for as the services are received.

Contracts with customers that results in a recognition of financial instrument may be partially related to of IFRS 9 or IFRS 15. In this case, the commission related to IFRS 9 portion is recognized, and the remaining portion is recognized as per IFRS 15.

Net Trading Income

Net trading income includes all gains and losses from changes in the fair value of financial assets and financial liabilities held for trading. The Bank has elected to present the full fair value movement of trading assets and liabilities in trading income, including any related interest income, expense, and dividends.

Net Income from Other Financial Instruments at Fair Value through the Statement of Income
Net income from other financial instruments at fair value through profit or loss includes all gains and losses from changes in the fair value of financial assets and financial liabilities at fair value through profit or loss except those that are held for trading. The Bank has elected to present the full fair value movement of assets and liabilities at fair value through profit or loss in this line, including the related interest income, expense, and dividends.

The fair value movement on derivatives held for economic hedging where hedge accounting is not applied are presented in 'Net income from other financial instruments at fair value through the statement of profit or loss. However, for designated and effective fair value hedge accounting relationships, the gains and losses on the hedging instrument are presented in the same line in the statement of profit or loss as the hedged item. For designated and effective cash flow and net investment hedge accounting relationships, the gains and losses of the hedging instrument, including any hedging ineffectiveness included in the statement of profit or loss, are presented in the same line as the hedged item that affects the statement of profit or loss.

Dividend Income

Dividend income is recognized when the right to receive payment is established. This is the ex-dividend date for listed equity securities, and usually the date when shareholders approve the dividend for unlisted equity securities.

The presentation of dividend income in the consolidated statement of the statement of income depends on the classification and measurement of the equity investment, i.e.:

- For equity instruments which are held for trading, dividend income is presented in the statement of income in gain (loss) from financial assets through the statement of profit or loss;
- For equity instruments designated at fair value through other comprehensive income, dividend income is presented in dividends from financial assets at fair value through other comprehensive income; and
- For equity instruments not designated at fair value through other comprehensive income and not held for trading, dividend income is presented as net income from other instruments at fair value through the statement of profit or loss.

Financial Instruments Initial recognition and measurement:

Financial assets and financial liabilities are recognized in the Bank's consolidated statement of financial position when the Bank becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognized when they are recorded in the customer's account.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributed to the acquisition or the issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities as appropriate on initial recognition. Transaction costs directly attributed to the acquisition of financial assets or financial liabilities at fair value through the statement of profit or loss are recognized immediately in the statement of profit or loss.

If the transaction price differs from fair value at initial recognition, the Bank will account for such difference as follows:

- If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognized in the statement of income on initial recognition (i.e. day 1 gain or loss);
- In all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 gain or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the statement of income on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability or when derecognizing the instruments.

Financial Assets

Initial Recognition

All financial assets are recognized on the trading date when the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. They are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through the statement of profit or loss. Transaction costs directly attributable to the acquisition of financial assets classified as at fair value through the statement of income are recognized immediately in the consolidated statement of profit or loss.

Subsequent Measurement

All recognized financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

- Debt instruments held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortized cost;
- Debt instruments held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are SPPI, are subsequently measured at fair value through other comprehensive income;
- All other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at fair value through the statement of profit or loss.

However, the Bank may irrevocably make the following selection /designation at initial recognition of a financial asset on an asset- by-asset basis:

- The Bank may irrevocably select to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, in other comprehensive income; and
- The Bank may irrevocably designate a debt instrument that meets the amortized cost or fair value through other comprehensive income criteria as measured at fair value through the statement of income, if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

Debt Instruments at Amortized Cost or at Fair Value through Other Comprehensive Income

The Bank assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Bank's business model for managing the asset.

For an asset to be classified and measured at amortized cost or at fair value through other comprehensive income, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time, and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

Assessment of Business Models

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Bank determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Bank's business model does not depend on management's intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Bank has more than one business model for managing its financial instruments, which reflect how the Bank manages its financial assets in order to generate cash flows. The Bank's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets, or both.

The Bank considers all relevant information available when making the business model assessment. However, this assessment is not performed based on scenarios that the Bank does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. The Bank takes into account all relevant evidence available such as:

- The stated policies and objectives of the portfolio and application of those policies whether the management strategy focuses on obtaining contractual revenues, maintaining specific profit rate matching the profit of financial assets with the period of financial liabilities that finance those assets.
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and

- How the business managers are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the Bank determines whether newly recognized financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Bank reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

When a debt instrument measured at fair value through other comprehensive income is derecognized, the cumulative gain/loss previously recognized in other comprehensive income is reclassified from equity to the statement of income. In contrast, for an equity investment designated as measured at fair value through other comprehensive income, the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortized cost or at fair value through other comprehensive income are subject to impairment.

Financial Assets at fair Value through the Profit or Loss

Financial assets at fair value through the statement of income are:

- Assets with contractual cash flows that are not SPPI; or/and
- Assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or
- Assets designated at fair value through the statement of income using the fair value option.

These assets are measured at fair value, with any gains/losses arising on re-measurement recognized in the statement of profit or loss.

Reclassifications

If the business model under which the Bank holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model, which results in reclassifying the Bank's financial assets. During the current financial year and previous accounting period, there was no change in the business model under which the Bank holds financial assets; and therefore, no reclassifications were made. The changes in the contractual cash flows are considered under the accounting policy on the modification and de-recognition of financial assets described below.

Foreign Exchange Gains and Losses

The carrying amount of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in the statement of profit or loss; and
- For debt instruments measured at fair value through other comprehensive income that are not part of a designated hedging relationship, exchange differences on the amortized cost of the debt instrument are recognized in the statement of profit or loss. Other exchange differences are recognized in other comprehensive income in the investments revaluation reserve;
- For financial assets measured at fair value through the statement of profit or loss that are not part of a designated hedge accounting relationship, exchange differences are recognized in the statement of income either in 'net trading income', if the asset is held for trading, or in 'net income from other financial instruments at fair value through profit or loss, if otherwise held at fair value through the statement of profit or loss; and
- For equity instruments measured at fair value through other comprehensive income, exchange differences are recognized in other comprehensive income in the investments revaluation reserve.

Fair Value Option

A financial instrument with a fair value that can be reliably measured at fair value through statement of profit or loss (fair value option) can be classified at initial recognition even if the financial instruments are not acquired or incurred principally for the purpose of selling or repurchasing. The fair value option may be used for financial assets if it significantly eliminates or significantly reduces the measurement or recognition inconsistency that would otherwise have resulted in the measurement of the asset or liability or recognized the related gain or loss on a different basis ("accounting mismatch"). The fair value option for financial liabilities can be chosen in the following cases:

- If the selection leads to a significant cancellation or reduction of the accounting mismatch.
- If the financial liabilities are part of a portfolio managed on a fair value basis, in accordance with a documented risk management or investment strategy; or
- If a derivative is included in the underlying financial or non-financial contract, and the derivative is not closely related to the underlying contract.

These instruments cannot be reclassified from the fair value category through the statement of profit or loss while retained or issued. Financial assets at fair value through the statement of profit or loss are recognized at fair value with any unrealized gain or loss arising from changes in fair value recognized in investment income.

Impairment

The Bank recognizes loss allowances for expected credit losses on the following financial instruments that are not measured at fair value through the statement of income:

- Balances and deposits at banks and financial institutions;
- Direct credit facilities (loans and advances to customers);
- Financial assets at amortized cost (debt investment securities);
- Financial assets at fair value through other comprehensive income;
- Off statement of financial position exposure subject to credit risk (financial guarantee contracts issued).

No impairment loss is recognized on equity investments.

With the exception of purchased or originated credit-impaired (POCI) financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that results from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- Full lifetime ECL, i.e. lifetime ECL that results from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL. Expected credit losses are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Bank under the contract and the cash flows that the Bank expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's effective interest rate.

For unutilized loan limits, the expected credit loss is the difference between the present value of the difference between the contractual cash flows that are due to the Bank if the holder of the commitment draws down the loan and the cash flows that the Bank expects to receive if the loan is utilized; and

For financial guarantee contracts, the expected credit loss is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Bank expects to receive from the holder, the client, or any other party.

The Bank measures expected credit loss on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original effective interest rate, regardless of whether it is measured on an individual basis or a collective basis.

When calculating the credit losses against credit exposures, a calculation comparison according to IFRS 9 with Central Bank of Jordan instructions No. (2009/47) dated December 10, 2009 for each stage individual, the stronger results is taken. The credit instruments issued / guaranteed by the Jordanian government are excluded from the calculation.

Credit-impaired Financial Assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The Bank, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- The disappearance of an active market for a security because of financial difficulties; or
- The purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event. Instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Bank assesses whether debt instruments that are financial assets measured at amortized cost or fair value through other comprehensive income are credit-impaired at each reporting date. To assess if sovereign and corporate debt instruments are credit impaired, the Bank considers factors such as bond yields, credit ratings, and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession, the risk of not receiving the contractual cash flows has reduced significantly, and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted, the asset is deemed credit-impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default includes unlikelihood to pay indicators and a back-stop if amounts are overdue for 90 days or more. However, in cases where the assets impairment is not recognized after 90 days overdue are supported by reasonable information.

Purchased or Originated Credit-Impaired (POCI) Financial Assets

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Bank recognizes all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognized in the statement of income. A favorable change for such assets creates an impairment gain.

Definition of Default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk below.

The Bank considers the following as constituting an event of default:

- The borrower is past due more than 90 days on any material credit obligation to the Bank; or
- The borrower is unlikely to pay its credit obligations to the Bank in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. Overdrafts are considered as being past due once the customer has breached an advised limit or has been advised of a limit smaller than the current amount outstanding.

When assessing if the borrower is unlikely to pay its credit obligation, the Bank takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset. For example, in corporate lending, a qualitative indicator used is the breach of covenants, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Bank uses a variety of sources of information to assess default that is either developed internally or obtained from external sources.

Significant Increase in Credit Risk

The Bank monitors all financial assets, issued loan commitments, and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Bank measures the loss allowance based on lifetime rather than 12-month ECL.

The Bank's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Bank monitors all financial assets, issued loan commitments, and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Bank compares the risk of a default occurring on the financial instrument at the reporting date, based on the remaining maturity of the instrument, with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the Bank considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Bank's historical experience and expert credit assessment including forward-looking information.

Multiple economic scenarios form the basis of determining the probability of default at initial recognition and at subsequent reporting dates. Different economic scenarios will lead to a different probability of default. It is the weighting of these different scenarios that forms the basis of a weighted average probability of default that is used to determine whether credit risk has significantly increased.

For corporate lending, forward-looking information includes the future prospects of the industries in which the Bank's counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various internal and external sources of actual and forecast economic information. For retail lending, forward-looking information includes the same economic forecasts as corporate lending with additional forecasts of local economic indicators, particularly for regions with a concentration to certain industries, as well as internally generated information of customer payment behavior. The Bank allocates its counterparties to a relevant internal credit risk grade depending on their credit quality. The quantitative information is a primary indicator of significant increase in credit risk and is based on the change in lifetime PD by comparing:

- The remaining lifetime PD for this point in time that was estimated based on facts and circumstances at the time of initial recognition of the exposure.

The probability of default used is forward looking, and the Bank uses the same methodologies and data used to measure the loss allowance for expected credit loss.

The qualitative factors that indicate significant increase in credit risk are reflected in PD models on a timely basis. However the Bank still considers separately some qualitative factors to assess if credit risk has increased significantly. For corporate lending, there is particular focus on assets that are included on a 'watch list'. An exposure is on a watch list once there is a concern that the creditworthiness of the specific counterparty has deteriorated. For retail lending, the Bank considers the expectation of forbearance and payment holidays, credit scores and events such as unemployment, bankruptcy, divorce or death.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the PD will be more significant for a financial instrument with a lower initial PD than for a financial instrument with a higher PD.

As a backstop when an asset becomes more than (30) days past due, the Bank considers that a significant increase in credit risk has occurred, and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL.

Modification and De-recognition of Financial Assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Bank renegotiates loans to customers in financial difficulty to maximize collection and minimize the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default, or default has already happened, and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants. The Bank has an established forbearance policy, which applies for corporate and retail lending.

When a financial asset is modified, the Bank assesses whether this modification results in derecognition. In accordance with the Bank's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms, the Bank considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants. If these do not clearly indicate a substantial modification, then;
- A quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognized, the loss allowance for ECL is re-measured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognized at a significant discount to its revised per amount because there remains a high risk of default which has not been reduced by the modification. The Bank monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified, and the modification does not result in derecognition, the Bank determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- The remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
- The remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified as part of the Bank's forbearance policy, where modification did not result in derecognition, the estimate of PD reflects the Bank's ability to collect the modified cash flows taking into account the Bank's previous experience of similar forbearance action, as well as various behavioral indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition, the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behavior following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition, the Bank calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Bank measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Bank derecognizes a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Bank neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Bank recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Bank retains substantially all the risks and rewards of ownership of a transferred financial asset, the Bank continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in OCI and accumulated in equity is recognized in profit or loss, with the exception of equity investment designated as measured at fair value through other comprehensive income, where the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to the statement of income.

Write-off

Financial assets are written off when the Bank has no reasonable expectations of recovering the financial asset. This is the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Bank may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

Presentation of Allowance for ECL in the Consolidated Statement of Financial Position
Loss allowances for ECL are presented in the statement of financial position as follows:

- For financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;
- For debt instruments measured at fair value through other comprehensive income: no loss allowance is recognized in the statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in the investments revaluation reserve.
- For loan commitments and financial guarantee contracts: as a provision; and
- Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Bank presents a combined loss allowance for both components. The combined amount is presented

as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

Financial Liabilities and Equity

Debt and equity instruments issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

A financial liability is a contractual obligation to deliver cash or another financial asset, or to exchange financial assets or financial liabilities with another entity under conditions potentially unfavorable to the Bank, or a contract that will or may be settled in the Bank's own equity instruments and is a non-derivative contract for which the Bank is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Group's own equity instruments.

Equity Instruments

Paid up Capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Bank are recognized at the proceeds received, net of direct issue costs.

Treasury Shares

Repurchase of the Bank's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in statement of income on the purchase, sale, issue or cancellation of the Bank own equity instruments.

Compound Instruments

The component parts of compound instruments (e.g. convertible notes) issued by the Bank are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. In the case there are non-closed related embedded derivatives, these are separated first with the remainder of the financial liability being recorded on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through the statement of income or 'other financial liabilities'.

Financial Liabilities at Fair Value through the Statement of Profit or Loss

Financial liabilities are classified as at fair value through the consolidated statement of profit or loss when the financial liability is (i) held for trading, or (ii) it is designated as at fair value through the statement of income. A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition, it is part of a portfolio of identified financial instruments that the Bank manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability, other than a financial liability held for trading, or contingent consideration that may be paid by an acquirer as part of a business combination, may be designated as at fair value through the statement of income upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Bank's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire hybrid (combined) contract to be designated as at fair value through the consolidated statement of profit or loss.

Financial liabilities at fair value through the statement of income are stated at fair value, with any gains/losses arising on re-measurement recognized in the statement of income to the extent that they are not part of a designated hedging relationship. The net gain/loss recognized in the statement of income incorporates any interest paid on the financial liability and is included in the 'net income from other financial instruments at fair value through the consolidated statement of profit or loss line item in the consolidated statement of profit or loss.

However, for non-derivative financial liabilities designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability attributable to changes in the credit risk of that liability is recognized in OCI, unless the recognition of the effects of changes in the liability's credit risk in OCI would create or enlarge an accounting mismatch in the statement of income. The remaining amount of change in the fair value of liability is recognized in the statement of income. Changes in fair value attributable to a financial liability's credit risk that are recognized in OCI are not subsequently reclassified to statement of income; instead, they are transferred to retained earnings upon derecognition of the financial liability.

For issued loan commitments and financial guarantee contracts designated as at fair value through profit or loss, all gains and losses are recognized in consolidated statement of profit or loss.

In making the determination of whether recognizing changes in the liability's credit risk in other comprehensive income will create or enlarge an accounting mismatch in profit or loss, the Bank assesses whether it expects that the effects of changes in the liability's credit risk will be offset in statement of income by a change in the fair value of another financial instrument measured at fair value through the consolidated statement of profit or loss.

Other Financial Liabilities

Other financial liabilities, including deposits and borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. For details on EIR, see the "net interest income section" above.

Derecognition of Financial Liabilities

The Bank derecognizes financial liabilities when, and only when, the Bank's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the consolidated statement of profit or loss.

When the Bank exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Bank accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate, is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability

Derivative Financial Instruments

The Bank enters into a variety of derivative financial instruments some of which are held for trading while others are held to manage its exposure to interest rate risk; credit risk; and foreign exchange rate risk. Held derivatives include foreign exchange forward contracts, interest rate swaps, cross currency interest rate swaps, and credit default swaps.

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date. The resulting gain/loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Bank designates certain derivatives as either hedges of the fair value of recognized assets, liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions, hedges of foreign currency risk of firm commitments (cash flow hedges), or hedges of net investments in foreign operations (net investment hedges).

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months, and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Embedded derivatives

Derivatives embedded in financial liabilities or other non-financial asset host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts, and the host contracts are not measured at fair value through profit or loss.

An embedded derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realized or settled within 12 months. Other embedded derivatives are presented as current assets or current liabilities.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at fair value through profit or loss and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

- The amount of the loss allowance determined in accordance with IFRS 9; and
- The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the Bank's revenue recognition policies.

Financial guarantee contracts not designated at fair value through profit or loss are presented as provisions in the consolidated statement of financial position, and the re-measurement is presented in other revenue.

The Bank has not designated any financial guarantee contracts as at fair value through statement of profit or loss.

Commitments to Provide a Loan at a Below-Market Interest Rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at fair value through the statement of income, are subsequently measured at the higher of:

- The amount of the loss allowance determined in accordance with IFRS 9; and
- The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the Bank's revenue recognition policies, which is higher.

Commitments to provide a loan below market rate not designated at fair value through the statement of income are presented as provisions in the consolidated statement of financial position and the re-measurement is presented in other revenue.

The Bank has not designated any commitments to provide a loan below market rate designated at fair value through the consolidated statement of profit or loss.

Hedge Accounting

The Bank designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations, as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges. The Bank does not apply fair value hedge accounting of portfolio hedges of interest rate risk. In addition, the Bank does not use the exemption to continue using IAS 39 hedge accounting rules, i.e. the Bank applies IFRS 9 hedge accounting rules in full.

At the inception of the hedge relationship, the Bank documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Bank documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Bank actually hedges, and the quantity of the hedging instrument that the Bank actually uses to hedge that quantity of the hedged item.

The Bank rebalances a hedging relationship in order to comply with the hedge ratio requirements when necessary. In such cases discontinuation may apply to only part of the hedging relationship. For example, the hedge ratio might be adjusted in such a way that some of the volume of the hedged item is no longer part of a hedging relationship, hence hedge accounting is discontinued only for the volume of the hedged item that is no longer part of the hedging relationship.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Bank adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

In some hedge relationships, the Bank designates only the intrinsic value of options. In this case, the fair value change of the time value component of the option contract is deferred in OCI, over the term of the hedge, to the extent that it relates to the hedged item and is reclassified from equity to profit or loss when the hedged item does not result in the recognition of a non-financial item. The Bank's risk management policy does not include hedges of items that result in the recognition of non-financial items, because the Bank's risk exposures relate to financial items only.

The hedged items designated by the Bank are time-period related hedged items, which means that the amount of the original time value of the option that relates to the hedged item is amortized from equity to profit or loss on a rational basis (e.g. straight-line) over the term of the hedging relationship.

In some hedge relationships, the Bank excludes from the designation the forward element of forward contracts or the currency basis spread of cross currency hedging instruments. In this case, a similar treatment is applied to the one applied for the time value of options. The treatment for the forward element of a forward contract and the currency basis element is optional, and the option is applied on a hedge-by-hedge basis, unlike the treatment for the time value of the options which is mandatory. For hedge relationships with forwards, or foreign currency derivatives such as cross currency interest rate swaps, where the forward element or the currency basis spread is excluded from the designation, the Bank generally recognizes the excluded element in OCI.

The fair values of the derivative instruments used for hedging purposes and movements in the hedging reserve are determined in equity.

Fair Value Hedges

The fair value change on qualifying hedging instruments is recognized in the statement of income except when the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income in which case it is recognized in OCI. The Bank has not designated fair value hedge relationships where the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income.

The carrying amount of a hedged item not already measured at fair value is adjusted for the fair value change attributable to the hedged risk with a corresponding entry in profit or loss. For debt instruments measured at fair value through other comprehensive income, the carrying amount is not adjusted as it is already at fair value, but the part of the fair value gain or loss on the hedged item associated with the hedged risk is recognized in profit or loss instead of OCI. When the hedged item is an equity instrument designated at fair value through other comprehensive income, the hedging gain/loss remains in other comprehensive income to match that of the hedging instrument.

Where hedging gains/losses are recognized in the statement of profit or loss, they are recognized in the same line as the hedged item.

The Bank discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. The fair value adjustment to the carrying amount of hedged items for which the EIR method is used (i.e. debt instruments measured at amortized cost or at fair value through other comprehensive income) arising from the hedged risk is amortized to profit or loss commencing no later than the date when hedge accounting is discontinued.

Cash Flow Hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in the cash flow hedging reserve, a separate component of OCI, limited to the cumulative change in fair value of the hedged item from inception of the hedge less any amounts recycled to profit or loss.

Amounts previously recognized in OCI and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. If the Bank no longer expects the transaction to occur, that amount is immediately reclassified to profit or loss.

The Bank discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised, or where the occurrence of the designated hedged forecast transaction is no longer considered to be highly probable. The discontinuation is accounted for prospectively. Any gain/loss recognized in OCI and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain/loss accumulated in equity is reclassified and recognized immediately in profit or loss statement.

Hedges of Net Investments in Foreign Operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain/loss on the hedging instrument relating to the effective portion of the hedge is recognized in OCI and accumulated in the foreign currency translation reserve.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to the statement of income in the same way as exchange differences relating to the foreign operation as described above.

Property and Equipment

• Property and equipment are measured at cost less accumulated depreciation and any impairment. Property and equipment (except land) are depreciated when ready for use using the straight line method over their expected useful life based on the following rates:

	%
Buildings	2
Equipment furniture and fixtures	10-20
Vehicles	15
Computer	30
Others	15-20

• If such indication exists and when the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount, and the impairment is charged to consolidated statement of profit or loss.

• The useful life of property and equipment is reviewed at each year end, and changes in the expected useful life are treated as changes in accounting estimates.

• An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Fair value

Fair value is defined as the price at which an asset is to be sold or paid to convert any of the liabilities in a structured transaction between the market participants on the measurement date, irrespective of whether the price can be realized directly or whether it is estimated using another valuation technique. When estimating the fair value of an asset or liability, the Bank takes into consideration when determining the price of any asset or liability whether market participants are required to consider these factors at the measurement date. The fair value for measurement and / or disclosure purposes in these financial statements is determined on the same basis, except for measurement procedures that are similar to fair value procedures and are not fair value such as fair value as used in IAS 36.

In addition, fair value measurements are classified for the purposes of financial reporting to level (1), (2) or (3) based on the extent to which the inputs are clear concerning the fair value measurements and the importance of inputs to the full fair value measurements. These are as follows:

Level (1) inputs: inputs derived from quoted (unadjusted) prices of identical assets or liabilities in active markets that an enterprise can obtain on the measurement date;

Level (2) inputs: inputs derived from data other than quoted prices used at level 1 and observable for assets or liabilities, either directly or indirectly;

Level (3) inputs: are inputs to assets or liabilities that are not based on observable market prices.

Provisions

Provisions are recognized when the Bank has an obligation at the date of the consolidated statement of financial position arising from a past event, and the costs to settle the obligation are both probable and can be reliably measured.

Income Tax

• Tax expense comprises accrued tax and deferred taxes.

• Accrued tax is based on taxable profits, which may differ from accounting profits published in the financial statements. Accounting profits may include non-taxable profits or tax non-deductible expenses which may be exempted in the current or subsequent financial years, or accumulated losses that are tax acceptable or items not subject to deduction for tax purposes.

• Tax is calculated based on tax rates and laws that are applicable in the country of operation.

• Deferred tax is the tax expected to be paid or recovered due to temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates expected to be applied in the period when the asset is realized or the liability is settled, based on the laws enacted or substantially enacted at the date of the consolidated statement of financial position.

• The carrying values of deferred tax assets are reviewed at the date of the consolidated financial statement and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Offsetting

Financial assets and financial liabilities are offset, and the net amount reported in the consolidated statement of financial position, when there is a legally enforceable right to offset the recognized amounts and the Bank intends to either settle them on a net basis, or to realize the asset and settle the liability simultaneously.

Revenue and Expense Recognition

• Interest income is recorded using the effective interest rate method except for fees and interest on non-performing facilities and financing, on which interest is transferred to the interest in suspense account and not recognized in the consolidated statement of profit or loss.

• Expenses are recognized on an accrual basis.

• Commission income is recognized upon the rendering of services. Dividend income is recognized (when approved by the General Assembly).

Date of Recognition of Financial Assets

Purchase or sale of financial assets is recognized on the trade date, (the date that the Bank commits to purchase or sell the asset).

Financial Derivatives and Hedge Accounting

Derivatives for Trading

The fair value of derivative financial instruments held for trading (such as future foreign exchange contracts, future interest contracts, swaps contracts, foreign exchange rate option rights) is recognized in the consolidated statement of financial position. Moreover, fair value is determined at the prevailing market prices. If these prices are not available, the assessment method should be mentioned, and the amount of changes in fair value should be recognized in the consolidated statement of profit or loss.

Repurchase and Resale Agreements

- Assets sold with a simultaneous commitment to repurchase them at a specified future date will continue to be recognized in the Bank's consolidated financial statements due to the Bank's control of these assets and the fact that continuing exposure to the risks and rewards of these assets remains with the Bank and continue to be evaluated in accordance with the applied accounting policies. The proceeds of the sale are recorded under loans and borrowings. The difference between the sale and the repurchase price is recognized as an interest expense over the agreement term using the effective interest rate method.

- Assets purchased with a corresponding commitment to resell at a specified future date are not recognized in the Bank's consolidated financial statements since the Bank is not able to control these assets or the associated risks and benefits. The related payments are recognized as part of deposits at banks and financial institutions or direct credit facilities as applicable, and the difference between purchase and resale price is recognized as interest income over the agreement term using the effective interest rate method.

Assets Repossessed by the Bank

Assets seized by the Bank are shown in the consolidated statement of financial position, among other assets, at their current value when seized by the Bank or at their fair value, whichever is lower. Furthermore, they are reassessed on the date of the consolidated financial statements, and any decrease in value is recorded as a loss in the consolidated statement of profit or loss and comprehensive income and the increase in value is not recorded as revenue. In addition, any subsequent increase is taken to the consolidated statement of profit or loss and comprehensive income to the extent that it does not exceed the previously recorded impairment value. A declaration was issued later for this circulation dated to September 2, 2021 No. 10/3/13246 by (5%) of the total book values of these assets as of the year 2022 to reach the required percentage of (50%) of these assets by the end of the year 2030.

Intangible Assets

- Intangible assets are measured on initial recognition at cost.

- Intangible assets are classified as indefinite or with definite useful life. Intangible assets with finite lives are amortized over the useful economic life, and amortization is recorded in the consolidated statement of profit or loss, using the straight-line method during a period not exceeding 5 years from the date of the purchase transaction. Meanwhile, intangible assets with indefinite useful lives are assessed for impairment at each reporting date, and impairment losses are recorded in the consolidated statement of profit or loss.

- Internally generated intangible assets are not capitalized and are expensed in the consolidated statement of profit or loss.

- Intangible assets include computer software, programs. The Bank's management estimates the useful life for each intangible asset, where the assets are amortized using the straight-line method from 3 to 7 years.

Impairment of non-financial asset

- The carrying amount of the bank's non-financial asset is reviewed at the end of each fiscal year except for the deferred tax assets, to determine if there is an indication of impairment, and if there is an indication of impairment, the amount recoverable from these assets will be estimated.

- If the carrying amount of the assets exceeds the recoverable amount from those assets, the impairment loss is recorded in these assets.

- The recoverable amount is the fair value of the asset – less cost of sales – or the value of its use, whichever is greater.

- All impairment losses are recognized in the consolidated statement of profit or loss and other comprehensive income.

- The impairment loss for goodwill is not reversed, for other assets, the impairment loss is reversed only if the value of the carrying amount of the assets does not exceed the book value that was determined after the depreciation or amortization has been reduced if the impairment loss is not recognized in value.

Business Combinations and Goodwill

- A business combination is registered using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at the acquisition date fair value and the amount of any non-controlling interests in the acquiree.

- For each business combination, the Bank elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses in the consolidated statement of profit or loss.

- Goodwill is measured at cost, which represents the excess of the amounts granted in addition to the amount of non-controlling interests over the net fair value of the assets and liabilities owned after deducting the impairment amount.

- When the Bank acquires a business, it reviews the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Investment in Associates

- Associates are those companies in which the Bank exerts an effective influence on their financial and operational policy decisions, and that are not retained for trading. In this regard, investments in associates are stated according to the equity method.

- Investments in associates are stated at cost within the statement of financial position, in addition to the Bank's share of changes in the associate's net assets. The goodwill resulting from investing in associates is recorded as part of the investment account of the associate and is not amortized. Moreover, the Bank's share of the associates' profits is recorded in the consolidated statement of profit or loss. In the event of changes in the owners' equity of the associates, these changes, if any, are reflected in the Bank's statement of changes in owners' equity. Profits and losses resulting from transactions between the Bank and the associates are eliminated to the extent of the Bank's share in the associates.

Foreign Currencies

For the purpose of the consolidated financial statements, the results and financial position of each entity of the Group are presented in the functional currency unit of the Bank and the presentation currency of the consolidated financial statements.

The standalone financial statements of the Bank's subsidiaries are prepared. Moreover, the standalone financial statements of each entity of the Group are presented in the functional currency in which it operates. Transactions in currencies other than the functional currency of the Bank are recorded at the rates of exchange prevailing at the dates of those transactions. At the balance sheet date, financial assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates at the date when the fair value is determined. Non-monetary items measured at historical cost in a foreign currency are not reclassified.

Exchange differences are recognized in the consolidated statement of profit or loss in the period in which they arise except for:

- Foreign exchange differences on transactions made in order to hedge foreign exchange risk.
- Foreign exchange differences on monetary items required to / from a foreign operation that are not planned to be settled, are unlikely to be settled in the near future (and therefore, these differences form part of the net investment in the foreign operation), and are initially recognized in the comprehensive income statement and reclassified from equity to the income statement when selling or partially disposing of the net investment.

In order to present the consolidated financial statements, the assets and liabilities of the Bank's foreign operations are translated at the rates of exchange prevailing at the statement of financial position date. Income is also translated at the average exchange rates for the period, unless exchange rates change significantly during that period, in which case the exchange rates are used on the date of the transactions. Exchange differences arising, if any, are recognized in other consolidated statement of comprehensive income under a separate line item of equity.

When foreign operations are disposed of (i.e. disposal of the entire share of the Bank from foreign operations, or resulting from loss of control of a subsidiary in foreign operations, or partial exclusion by its share in a joint arrangement, or an associate company of a foreign nature in which the share held is a financial asset), all foreign exchange differences accumulated in a separate item under equity in respect of that transaction attributable to the Bank's owners are reclassified to the consolidated statement of profit or loss.

In respect of the partial disposal of a subsidiary involving foreign operations that do not result in the Bank losing control of the subsidiary, its share of the accumulated exchange differences is credited to net comprehensive income at a rate that is derecognized and not recognized in the consolidated statement of income. For all other partial liquidation (such as partial liquidation of associates or joint ventures that do not result in the Bank losing significant influence or joint control), the share of accumulated exchange differences is reclassified to the consolidated statement of profit or loss.

Leases

The Bank as a Lessee

The Bank assesses whether the contract contains lease when starting the contract. Moreover, the Bank recognizes the right-of-use assets and the corresponding lease obligations in relation to all lease arrangements to which the lessee is a party, except for short-term lease contracts (defined as leases of 12 months or less) and low-value asset leases. For these contracts, the Bank recognizes the lease payments as an operating expense on a straight-line basis over the period of the lease, unless another regular basis is more representative of the time pattern in which the economic benefits from the leased assets are utilized.

The lease obligation is initially measured at the present value of the lease payments that were not paid on the start date of the lease, and is discounted by using the price implicit in the lease. If this rate cannot be easily determined, the Bank uses its expected incremental borrowing rate.

The lease payments included in the rental obligation measurement include:

- Fixed rental payments (essentially including fixed payments), minus rental incentives receivable;
- Variable rental payments that depend on an index or a rate, initially measured using the index or the rate at the date the contract begins.
- The amount expected to be paid by the lessee under the residual value guarantees.
- The price of the exercise of purchase options, if the lessee is reasonably certain of the exercise of the options; and
- Payment of the contract termination fines, if the lease reflects the exercise of the lease termination option.

Rental obligations are presented as a separate note to the consolidated statement of financial position.

Subsequently, lease obligations are subsequently measured by increasing the book value to reflect the interest in the rental obligations (using the effective interest method) and by reducing the book value to reflect the rental payments paid.

The lease obligations (and a similar adjustment to the related right-of-use assets) are re-measured whenever:

- The lease term has changed or there is an event or important change in the conditions that lead to a change in the exercise of the purchase option assessment, in which case the lease obligations are re-measured by deducting the adjusted lease payment using the adjusted discount rate.
- Lease payments change due to changes in an index, rate, or change in expected payments under the guaranteed residual value, in which cases the lease obligation is re-measured by deducting the modified rental payments using a non-variable discount rate (unless the rental payments change due to a change in the floating interest rate, in this case the adjusted discount rate is used).
- The lease contract is adjusted, and the lease amendment is not accounted for as a separate lease, in which case the lease obligation is re-measured based on the duration of the adjusted lease contract by deducting the adjusted rental payments using the adjusted discount rate at the actual price at the date of the amendment.

The Bank has not made any of these adjustments during the periods presented.

The right-of-use assets are depreciated over the life of the lease or the useful life of the asset (whichever is shorter). If the lease contract transfers the ownership of the underlying asset or the cost of the right to use, which reflects that the company expects to exercise the purchase option, then the relevant value of the right to use is depreciated over the useful life of the asset. Depreciation begins on the lease commencement date.

The right-of-use assets are presented as a separate note in the consolidated statement of financial position.

The Bank applies International Accounting Standard (36) to determine whether the value of the right to use has decreased, and calculates any impairment losses as described in the policy of "property and equipment".

Variable rents that are not dependent on an index or rate are not included in the measurement of lease obligations and right-of-use assets. Related payments are recognized as an expense in the period in which the event or condition that leads to these payments occurs, and are included in "Other Expenditures" in the statement of profit or loss.

The Bank as a Lessor

The Bank enters into lease contracts as a lessor regarding some investment properties.

Leases in which the Bank is the lessor are classified as operating or finance leases. In the event that the terms of the lease contract transfer all risks and rewards of ownership to the lessee, the contract is classified as a finance lease, and all other leases are classified as operating leases.

When the Bank is an intermediary lessor, it represents the main lease and sub-contract as two separate contracts. The sublease contract is classified as finance or operating lease by reference to the original right of use arising from the main lease.

Rental income from operating leases is recognized on a straight-line basis over the period of the relevant lease. The primary direct costs incurred in negotiating and arranging an operating lease are added to the book value of the leased asset and are recognized on a straight-line basis over the lease term.

The amounts due from the lessee under finance leases are recognized as receivables with the amount of the company's net investment in the rental contracts. Finance lease income is allocated to the accounting periods to reflect a constant periodic rate of return on the Bank's existing net investment with respect to lease contracts.

When the contract includes leasing components and components other than leasing, the Bank applies IFRS 15 to distribute the amounts received or to be received under the contract for each component.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash balances with central banks and balances with banks and financial institutions that mature within three months, less banks' and financial institutions' deposits that mature within three months and restricted balances.

3. Adoption of new and revised Standards

a. New and amended IFRS Standards that are effective for the current year

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2021, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

Interest Rate Benchmark Reform

In the prior year, the Group adopted the Phase 1 amendments Interest Rate Benchmark Reform—Amendments to IFRS 9/IAS 39 and IFRS 7. These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments are amended as a result of the interest rate benchmark reform.

In the current year, the Group adopted the Phase 2 amendments Interest Rate Benchmark Reform—Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. Adopting these amendments enables the Group to reflect the effects of transitioning from interbank offered rates (IBOR) to alternative benchmark interest rates (also referred to as 'risk free rates' or RFRs) without giving rise to accounting impacts that would not provide useful information to users of financial statements.

The amendments also introduce new disclosure requirements to IFRS 7 for hedging relationships that are subject to the exceptions introduced by the amendments to IFRS 9.

During February 2021, and conjunction with the Group business, the bank has established a business plan that covers all the related aspects of transiting the credit facilities pricing granted in foreign currencies from LIBOR to other pricing strategies.

The approved reference prices by the Financial Conduct Authority (FCA), as an alternative to the LIBOR as follows:

Currency	Current Reference Pricing	Approved Alternative by the Financial Conduct Authority (FCA)
U.S. Dollar	LIBOR	SOFR
Euro	EURIBOR/EONIA	ESTR
GBP-British Pound	LIBOR	SONIA
Japanese yen	LIBOR	TONA
Swiss Franc	LIBOR	SARON

The efforts in the bank have been partitioned to three phases:

First Phase: Sort all the customers that were granted credit facilities in foreign currencies that its pricing is correlated with LIBOR in the Jordanian, Palestinian, and Cyprus branches.

Second Phase: Review of the credit facilities contracts of the sorted clients and obtain the legal opinion on the appropriate adjusting method in co-operation with the external legal councils.

Third Phase: Prepare the bank's system for the new requirements.

In addition to the treasury role through its involvement in the preparation of the group that is responsible of preparing for the movement and the transition into the LIBOR system, that was established by the Jordanian Banks Association to determine the best alternative pricing tool which could be approved as an alternative to the LIBOR system. The SOFR Forward Looking / term risk free rate that was published in Reuters agency and provided by Chicago Mercantile Exchange (CME), and was approved by the treasury department.

The summary of the granted credit facilities in US dollars as of 31 December 2021 as follows:

First Phase:

The contracts that are non-derivatives, and that is expected to adjust their reference pricing amounted to USD 177,74 million as of 31 December 2021 as in the bank's consolidated financial statements.

Second Phase: Reviewing the Legal Authentication:

The signed contracts/appendixes of the granted credit facilities in foreign currencies were reviewed, and the related legal opinion were obtained, and the forms of the contracts' appendixes were approved and distributed to the branches.

With a reference to the granted credit facilities contains minimum limits agreed upon in the credit facilities contracts regarding the interest on those facilities, and the minimum limit agreed upon in the contracts continue to be valid and binding based on the legal experts' opinions.

Third Phase: Preparing the Bank's system for the new requirements:

The bank systems for Jordan branches, Cyprus and Palestine have been prepared to read and consider the new pricing tools and its application.

The associated risks to the interest rate arise from the potential impact of change in interest rates on the financial assets, and the bank is exposed to these risks as a result of the mismatch between assets and liabilities that may result in a gap in it based on the different parameters of time, date, or reviewing the interest rates in a determined time period, were the stress testing are considered complimenting or vital part of the governance and risk management of the bank, based on its effects in the decision making process on the administrative, strategic, and the executive aspects, in addition to its prospective dimension in the risk assessment. Based on that, the results of these tests, its proposed scenarios, and the outcomes evaluations should be predetermined based on the outcomes of these tests.

A group of scenarios are proposed that are appropriate with the size and the nature of the expected risks that the bank is exposed to. Those risks are sorted based on the effect on the bank from lower to severe, and the size of the losses that the bank is exposed to. Those risks should be reviewed on continuous bases and are adjusted based on the banking and economic situation in general. The stress tests are done based on the following:

- Re-pricing tests by assuming the mismatch between the pricing of assets and liabilities.
- Gap analysis tests: by determining the bank position regarding the assets and the liabilities that are sensitive to the interest rates risks.

The results of stress testing and its impact on the bank's assets and its financial position are analyzed and evaluated by determining the size of the expected losses or/ and the impact on the bank's reputation, the adequacy of the capital and using the results in the Capital Planning process to consider inject additional capital or not based on the internal capital adequacy assessment process (ICAAP).

The impact of the expected adjustments on the reference prices was studied, and there was no material impact on the amounts and disclosures contained in the consolidated financial statements for any of the first and second stage adjustments, as the group's financial instruments are not linked to the interbank borrowing rate (IBOR).

COVID-19-Related Rent Concessions beyond June 30, 2021 - Amendment to IFRS 16

In the prior year, the Group early adopted Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provided practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before June 30, 2021.

In March 2021, the Board issued Covid-19-Related Rent Concessions beyond June 30, 2021 (Amendment to IFRS 16) that extends the practical expedient to apply to reduction in lease payments originally due on or before June 30, 2022.

The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession applying IFRS 16 as if the change were not a lease modification

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change
 - Any reduction in lease payments affects only payments originally due on or before June 30, 2022 (a rent concession meets this condition if it results in reduced lease payments on or before June 30, 2022 and increased lease payments that extend beyond June 30, 2022)
 - There is no substantive change to other terms and conditions of the lease
- Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements as the Group did not have any leases impacted by the amendment.

b. Standards issued but not effective

At the date of authorization of these consolidated financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

New and revised IFRSs	Effective date
<p>IFRS 17 Insurance Contracts (including the June 2020 amendments to IFRS 17)</p> <p>IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.</p> <p>IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.</p> <p>The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.</p> <p>In June 2020, the Board issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after January 1, 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after January 1, 2023.</p> <p>For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.</p> <p>Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</p> <p>The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.</p> <p>The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.</p>	<p>The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.</p>

New and revised IFRSs	Effective date
<p>Amendments to IAS 1 – Classification of Liabilities as Current or Non-current</p> <p>The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.</p> <p>The amendments clarify that the classification of liabilities as current or noncurrent is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of ‘settlement’ to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.</p> <p>Amendments to IFRS 3 - Reference to the Conceptual Framework</p> <p>The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.</p> <p>Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.</p> <p>Amendments to IAS 16 - Property, Plant and Equipment—Proceeds before Intended Use</p> <p>The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.</p> <p>The amendments also clarify the meaning of ‘testing whether an asset is functioning properly’. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.</p> <p>If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity’s ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.</p> <p>The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.</p> <p>The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.</p>	<p>The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted.</p> <p>The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after January 1, 2022. Early application is permitted if an entity also applies all other updated references.</p> <p>January 1, 2022, with early application permitted.</p>

New and revised IFRSs	Effective date
<p>Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract</p> <p>The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).</p> <p>The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.</p> <p>IFRS 1 First-time Adoption of International Financial Reporting Standards</p> <p>The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16 (a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent’s consolidated financial statements, based on the parent’s date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16 (a).</p> <p>IFRS 9 Financial Instruments</p> <p>The amendment clarifies that in applying the ‘10 per cent’ test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf.</p> <p>The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.</p> <p>IFRS 16 Leases</p> <p>The amendment removes the illustration of the reimbursement of leasehold improvements.</p> <p>IAS 41 Agriculture</p> <p>The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.</p> <p>The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.</p>	<p>January 1, 2022, with early application permitted.</p> <p>January 1, 2022, with early application permitted.</p> <p>The amendment is effective for annual periods beginning on or after January 1, 2022, with early application permitted.</p> <p>As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.</p> <p>January 1, 2022, with early application permitted.</p>

New and revised IFRSs	Effective date
<p>Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies</p> <p>The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.</p> <p>The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.</p> <p>The Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.</p> <p>Amendments to IAS 8 - Definition of Accounting Estimates</p> <p>The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".</p> <p>The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:</p> <ul style="list-style-type: none"> • A change in accounting estimate that results from new information or new developments is not the correction of an error • The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors <p>The Board added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The Board has deleted one example (Example 3) as it could cause confusion in light of the amendments.</p>	<p>January 1, 2023, with earlier application permitted and are applied prospectively.</p> <p>The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.</p> <p>January 1, 2023, with earlier application permitted</p>

New and revised IFRSs	Effective date
<p>Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction</p> <p>The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.</p> <p>Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.</p> <p>Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.</p> <p>The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.</p> <p>The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:</p> <ul style="list-style-type: none"> • A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with: <ul style="list-style-type: none"> - Right-of-use assets and lease liabilities - Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset • The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date. 	<p>January 1, 2023, with earlier application permitted</p>

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the consolidated financial statements of the Group in the period of initial application.

4. Significant Accounting Judgments and Key Sources of Estimates Uncertainty

Preparation of the consolidated financial statements and application of the accounting policies require management to make judgments, estimates, and assumptions that affect the amounts of financial assets and financial liabilities and to disclose potential liabilities. Moreover, these estimates and judgments affect revenues, expenses, provisions, in general, expected credit losses, as well as changes in fair value that appear in the consolidated statement of comprehensive income and within shareholders' equity. In particular, the Bank's management requires judgments to be made to estimate the amounts and timing of future cash flows. These estimates are necessarily based on multiple hypotheses and factors with varying degrees of estimation and uncertainty. Meanwhile, the actual results may differ from estimates due to the changes arising from the conditions and circumstances of those estimates in the future.

Judgments, estimates, and assumptions are reviewed periodically. Moreover, the effect of the change in estimates is recognized in the financial period in which the change occurs if the change affects only the financial period. On the other hand, the effect of the change in estimates is recognized in the financial period in which the change occurs and in future periods if the change affects the financial period and future financial periods.

We believe that its estimates in the consolidated financial statements are reasonable. The details are as follows:

Impairment of property acquired

Impairment in the value of properties acquired is recognized based on recent real estate valuations by qualified independent evaluators for calculating the asset impairment, which is reviewed periodically. Any decrease in its value is recorded as a loss in the consolidated statement of profit or loss and comprehensive income, and the increase is not recorded as revenue.

According to the Central Bank of Jordan's Circular No. 10/3/13246 dated September 2, 2021 at a rate of (5%) of the total book value of these properties (regardless of the violation period) from the year 2022 until the required percentage is reached (50%) of these properties by the end of the year 2030.

Productive lifespan of tangible assets and intangible assets

The Bank's management periodically recalculates the useful lives of tangible assets and intangible assets for calculating annual depreciation and amortization based on the general condition of those assets and estimated future useful lives. The impairment loss is recognized in the consolidated statement of profit or loss for the year.

Income tax

The fiscal year is charged with the income tax expense in accordance with the accounting regulations, laws and standards. Moreover, deferred tax assets and liabilities and the required tax provision are recognized.

Litigation provision

A provision is made to meet any potential legal liabilities based on a legal study prepared by the Bank's legal counsel. This study identifies potential future risks and is reviewed periodically.

Provision for end- of- service indemnity

The provision for end- of- service indemnity, representing the Bank's obligations to employees, is calculated in accordance with the Bank's internal regulations.

Assets and liabilities at cost

Management periodically reviews the assets and liabilities at cost for estimating any impairment in value, which is recognized in the consolidated statement of profit or loss for the year.

Provision for expected credit losses

Management is required to use significant judgments and estimates to estimate the amounts and timing of future cash flows and assess the risks of a significant increase in credit risk for financial assets after initial recognition and future measurement information for the expected credit losses. The most important policies and estimates used by the Bank's management are detailed in Note (39).

When calculating the credit losses against credit exposures, the calculation results according to IFRS 9 are compared with those according to the Central Bank of Jordan Instructions No. (2009/47) dated December 10, 2009 for each stage individually, and the tougher results are taken. The credit instruments issued / guaranteed by the Jordanian Government, in addition to any other credit exposures with / guaranteed by the Jordanian government are excluded from the calculation.

Evaluation of business model

The classification and measurement of financial assets depends on the results of the principal and interest payments test on the principal outstanding and the business model test. The Bank defines a business model at a level that reflects how the groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment that reflects all relevant evidence, including how to assess the performance of the assets and measure their performance, and the risks that affect the performance of assets, how they are managed, and how asset managers are compensated. The Bank monitors financial assets measured at amortized cost or fair value through other comprehensive income and derecognized before maturity to understand the reason for derecognition and whether the reasons are consistent with the objective of the business held. In this respect, control is part of the Group's continuous assessment of whether the business model under which the remaining financial assets are retained is appropriate, and whether it is not appropriate if there is a change in the business model, and therefore, a future change is made in the classification of those assets.

Significant increase in credit risk

The expected credit loss is measured as an allowance equivalent to the expected credit loss of (12) months for the assets of the first stage, or the credit loss over the life of the assets of the second or third stage. The asset moves to the second stage if credit risk increases significantly since initial recognition. IFRS (9) does not specify what constitutes a significant increase in credit risk. In assessing whether the credit risk of any asset has increased significantly, the Bank takes into account reasonable and reliable quantitative and qualitative information. The estimates and uses by the Bank's management relating to the significant change in credit risk that result in a change in classification within the three stages (1, 2 and 3) are shown in details in Note (39).

Establish groups of assets with similar credit risk characteristics

When the expected credit losses are measured on a collective basis, the financial instruments are grouped on the basis of common risk characteristics (e.g. instrument type, credit risk, collateral type, initial recognition date, remaining maturity period, industry, borrower's geographic location, etc.). The Bank monitors the appropriateness of credit risk characteristics on an ongoing basis to assess whether they are still similar. This is required to ensure that, in the event of a change in the credit risk characteristics, the asset is properly reallocated. This may result in the creation of new portfolios or the transfer of assets to an existing portfolio that better reflects the credit risk characteristics of that group of assets.

Re-division of portfolios and movements between portfolios

The re-division of portfolios and movements between portfolios is more common when credit risk increases significantly (or when such a large increase is reflected). Therefore, assets are transferred from expected credit losses of between (12) months to another portfolio or vice versa. However, this may happen within the portfolios that continue to be measured on the same basis as expected credit losses for a 12-month period or a lifetime, but the amount of the expected credit loss changes due to the varying credit risk of portfolios.

Models and assumptions used

The Bank uses various models and assumptions in measuring the fair value of financial assets as well as in assessing the expected credit loss described in the note (39) to the consolidated financial statements. The judgment is applied when determining the best models for each type of asset as well as for the assumptions used in those models, which include assumptions regarding the main drivers of credit risk.

a. Classification and measurement of financial assets and liabilities

The Bank classifies financial instruments or components of financial assets at initial recognition either as a financial asset or a financial liability, or as an equity instrument in accordance with the substance of the contractual agreements and the definition of the instrument. The reclassification of a financial instrument is subject to the substance of the consolidated financial statements and not to its legal form.

The Bank shall determine the classification at initial recognition and reassess such determination, if possible and appropriate, at each date of the consolidated statement of financial position.

When measuring financial assets and liabilities, certain assets and liabilities of the Bank are re-measured at fair value for financial reporting purposes. In assessing the fair value of any assets or liabilities, the Bank uses available observable market data. In the absence of Level 1 inputs, the Bank conducts evaluations using professionally qualified independent evaluators. The Bank works closely with qualified external evaluators to develop appropriate valuation and data valuation techniques.

b. Fair value measurement

If the fair values of financial assets and financial liabilities included in the consolidated statement of financial position cannot be obtained from active markets, these fair values are determined using a range of valuation techniques involving the use of accounting models. If possible, the entered data for those models will be extracted from the market data. In the absence of such market data, fair values are determined by making judgments. These provisions include liquidity considerations and model data such as derivative volatility, longer-term discount rates, pre-payment ratios and default rates on asset-backed securities. Management believes that the valuation techniques used are appropriate to determine the fair value of financial instruments.

c. Derivative financial instruments

The fair values of derivative financial instruments measured at fair value are generally obtained by reference to quoted market prices, discounted cash flow models and, where appropriate, recognized pricing models. In the absence of prices, fair values are determined using valuation techniques that reflect observable market data. These techniques include comparison with similar instruments at observable market prices, discounted cash flow analysis, pricing option models and other valuation techniques commonly used by market participants. The main factors that Management takes into consideration when applying the model are:

- The expected timing and probability of future cash flows on the instrument where such cash flows are generally subject to the terms of the instrument, although Management's judgment may be required where the counterparty's ability to repay the instrument in accordance with contractual terms is in doubt; and
- An appropriate discount rate for the instrument. Management determines the instrument discount rate at a rate higher than the non-risk rate. In assessing the instrument by reference to comparative instruments, Management considers the maturity, structure, and degree of classification of the

instrument based on the system in which the existing position is compared. When evaluating tools on a model basis using the fair value of the main components, Management also considers the need to make adjustments for a number of factors, such as bid differences, credit status, portfolio service costs, and uncertainty about the model.

Extension and termination options in leases

Extension and termination options are included in a number of leases. These terms are used to increase operational flexibility in terms of contract management, and most of the retained extension and termination options are renewable by both the bank and the lessor.

Determining the duration of the lease

When determining the duration of the lease, management takes into account all the facts and circumstances that create an economic incentive for the extension option, or no termination option. Extension options (or periods following termination options) are included only in the lease term if the lease is reasonably certain to be extended (or not terminated). The evaluation is reviewed in the event of a significant event or significant change in the circumstances affecting this assessment that are under the control of the tenant.

Key Sources of Uncertain Estimates

The principal estimates used by Management in applying the Bank's accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

Determining the number and relative weight of scenarios, the outlook for each type of product / market, and the identification of future information relevant to each scenario.

When measuring the expected credit loss, the Bank uses reasonable and supported future information based on the assumptions of the future movement of the various economic drivers and the manner in which they affect each other.

Probability of default

The potential for default is a key input in measuring the expected credit loss. The probability of default is an estimate of the probability of default over a given period of time, which includes the calculation of historical data, assumptions, and expectations relating to future circumstances.

Loss given default

Loss given default is an estimate of the loss arising from default. It is based on the difference between the contractual cash flows due and those that the financier expects to collect, taking into account cash flows from collateral and integrated credit adjustments.

Fair value measurement and valuation procedures

When estimating the fair value of financial assets and financial liabilities, the Bank uses available observable market data. In the absence of Level 1 inputs, the Bank conducts evaluations using appropriate valuation models to determine the fair value of financial instruments.

Discounting of lease payments

Leasing payments are deducted using the Bank's additional borrowing rate ("IBR"). The Administration applied the provisions and estimates to determine the additional borrowing rate at the start of the lease.

5. Cash and Balances at Central Banks

Details of this item are as follows:

	December 31	
	2021	2020
	JD	JD
Cash at vaults	66,311,112	51,728,891
Balances at the Central Banks:		
Current accounts and call accounts	9,609,467	6,018,631
Term and notice deposits	90,598,000	46,846,207
Statutory cash reserve	93,159,128	87,023,406
Total Balances at the Central Banks	193,366,595	139,888,244
Total Cash and Balances at Central Banks	259,677,707	191,617,135

• Except for the cash reserve with the central banks and the capital deposit with the Palestinian Monetary Authority amounting to JD 10,635,000 shown within time and notice deposit, There are no restricted cash balances as at December 31, 2021 and December 31, 2020.

• There are no balances, maturing within a period exceeding Three months as at December 31, 2021 and December 31, 2020.

The classification of gross balance with central banks according to the bank's internal credit rating is as follows:

	December 31				
	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Governmental	193,366,595	-	-	193,366,595	139,888,244
Balance at end of year	193,366,595	-	-	193,366,595	139,888,244

The movement on total balances with central banks is as follows:

	December 31				
	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at beginning of year	139,888,244	-	-	139,888,244	154,093,815
New balances during year	136,317,359	-	-	136,317,359	93,008,385
Paid balances	(82,839,008)	-	-	(82,839,008)	(107,213,956)
Balance at end of year	193,366,595	-	-	193,366,595	139,888,244

6. Balances at Banks and Financial Institutions

The details of this item is as follows:

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	December 31 2021	December 31 2020	December 31 2021	December 31 2020	December 31 2021	December 31 2020
	JD	JD	JD	JD	JD	JD
Current and call accounts	147,206	249,174	68,526,712	52,315,311	68,673,918	52,564,485
Deposits maturing within 3 months or less	29,069,000	2,000,000	79,697,461	112,811,323	108,766,461	114,811,323
Total	29,216,206	2,249,174	148,224,173	165,126,634	177,440,379	167,375,808
Less: ECL provision	(4,832)	(952)	(16,724)	(34,393)	(21,556)	(35,345)
Net balance at banks and financial institutions	29,211,374	2,248,222	148,207,449	165,092,241	177,418,823	167,340,463

• Non-interest bearing balances at banks and financial institutions amounted to JD 68,673,918 as of December 31, 2021 (JD 52,564,485 as of December 31, 2020).

• There are no restricted balances as of December 31, 2021 and 2020.

The classification of gross balances with banks and financial institutions according to the bank's internal credit rating is as follows:

	December 31, 2021				December 31, 2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
From (1) to (6)	138,682,031	-	-	138,682,031	148,889,677
(7)	11,194	-	-	11,194	11,967
un-rated	38,747,154	-	-	38,747,154	18,474,164
Total Balance At the End of the Year	177,440,379	-	-	177,440,379	167,375,808

The following is the movement of the total balances at banks and financial institutions:

	December 31, 2021				December 31, 2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at beginning of year	167,375,808	-	-	167,375,808	135,816,486
New balances during year	120,541,533	-	-	120,541,533	188,524,930
Withdrawn balances	(110,476,962)	-	-	(110,476,962)	(156,965,608)
Balance at end of year	177,440,379	-	-	177,440,379	167,375,808

Disclosure of the movement on the expected credit losses provision of balances at banks and financial institutions:

	December 31, 2021				December 31, 2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at beginning of the year	35,345	-	-	35,345	29,151
Expected credit loss on new balances for the year	-	-	-	-	6,194
Recovered credit loss on balances and settled amounts	(13,789)	-	-	(13,789)	-
Balance at end of year	21,556	-	-	21,556	35,345

7. Deposits at Banks and Financial Institutions

Details of the following item are as follows:

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	December 31 2021	December 31 2020	December 31 2021	December 31 2020	December 31 2021	December 31 2020
	JD	JD	JD	JD	JD	JD
Deposits maturing from 3 months to 6 months	-	-	20,342,135	19,642,750	20,342,135	19,642,750
Total	-	-	20,342,135	19,642,750	20,342,135	19,642,750
ECL provision	-	-	(29,274)	(24,074)	(29,274)	(24,074)
Net balance at banks and financial institutions	-	-	20,312,861	19,618,676	20,312,861	19,618,676

Disclosure of the allocation of total deposits at banks according to the Bank's internal credit rating is as follows:

	December 31, 2021				December 31, 2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
3	20,342,135	-	-	20,342,135	19,642,750
Total - end of the year	20,342,135	-	-	20,342,135	19,642,750

The following is the movement on the total deposits at Banks and Financial Institutions:

	December 31, 2021				December 31, 2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	19,642,750	-	-	19,642,750	8,545,000
New balances during the year	20,342,135	-	-	20,342,135	19,642,750
Settled balances	(19,642,750)	-	-	(19,642,750)	(8,545,000)
Total Balance At the End of the Year	20,342,135	-	-	20,342,135	19,642,750

Disclosure of the provision for expected credit losses movement on deposits at banks and financial institutions:

	December 31, 2021				December 31, 2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at beginning of the year	24,074	-	-	24,074	24,074
Expected credit losses for new balances during the year	5,200	-	-	5,200	-
Total Balance At the End of the Year	29,274	-	-	29,274	24,074

8. Direct Credit Facilities - Net

The details of this item are as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Individuals (retail):		
Overdraft accounts	1,488,239	1,625,328
Loans and bills *	317,357,214	316,412,699
Credit cards	9,888,698	9,679,101
Real estate loans	312,679,388	323,817,108
Corporate :		
Large Corporate		
Overdraft accounts	90,450,818	115,565,779
Loans and bills *	530,526,594	514,784,502
Small and Medium		
Overdraft accounts	33,084,920	32,882,557
Loans and bills *	137,668,140	129,835,410
Government and public sector	31,531,105	24,904,449
Total	1,464,675,116	1,469,506,933
Less: Interest in suspense	(24,049,947)	(22,898,709)
Expected credit losses provision	(82,940,530)	(76,974,392)
Net Direct Credit Facilities	1,357,684,639	1,369,633,832

* Net after deducting interest and commission received in advance of JD 12,086,982 as of December 31, 2021 (JD 13,645,250 as of December 31, 2020).

- Non-performing credit facilities were amounted to JD 107,430,472 which is equivalent to 7.33% of total direct credit facilities as of December 31, 2021 (JD 110,523,831 which is equivalent to 7.52% of total direct credit facilities as of December 31, 2020).

- Non-performing credit facilities after deducting interest in suspense were amounted to JD 87,210,548 as of December 31, 2021 which is equivalent to 6.04% (JD 90,709,860 which is equivalent to 6.26% of total credit facilities balance after deducting interest in suspense as of December 31, 2020).

- Non-performing credit facilities transferred to off statement of financial position items amounted to JD 132,049,587 as at December 31, 2021 Noting that these credit facilities are fully covered with the suspended interests and provisions (JD 127,072,132 as of December 31, 2020).

- There are no credit facilities granted to, and guaranteed by the Jordanian government as at December 31, 2021 and December 31, 2020.

- Based on the Board of Directors decisions an amount of JD 2,124,124 of non performing facilities were written - off along with their suspended interest as December 31, 2021 (JD 2,323,698 during the year 2020).

The disclosure on the movement of the provision for gross expected credit losses is as follows:

	Corporates					Total
	Retail	Real Estate Loans	Corporate	SMEs	Government and Public Sector	
	JD	JD	JD	JD	JD	JD
For the Year Ended December 31, 2021						
Balance at January 1, 2021	14,806,027	6,723,978	43,717,226	11,674,489	52,672	76,974,392
Expected credit loss on new facilities granted during the period	2,607,275	669,527	894,816	1,566,905	-	5,738,523
Recovered of provision for expected credit loss paid	(1,565,321)	(986,882)	(403,387)	(1,509,923)	-	(4,465,513)
Transferred to stage 1	328,369	466,211	(27,832)	(36,270)	-	730,478
Transferred to stage 2	(560,035)	(319,531)	10,042	(226,191)	-	(1,095,715)
Transferred to stage 3	231,666	(146,680)	17,790	262,461	-	365,237
Transferred to off statement of financial position	(396,776)	(541,489)	(1,697,028)	(3,081,320)	-	(5,716,613)
Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year	1,811,132	1,128,111	76,860	630,191	-	3,646,294
Changes resulting from adjustments	(1,423,994)	1,211,343	6,772,877	507,783	24,581	7,092,590
Written off facilities	(38,402)	(12,449)	(372,714)	(102,843)	-	(526,408)
Foreign exchange adjustments	11,353	-	132,432	53,480	-	197,265
Balance as at the end of the year	15,811,294	8,192,139	49,121,082	9,738,762	77,253	82,940,530
Redistribution:						
Provision on an Individual basis	15,811,294	8,192,139	49,121,082	9,738,762	77,253	82,940,530
Provision on a collective basis	-	-	-	-	-	-
	15,811,294	8,192,139	49,121,082	9,738,762	77,253	82,940,530

	Corporates					Total
	Retail	Real Estate Loans	Corporate	SMEs	Government and Public Sector	
	JD	JD	JD	JD	JD	JD
For the Year Ended December 31, 2020						
Balance at January 1, 2020	21,145,775	6,496,955	29,568,205	13,297,535	92,577	70,601,047
Expected credit loss on new facilities granted during the period	2,098,693	992,295	19,269,048	949,416	-	23,309,452
Recovered of provision for expected credit loss paid	(2,088,053)	(1,364,112)	(4,664,376)	(1,462,994)	(39,905)	(9,619,440)
Transferred to stage 1	471,303	340,583	106,846	37,472	-	956,204
Transferred to stage 2	(394,974)	(340,650)	(1,936,068)	(16,877)	-	(2,688,569)
Transferred to stage 3	(76,329)	67	1,829,222	(20,595)	-	1,732,365
Transferred to off statement of financial position	(5,518,732)	(832,278)	(2,300,536)	(3,463,772)	-	(12,115,318)
Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year	1,068,869	672,571	14,511,685	585,855	-	16,838,980
Changes resulting from adjustments	(1,079,320)	762,929	(12,645,848)	1,674,475	-	(11,287,764)
Written off facilities	(815,436)	(4,382)	(271,096)	(15,139)	-	(1,106,053)
Foreign exchange adjustments	(5,769)	-	250,144	109,113	-	353,488
Balance as at the end of the year	14,806,027	6,723,978	43,717,226	11,674,489	52,672	76,974,392
Redistribution:						
Provision on an individual basis	14,806,027	6,723,978	43,717,226	11,674,489	52,672	76,974,392
Provision on a collective basis	-	-	-	-	-	-
	14,806,027	6,723,978	43,717,226	11,674,489	52,672	76,974,392

Provisions no longer needed resulted from settlements, repayments or transferred against other facilities were amounted to JD 4,465,513 for the year ended December 31, 2021 (JD 9,619,440 for the year ended December 31, 2020).

Suspended Interests

The movement of the suspended interests is as follows:

	Corporates				
	Retail	Real Estate Loans	Corporate	SMEs	Total
	JD	JD	JD	JD	JD
For the Year 2021					
Balance beginning of the year	2,649,980	2,721,101	12,785,529	4,742,099	22,898,709
Add: Interest suspended during the year	758,731	1,143,409	3,368,576	1,567,859	6,838,575
Less: Interests transferred to revenue	(101,009)	(383,461)	(35,843)	(405,359)	(925,672)
Transferred to stage (1)	3,418	4,948	-	(6,095)	2,271
Transferred to stage (2)	(574)	(380,298)	-	(19,952)	(400,824)
Transferred to stage (3)	(2,844)	375,350	-	26,047	398,553
Less: Transferred to off-consolidated statement of financial position	(203,834)	(268,197)	(1,987,660)	(1,120,811)	(3,580,502)
Less: Written off suspended interests	(97,426)	(181,978)	(260,608)	(641,151)	(1,181,163)
Balance End of the Year	3,006,442	3,030,874	13,869,994	4,142,637	24,049,947
For the Year 2020					
Balance at the beginning of the Year	4,179,429	2,461,294	10,827,332	5,886,877	23,354,932
Add: Interest suspended during the year	1,137,531	1,243,959	3,849,822	1,698,880	7,930,192
Less: Interests transferred to revenue	(137,003)	(274,690)	(309,634)	(349,008)	(1,070,335)
Transferred to stage (1)	1,059	12,419	-	3,467	16,945
Transferred to stage (2)	65,105	(40,866)	(4,595,616)	(30,521)	(4,601,898)
Transferred to stage (3)	(66,164)	28,447	4,595,616	27,054	4,584,953
Less: Transferred to off-consolidated statement of financial position	(2,325,632)	(609,497)	(1,353,208)	(2,361,120)	(6,649,457)
Less: Written off suspended interests	(204,345)	(99,965)	(228,783)	(133,530)	(666,623)
Balance End of the Year	2,649,980	2,721,101	12,785,529	4,742,099	22,898,709

Disclosure on the allocation of gross facilities for retail according to the Bank's internal rating for retail:

Credit rating according to the Bank's internal policy:	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
From (1) to (6)	608,896	4,453	-	613,349	1,861,713
(7)	-	10,120	-	10,120	-
From (8) to (10)	-	-	53,047	53,047	-
un-rated	301,572,024	9,933,182	16,552,429	328,057,635	325,855,415
Total	302,180,920	9,947,755	16,605,476	328,734,151	327,717,128

The disclosure on the movement of facilities for retail is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	302,761,828	9,797,168	15,158,132	327,717,128	338,275,740
New facilities during the year	63,957,671	1,568,047	845,882	66,371,600	49,773,877
Settled facilities	(59,905,949)	(2,811,182)	(1,901,008)	(64,618,139)	(51,348,344)
Transferred to stage 1	2,723,955	(2,675,169)	(48,786)	-	-
Transferred to stage 2	(5,531,248)	5,552,023	(20,775)	-	-
Transferred to stage 3	(1,825,337)	(1,483,132)	3,308,469	-	-
Written off facilities and transferred to off statement of financial position items	-	-	(736,438)	(736,438)	(8,984,145)
Total Balance at the End of the Year	302,180,920	9,947,755	16,605,476	328,734,151	327,717,128

The movement on the provision for expected credit losses for retail facilities is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	767,329	1,437,332	12,601,366	14,806,027	21,145,775
Credit loss on new facilities during the year	21,542	2,073	2,583,660	2,607,275	2,098,693
Recovered from credit loss on paid facilities	-	-	(1,565,321)	(1,565,321)	(2,088,053)
Transferred to stage 1	398,333	(372,745)	(25,588)	-	-
Transferred to stage 2	(48,828)	53,759	(4,931)	-	-
Transferred to stage 3	(21,136)	(241,049)	262,185	-	-
Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year	(393,122)	539,143	1,665,111	1,811,132	1,068,869
Changes resulting from adjustments	(252,488)	(93,193)	(1,078,313)	(1,423,994)	(1,079,320)
Written off facilities and transferred to off statement of financial position items	-	-	(435,178)	(435,178)	(6,334,168)
Adjustments resulting from changes in exchange rates	-	-	11,353	11,353	(5,769)
Total Balance at the End of the Year	471,630	1,325,320	14,014,344	15,811,294	14,806,027

Disclosure on the allocation of gross facilities according to the Bank's internal rating for real estate:

Credit rating according to the Bank's internal policy:	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
From (1) to (6)	22,536,605	775,723	-	23,312,328	22,781,170
(7)	-	754,764	-	754,764	2,692,736
From (8) to (10)	-	-	2,381,615	2,381,615	-
un-rated	257,904,356	12,289,554	16,036,771	286,230,681	298,343,202
Total	280,440,961	13,820,041	18,418,386	312,679,388	323,817,108

The disclosure on the movement of facilities for real estate is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Gross balance at the beginning of the year	291,759,265	17,099,051	14,958,792	323,817,108	314,887,921
New facilities during the year	55,932,750	598,276	757,746	57,288,772	48,207,419
Settled facilities	(63,429,861)	(1,362,001)	(2,630,517)	(67,422,379)	(37,732,110)
Transferred to stage 1	9,693,753	(7,948,569)	(1,745,184)	-	-
Transferred to stage 2	(8,938,962)	9,297,685	(358,723)	-	-
Transferred to stage 3	(4,575,984)	(3,864,401)	8,440,385	-	-
Written off facilities and transferred to off statement of financial position items	-	-	(1,004,113)	(1,004,113)	(1,546,122)
Total Balance at the End of the Year	280,440,961	13,820,041	18,418,386	312,679,388	323,817,108

The disclosure on the movement on the provision for expected credit losses for real estate is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	189,455	568,237	5,966,286	6,723,978	6,496,955
Credit loss on new facilities during the year	65,465	3,739	600,323	669,527	992,295
Recovered from credit loss on paid facilities	-	-	(986,882)	(986,882)	(1,364,112)
Transferred to stage 1	476,564	(173,430)	(303,134)	-	-
Transferred to stage 2	(1,754)	51,272	(49,518)	-	-
Transferred to stage 3	(8,599)	(197,373)	205,972	-	-
Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year	(466,933)	127,209	1,467,835	1,128,111	672,571
Changes resulting from adjustments	19,496	(73,749)	1,265,596	1,211,343	762,929
Written off facilities and transferred to off statement of financial position items	-	-	(553,938)	(553,938)	(836,660)
Adjustments resulting from changes in exchange rates	-	-	-	-	-
Total Balance at the End of the Year	273,694	305,905	7,612,540	8,192,139	6,723,978

Disclosure on the allocation of gross facilities according to the Bank's internal rating for corporates:

Credit rating according to the Bank's internal policy:	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
From (1) to (6)	423,839,249	60,107,546	-	483,946,795	499,889,449
(7)	-	28,985,250	-	28,985,250	31,426,261
From (8) to (10)	-	-	52,841,317	52,841,317	51,948,973
Un-rated	48,140,894	2,601,889	4,461,267	55,204,050	47,085,598
Total	471,980,143	91,694,685	57,302,584	620,977,412	630,350,281

The disclosure on the movement of facilities for corporates is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Gross balance at the beginning of the year	515,042,130	54,866,846	60,441,305	630,350,281	619,447,722
New facilities during the year	96,077,269	41,258,271	1,318,184	138,653,724	153,100,647
Settled facilities	(127,623,545)	(15,139,357)	(945,681)	(143,708,583)	(138,044,465)
Transferred to stage 1	100,836	(100,836)	-	-	-
Transferred to stage 2	(11,324,206)	11,324,206	-	-	-
Transferred to stage 3	-	(514,445)	514,445	-	-
Written off facilities and transferred to off statement of financial position items	(292,341)	-	(4,025,669)	(4,318,010)	(4,153,623)
Total Balance at the End of the Year	471,980,143	91,694,685	57,302,584	620,977,412	630,350,281

The disclosure on the movement on the provision for expected credit losses for corporates is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	4,731,302	5,678,265	33,307,659	43,717,226	29,568,205
Credit loss on new facilities during the year	118,080	26	776,710	894,816	19,269,048
Recovered from credit loss on paid facilities	-	-	(403,387)	(403,387)	(4,664,376)
Transferred to stage 1	-	-	-	-	-
Transferred to stage 2	(27,832)	27,832	-	-	-
Transferred to stage 3	-	(17,790)	17,790	-	-
Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year	-	68,105	8,755	76,860	14,511,685
Changes resulting from adjustments	(942,198)	2,218,054	5,497,021	6,772,877	(12,645,848)
Written off facilities and transferred to off statement of financial position items	-	-	(2,069,742)	(2,069,742)	(2,571,632)
Adjustments resulting from changes in exchange rates	-	152,543	(20,111)	132,432	250,144
Total Balance at the End of the Year	3,879,352	8,127,035	37,114,695	49,121,082	43,717,226

Disclosure on the allocation of gross facilities according to the Bank's internal rating for SMEs:

Credit rating according to the Bank's internal policy:	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
From (1) to (6)	118,840,721	12,232,327	-	131,073,048	120,993,956
(7)	-	9,595,893	-	9,595,893	10,019,730
From (8) to (10)	-	-	12,222,367	12,222,367	10,401,693
Un-rated	14,501,086	479,007	2,881,659	17,861,752	21,302,588
Total	133,341,807	22,307,227	15,104,026	170,753,060	162,717,967

The disclosure on the movement of facilities for SMEs is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Gross balance at the beginning of the year	123,181,110	19,571,255	19,965,602	162,717,967	168,101,538
New facilities during the year	63,702,597	1,357,171	561,118	65,620,886	44,413,969
Settled facilities	(44,249,975)	(5,403,747)	(2,985,945)	(52,639,667)	(43,823,978)
Transferred to stage 1	1,730,072	(1,723,891)	(6,181)	-	-
Transferred to stage 2	(10,172,631)	10,175,244	(2,613)	-	-
Transferred to stage 3	(849,366)	(1,668,805)	2,518,171	-	-
Written off facilities and transferred to off statement of financial position items	-	-	(4,946,126)	(4,946,126)	(5,973,562)
Total Balance at the End of the Year	133,341,807	22,307,227	15,104,026	170,753,060	162,717,967

The disclosure on the movement on the provision for expected credit losses for SMEs is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Gross balance at the beginning of the year	1,276,065	964,520	9,433,904	11,674,489	13,297,535
Credit loss on new facilities during the year	152,896	2,273	1,411,736	1,566,905	949,416
Recovered from credit loss on paid facilities	-	-	(1,509,923)	(1,509,923)	(1,462,994)
Transferred to stage 1	34,605	(33,876)	(729)	-	-
Transferred to stage 2	(63,762)	65,303	(1,541)	-	-
Transferred to stage 3	(7,113)	(257,618)	264,731	-	-
Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year	(16,470)	347,501	299,160	630,191	585,855
Changes resulting from adjustments	71,013	240,642	196,128	507,783	1,674,475
Written off facilities and transferred to off statement of financial position items	-	-	(3,184,163)	(3,184,163)	(3,478,911)
Adjustments resulting from changes in exchange rates	-	-	53,480	53,480	109,113
Total Balance at the End of the Year	1,447,234	1,328,745	6,962,783	9,738,762	11,674,489

Disclosure on the allocation of gross facilities according to the Bank's internal rating for government and public sector:

Credit rating according to the Bank's internal policy:	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Un-rated	31,531,105	-	-	31,531,105	24,904,449
Total	31,531,105	-	-	31,531,105	24,904,449

The disclosure on the movement of facilities for government and public sector is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total exposures at the beginning of the year	24,904,449	-	-	24,904,449	22,980,641
New exposures during the year	6,626,656	-	-	6,626,656	1,923,808
Total exposures at the ending of the year	31,531,105	-	-	31,531,105	24,904,449

The disclosure on the movement on the provision for expected credit losses for governments and public sector is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	52,672	-	-	52,672	92,577
Recovered from impairment loss on exposures paid during the year	-	-	-	-	(39,905)
Changes resulting from adjustments	24,581	-	-	24,581	-
Total balance of expected credit losses at the end of the year	77,253	-	-	77,253	52,672

Disclosure on the allocation of gross facilities according to the Bank's internal rating for direct facilities:

Credit rating according to the Bank's internal policy:	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
From (1) to (6)	565,825,471	73,120,049	-	638,945,520	645,526,288
(7)	-	39,346,027	-	39,346,027	44,138,727
From (8) to (10)	-	-	67,498,346	67,498,346	62,350,666
Un-rated	653,649,465	25,303,632	39,932,126	718,885,223	717,491,252
Total	1,219,474,936	137,769,708	107,430,472	1,464,675,116	1,469,506,933

The disclosure on the movement of gross facilities for direct facilities is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Gross balance at the beginning of the year	1,257,648,782	101,334,320	110,523,831	1,469,506,933	1,463,693,562
New facilities during the year	286,296,943	44,781,765	3,482,930	334,561,638	297,419,720
Settled facilities	(295,209,330)	(24,716,287)	(8,463,151)	(328,388,768)	(270,948,897)
Transferred to stage 1	14,248,616	(12,448,465)	(1,800,151)	-	-
Transferred to stage 2	(35,967,047)	36,349,158	(382,111)	-	-
Transferred to stage 3	(7,250,687)	(7,530,783)	14,781,470	-	-
Written off facilities and transferred to off statement of financial position items	(292,341)	-	(10,712,346)	(11,004,687)	(20,657,452)
Total Balance at the End of the Year	1,219,474,936	137,769,708	107,430,472	1,464,675,116	1,469,506,933

The disclosure on the movement on the provision for gross expected credit losses for direct facilities is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	7,016,823	8,648,354	61,309,215	76,974,392	70,601,047
Credit loss on new facilities during the year	357,983	8,111	5,372,429	5,738,523	23,309,452
Recovered from credit loss on paid facilities	-	-	(4,465,513)	(4,465,513)	(9,619,440)
Transferred to stage 1	909,502	(580,051)	(329,451)	-	-
Transferred to stage 2	(142,176)	198,166	(55,990)	-	-
Transferred to stage 3	(36,848)	(713,830)	750,678	-	-
Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year	(876,525)	1,081,958	3,440,861	3,646,294	16,838,980
Changes resulting from adjustments	(1,079,596)	2,291,754	5,880,432	7,092,590	(11,287,764)
Written off facilities and transferred to off statement of financial position items	-	-	(6,243,021)	(6,243,021)	(13,221,371)
Adjustments resulting from changes in exchange rates	-	152,543	44,722	197,265	353,488
Total Balance at the End of the Year	6,149,163	11,087,005	65,704,362	82,940,530	76,974,392

9. Financial Assets At Fair Value Through Other Comprehensive Income

The details of this item are as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Quoted shares	10,451,048	9,290,420
Unquoted shares	16,034,658	16,454,414
	26,485,706	25,744,834

- Cash dividends for the above-mentioned financial assets were amounted to JD 1,596,787 for the year ended December 31, 2021 (JD 488,583 for the year ended December 31, 2020).

10. Financial Assets at Amortized Cost - Net

The details of this item are as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Governmental treasury bonds and bills	765,683,348	687,798,245
Corporate bonds	101,503,440	130,301,096
	867,186,788	818,099,341
Less: Provision for expected credit losses	(936,381)	(906,245)
	866,250,407	817,193,096
Bonds Analysis		
With Fixed rate	867,186,788	818,099,341
Total	867,186,788	818,099,341
Unquoted bonds and bills	867,186,788	818,099,341
Financial Assets at Amortized Cost Analysis according to IFRS 9 (before provision):		
Stage (1)	867,186,788	818,099,341
Total	867,186,788	818,099,341

The movement on financial assets at amortized cost based on internal credit of the bank as follows:

Credit rating according to the Bank's internal policy:	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Government	765,683,348	-	-	765,683,348	687,798,245
Un-rated	101,503,440	-	-	101,503,440	130,301,096
Total	867,186,788	-	-	867,186,788	818,099,341

The movement on financial assets at amortized cost is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	818,099,341	-	-	818,099,341	755,313,949
New investments for the year	246,745,943	-	-	246,745,943	247,787,419
Matured investments	(197,566,223)	-	-	(197,566,223)	(185,080,281)
Change in fair value	(92,273)	-	-	(92,273)	78,254
Total Balance at the End of the Year	867,186,788	-	-	867,186,788	818,099,341

The movement on the provision for expected credit losses for financial assets at amortized cost is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	906,245	-	-	906,245	419,976
Expected credit losses on new investments for the year	43,851	-	-	43,851	486,269
Recovered from credit loss on matured investments	(13,715)	-	-	(13,715)	-
Total Balance at the End of the Year	936,381	-	-	936,381	906,245

- During the year 2021, the Bank entered in agreements with the Central Bank of Jordan to repurchase treasury bonds as disclosed in note (18/a) against mortgaged treasury bonds with nominal value amounted to around 33,8 million (JD 24,5 million for year 2020).

11. Investment in Associate

Details of the following item are as follows:

Name of Company	Country of establishment	Ownership percentage	December 31		Nature of business	Banks share of profit	Calculation method	Acquisition date
			2021	2020				
			JD	JD				
Beach Hotels and Tourist Resorts Company	Jordan	-	-	1,039,817	Hospitality	24/815	Equity	2006

• The bank's voting rights in the general assembly's decisions for this company is based on its ownership percentage.

• During the third quarter of the year 2021, the associate company, Beach Hotels and Tourist Resorts Company and the Arab International Hotels Company were merged, the impact of this merge an increase in bank's investment in the Arab International Hotels Company around 377,105 shares at face value 1 JOD / share, the percentage of the bank's ownership of to the Arab Hotels Company after the increase becomes 3.625%, and the investment in the affiliated company was canceled from the bank's records, and the process of canceling the investment in the affiliated company resulted in a loss of JD 63,776 that was booked in the bank's records. The Board of Commissioners of the Financial Investment Authority issued Resolution No. 147/2021 dated August 2, 2021, approving the registration of the shares of the capital increase of the Arab International Hotels Company resulting from the merger process, amounting to 728,881 shares at the nominal value of the share amounting to one dinars/share, and allocating these shares to the shareholders of the Beach Hotels and Tourist Resorts Company, each according to the percentage of its contribution.

The following is a summary of the movement in the associated company:

	December 31, 2021	December 31, 2020
	JD	JD
Balance at the beginning of the year	1,039,817	3,516,259
Provision for violating investment	208,333	(208,333)
Bank's share from company's (losses) profit	(63,776)	2,694,853
Cash dividends	-	(2,977,777)
Reducing capital	-	(1,985,185)
Transferred to financial assets at fair value through other comprehensive income	(1,184,374)	-
Balance End of the Year	-	1,039,817

12. Property and Equipment - Net

The details of the following item are as follows:

	Land	Buildings	Tools, Furniture & Fixtures	Vehicles	Computers	Other	Total
For the year ended December 31, 2021	JD	JD	JD	JD	JD	JD	JD
Cost:							
Balance at the beginning of the year	23,296,866	49,299,167	26,929,345	1,002,234	14,958,658	10,349,188	125,835,458
Additions	-	1,366,533	1,411,073	109,212	718,415	310,240	3,915,473
Disposals	(46,011)	(16,167)	(227,303)	(81,256)	(391,101)	(266,723)	(1,028,561)
Balance at the End of the Year	23,250,855	50,649,533	28,113,115	1,030,190	15,285,972	10,392,705	128,722,370
Accumulated Depreciation:							
Balance at the beginning of the year	-	10,344,339	19,270,878	708,301	11,399,139	6,773,017	48,495,674
Depreciation for the year	-	922,128	1,701,418	117,756	1,400,561	651,458	4,793,321
Disposals	-	(2,210)	(149,899)	(60,390)	(372,097)	(254,777)	(839,373)
Balance at the End of the Year	-	11,264,257	20,822,397	765,667	12,427,603	7,169,698	52,449,622
Net book value - property and equipment	23,250,855	39,385,276	7,290,718	264,523	2,858,369	3,223,007	76,272,748
Down payments for projects under constructions	-	-	4,083,984	-	-	-	4,083,984
Net Book Value at the End of the Year	23,250,855	39,385,276	11,374,702	264,523	2,858,369	3,223,007	80,356,732

	Land	Buildings	Tools, Furniture & Fixtures	Vehicles	Computers	Other	Total
For the year ended December 31, 2020	JD	JD	JD	JD	JD	JD	JD
Cost:							
Balance at the beginning of the year	23,212,146	49,013,924	26,294,922	1,007,435	13,818,946	9,637,269	122,984,642
Additions	84,720	285,243	1,174,316	-	1,780,176	1,351,778	4,676,233
Disposals	-	-	(539,893)	(5,201)	(640,464)	(639,859)	(1,825,417)
Balance at the End of the Year	23,296,866	49,299,167	26,929,345	1,002,234	14,958,658	10,349,188	125,835,458
Accumulated Depreciation:							
Balance at the beginning of the year	-	9,453,167	17,719,109	581,875	10,265,035	6,360,612	44,379,798
Depreciation for the year	-	906,378	1,719,965	127,817	1,735,655	1,048,924	5,538,739
Disposals	-	(15,206)	(168,196)	(1,391)	(601,551)	(636,519)	(1,422,863)
Balance at the End of the Year	-	10,344,339	19,270,878	708,301	11,399,139	6,773,017	48,495,674
Net book value - property and equipment	23,296,866	38,954,828	7,658,467	293,933	3,559,519	3,576,171	77,339,784
Down payments for projects under constructions	-	-	4,158,526	-	-	-	4,158,526
Net Book Value at the End of the Year	23,296,866	38,954,828	11,816,993	293,933	3,559,519	3,576,171	81,498,310
Annual Depreciation Rate %	-	2	10 - 20	15	30	15-20	

- Fully depreciated property and equipment amounted to JD 28,791,497 as of December 31, 2021 (JD 26,446,783 as of December 31, 2020) and are still being used by the Bank.

13. Intangible Assets - Net

The details of the following item are as follows:

	Computer Software	
	December 31	
	2021	2020
	JD	JD
Balance at the beginning of the year	10,810,030	13,502,104
Additions	1,189,755	1,490,038
Amortization for the year	(4,413,030)	(4,182,112)
Balance at the End of the Year	7,586,755	10,810,030
Annual Amortization Rate	14% - 33%	14% - 33%

14. Other Assets

The details of the following item are as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Seized of assets by the Bank against debts*	89,012,597	91,749,387
Accrued interest and commissions	19,456,857	18,903,299
Checks and transfers under collection	4,178,888	9,375,842
Seized assets sold through installments - net	10,570,432	10,829,102
Prepaid expenses	3,754,555	2,943,608
Various debtors	2,225,458	1,953,045
Prepaid rent	1,321,878	587,112
Refundable deposits - Net	298,503	328,785
Temporary advances	1,357,495	1,895,838
Other	166,087	71,786
Total	132,342,750	138,637,804

* The Central Bank of Jordan regulations require a disposal of these assets during a maximum period of two years from the date of foreclose. In exceptional cases, the Central Bank may extend this period to maximum two consecutive years.

As of the beginning of the year 2015, a gradual provision was calculated for the expropriated real estate against debts that had been expropriated for a period of time more than 4 years based on the Central Bank of Jordan Circular No. 4076/1/15 dated March 27, 2014 and No. 2510/1/2510 dated February 14, 2017, noting that the Central Bank of Jordan has issued Circular No. 13967/1/10 on October 25, 2018, approving the extension of the circular. No. 10/1/16607 dated December 17, 2017, in which confirmed the deferred of calculating the allowance until the end of the year 2019.

A gradual provision was made for assets seized against debts in accordance to the Central Bank of Jordan Circular No. 10/3/13246 dated September 2, 2021, the deduction of the provisions required against seized assets should continue at a rate of 5% of the total book values of these properties from the year of 2022, until the required percentage of 50% is reached by the end of 2030.

*The movement on assets seized by the Bank against debts is as follows:

	December 31	
	2021	2020
	JD	JD
Balance Beginning of the Year	91,749,387	89,610,670
Additions	4,221,207	5,631,810
Disposals *	(5,081,443)	(3,177,013)
Impairment loss	(1,000,000)	(1,344,247)
Impairment recoveries	-	544,602
Sold real estate impairment provision used	108,750	156,866
Provision for breached asset recovered	14,696	326,699
Provision for breached asset	(1,000,000)	-
Balance End of the Year	89,012,597	91,749,387

- Sale profit during the year 2021 amounted to around JD 859 thousand (JOD 130 thousand loss during the year 2020).

** Movement on the impairment on breached assets seized by the Bank is as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Balance Beginning of the Year	9,473,598	9,847,644
Impairment loss for the year	1,000,000	-
Recoverd from sold seized assets	(14,696)	(374,046)
Balance End of the Year	10,458,902	9,473,598

15. Banks and Financial Institutions' Deposits

The details of the following item are as follows:

	December 31, 2021			December 31, 2020		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Current and call accounts	5,100,564	3,167,057	8,267,621	178,833	5,043,547	5,222,380
Time deposits	47,888,092	105,630,509	153,518,601	46,801,938	91,794,460	138,596,398
Total	52,988,656	108,797,566	161,786,222	46,980,771	96,838,007	143,818,778

- There are banks and financial institutions deposits maturing within a period exceeding three months amounted to JD 25,273,779 as at 31 December 2021 (JD 35,148,378 as of 31 December 2020).

16. Customers' Deposits

The details of the following item are as follows:

	Retail	Corporates	SMEs	Government and Public Sector	Total
	JD	JD	JD	JD	JD
For the Year Ended December 31, 2021					
Current and demand accounts	191,651,691	143,159,461	164,825,198	18,083,879	517,720,229
Saving accounts	258,548,901	-	-	-	258,548,901
Time and notice deposits	690,690,772	254,921,908	162,169,783	119,699,270	1,227,481,733
Total	1,140,891,364	398,081,369	326,994,981	137,783,149	2,003,750,863
For the Year Ended December 31, 2020					
Current and demand accounts	196,856,289	143,291,220	153,155,518	10,339,870	503,642,897
Saving deposits	242,262,293	-	-	-	242,262,293
Time and notice deposits	674,323,262	225,895,698	149,076,382	109,193,042	1,158,488,384
Total	1,113,441,844	369,186,918	302,231,900	119,532,912	1,904,393,574

- Public sectors and the government of Jordan deposits inside the Kingdom amounted to JD 134,367,590 representing 6.71% of total customers' deposits as at 31 December 2021 (JD 116,739,588 representing 6.13% of total customers' deposits as at 31 December 2020).

- Non-interest-bearing deposits amounted to JD 627,638,003 representing 31.32% of total customers' deposits as at 31 December 2021 (JD 557,521,558 representing 29.28% of total customers' deposits as at 31 December 2020).

- Reserved deposits (restricted withdrawal) amounted to JD 3,275,823 representing 0.16% of total customers' deposits of as at 31 December 2021 (JD 2,676,737 representing 0.14% of total customers' deposits as at 31 December 2020).

- Dormant deposits amounted to JD 40,030,175 representing 2% of total customers' deposits as of 31 December 2021 (JD 39,583,390 representing 2.08% of total customers deposits as of 31 December 2020).

17. Margin Accounts

The details of the following item are as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Cash margins on direct credit facilities	163,363,823	167,480,495
Cash margins on indirect credit facilities	28,835,603	28,556,086
Other margin amount	21,687,117	12,092,406
Total	213,886,543	208,128,987

18. Borrowed Funds

18/A. Borrowed Funds

The details of the following item are as follows:

	Amount	No. of Installments		Payment frequency	Collaterals	Interest Rate	Relending interest rate
		Total	Outstanding				
		JD					
December 31, 2021							
Central Bank of Jordan	2,400,000	30	23	Semi- annually	None	1/95	6/75
Central Bank of Jordan	1,212,713	30	30	Semi- annually	None	3	7/48
Central Bank of Jordan	999,000	14	6	Semi- annually	None	2/5	7/19
Central Bank of Jordan	1,959,250	20	17	Semi- annually	None	2	7
Central Bank of Jordan	884,377	26	25	Semi- annually	None	1/4	4/75
Central Bank of Jordan	36,059,482	-	-	Renewed monthly	None	5/-	4/5
Central Bank of Jordan (Repurchase treasury bills agreement)	34,928,648	-	-	Renewed monthly	None	2	-
European Bank for Reconstruction and Development	1,012,857	7	1	Semi- annually	None	4/18	9-12
Jordan Mortgage Refinance Company	35,000,000	1	1	one payment	None	5/5	4/5-8/5
Local Bank (loan to a Subsidiary)	3,125,000	24	19	24 Monthly installments effective from the withdrawal date	None	5/10	9/75
Local Bank (loan to a Subsidiary)	9,402,602	24	24	24 Monthly installments effective from the withdrawal date	None	5	9/75
Local Bank (loan to a Subsidiary)	388,896	36	6	36 Monthly installments effective from the withdrawal date	None	5/45	9/75
Jordan Mortgage Refinance Company (loan to a Subsidiary)	26,500,000	7	6	5/3/2023 + 8/25/2022 + 7/1/2024 + 10/4/2023 + 5/12/2023 + 9/26/2024	None	4/45-6/3	9/75
Local Bank (loan to a Subsidiary)	460,135	-	-	36 Monthly installments effective from the withdrawal date	None	5/75	15-18
Local Bank (loan to a Subsidiary)	928,200	-	-	36 Monthly installments effective from the withdrawal date	None	5/45	15-18
Local Bank (loan to a Subsidiary)	1,218,289	-	-	36 Monthly installments effective from the withdrawal date	None	5/50	15-18
Central Bank of Jordan (loan to a Subsidiary)	1,508,942	-	-	Semi- annually	None	-	-
Total	157,988,391						

	Amount	No. of Installments		Payment frequency	Collaterals	Interest Rate	Relending interest rate
		Total	Outstanding				
		JD					
December 31, 2020							
Central Bank of Jordan	2,800,000	30	24	Semi- annually	-	2/07	6/79
Central Bank of Jordan	1,212,715	30	30	Semi- annually	-	3	6/143
Central Bank of Jordan	1,377,000	14	7	Semi- annually	-	2/5	6/143
Central Bank of Jordan	2,189,750	20	19	Semi- annually	-	2/12	6/166
Central Bank of Jordan	34,520,013	-	-	Renewed monthly	-	-/638	4/692
Central Bank of Jordan (Repurchase treasury bills agreement)	27,196,973	-	-	Renewed monthly	-	2	-
European Bank for Reconstruction and Development	3,038,571	7	4	Semi- annually	-	4/18	12 - 9
Jordan Mortgage Refinance Company	65,000,000	3	3	One payment	-	4/74-6/35	4/5-8/5
Local Bank (loan to a Subsidiary)	1,910,570	24	14	June 30, 2021	-	5/50	9/75
Local Bank (loan to a Subsidiary)	3,891,780	24	24	May 30, 2021	-	5/50	9/75
Local Bank (loan to a Subsidiary)	4,166,671	36	30	36 Monthly installments effective from the withdrawal date	-	5/45	9/75
Jordan Mortgage Refinance Company (loan to a Subsidiary)	35,000,000	8	8	17 June 2021, 1 July 2021, 24 September 2021, 30 December 2021, 25 August 2022, 3 May 2023, 12 May 2023, 4 October 2023	-	4/45-6/3	9/75
Local Bank (loan to a Subsidiary)	4,007,356	-	-	36 Monthly installments effective from the withdrawal date	None	5/75	15-18
Local Bank (loan to a Subsidiary)	584,104	-	-	36 Monthly installments effective from the withdrawal date	None	5/45	15-18
Local Bank (loan to a Subsidiary)	485,731	-	-	36 Monthly installments effective from the withdrawal date	None	5/50	15-18
Total	187,381,234						

• Loans with fixed-interest rates amounted to JD 157,988,391 as at 31 December 2021 (31 December 2020 JD 187,381,234).

• The loans that were re-granted to the clients (except the repurchase agreements) JD 115,109,923 as at December 31, 2021 (December 31, 2020: JD 150,798,622)

18/B.Subordinated Loan

The details of the following item are as follows:

	Amount	No. of issued bonds		Payment frequency	Collaterals	Interest Rate
		Total	Remaining			
		JD				
2021						
Inconvertible subordinated bond to shares	25,000,000	250	-	October 12, 2023	-	5.5%
2020						
Inconvertible subordinated bond to shares	25,000,000	250	-	October 12, 2023	-	5.5%

- During the year 2017, the bank issued subordinated bond with inconvertible nominal amount to stocks for 6 years through private placement. The nominal amount of the bond amounted to JD 100,000 with variable rate equal to the discount rate of the Central Bank of Jordan added to a margin rate of 2% paid semi-annually and matured in 12 October 2023.

19. Other Provision

The details of the following item are as follows:

	Balance at the beginning of the year	Additions during the year	Used during the year	Balance at the end of the year
	JD	JD	JD	JD
2021				
Provision for end of service indemnity	3,236,849	341,051	(394,101)	3,183,799
Provision for legal claims against the Bank	528,205	-	(237,604)	290,601
Other provisions	131,754	216,000	(136,472)	211,282
Total	3,896,808	557,051	(768,177)	3,685,682
2020				
Provision for end of service indemnity	2,970,453	373,441	(107,045)	3,236,849
Provision for legal claims against the Bank	442,354	100,000	(14,149)	528,205
Other provisions	138,255	252,000	(258,501)	131,754
Total	3,551,062	725,441	(379,695)	3,896,808

20. Income Tax

a. Income Tax Provision

The details for this item during the year are as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Balance at the beginning of the year	5,783,953	10,097,921
Income tax paid	(9,307,588)	(12,190,307)
Income tax for the year	11,998,460	7,583,366
Prior years' income tax expense	1,923,645	292,973
Balance at the end of the year	10,398,470	5,783,953

Income tax in the consolidated statement of profit or loss represents the following:

	2021	2020 (Restated)
	JD	JD
Accrued Income tax of the year's profit	11,998,460	7,583,366
Prior years' income tax expense	1,923,645	292,973
Deferred tax assets for the year	(1,202,538)	(1,037,417)
Amortization of deferred tax assets for the year	216,775	223,452
Balance at the end of the year	12,936,342	7,062,374

b. Deferred Tax Assets

Details of the following item are as follows:

Accounts included	December 31, 2021							December 31, 2020 (Restated)
	Beginning Balance	Prior year's adjustments (note 46)	Adjusted beginning balance	Amount Released	Additions	Year-end Balance	Deferred Tax	Deferred Tax
	JD	JD	JD	JD	JD	JD	JD	JD
Prior years' provision for non-performing loans	1,814,813	-	1,814,813	63,436	-	1,751,377	468,040	484,993
Interest in suspense	1,976,513	-	1,976,513	85,033	-	1,891,480	505,483	528,206
Provision for impairment in real estate and land	10,473,597	-	10,473,597	14,695	1,000,000	11,458,902	4,354,383	3,979,967
Fair value reserve	-	7,072,122	7,072,122	307,443	1,322,857	8,087,536	2,441,908	2,277,714
Provision for lawsuits	371,785	-	371,785	110,609	-	261,176	94,404	135,467
Provision for end-of-service indemnity	3,092,610	-	3,092,610	394,101	332,543	3,031,052	847,631	859,553
Other provision	548,924	-	548,924	73,015	-	475,909	127,183	146,695
IFRS (9) provision stage (1 and 2)	8,758,142	6,258,235	15,016,377	-	1,904,000	16,920,377	6,429,743	5,706,223
Total	27,036,384	13,330,357	40,366,741	1,048,332	4,559,400	43,877,809	15,268,775	14,118,818

The movement on the deferred tax assets accounts is as follows:

	Deferred tax assets	
	December 31, 2021	December 31, 2020 (Restated)
	JD	JD
Balance Beginning of Year	14,118,818	9,540,754
Prior year's adjustments (Note 46)	-	3,873,828
Adjusted beginning balance	14,118,818	13,414,582
Additions	1,483,560	1,036,922
Amortized	(333,603)	(332,686)
Total	15,268,775	14,118,818

c. Summary of the reconciliation of accounting income to taxable income:

	December 31, 2021	December 31, 2020
	JD	JD
Accounting profit	27,166,774	17,502,080
Non-taxable profit	(5,890,088)	(9,305,448)
Non-deductible expenses	7,726,267	9,174,505
Taxable profit	29,002,953	17,371,137
Effective income tax rate	47.62%	40.35%

• The statutory tax rate for the banks in Jordan is 38% which contains 35% + 3% national contribution according to tax law no. (34) from the year 2014, amended by law no. (38) for the year 2018, and the statutory tax rates for the foreign branches and subsidiaries range between 12.5% to 28.79%.

• The Bank has reached a final settlement with the Income and Sales Tax Department for all previous years up to the year 2018 for Jordan Branches.

• Financial years 2019 and 2020 : Tax return was submitted However, the Income and Sales Tax Department did not review the records until the date of preparation these consolidated financial statements.

• A final tax settlement has been reached with the income tax and value-added tax for Palestine branches up to the year 2018.

• A final tax settlement has been reached for Cyprus branch up to the year 2019.

• Ahli Financial Brokerage Company (subsidiary) – reached to a final settlement with the Income and Sales Tax Department up to the year 2018, tax return was submitted for the years 2019 and 2020. However, the Income and Sales Tax Department did not review the records yet.

• Ahli Finance Leasing Company (subsidiary) – reached to a final settlement with the Income and Sales Tax Department up to the year 2018, tax return was submitted for the years 2019 and 2020. However, the Income and Sales Tax Department did not review the records yet.

• Ahli Microfinance Company (subsidiary) – reached to a final settlement with the Income and Sales Tax Department up to the year 2017, tax return was submitted for the years 2018,2019 and 2020. However, the Income and Sales Tax Department did not review the records yet.

• Ahli Financial Technology Company (subsidiary) – reached to a final settlement with the Income and Sales Tax Department up to the year 2019, tax return was submitted for the year 2020. However, the Income and Sales Tax Department did not review the records yet.

Income tax rates are as follows:

	December 31, 2021	December 31, 2020
Income tax rate		
Jordan Branches	38%	38%
Palestine Branches	28,79%	28,79%
Cyprus Branch	12,5%	12,5%

21. Other Liabilities**The details of this item are as follows:**

	December 31, 2021	December 31, 2020
	JD	JD
Accepted checks and transfer	3,310,247	3,746,535
Accounts payable to financial brokerage customers	825,983	446,491
Accrued interests	7,950,110	8,301,939
Temporary deposits	6,288,846	7,734,211
Various creditors	2,562,439	1,563,948
Accrued expenses	8,955,473	6,828,059
Interest and commissions received in advance	1,966,395	1,680,028
Dividends checks - delayed in payment	1,306,997	1,225,848
Board of directors' remuneration	68,834	64,667
Provision for expected credit losses on indirect credit facilities and unutilized facilities limits *	6,185,918	5,038,738
Others	116,245	213,550
Total	39,537,487	36,844,014

***The classification of gross balance for indirect facilities according to the Group's internal credit rating is as follows:**

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
From 1 to 6	694,093,478	7,402,451	-	701,495,929	616,741,547
7	-	5,871,277	-	5,871,277	7,283,911
From 8 to 10	-	1,000	1,413,702	1,414,702	2,107,841
Un-rated	59,431,934	1,248,573	1,188,220	61,868,727	78,104,700
Balance at the End of the period / year	753,525,412	14,523,301	2,601,922	770,650,635	704,237,999

*** The movement on gross indirect facilities is as follows:**

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance - beginning of the year	680,703,059	20,558,036	2,976,904	704,237,999	652,472,442
New facilities for the year	259,876,832	2,944,066	-	262,820,898	213,557,060
Settled facilities	(186,993,452)	(9,020,409)	(396,136)	(196,409,997)	(161,791,503)
Transferred to stage (1)	2,757,656	(2,740,656)	(17,000)	-	-
Transferred to stage (2)	(2,786,064)	2,795,564	(9,500)	-	-
Transferred to stage (3)	(32,619)	(13,300)	45,919	-	-
Adjustments resulting from changes in exchange rates	-	-	1,735	1,735	-
Balance at the End of the year	753,525,412	14,523,301	2,601,922	770,650,635	704,237,999

*** The movement on the provision for expected credit losses for the indirect credit facilities during the year is as follows:**

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance - beginning of the year	2,675,558	1,255,861	1,107,319	5,038,738	3,373,953
Expected credit losses on new exposures	2,346,203	23,264	-	2,369,467	1,571,463
Recovered from the impairment loss on the paid facilities	(543,220)	(80,045)	-	(623,265)	-
Transferred to stage (1)	71,232	(60,432)	(10,800)	-	-
Transferred to stage (2)	(21,793)	21,968	(175)	-	-
Transferred to stage (3)	(945)	(1,623)	2,568	-	-
Effect on provision-resulting from reclassification among Three stages for the year	(57,159)	5,469	20,705	(30,985)	115,507
Changes resulted from adjustments	(670,190)	112,889	(10,736)	(568,037)	(22,185)
Balance at the End of the year	3,799,686	1,277,351	1,108,881	6,185,918	5,038,738

* The classification of gross balance for letters of guarantees according to the Group's internal credit rating is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
From 1 to 6	225,991,082	5,033,528	-	231,024,610	239,328,799
7	-	5,514,322	-	5,514,322	6,670,571
From 8 to 10	-	1,000	1,413,702	1,414,702	2,107,841
Un-rated	830,063	884,446	1,188,220	2,902,729	3,331,148
Total	226,821,145	11,433,296	2,601,922	240,856,363	251,438,359

*The movement on letters of guarantees is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance - beginning of the year	235,625,559	12,835,896	2,976,904	251,438,359	230,492,662
New facilities during the year	38,790,035	1,636,910	-	40,426,945	48,602,761
Settled facilities	(47,510,038)	(3,104,797)	(395,841)	(51,010,676)	(27,657,064)
Transferred to stage 1	1,665,552	(1,648,552)	(17,000)	-	-
Transferred to stage 2	(1,717,639)	1,727,139	(9,500)	-	-
Transferred to stage 3	(32,324)	(13,300)	45,624	-	-
Adjustments resulting from changes in exchange rates	-	-	1,735	1,735	-
Balance at the end of the year	226,821,145	11,433,296	2,601,922	240,856,363	251,438,359

* The movement on the provision for expected credit losses for letters of guarantees is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance - beginning of the year	1,084,668	1,028,974	1,107,319	3,220,961	2,134,447
ECL for new facilities during the year	695,689	20,000	-	715,689	475,179
Recoveries from ECL related to settled facilities	(28,285)	-	-	(28,285)	-
Transferred to stage 1	41,354	(30,554)	(10,800)	-	-
Transferred to stage 2	(14,262)	14,437	(175)	-	-
Transferred to stage 3	(945)	(1,623)	2,568	-	-
Effect on provision-resulting from reclassification among three stages during the year	(33,410)	(2,876)	20,705	(15,581)	139,128
Changes resulting from adjustments	(38,505)	57,751	(10,736)	8,510	472,207
Balance at the end of the year	1,706,304	1,086,109	1,108,881	3,901,294	3,220,961

*The classification of gross balance for letters of credits according to the Group's internal credit rating is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
From 1 to 6	87,108,116	368,579	-	87,476,695	120,649,809
7	-	215,309	-	215,309	356,692
From 8 to 10	-	-	-	-	-
Un-rated	-	-	-	-	-
Total	87,108,116	583,888	-	87,692,004	121,006,501

** The movement on letters of credits is as follows:"

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance - beginning of the year	119,318,594	1,687,907	-	121,006,501	131,691,788
New facilities during the year	44,326,243	219,522	-	44,545,765	61,183,473
Settled facilities	(76,536,721)	(1,323,541)	-	(77,860,262)	(71,868,760)
Transferred to stage 1	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-
Balance at the end of the year	87,108,116	583,888	-	87,692,004	121,006,501

*The movement on the provision for expected credit losses for letters of credits is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance - beginning of the year	410,316	34,604	-	444,920	400,743
ECL for new facilities during the year	-	-	-	-	388,054
Recoveries from ECL related to settled facilities	(8,329)	-	-	(8,329)	-
Transferred to stage 1	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-
Effect on provision-resulting from reclassification among three stages during the year	-	-	-	-	(3,278)
Changes resulting from adjustments	-	-	-	-	(340,599)
Balance at the end of the year	401,987	34,604	-	436,591	444,920

* The classification of gross balance for unutilized facilities limits according to the Group's internal credit rating is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
From 1 to 6	380,994,280	2,000,344	-	382,994,624	256,762,939
7	-	141,646	-	141,646	256,648
From 8 to 10	-	-	-	-	-
Un-rated	58,601,871	364,127	-	58,965,998	74,773,552
Total	439,596,151	2,506,117	-	442,102,268	331,793,139

* The movement on unutilized facilities limits is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance - beginning of the year	325,758,906	6,034,233	-	331,793,139	290,287,992
New exposures during the year	176,760,554	1,087,634	-	177,848,188	103,770,826
Re-paid/derecognized facilities	(62,946,693)	(4,592,071)	(295)	(67,539,059)	(62,265,679)
Transferred to stage 1	1,092,104	(1,092,104)	-	-	-
Transferred to stage 2	(1,068,425)	1,068,425	-	-	-
Transferred to stage 3	(295)	-	295	-	-
Balance at the end of the year	439,596,151	2,506,117	-	442,102,268	331,793,139

* The movement on the provision for expected credit losses for unutilized limits is as follows:

	2021				2020
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance - beginning of the year	1,180,574	192,283	-	1,372,857	838,763
ECL for new facilities during the year	1,650,514	3,264	-	1,653,778	708,230
Recoveries from ECL related to settled facilities	(506,606)	(80,045)	-	(586,651)	-
Transferred to stage 1	29,878	(29,878)	-	-	-
Transferred to stage 2	(7,531)	7,531	-	-	-
Transferred to stage 3	-	-	-	-	-
Effect on provision-resulting from reclassification among three stages during the year	(23,749)	8,345	-	(15,404)	(20,343)
Changes resulting from adjustments	(631,685)	55,138	-	(576,547)	(153,793)
Balance at the end of the year	1,691,395	156,638	-	1,848,033	1,372,857

22. Paid-up Capital

Authorized and paid-in capital amounted to JD 200,655,000 divided into 200,655,000 shares at a par value of JD 1 per share as of December 31, 2021 and JD 200,655,000 divided into 200,655,000 shares as of December 31, 2020.

Members of General Assembly decided in their ordinary meeting held on 29 April 2021 to approve the distribution of cash dividends at 4% of the capital amounting to JD 8,026,200 of the retained earnings balance to the shareholders as profits for the year 2020.

23. Reserves

The details of the reserves as of December 31, 2021 and 2020 as follows:

a. Statutory Reserve

The accumulated amounts in this account represent the amounts transferred from the annual net income before tax at 10% according to the Bank's Law and the Companies law. This reserve cannot be distributed to shareholders.

b. Voluntary Reserve

This reserve represents amounts transferred from the pre-tax income at a rate not exceeding 20% during previous years. The voluntary reserve shall be utilized for the purposes determined by the Board of Directors. The General Assembly has the right to distribute it in full or in partially as dividends to shareholders.

Restricted reserves are as follows:

Reserve	December 31		Regulation
	2021	2020	
	JD	JD	
Statutory Reserve	65,208,593	62,722,983	Banking law and corporate law.
Fair Value Reserve	(5,645,628)	(4,794,408)	Central bank of Jordan and Securities Commission.
Periodic Fluctuations Reserve	3,678,559	3,678,559	Palestinian Monetary Authority instructions.

24. Fair Value Reserve - Net

Details of this item are as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Balance at the beginning of the year	(4,794,408)	(7,388,412)
Prior years adjustments (note 46)	-	2,387,442
Adjusted balance at the beginning of the year	(4,794,408)	(5,000,970)
Shares re-allocation refunds	(33,679)	-
Net unrealized (losses) profit transferred to the OCI statement	(981,735)	316,290
Deferred tax assets	164,194	(109,728)
Balance at the end of the period/ year	(5,645,628)	(4,794,408)

25. Retained Earning and Distributed Dividends and Recommended for Distribution

Details of this item are as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Balance at the beginning of the year	44,306,191	34,138,598
Prior years adjustments (note 46)	-	1,486,385
Adjusted Balance at the beginning of the year	44,306,191	35,624,983
Profit for the year	14,230,432	10,439,706
Gains from sale of financial assets at fair value through other comprehensive income	36,524	-
Distributed Dividends	(8,026,200)	-
(Transferred) to reserves	(2,485,610)	(1,758,498)
Balance at the end of the year	48,061,337	44,306,191

- The use of an amount of JD 12,826,867 (JD 11,841,104 as of December 31, 2020) is restricted and constitute of deferred tax assets, based on the instructions of Central Bank of Jordan, the use of it should be pre-approved by Central Bank of Jordan.

- The Board of Directors recommended to distribute 7% of the paid in capital as cash dividends equivalent of JD 14,046 million of the retained earnings to the shareholders as profits for the year 2021, the dividends is subject to General Assembly approval, the dividends. For the year 2020 was 4% amounted to JD 8,026 Million.

26. Interest Income

Details of this item are as follows:

	2021	2020
	JD	JD
Direct Credit Facilities:		
Individuals (Retail)		
Overdrafts	162,591	189,830
Loans and bills	24,851,026	27,030,705
Credit cards	1,644,989	1,955,019
Real estate mortgages	20,574,614	22,323,941
Corporate		
Overdrafts	9,258,324	10,908,523
Loans and bills	29,934,355	29,428,937
Small and medium enterprises lending		
Overdrafts	2,505,410	2,906,091
Loans and bills	13,518,162	13,516,777
Public and governmental sectors	1,617,955	1,513,583
Balances at Central Banks	573,644	423,353
Balances and deposits at banks and financial institutions	260,213	597,905
Financial assets at amortized cost	37,831,858	38,161,760
	142,733,141	148,956,424

27. Interest Expense

Details of this item are as follows:

	2021	2020
	JD	JD
Banks and financial institution deposits	3,136,209	3,835,586
Customers' deposits:		
Current and demand accounts	440,963	186,304
Saving accounts	585,783	135,022
Time and notice placements	37,877,680	41,636,701
Lease liability interest	431,537	430,527
Cash margins	4,520,503	4,913,252
Borrowed funds	6,099,485	8,343,751
Subordinated bonds	1,375,000	1,501,027
Deposit insurance fees	2,632,074	2,781,322
	57,099,234	63,763,492

28. Net Commission Income

The details of this item are as follows:

	2021	2020
	JD	JD
Commission income:		
Direct credit facilities commission	2,767,969	2,987,752
Indirect credit facilities commission	5,298,553	5,438,319
Other commissions	5,959,217	5,730,591
Less: commission expense	(840,832)	(840,834)
Total Net Commission	13,184,907	13,315,828

29. Foreign Currencies Income

The details of this item are as follows:

	2021	2020
	JD	JD
Trading / operations in foreign currencies	2,865,575	1,759,159
Revaluation of foreign currencies	(533,773)	698,815
	2,331,802	2,457,974

30. Expected Credit Losses Expense -Net

The details of this item are as follows:

	Note	2021			Total	2020
		Stage 1 (Individual)	Stage 2 (Individual)	Stage 3		
		JD	JD	JD	JD	JD
Balances at banks and financial institutions	5,6	(8,589)	-	-	(8,589)	6,194
Financial assets at amortized cost	10	30,136	-	-	30,136	486,269
Direct credit facilities	8	(867,660)	2,286,108	10,593,446	12,011,894	19,241,228
Indirect credit facilities	22	1,124,128	21,490	1,562	1,147,180	1,664,785
		278,015	2,307,598	10,595,008	13,180,621	21,398,476

31. Dividends Income from Financial Assets at Fair Value through Other Comprehensive Income

Details of this item are as follows:

	2021	2020
	JD	JD
Dividend income from companies shares	643,413	488,583
Dividend income from investment fund	953,374	-
Total	1,596,787	488,583

32. Other Income

Details of this item are as follows:

	2021	2020
	JD	JD
Recovery from written-off debts	3,639,420	2,191,458
Interest in suspense recoveries	925,672	1,070,335
Recovered impairment loss from seized assets sold	-	871,301
Buildings rent revenue	192,590	344,646
Rental income of safe deposit boxes	288,055	198,505
Gain from sale of property and equipment and seized assets	1,205,494	105,475
Income from check books	136,082	86,791
Brokerage commission income	147,205	46,556
Other income	2,039,345	2,497,018
Total	8,573,863	7,412,085

33. Employees' Expenses

The details of this item are as follows:

	2021	2020
	JD	JD
Employees' salaries, benefits and remuneration	29,137,149	30,117,711
Bank's contribution to social security	2,600,554	2,858,594
Bank's contribution to employees savings fund	1,440,290	1,577,331
Medical expenses	1,730,760	1,594,256
End of service indemnity	341,051	373,441
Employees' training	254,665	300,878
Travel expenses	127,395	357,001
Employees' life insurance	137,554	134,021
Employees' activities	160,463	118,191
Total	35,929,881	37,431,424

34. Other Expenses

Details of this item are as follows:

	2021	2020
	JD	JD
Fees and subscriptions	3,059,428	3,056,476
Information Technology licenses	4,421,665	4,717,908
Maintenance, repair and cleaning	1,873,650	1,850,216
Donations	232,016	1,788,988
Legal fees	1,444,833	1,732,215
Insurance fees	2,629,003	1,586,326
Advertisement	1,919,873	1,181,963
Board of Directors' expenses	1,116,140	1,073,200
Water, electricity and heating	964,385	953,076
Telecommunication	1,016,736	849,227
Printing and stationery	595,273	593,702
Other operating expenses	297,034	440,235
Rent and key money	245,313	236,944
Studies, research and consulting expenses	436,291	378,439
Transportation	520,852	434,381
General assembly meeting expenses	68,210	70,000
Security	547,336	562,804
Professional fees	375,298	383,644
Hospitality	54,185	37,066
Expenses of land and real estate evaluations	38,857	20,395
Lawsuits provision expenses	-	100,000
Board of Director's remunerations	65,000	65,000
Total	21,921,378	22,112,205

35. Earnings per Share

Details of this item are as follows:

	2021	2020 (Restated)
	JD	JD
Profit for the year	14,230,432	10,439,706
Weighted average number of shares (share)	200,655,000	200,655,000
Basic and diluted earnings per share (Bank's Shareholders)	0/071	0/052

36. Cash and Cash Equivalents

The details of this item are as follows:

	2021	2020
	JD	JD
Cash and balances with Central Banks maturing within 3 months	259,677,707	191,617,135
Balances at banks and financial institutions' maturing within 3 months	177,418,823	167,340,463
Banks and financial institutions' deposits maturing within 3 months	(136,512,443)	(108,670,400)
Restricted cash balances	(10,635,000)	(10,635,000)
	289,949,087	239,652,198

37. Balances and Transactions with Related Parties

a. The accompanying consolidated financial statements of the Bank include the following subsidiaries:

Company Name	Ownership %	Paid in Capital	
		2021	2020
		JD	JD
Ahli Micro Finance Company	100	6,000,000	6,000,000
Ahli Financial Leasing Company	100	17,500,000	17,500,000
Ahli Brokerage Company	100	3,000,000	3,000,000
Ahli Financial Technology	100	600,000	600,000

• The Bank has entered into transactions with members of the Board of Directors and Executive Management within the normal course of its activities at the commercial interest rates and commissions. All facilities granted to the related parties are performing and classified under Stage 1 and ECL for these facilities was calculated according to IFRS 9 requirements.

The following related party transactions took place during the year:

	Related Parties					Total	
	Associates	Board of Directors	Executive Management	Subsidiaries	Other *	December 31, 2020	December 31, 2021
	JD	JD	JD	JD	JD	JD	JD
Statement of Financial Position Items:							
Credit facilities	-	3,701,283	6,330,093	939,510	87,653,432	98,624,318	101,548,094
Related Parties' deposits at the bank	-	48,335,112	3,564,824	3,797,006	25,511,257	81,208,199	84,708,325
Cash margins	-	900	348,659	-	14,427,490	14,777,049	9,369,751
Assets at amortized cost	-	-	-	-	3,572,937	3,572,937	3,533,008
Off Statement of Financial Position Items:							
Indirect facilities	-	51,000	-	978,450	3,683,149	4,712,599	5,245,007
						December 31, 2020	December 31, 2021
Consolidated Statement of Profit or loss Items:							
Interest and commission income	14	305,454	325,580	74,016	4,483,918	5,188,982	5,029,521
Interest and commission expense	87,087	2,093,436	55,115	41,487	777,905	3,055,030	3,118,941

Additional information

*This item represents companies partially owned by members of the Bank's Board of Directors' relatives, and the Bank's employees.

There are accounts receivable from a subsidiary company (Ahli Brokerage Company) of JD 2,333,234 belonging to a related party as at 31 December 2021. On 31 October 2013, the Company signed a settlement agreement with the client to pay the obligations through an advance payment upon signing the settlement agreement, in addition to monthly instalments, as well as enhancement of their guarantees.

- Final settlements were reached with related parties to subsidiaries and its results were recorded in the subsidiary's books after obtaining the needed approvals.
- The Bank doesn't have any deposits at the subsidiaries, associates and other related parties.
- Debit interest rates on deposits in Jordanian Dinar range between 0% - 4.05%
- Debit interest rates on deposits in foreign currency range between 2.4% - 10.5%

b. The following is a summary of the benefits (salaries and remunerations plus other benefits) of the executive management of the Bank:

	December 31, 2021	December 31, 2020
	JD	JD
Salaries and other benefits	3,780,078	4,055,150
Travel and transportation	-	7,700
Per diems	-	1,400
Total	3,780,078	4,064,250

38. Right of Use assets / Lease Liabilities

Details of this item are as follows:

a. Right of use assets

The bank leases many assets, including lands and buildings, the average lease term is 8 years, and the following is the movement over the right to use assets during the year:

	December 31, 2021	December 31, 2020
	JD	JD
Beginning balance	8,744,226	9,591,399
Add: additions during the year	3,139,857	1,109,565
less: Cancelled contracts	-	(112,099)
less: Depreciation for the year	(1,852,485)	(1,844,639)
Balance – End of the Year	10,031,598	8,744,226

Amounts that were recorded in the statement of profits or losses:

	December 31, 2021	December 31, 2020
	JD	JD
Depreciation for the year	1,852,485	1,844,639
Interest for the year	431,537	430,527
Lease expense during the year	245,313	231,944

b. Lease liabilities

	December 31, 2021	December 31, 2020
	JD	JD
Beginning balance	8,419,731	9,214,391
Add: Additions during the year	3,139,857	1,109,565
Interest during the year	431,537	430,527
Less: Cancelled contracts during the year	(140,000)	(122,183)
Less: paid during the year	(2,187,528)	(2,212,569)
Balance – End of the Year	9,663,597	8,419,731

Maturity of lease liabilities analysis:

	December 31, 2021	December 31, 2020
	JD	JD
Up to a year	438,456	595,946
From one to five years	4,095,776	3,366,047
More than five years	5,099,365	4,457,738
	9,633,597	8,419,731

39. Risk Management

1. Risk Management System

The Risk Management Department at the Bank reports to the Board of Directors according to the Corporate Governance instructions issued by the Central Bank of Jordan. The Board of Directors assumes responsibility of reviewing and approving risk management strategies, policies and procedures at the Bank on an annual basis, which illustrates the general risk management framework. The Board of Directors delegates its powers to the monitoring of all risk management activities to the Risk Management Committee established under the board of directors' decision.

2. Risk Management Culture

The Bank's risk management approach is based on experience, knowledge and culture of risks in which each employee is responsible for the potential risks included in their scope of work.

Risk management provides independent monitoring and support to establish and disseminate the risk management concept as a whole and at all administrative levels. It also proactively helps in identifying potential losses, setting plans for the appropriate responses and to implement to the required procedures encounter such risks in the event of such occurrences contributing to the reduction potential losses and expenses.

- Risk management activities are listed in a general risk management policy which enables the bank to identify risks and set appropriate limits for them. The said policy serves as a general framework for managing the main risks along with a number of separate policies for every types of risk, including:

- Policies for managing credit risks, market risks and operational risks;
- Liquidity risks policy and interest rates risk policy for the bank's portfolio.
- Policy of internal assessment of capital adequacy.
- Stress testing policy.

- Business continuity policy.
- IFRS 9 a framework and policy for estimating expected credit loss
- Credit policy and investment policy are considered to be a complement risk management policy for the purpose of risks control and management.

The Bank's management pays special attention to Basel requirements and the best practices internationally for managing risks as they serve as a framework for enhancing the bank's ability in upgrading the control environment and encountering all risks (operational, market and credit). All practical steps were taken for implementation, whereas specialized units were established to manage all risks. Such units will take the responsibility of recognizing, measuring, managing and controlling all types of risks and determining the extent of compliance with regulations, laws and standards issued by local or international bodies in accordance to best known practices, size of the Bank's operations and types of the risks it is exposed to.

The Risk Management of the Group is responsible for performing the following functions:

- Developing the Bank's Risk Management Framework.
- Developing and executing risk management's strategy and enhancing policies and procedures which determine the roles and responsibilities of each of the parties at all administrative levels.
- Developing and reviewing risk management's policies regularly to ensure their effectiveness and amending them accordingly, as required.
- Developing a methodology for internal evaluation of the Bank's capital adequacy, whereas is comprehensive, effective and capable of identifying the risks which the Bank may encounter, taking into consideration the Bank's strategic and capital management plan.
- Developing the general framework and recovery plan indicators
- Developing a document on the bank's acceptable risks.
- Monitoring the level of the bank's executive departments' compliance with the specified levels of the acceptable risks.
- Ensuring a business continuity plan is in place and reviewing it regularly.
- Reporting the risks resulting from any expansion in the activities of the Bank to the Risk Management Committee established by the Board of Directors.
- Performing stress tests regularly to measure the Bank's resilience to withstanding shocks and encountering high risks and obtaining the approval of the Board of Directors.
- Submitting regular reports to Risk Management Committee containing information on actual risk management system (Profile Risk) for all activities of the Bank compared to the acceptable risk document and (Risk Appetite) following-up addressing negative deviations.
- Verifying the integration of risk measurement mechanisms with the used management information systems.
- Raising awareness on risk management in the Bank units to enhance the control environment and help staff of all administrative levels in gaining a deep understanding of the risks the Bank encounters.
- Reviewing strategic decisions and making recommendations to avoid risks and optimally utilizing the capital.
- Coordinating with all control departments of the Bank to ensure that the internal controls are in place or delegating the management of these risks to external parties or insuring them.

3. Levels of Acceptable Risks

- The process of identifying levels of acceptable risks is performed according to the quantitative measurement methods, nature and the distinctiveness of various risks. The said process aims to identify the risk levels accepted by the Bank in order to achieve its strategic objectives. Such limits are reflected in the risk appetite document approved by the bank which is subject to monitoring mechanism on a regular basis, as well as mechanism to address any deviations and violations, if any.
- The general acceptable risks framework is developed in line with on the Bank's strategic plan, issued by regulatory bodies in regard to credit liquidity risks, as well as capital management in a manner that supports growth and development of the Bank's operations.

4. Stress Testing

- Stress testing at the bank level is an integral part of the risks review and evaluation. Stress testing provides information on the financial integrity and risk matrix at the bank. It also provides early warning indicators regarding the Bank's capital.
- Stress testing is an integral part of the corporate governance system and risk management process as they notify the bank departments on the impact of unexpected negative events associated with various risks. The stress testing significantly impacts the administrative and strategic decisions and provide the board of directors and the executive management with indicators on the size of the capital required to encounter any losses that might result from changes that impact the bank's position and creditworthiness. Stress testing is considered important as it has a future-oriented nature in evaluating risks, compared to other methods that depend on historical data without taking into considerations the future events.
- Stress testing is carried out at the levels of sensitive and analytical scenarios and their impact is reflected on capital adequacy ratio, profits and losses in a set of levels, including: moderate, medium and severe.
- The results of stress testing are analyzed and evaluated to identify their impact on the type of the bank's assets and financial position either through the size of the expected losses and/or their impact on the bank's reputation and capital adequacy. The results of stress testing are used in capital planning and identification of their impact on generating additional capital according to the Internal Capital Adequacy Assessment Process (ICAAP).
- Scenarios prepared are proportionate to the nature and type of risks encountering the bank from the least influential to the most influential, including scenarios determining size of losses the Bank may bear in order to identify uncovered risks. The scenarios' scope is identified accurately, reviewed periodically and amended as per the changes at the bank level, banking industry level and economy level in general.
- Due to the COVID-19 pandemic that started at the beginning of 2020 and its impact on the global and national economy. The Bank has prepared stress testing based on the impacted sectors from least to most impacted in order to deal with the expected losses arising from the pandemic which might affect the Bank's position and solvency. This was based on two main pillars:
 - Making changes to the expected credit losses by assuming a number of scenarios that depend on estimating the impact of COVID-19 pandemic on macroeconomic indicators
 - Reflecting Management Overlay is assessing the impact on certain sectors or specific customers based on studying each sector or customer individually in order to each reasonable expectation for the outcomes of this event.

5. Non-performing and Mechanism of Processing by the Bank:

Irregular/ non-performing facilities are defined as credit facilities that meet the following characteristics:

- The debtor is facing significant financial difficulties (very weak financial data).
- Has passed its maturity, or the maturity of one of its installments, or irregular payment of the principal and/or interest and/ or an overdraft account stagnant for the following periods:
 - Doubtful credit facilities from 90-179 days
 - Substandard credit facilities from 180-359 days
 - Default credit facilities for more than 360 days

- Overdraft balance exceeding the allowed limit by 10% or more and for 90 days or more.
- Credit facilities that were expired and not renewed 90 days ago or more.
- The bank extinguishing part of the debtor's obligations for reasons related to financial difficulties facing the debtor party and its inability to pay all obligations on time.
- The presence of clear indications that the debtor's bankruptcy is imminent.
- The absence of an active market for the financial instrument due to financial difficulties faced by the debtor party (source of credit exposure / debt instrument).
- The acquisition (purchase or creation) of a debt instrument at a significant discount represents a credit loss.
- Credit facilities granted to any client who declared bankruptcy or to any company that was put in liquidation.
- Credit facilities structured three times within a year.
- Current accounts and overdrawn accounts for 90 days or more.
- The value of guarantees paid on behalf of clients and not debited to their accounts for 90 days or more.
- The concept of default (Stage 3) is applied to all of the customer's accounts in case the concept applies to any of his exposures (Customer Level).

Mechanism of processing Non-performing:

When classifying non-performing debt, the bank allocates provisions according to the instructions of the central bank, and the processing mechanism is through reschedules or documented settlements that end the debt's maturity in accordance with the instructions and standards. In exceptional circumstances, the bank may be forced to give the customer a short and specific period of time that is commensurate with the circumstances that called for it. The bank resorts to legal treatment of debt, including the enforcement of guarantees when it has exhausted all amicable means of collection, and it has formed its conviction that collecting the debt in this way has become the only way that guarantees the bank to recover its rights.

6. Internal Credit Rating System

The Bank uses Moody's System for Internal credit rating to evaluate business clients, identify credit risks and evaluate default probability of the counterparty. The Bank applies internal rating models designed for various categories of clients based on exposure nature, type of borrower and banking sector managed by the borrower. The Credit Rating System consists of three main models used by business departments to analyze and classify clients based on financial and non-financial data of the clients. Credit Departments archive and approve the financial and non-financial data.

The System allows selecting one model out of the three models. The model is selected based on availability and clarity of the financial data provided by the client and a set of questions relating to the client activity.

The system is applied to clients' portfolio including large firms, small and medium enterprises in the Bank's branches at Jordan, Palestine and Cyprus.

The Credit Rating System consists of 10 credit ratings. The default risks increase upward depending on the risk degree. There is a definition for each credit rating as internally approved by the Bank.

Working Mechanism of the System:

- Full details of clients are entered by business departments as they can contact the clients and learn about their conditions and activities.
- Credit Review Department reviews the input data and credit ratings of the clients to ensure the accuracy, objectivity and compatibility of the data entered to the system with the credit data and study provided to the client in general. Override feature may be used by users with credit-related powers to increase or decrease risks degrees according to specified information to estimate the borrower conditions.
- The Credit Rating System maintains a complete record of the risk degrees of the archived accounts for clients, starting from establishment of the credit relationship and regular updates conducted annually at least or reclassifying the client's rating if required.

Application and Initial Recognition

To rate credit exposures through internal rating system, the existing rating of the credit exposure is compared to the rating upon initial recognition by internally prepared studies to document historical information of the risks of each debt to identify risk degree in initial recognition. As for unrated credit exposures in the date of the financial statements, they are included in Phase II until they are duly classified. The new accounts must be rated using the internal rating system and their ratings are considered as an initial recognition in the classification date.

7. Approved Mechanism to Measure Expected Credit Losses

- IFRS 9 requirements include measuring expected credit losses (impairment losses/provision losses of the credit exposures and debt instruments within IFRS 9 scope in terms of the method of inserting the credit exposures/debt instruments. In addition, IFRS 9 requirements includes a general approach and framework for ECL calculation through 3-phase approach defined by the new standard to recognize credit impairment that is dependent on the quality of credit risks since initial recognition. Assets are transferred between the three phases according to the changes in the credit risks. Based on these phases the change in ECL in recognized.

- The model of ECL calculation for debt instruments that subject to IFRS 9 was applied to all Jordan branches, subsidiaries and external branches in line with the instructions of the central bank of Jordan as well as IFRS9 requirements.

- The Bank followed an approach to measure ECL on individual basis for credit exposures and debt instruments without identifying common components and specifications on a collective basis. ECL are calculated on the single contract (account) level that shows the impact of an individual details for each contract through identifying ECL formula variables by calculation of EAD, PD, LGD, time of maturity according to the detailed information of each contract. The following formula was used to calculate ECL:

Expected Credit Loss (ECL) = Probability of Default (PD) % X Exposure at Default (EAD) X Loss Given Default (LGD)%

8. Probability of Default (PD)

It is an estimate of the probability that the credit exposure/ debt instrument will default during a specific period of time, starting from the date of the financial statements, and is estimated as follows:

Corporations banking:

- Transition Matrix is developed for facilities sector (including large firms and small-sized and medium-sized enterprises) as reflected in the rating data in Moody's Internal Rating System for one year. The data covers two periods for credit exposures at the branches of Jordan, Palestine and Cyprus at the level of individual clients.

- PDs and their annual updates available in Moody's System are used to generate default values for default probability at the level of banking sectors to be integrated in the approved ECLs model. A statistical model is constructed and a PiT PD and LTDR are extracted so that these variables reflect the probability matrix of Lifetime PD.

Retail banking:

- Transition matrix for branches in Jordan, external branches and subsidiaries is developed based on Delinquency Buckets information for the past 24 Months. Transition matrix is developed as per the product type, including secured and unsecured products.

Sovereign bodies and banks:

- Probability of default matrices for credit exposures and debt instruments owed by sovereign bodies and banks in various regions of the world are developed by relying on reports generated by Standard & Poor to extract PiT PD and LTDR.

Exposure at Default (EAD)

- EAD is followed based on credit limits available for clients or utilized EAD whichever is greater for direct or indirect exposures. Amounts that may be withdrawn by the debtor in future are considered. The Credit Conversion Factor (CCF) of 100% is applied to indirect facilities (including bank guarantees and documentary credits) and to unutilized credit ceilings.
- The expected lifetime for debt is considered in behavioral analysis the period during which the debt remains outstanding, such as overdrafts and credit cards for which a 3-year maturity has been applied.
- The value of unutilized Limits is proportionately distributed to contracts relating to this ceiling. In other words, the unutilized EAD for the contracts within this ceiling is divided to the total value for utilized contracts within the same ceiling. This mechanism is also applied for collaterals which distributed to ensure proper distribution of credit exposures to their corresponding collaterals .

Loss Given Default (LGD)

An estimate of the amount of potential loss on default. It represents the difference between contractual cash flows and those that the bank expects to collect, including the collateral provided. It is often expressed as a percentage of the credit exposure amount at default.

Portion Covered with Collaterals

The managerial LGD model is applied to the portion covered with guarantees. Acceptable financial and non-financial guarantees deemed as credit mitigates against such exposures that are legally documented in credit contracts. There is no legal impediment preventing access to them. Hair-cut percentages for each type of acceptable guarantees are considered according to the instructions of the Central Bank of Jordan. The following formula is applied to calculate LGD for the portion covered with guarantee as follows:

$$\text{LGD}=1 - (\text{Exposure After Mitigation} / \text{Exposure Before Mitigation} \times 100\%)$$

It has been taken into account the expected time period for recovery of real estate guarantees, cars and stocks according to the methodology adopted within the bank.

The percentage losses are identified by assuming default for some banking sectors within the branches of Jordan, the banking group, subsidiaries and foreign branches according to the methodology used in the bank.

Portion Not Covered with Collaterals

The historical data of the non-performing credit exposures for portions covered and uncovered with guarantees and collections made in the upcoming periods and in 4 years cut-off time from default date are used to study and analyze recovery rate for all banking sectors (large firms, small-sized enterprises and medium-sized enterprises) and to individually specify LGD percentage. LGD for portion uncovered with guarantees for various banking sectors and according to the approved methodology by the bank.

Application Scope

According to the followed approach, credit exposures and financial instruments fall within ECL and in a manner that meet IFRS 9 requirements:

Loans and credit facilities (direct and indirect)

ECLs are calculated based on credit ceilings or utilized exposure whichever is higher to identify EAD by using CCF at 100%. As for Probability Default (PD), matrices developed for banking sectors in the upcoming 12 months or residual lifetime for the credit exposure. Phases required by IFRS 9 are considered to rate credit exposures based on the significant change determinants in credit risks. LGD for the portion uncovered with guarantee is applied as per the review of recovery rate for banking sectors. The acceptable financial and non-financial guarantees will be taken after application of standard hair-cut rates for all types of guarantees. The current value of the cash flows for the lifetime of the credit are calculated through Effective Interest Rate (EIR) given at the calculation date. It is noteworthy that one-year was used on average for all exposures with no outstanding date. Except for overdrafts and credit cards for which 3 years were used.

Debt instruments recorded at the amortized cost or at fair value through the other comprehensive income. The ECLs are calculated by using the balances of debt instruments and interest is applied to the total debt instrument to calculate EAD. As for PD, the matrices developed for all types of debt instruments are applied and a LGD of 45% was applied.

The current value of the cash flows for the lifetime of the debt instruments are calculated using Effective Interest Rate (EIR).

It should be noted that debt instruments (treasury bills) of the Jordanian Government have been treated without calculation of ECL.

Credit exposures by banks, sovereign bodies and financial institutions

ECLs are calculated by using the balances of credit exposures to calculate EAD. As for PD, the matrices developed for banks, sovereign bodies and financial institutions according to their geographical distribution at local, regional and international levels. LGD of 45% was applied. The current value of the cash flows for the lifetime of the credit are calculated through Effective Interest Rate (EIR).

9. Determinants for significant changes in credit risks

All credit exposures and financial instruments subject to ECL measurement must have specific determinants to be considered as a significant increase in credit risks. Financial instrument and credit exposures are moved through the three stages using the following approach:

Variable	Stage 2	Stage 3
Customers, which are having 2 grades deterioration in their final rating compared to their initial rating/ On Internal Rating Model.	- Customers, which are having 2 grades deterioration in their final rating compared to their initial rating/ On Internal Rating Model. - Substantial reduction, actual or expected, of external Credit Rating of credit exposure/ debt instrument	- The accounts to which the definition as defaulted/ irregular debts - Bankruptcy or declaration on under liquidation for companies. - Internal Risk Rating are (8-9-10)
Unrated Credit Exposure / Debt instrument	Lack of Credit Rating of credit exposure/ debt instrument	
Day past Dues (DPD)	Lack of Credit Rating of credit exposure/ debt instrument	
Internal Risk Rating	Dues for 30 days and more and less than 90 days	
Account Status	Risk Rating is (7)	
	Accounts Under Watch category	

Furthermore, the exposures under Retail Segment are governed by certain determinants as indicator to be considered impactful increase in the credit risks. For transition of the credit exposure among the three stages, the Bank has adopted the following approach within the calculation of the expected credit loss model:

Variable	Stage 2	Stage 3
Day Past Dues (DPD)	Dues for 30 days and more and less than 90 days	The accounts to which the definition as defaulted/ irregular debts
Account Status	Accounts Under Watch category	

Taking into consideration other indicators that are considered appropriate to evaluate the increase in credit risk level or indicate the presence of default in this case the debt should be classified in stage 3 /2 in reference to IFRS 9, and Central Bank of Jordan circular number 47/2009.

10. Key Economic Indicators Used in Calculating Expected Credit Losses (ECLs)

Key economic indicators are considered in measuring probability default (PD) for several sectors. Historical information, current conditions and future events expected according to information or meaningful conclusions may be relied upon.

A statistical model with economic single variable is used and macroeconomic variables are relied upon. Macroeconomic variables represent growth rates in GDP and difference in unemployment rates for the past ten years. They are linked with the forecasted economic variable in future for the next five years to reflect the impact of changes to the annual PD rates expected in future. GDP for the following sectors and geographical areas were relied upon:

1. Jordan.
2. Palestine.
3. Cyprus.
4. Subsidiary/ Ahli Leasing.

Exposures of debt instruments owed by sovereign bodies and banks.

1. North America .
2. Europe & Central Asia
3. East Asia & Pacific
4. Arab World.

Differences in annual un-employment rates for the following sectors and geographical areas were relied upon:

1. Jordan.
2. Palestine
3. Cyprus
4. Ahlia Micro Finance

11. Application Governance of IFRS 9

Corporate governance is one of the modern management requirements of companies. It plays a fundamental role in identifying responsibilities and relations between parties to achieve the bank vision and objectives. It also provides the board of directors and the executive management with appropriate tools and means to achieve strategic objectives and ensure creating an effective control environment.

The Bank adheres to corporate governance requirements according to the instructions of the Central Bank of Jordan and best international practices set by Basel Committee. To achieve application governance of IFRS 9, the responsibilities of the board of directors, executive management, involved business units are detailed below.

Board of Directors Responsibilities

- Identifying the bank strategic objectives, directing the executive management to formulate and approve strategies that aim at achieving objectives and approving action plans consistent with such strategies.
- Evaluating existing infrastructure, taking decisions concerning changes and improvements to ensure ECLs calculation according to the relevant legislation.
- The executive management supervision committees established by the board of directors ensure that internal control systems are in place, ensure availability of policies, plans and procedures and verify compliance with the bank's internal policies and application of international standards and relevant legislation.
- Taking procedures for effective monitoring of the IFRS 9 sound application and protection of the systems used in application.

- Ensuring that oversight units (including Risks Management Department and Internal Audit Department) take all needed actions to validate approaches and systems used in IFRS 9 application and provide necessary support.

- Approving business models used in identification of objectives and rules of financial instruments' acquisition and classification.

- Adopting appropriate policies and procedures related to IFRS application, exceptional cases and system outputs. An independent party will be responsible for deciding upon exceptions or changes. Such exceptions or changes must be presented to board of directors or audit committee formed by it.

- Ensuring that credit rating systems and ECLs calculation systems are in place.

Executive Management's Responsibilities

- Providing appropriate infrastructure, making recommendations on changes or improvements that support IFRS 9 application accurately and thoroughly by qualified professionals and through adequate database and appropriate information system.

- Reviewing regulations, policies, procedures and any relevant standards and identify how appropriate they are for the standard application.

- Distributing tasks and responsibilities and business units' involvement in proper application of the international accounting standard.

- Following up regular reports related to the findings of IFRS 9 application and identifying the impact of its application on the bank's financial condition from quantitative and qualitative aspects.

- Setting corrective procedures approved by the board of directors.

- Protecting systems used in the application process.

- Reflecting IFRS 9 impact on pricing strategies and policies.

Related Depts Responsibilities

The tasks and responsibilities of the bank's departments related to the application of the requirements of the international standard are subject to the general framework and policy approved within the bank

Rescheduled Loans

These represent loans previously classified under within Stage (3) in accordance with rescheduling principles. These loans amounted to JD 10,093,287 during the year ended December 31, 2021 (JD 21,313,713 as of December 31, 2020).

Restructured Loans

Restructuring is the rearranging credit obligations in terms of adjusting installments, extending the tenor of the facility, postponing installments, or extending the grace period. These loans amounted to JD 115,741,794 during the year 2021 (JD 101,679,833 during the year 2020).

Bills bonds and debentures

The table below shows the classification of bills bonds and debentures according to external rating agencies:

Rating Grade	Rating Institution	December 31, 2021	December 31, 2020
		JD	JD
Governmental	Government bonds and government guaranteed	765,683,348	687,798,245
Un-rated	-	101,503,440	130,301,096
Total		867,186,788	818,099,341

a. Market risk

Market risk is defined as the risk arising from changes in interest rates, exchange rates, securities prices, and any other instrument held by the bank, such as minerals, which leads the bank to bear losses as a result of any financial positions inside or outside the financial statements.

The Bank adopts a conservative policy in managing these risks where limits for the exposure for each of these risks are defined taking into account the prevailing volatility of each.

b. Interest rate risk

They represent losses arising from fluctuations in interest rates in the markets or resulting from changes in product prices arising from the change in interest rates and it has a negative impact on the bank's revenues and its equity.

These risks may also arise from the mismatch in the re-pricing dates of assets and liabilities in a manner that may result in a decrease in the group's revenues as a result of the timing difference in re-pricing.

Interest rate risk lies in debt instruments and derivatives that include debt instruments in addition to other derivatives whose value is linked to market prices.

In general, the value of long-term instruments is more sensitive to interest rate risk than the value of short-term instruments

Interest rate risks are managed by the Risk Management department. The asset liability management provided with regular gap reports on interest rates re-pricing, in addition to sensitivity reports related to interest rate price changes per currency. These reports show that interest rate risks are within the lowest range.

Allocation of exposures according to industrial sectors:

A- Allocation of exposures according to financial instruments - net

	2021										
	Financial	Industrial	Trading	Real Estate	Agricultural	Public Services	Shares	Retail	Government and Public Sector	Other	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	-	-	-	-	-	-	-	-	193,366,595	-	193,366,595
Balances at banks and financial institutions	177,418,823	-	-	-	-	-	-	-	-	-	177,418,823
Deposits at banks and financial institutions	20,312,861	-	-	-	-	-	-	-	-	-	20,312,861
Direct credit facilities	19,343,400	122,322,797	252,111,132	468,351,167	63,556,303	142,429,787	5,824,208	252,291,993	31,453,852	-	1,357,684,639
Financial assets at amortized cost	100,578,968	-	-	-	-	-	-	-	765,671,439	-	866,250,407
Other assets	19,456,857	-	-	-	-	-	-	-	-	-	19,456,857
Total	337,110,909	122,322,797	252,111,132	468,351,167	63,556,303	142,429,787	5,824,208	252,291,993	990,491,886	-	2,634,490,182
Financial guarantees	236,955,069	-	-	-	-	-	-	-	-	-	236,955,069
Letters of credit	87,255,413	-	-	-	-	-	-	-	-	-	87,255,413
Other liabilities	440,254,235	-	-	-	-	-	-	-	-	-	440,254,235
Total 2021	1,101,575,626	122,322,797	252,111,132	468,351,167	63,556,303	142,429,787	5,824,208	252,291,993	990,491,886	-	3,398,954,899

b. Allocation of exposures according stage categories of IFRS (9) December 31, 2021:

	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total
	JD	JD	JD	JD
Financial	1,083,571,310	16,263,504	1,740,812	1,101,575,626
Industrial and mining	103,308,086	13,231,086	5,783,625	122,322,797
Trading	227,403,634	20,443,475	4,264,023	252,111,132
Real estate	438,261,814	21,285,067	8,804,286	468,351,167
Agricultural	21,651,298	41,538,449	366,556	63,556,303
Public Services	127,613,448	14,101,752	714,587	142,429,787
Shares	5,427,853	-	396,355	5,824,208
Retail	242,092,996	9,271,161	927,836	252,291,993
Government and Public Sector	990,491,886	-	-	990,491,886
Other	-	-	-	-
Total	3,239,822,325	136,134,494	22,998,080	3,398,954,899

Allocation of exposures according to geographical locations:

a. Allocation of exposures according to geographical regions - net

	2021							
	Inside Jordan	Middle East	Europe	Asia *	Africa	Americas	Other Countries	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	149,246,743	43,470,068	649,784	-	-	-	-	193,366,595
Balances at banks and financial institutions	29,211,375	17,985,719	101,103,933	1,112,737	-	28,005,059	-	177,418,823
Deposits at banks and financial institutions	-	-	20,312,861	-	-	-	-	20,312,861
Direct credit facilities	1,161,591,343	186,012,552	10,080,744	-	-	-	-	1,357,684,639
Financial assets at amortized cost	803,289,367	48,781,040	14,180,000	-	-	-	-	866,250,407
Other assets	17,989,494	1,292,601	174,762	-	-	-	-	19,456,857
Total	2,161,328,322	297,541,980	146,502,084	1,112,737	-	28,005,059	-	2,634,490,182
Financial guarantees	224,750,647	11,736,400	468,022	-	-	-	-	236,955,069
Letters of credit	81,126,276	6,129,137	-	-	-	-	-	87,255,413
Other liabilities	399,563,302	32,619,121	8,071,812	-	-	-	-	440,254,235
Total 2021	2,866,768,547	348,026,638	155,041,918	1,112,737	-	28,005,059	-	2,398,954,899

b. Allocation of exposures according stage categories of IFRS (9) December 31, 2021:

	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total
	JD	JD	JD	JD
Inside Jordan	2,717,383,845	128,282,554	21,102,148	2,866,768,547
Middle East	338,374,343	7,756,363	1,895,932	348,026,638
Europe	154,946,341	95,557	-	155,041,918
Asia	1,112,737	-	-	1,112,737
Africa	-	-	-	-
Americas	28,005,059	-	-	28,005,059
Other Countries	-	-	-	-
Total 2021	3,239,822,325	136,134,494	22,998,080	3,398,954,899

* Except for the Middle East countries

Allocation of reclassified exposures:

a. Gross of reclassified exposures

Item	December 31, 2021					
	Stage 2		Stage 3		Total Reclassified Exposures	Percentage of Reclassified Exposures
	Total Exposure Value	Reclassified Exposures	Total Exposure Value	Reclassified Exposures		
	JD	JD	JD	JD	JD	%
Balances at central banks	-	-	-	-	-	
Balances at banks and financial institutions	-	-	-	-	-	
Deposits at banks and financial institutions	-	-	-	-	-	
Direct credit facilities	137,769,708	16,369,910	107,430,472	12,599,208	28,969,118	11.81%
Financial assets at amortized cost	-	-	-	-	-	
Other assets	-	-	-	-	-	
Total statement of financial position exposure	137,769,708	16,369,910	107,430,472	12,599,208	28,969,118	
Total off-statement of financial position exposure	14,523,301	41,608	2,601,922	19,419	61,027	0.36%
Total	152,293,009	16,411,518	110,032,394	12,618,627	29,030,145	

b. Expected credit losses of reclassified exposures:

Item	December 31, 2021						
	Reclassified Exposures			Expected credit loss of reclassified exposures			
	Total exposures reclassified from stage 2	Total exposures reclassified from stage 3	Total reclassified exposures	Stage 2 (Individual)	Stage 3	Total	Percentage of Loss for Reclassified Exposures
	JD	JD	JD	JD	JD	JD	دينار
Balances at central banks	-	-	-	-	-	-	
Balances at banks and financial institutions	-	-	-	-	-	-	
Deposits at banks and financial institutions	-	-	-	-	-	-	
Direct credit facilities	16,369,910	12,599,208	28,969,118	(1,095,715)	365,237	(730,478)	(2.522%)
Financial assets at amortized cost	-	-	-	-	-	-	
Other assets	-	-	-	-	-	-	
Total statement of financial position exposure	16,369,910	12,599,208	28,969,118	(1,095,715)	365,237	(730,478)	
Total off - statement of financial position exposure	41,608	19,419	61,027	(40,087)	(8,407)	(48,494)	(79.463%)
Total	16,411,518	12,618,627	29,030,145	(1,135,802)	356,830	(778,972)	

Exposure to credit risk (after net of allowances for impairment and suspended interest and before the effect of risk mitigates and collaterals):

	December 31	
	2021	2020
	JD	JD
On-Consolidated Statement of Financial Position Items		
Balances at Central Banks	193,366,595	139,888,244
Balances at banks and financial institutions	177,418,823	167,340,463
Deposits at banks and financial institutions	20,312,861	19,618,676
Direct credit facilities:		
Retail	309,916,415	310,261,121
Real-estate loans	301,456,375	314,372,029
Companies:		
Large corporations	557,986,336	573,847,526
Small and medium enterprises	156,871,661	146,301,379
Lending to governmental and public sectors	31,453,852	24,851,777
Bills and Notes:		
Financial assets held at amortized cost, net	866,250,407	817,193,096
Other assets	19,456,857	18,903,299
Total on-Consolidated Statement of Financial Position Items	2,634,490,182	2,532,577,610
Off-Consolidated Statement of Financial Position Items:		
Letters of guarantee	236,955,069	248,217,398
Letters of credit & Acceptances	87,255,413	120,561,581
Un-utilized credit facilities limits	440,254,235	330,420,282
Total off-Consolidated Statement of Financial Position Items	764,464,717	699,199,261
Total on & off-Consolidated Statement of Financial Position Items	3,398,954,899	3,231,776,871

- The above table represents the maximum credit risk for the bank as of December 31, 2021 and 2020 without taking the collaterals or effect of mitigation into consideration.

40- Segment Information

a. Information on the Bank's Segments:

For management purposes, the Bank is organized into the following major business sectors based on the reports used by the general manager and decision maker:

- Individual accounts: This item includes following up on individual customer's deposits and granting them credit facilities, credit cards and other services.
- Small and Medium Enterprises Accounts: This item includes following up on the client's deposits and credit facilities. Moreover, these clients are classified based on the volume of the granted deposits and facilities according to the Bank's instructions and principles and in compliance with the regulatory bodies' instructions.
- Large Companies' Accounts: This item includes following up on the client's deposits and credit facilities. Moreover, these clients are classified based on the volume of the granted deposits and facilities according to the Bank's instructions and principles and in compliance with the regulatory bodies' instructions.
- Treasury: This item includes providing treasury and trading services and managing the Bank's funds and long- term investments at amortized costs, which are maintained to collect the contractual cash flows.
- Investments and Foreign Currencies Management: This item includes the Bank's local and foreign investments which are recorded at fair value, in addition to the foreign currencies trading services.
- Others: This sector includes all the accounts not listed within the sectors mentioned above, such as shareholder's rights, investments in associates, property and equipment, general management, support management, and the treasury.

						Total	
	Retail	Small and Medium entities	Corporate	Treasury	Other	For the Year Ended December 31,2021	For the Year Ended December 31,2020
	JD	JD	JD	JD	JD	JD	JD
Total revenue	31,549,077	20,960,640	33,827,791	20,804,493	4,179,265	111,321,266	108,867,402
Provision for expected credit losses	(3,451,191)	(1,194,956)	(8,465,747)	(24,331)	(44,396)	(13,180,621)	(21,398,476)
Segment results	28,097,886	19,765,684	25,362,044	20,780,162	4,134,869	98,140,645	87,468,926
Unallocated expenses	-	-	-	-	(68,910,095)	(68,910,095)	(71,109,119)
Impairment provision on seized assets	-	-	-	-	(2,000,000)	(2,000,000)	(1,344,247)
Provision for violating investments	-	-	-	-	-	-	(208,333)
Associate companies profit (loss)	-	-	-	(63,776)	-	(63,776)	2,694,853
Profit before tax	28,097,886	19,765,684	25,362,044	20,716,386	(66,775,226)	27,166,774	17,502,080
Income tax	-	-	-	-	(12,936,342)	(12,936,342)	(7,062,374)
Net profit						14,230,432	10,439,706
Capital expenditures						5,030,686	6,888,019
Depreciation and amortization						11,058,836	11,565,490

Other Information:

						Total	
	Retail	Small and Medium entities	Corporate	Treasury	Other	For the Year Ended December 31,2021	For the Year Ended December 31,2020
	JD	JD	JD	JD	JD	JD	JD
Segment assets	592,115,850	208,178,808	588,396,392	1,319,801,670	112,581,283	2,821,074,003	2,706,319,420
Investments in associates	-	-	-	-	-	-	1,039,817
Assets not distributed over sector	-	-	-	-	132,342,750	132,342,750	138,637,804
Total assets	592,115,850	208,178,808	588,396,392	1,319,801,670	244,924,033	2,953,416,753	2,845,997,041
Segment liabilities	1,200,438,787	401,723,278	624,216,452	311,033,500	48,747,751	2,586,159,768	2,486,823,065
Liabilities not distributed over sector	-	-	-	-	39,537,487	39,537,487	36,844,014
Total liabilities	1,200,438,787	401,723,278	624,216,452	311,033,500	88,285,238	2,625,697,255	2,523,667,079

B- Geographical Information:

The following table represents the geographical segments of the bank's business. The bank practices its activities mainly in the Kingdom, which represent businesses inside the Kingdom, and the bank practices activities in Palestine .

Below is the distribution of the revenues, assets and capital expenditures as per the geographical information:

	Inside Jordan		Outside Jordan		Total	
	December 31,2021	December 31,2020	December 31,2021	December 31,2020	December 31,2021	December 31,2020
	JD	JD	JD	JD	JD	JD
Total revenue	98,593,110	96,882,438	12,728,156	11,984,964	111,321,266	108,867,402
Capital expenditures	4,455,338	5,257,016	575,348	1,631,003	5,030,686	6,888,019
Total assets	2,518,754,002	2,441,911,325	434,662,751	404,085,716	2,953,416,753	2,845,997,041

Fair value of collaterals obtained against total credit exposures as of 31 December 2021:

Item	Total Exposure Value	Collateral Fair Value							Net Exposure after collateral	Expected Credit Loss (ECL)
		Cash Margin	Quoted Shares	Acceptable LGs	Real Estates	Cars and Mechanics	Others	Total Collateral Value		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	193,366,595	-	-	-	-	-	-	-	193,366,595	-
Balances at banks and financial institutions	177,440,379	-	-	-	-	-	-	-	177,440,379	21,556
Deposits at banks and financial institutions	20,342,135	-	-	-	-	-	-	-	20,342,135	29,274
Credit Facilities:	1,464,675,116	128,596,430	5,476,380	5,259,208	840,622,480	35,250,953	44,257,950	1,059,463,401	405,211,715	82,940,530
Retail	328,734,151	40,100,912	12,044	52,613	7,961,043	4,874,759	28,773	53,030,144	275,704,007	15,811,294
Real estate loans	312,679,388	516,950	-	-	483,425,323	32,937	35,892,805	519,868,015	(207,188,627)	8,192,139
Corporate	620,977,412	47,823,216	4,967,426	1,435,088	240,402,716	23,663,598	2,117,211	320,409,255	300,568,157	49,121,082
SMEs	170,753,060	40,155,352	496,910	3,771,507	108,833,398	6,679,659	6,219,161	166,155,987	4,597,073	9,738,762
Government and public sectors	31,531,105	-	-	-	-	-	-	-	31,531,105	77,253
Financial assets at amortized cost	867,186,788	-	-	-	-	-	-	-	867,186,788	936,381
Other assets	19,456,857	-	-	-	-	-	-	-	19,456,857	-
Total statement of financial position items	2,742,467,870	128,596,430	5,476,380	5,259,208	840,622,480	35,250,953	44,257,950	1,059,463,401	1,683,004,469	83,927,741
Total off statement of financial position items	770,650,635	41,901,076	252,000	-	58,232,940	364,703	-	100,750,719	669,899,916	6,185,918
Total	3,513,118,505	170,497,506	5,728,380	5,259,208	898,855,420	35,615,656	44,257,950	1,160,214,120	2,352,904,385	90,113,659

Fair value of collaterals obtained against total credit exposures as of 31 December 2020:

Item	Total Exposure Value	Collateral Fair Value							Net Exposure after collateral	Expected Credit Loss (ECL)
		Cash Margin	Quoted Shares	Acceptable LGs	Real Estates	Cars and Mechanics	Others	Total Collateral Value		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	139,888,244	-	-	-	-	-	-	-	139,888,244	-
Balances at banks and financial institutions	167,375,808	-	-	-	-	-	-	-	167,375,808	35,345
Deposits at banks and financial institutions	19,642,750	-	-	-	-	-	-	-	19,642,750	24,074
Credit Facilities:	1,469,506,933	108,720,249	10,998,461	4,473,070	852,001,136	21,762,529	74,863,998	1,072,819,443	396,687,490	76,974,392
Retail	327,717,128	42,976,574	324,930	57,009	11,211,492	5,505,906	-	60,075,911	267,641,217	14,806,027
Real estate loans	323,817,108	442,782	-	-	482,545,389	84,000	66,027,800	549,099,971	(225,282,863)	6,723,978
Corporate	630,350,281	30,550,486	9,943,531	1,291,573	246,618,392	5,042,211	1,574,529	295,020,722	335,329,559	43,717,226
SMEs	162,717,967	34,750,407	730,000	3,124,488	111,625,863	11,130,412	7,261,669	168,622,839	(5,904,872)	11,674,489
Government and public sectors	24,904,449	-	-	-	-	-	-	-	24,904,449	52,672
Financial assets at amortized cost	818,099,341	-	-	-	-	-	-	-	818,099,341	906,245
Other assets	18,903,299	-	-	-	-	-	-	-	18,903,299	-
Total statement of financial position items	2,633,416,375	108,720,249	10,998,461	4,473,070	852,001,136	21,762,529	74,863,998	1,072,819,443	1,560,596,932	77,940,056
Total off statement of financial position items	575,900,860	4,522,947	-	-	5,561,923	6,440,491	-	16,525,361	559,375,499	5,038,738
Total	3,209,317,235	113,243,196	10,998,461	4,473,070	857,563,059	28,203,020	74,863,998	1,089,344,804	2,119,972,431	82,978,794

Fair value of collaterals obtained against stage 3 credit exposures as at 31 December 2021:

Item	Total Exposure Value	Collateral Fair Value							Net Exposure after collateral	Expected Credit Loss (ECL)
		Cash Margin	Quoted Shares	Acceptable LGs	Real Estates	Cars and Mechanics	Others	Total Collateral Value		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Deposits at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Credit Facilities:	107,430,472	2,968,633	984,387	801,191	38,775,966	21,722,285	462,033	65,714,495	41,715,977	65,704,362
Retail	16,605,476	78,217	12,044	52,613	1,199,775	543,488	28,773	1,914,910	14,690,566	14,014,344
Real estate loans	18,418,386	60,476	-	-	17,785,585	-	88,212	17,934,273	484,113	7,612,540
Corporate	57,302,584	2,576,421	972,343	36,244	10,324,764	20,483,498	244,383	34,637,653	22,664,931	37,114,695
SMEs	15,104,026	253,519	-	712,334	9,465,842	695,299	100,665	11,227,659	3,876,367	6,962,783
Government and public sectors	-	-	-	-	-	-	-	-	-	-
Financial assets at amortized cost	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total statement of financial position items	107,430,472	2,968,633	984,387	801,191	38,775,966	21,722,285	462,033	65,714,495	41,715,977	65,704,362
Total off statement of financial position items	2,601,922	1,648,419	-	-	1,864,267	206,800	-	3,719,486	(1,117,564)	1,108,881
Total	110,032,394	4,617,052	984,387	801,191	40,640,233	21,929,085	462,033	69,433,981	40,598,413	66,813,243

Fair value of collaterals obtained against stage 3 credit exposures as at 31 December 2020:

Item	Total Exposure Value	Collateral Fair Value							Net Exposure after collateral	Expected Credit Loss (ECL)
		Cash Margin	Quoted Shares	Acceptable LGs	Real Estates	Cars and Mechanics	Others	Total Collateral Value		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Deposits at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Credit Facilities:	110,523,831	3,002,402	1,114,881	807,612	52,359,878	3,009,527	678,105	60,972,405	49,551,426	61,309,215
Retail	15,158,132	68,071	19,873	57,009	1,202,503	633,031	-	1,980,487	13,177,645	12,601,366
Real estate loans	14,958,792	24,099	-	-	16,174,164	-	51,412	16,249,675	(1,290,883)	5,966,286
Corporate	60,441,305	2,510,321	1,095,008	43,681	21,685,374	976,381	238,875	26,549,640	33,891,665	33,307,659
SMEs	19,965,602	399,911	-	706,922	13,297,837	1,400,115	387,818	16,192,603	3,772,999	9,433,904
Government and public sectors	-	-	-	-	-	-	-	-	-	-
Financial assets at amortized cost	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total statement of financial position items	110,523,831	3,002,402	1,114,881	807,612	52,359,878	3,009,527	678,105	60,972,405	49,551,426	61,309,215
Total off statement of financial position items	2,976,904	1,703,597	-	-	5,561,923	6,440,491	-	13,706,011	(10,729,107)	1,107,319
Total	113,500,735	4,705,999	1,114,881	807,612	57,921,801	9,450,018	678,105	74,678,416	38,822,319	62,416,534

b. Market:

Market risk is defined as the risks resulting from a change in market prices in a way that affects the bank's profits or equity in it. This definition includes the change in currency exchange rates and stock prices in addition to interest rates.

The Bank adopts a conservative policy in managing these risks, as these risks are controlled by adopting clear policies regarding them and the adoption of exposure limits for each type of these risks and our policy aims to reduce these risks to the lowest levels.

1. Interest rate risk

In managing interest rate risks, the bank relies on a conservative policy, as most of the bank's assets and liabilities are subject to re-pricing in the short term, this conservative policy limits the impact of the change in interest rates on the bank's profits or on the prices of its assets and investments.

Interest rate risk is managed by the Asset and Liability Management Committee, whereby this committee is provided with interest re-pricing gap reports periodically. In addition to the reports of sensitivity to changes in interest rates that are prepared for each currency separately, as it is clear from these reports that the impact of these risks is within the lowest level.

For year 2021

Currency	Change (increase) in interest rate (%)	Sensitivity of interest revenue (profit or loss)	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	1	20,317	-
Euro	1	(62,547)	-
Sterling Pound	1	209	-
Japanese Yen	1	146	-
Other Currencies	1	(28,770)	-

Currency	Change (decrease) in interest rate (%)	Sensitivity of interest revenue (profit or loss)	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	1	(20,317)	-
Euro	1	62,547	-
Sterling Pound	1	(209)	-
Japanese Yen	1	(146)	-
Other Currencies	1	28,770	-

For year 2020

Currency	Change (increase) in interest rate (%)	Sensitivity of interest revenue (profit or loss)	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	1	1,939	-
Euro	1	1,493	-
Sterling Pound	1	(55)	-
Japanese Yen	1	(450)	-
Other Currencies	1	(41,975)	-

Currency	Change (decrease) in interest rate (%)	Sensitivity of interest revenue (profit or loss)	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	1	(1,939)	-
Euro	1	(1,493)	-
Sterling Pound	1	55	-
Japanese Yen	1	450	-
Other Currencies	1	41,975	-

2. Foreign currencies risk

The bank's policy is based on the complete hedging of currency risks, whereby open positions in foreign currencies are not maintained except within the minimum limits and according to a clear policy based on reducing sensitivity of the bank's profits to changes in currency rates, and limits are set for open positions for each currency separately and for the total currencies and the evaluation of these positions on a daily basis to reduce the risk of currency exchange rates to their minimum.

December 31, 2021			
Currency	Change (increase) in interest rate (%)	Effect on profits or losses	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	-	-	-
Euro	5	(318,900)	-
Sterling Pound	5	(1,343)	-
Japanese Yen	5	732	-
Other Currencies	5	(6,958)	-

December 31, 2020			
Currency	Change (increase) in interest rate (%)	Effect on profits or losses	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	-	-	-
Euro	5	31,489	-
Sterling Pound	5	(111)	-
Japanese Yen	5	(1,553)	-
Other Currencies	5	(8,410)	-

In the case of a decrease in the currency exchange rate by 5%, it will have the same financial effect as above, with the opposite indication.

3. Risks of changes in shares prices:

This represents the risk resulting from the decline in the fair value of the investment portfolio of the shares due to the changes in the value of the shares' indicators and the change in the value of shares individually.

December 31, 2021			
Indicator	Change equity prices (%)	Effect on profits or losses	Effect on shareholders
	%	JD	JD
Financial markets	5	-	522,552

December 31, 2020			
Indicator	Change equity prices (%)	Effect on profits or losses	Effect on shareholders
	%	JD	JD
Financial markets	5	-	464,521

• Stock Prices risk

Trading portfolio risk management depends on a policy that is based on diversification of investments, where investments are distributed on a sectoral basis, within the most stable sectors, and across several financial markets to reduce risks to acceptable levels.

c. Liquidity Risks

The bank has a liquidity strategy to manage liquidity risk in accordance with the risk tolerance and to ensure that the bank maintains sufficient liquidity all times and in times of stress. The Bank continuously expands its depositors' base and diversifies the sources of its funds with the aim of maintaining its stability. In this respect, the Bank maintains its liquidity level within risk appetite limits.

Bank's liquidity risk management policy ensures that the bank maintains liquidity limits at the corresponding banks to ensure easy access to high quality liquid assets at can be liquidated at reasonable cost and time in case of an unexpected demand.

To measure the Bank's liquidity levels, a schedule is prepared periodically to verify that liquidity is within the acceptable levels. In addition, the Legal liquidity ratio is calculated on daily basis to ensure compliance with the regulatory requirements and internal policies.

Various stress scenarios' identified and measured to ensure the Bank's ability to withstand any changes that might take place in the financial markets.

The Treasury Department manages funds in line with the Bank's liquidity policy endorsed by the Assets and Liabilities Management Committee and submits regular reports to the Committee. Moreover, the Risk Management Department monitors the liquidity levels and ensures adherence to the Bank's internal policies.

40/c. Liquidity risk

The table below summarizes the distribution of liabilities on the basis of the remainder undiscounted contractual maturity at December 31, 2021 and 2020

	Less than 1 Month	1 - 3 Months	3 - 6 Months	6 - 12 Months	1 - 3 Years	More than 3 Years	Without Maturity	Total
	JD	JD	JD	JD	JD	JD	JD	JD
As of December 31, 2021								
Liabilities								
Banks and financial institutions' deposits	29,088,388	107,470,955	25,583,656	-	-	-	-	162,142,999
Customers' deposits	188,077,864	1,004,217,362	337,193,304	312,203,178	168,851,390	-	-	2,010,543,098
Margin accounts	33,872,283	9,158,216	10,819,506	16,065,848	143,976,302	-	-	213,892,155
Borrowed funds	438,466	1,881,592	3,565,073	8,402,234	142,965,980	1,128,306	-	158,381,651
Subordinated Bonds	-	-	-	-	25,000,000	402,226	-	25,402,226
Other provisions	-	-	-	-	-	-	3,685,682	3,685,682
Income tax provision	2,237,633	-	8,160,837	-	-	-	-	10,398,470
Lease Liabilities	-	-	-	-	-	-	9,663,597	9,663,597
Other liabilities	-	-	-	-	-	-	31,587,377	31,587,377
Total Liabilities	253,714,634	1,122,728,125	385,322,376	336,671,260	480,793,672	1,530,532	44,936,656	2,625,697,255
Total Assets	443,823,706	171,067,460	123,813,093	166,003,506	665,989,942	1,127,153,019	255,566,027	2,953,416,753

	Less than 1 Month	1 - 3 Months	3 - 6 Months	6 - 12 Months	1 - 3 Years	More than 3 Years	Without Maturity	Total
	JD	JD	JD	JD	JD	JD	JD	JD
As of December 31, 2020								
Liabilities								
Banks and financial institutions' deposits	62,567,228	46,150,072	35,458,255	-	-	-	-	144,175,555
Customers' deposits	231,001,850	928,315,567	283,056,599	283,803,488	176,888,066	8,099,079	-	1,911,164,649
Margin accounts	17,372,770	12,304,465	11,977,774	24,272,836	142,206,754	-	-	208,134,599
Borrowed funds	622,908	625,895	6,015,600	19,607,358	26,473,918	134,428,815	-	187,774,494
Subordinated Bonds	-	-	-	-	25,000,000	402,226	-	25,402,226
Other provisions	-	-	-	-	-	-	3,896,808	3,896,808
Income tax provision	2,237,633	-	3,629,223	-	-	-	-	5,866,856
Lease Liabilities	-	-	-	-	-	-	5,783,953	5,783,953
Other liabilities	-	-	-	-	-	-	31,467,939	31,467,939
Total Liabilities	313,802,389	987,395,999	340,137,451	327,683,682	370,568,738	142,930,120	41,148,700	2,523,667,079
Total Assets	412,148,822	114,225,771	188,239,609	251,087,930	573,256,772	1,047,606,430	259,431,707	2,845,997,041

Interest Rate Re-Pricing Gap

The classification is based on the interest repricing periods or maturities whichever is earlier.

	Less than 1 Month	1 - 3 Months	3 - 6 Months	6 - 12 Months	1 - 3 Years	More than 3 Years	Non-Interest Bearing	Total
JD	JD	JD	JD	JD	JD	JD	JD	JD
2021								
Assets								
Cash and balances at Central Banks	81,399,198	-	-	-	-	10,635,000	167,643,509	259,677,707
Balances at banks and financial institutions	40,409,680	70,312,228	-	-	-	-	66,696,915	177,418,823
Deposits at banks and financial institutions	-	-	20,312,861	-	-	-	-	20,312,861
Direct credit facilities - Net	43,565,799	58,147,936	94,634,324	143,049,091	221,475,435	796,372,059	439,995	1,357,684,639
Financial assets at fair value through OCI	-	-	-	-	-	-	26,485,706	26,485,706
Financial assets at amortized cost	43,163,072	42,026,223	8,192,379	21,331,098	440,550,124	310,987,511	-	866,250,407
Right of use	-	-	-	-	-	-	10,031,598	10,031,598
Property and equipment	-	-	-	-	-	-	80,356,732	80,356,732
Intangible assets	-	-	-	-	-	-	7,586,755	7,586,755
Deferred tax assets	-	-	-	-	-	-	15,268,775	15,268,775
Other assets	-	-	-	-	-	-	132,342,750	132,342,750
Total Assets	208,537,749	170,486,387	123,139,564	164,380,189	662,025,559	1,117,994,570	506,852,735	2,953,416,753
Liabilities								
Banks and financial institutions' deposits	29,088,388	107,424,055	25,273,779	-	-	-	-	161,786,222
Customers' deposits	187,410,293	373,300,325	335,709,663	311,761,613	167,930,966	-	627,638,003	2,003,750,863
Margin accounts	5,694,044	9,158,216	10,819,506	16,065,848	143,970,690	-	28,178,239	213,886,543
Borrowed funds	438,466	1,881,592	3,565,073	8,402,234	142,572,720	1,128,306	-	157,988,391
Subordinated Bonds	-	-	-	-	25,000,000	-	-	25,000,000
Other provisions	-	-	-	-	-	-	3,685,682	3,685,682
Income tax provision	-	-	-	-	-	-	10,398,470	10,398,470
Lease liability	-	-	-	-	-	-	9,663,597	9,663,597
Other liabilities	-	-	-	-	-	-	39,537,487	39,537,487
Total Liabilities	222,631,191	491,764,188	375,368,021	336,229,695	479,474,376	1,128,306	719,101,478	2,625,697,255
Interest Rate Re-Pricing Gap	(14,093,442)	(321,277,801)	(252,228,457)	(171,849,506)	182,551,183	1,116,866,264	(212,248,743)	327,719,498
2020								
Total Assets	184,907,228	113,644,698	187,566,080	249,464,613	564,636,546	1,038,447,981	507,329,895	2,845,997,041
Total Liabilities	299,266,610	426,548,507	334,735,870	327,242,117	369,249,442	142,527,894	624,096,639	2,523,667,079
Interest Rate Re-Pricing Gap	(114,359,382)	(312,903,809)	(147,169,790)	(77,777,504)	195,387,104	895,920,087	(116,766,744)	322,329,962

Concentration in foreign currency risk:

	US Dollar	Euro	Sterling Pound	Japanese Yen	Other Currencies	Total
	JD	JD	JD	JD	JD	JD
As of December 31, 2021						
Assets						
Cash and balances at Central Banks	50,033,423	2,238,918	182,085	-	38,398,667	90,853,093
Balances at banks and financial institutions	144,043,950	19,739,291	7,725,080	1,138,285	4,625,872	177,272,478
Deposits at banks and financial institutions	-	13,631,047	6,681,814	-	-	20,312,861
Direct credit facilities - net	166,296,322	2,441,535	96,707	2	77,682,672	246,517,238
Financial assets at fair value through OCI	65,909	341,336	-	-	-	407,245
Financial assets at amortized cost	113,548,433	4,012,940	-	-	4,632,336	122,193,709
Right of use	13,012	-	-	-	-	13,012
Property and equipment	587,841	-	-	-	-	587,841
Intangible assets	100,380	-	-	-	-	100,380
Other assets	2,647,542	41,486	7,494	(10)	3,240,212	5,936,724
Total Assets	477,336,812	42,446,553	14,693,180	1,138,277	128,579,759	664,194,581
Liabilities						
Banks and financial institution deposits	22,202,081	3,804,871	3,329,041	-	20,222,696	49,558,689
Customers' deposits	409,119,744	42,198,777	11,257,272	310,454	98,633,554	561,519,801
Cash margins	39,542,704	2,314,780	78,455	813,192	9,360,311	52,109,442
Borrowed funds	1,012,857	-	-	-	-	1,012,857
Other provisions	72,354	-	-	-	-	72,354
Income tax provision	-	-	-	-	-	-
Lease liability	13,049	-	-	-	-	13,049
Other liabilities	2,643,099	506,127	55,270	-	502,360	3,706,856
Total Liabilities	474,605,888	48,824,555	14,720,038	1,123,646	128,718,921	667,993,048
Net concentration on consolidated statement of financial position	2,730,924	(6,378,002)	(26,858)	14,631	(139,162)	(3,798,467)
Contingent liabilities off consolidated statement of financial position	130,884,955	11,835,349	2,024,813	8,016,426	7,695,875	160,457,418
As of December 31, 2020						
Total Assets	481,254,253	38,238,779	11,542,963	9,936,285	109,125,796	650,098,076
Total Liabilities	480,276,359	37,608,998	11,545,173	9,967,349	109,294,004	648,691,883
Net concentration on consolidated statement of financial position	977,894	629,781	(2,210)	(31,064)	(168,208)	1,406,193
Contingent liabilities off the consolidated statement of financial position	189,158,483	20,496,080	1,656,259	2,549,145	12,170,491	226,030,458

Second: off-consolidated statement of financial position items:

	Up to 1 Year	1 - 5 Years	Total
	JD	JD	JD
As of December 31, 2021			
Acceptances and letters of credit	116,783,545	1,267,515	118,051,060
Unutilized limits	442,102,268	-	442,102,268
Letters of guarantee	203,805,088	37,051,275	240,856,363
Total	762,690,901	38,318,790	801,009,691
As of December 31, 2020			
Acceptances and letters of credit	165,953,783	7,597,852	173,551,635
Unutilized limits	331,793,139	-	331,793,139
Letters of guarantee	228,175,040	23,263,319	251,438,359
Total	725,921,962	30,861,171	756,783,133

41. Capital Management

a. The capital adequacy ratio as of December 31, 2021 and 2020 was calculated based on Basel III Instructions, and the Bank's regulatory capital consists of a primary capital representing ordinary shares (CET1) and a supplementary capital, in addition to Tier2.

b. The regulatory bodies' requirements related to the ordinary shares capital

The Central Bank of Jordan's instructions require that minimum regulatory capital be (12%), For banks that have foreign presence, the minimum capital adequacy ratio is 14%, Banks are classified into 5 categories, the best of which is having an average capital adequacy equal to or more than 14%.

c. Manner of achieving capital management objectives

Capital management represents the optimal employment of the sources of funds to achieve the highest return on capital within the acceptable risk limits approved by the Board of Directors. In addition, capital management endeavors to maintain the minimum capital prescribed by the laws and regulations in force. In this regard, the Bank adopts a policy that aims to minimize the costs of funds as much as possible through obtaining funds from low-cost sources, expanding the customers' base, and optimally employing these sources within acceptable risk limits to achieve the highest possible return on capital.

d. Capital Adequacy

Through the management of its capital, the Bank seeks to achieve the below goals:

- Compliance with the Central Bank capital related requirements.
- To keep the ability of the Bank to continue as a going concern.
- Having a strong capital base for supporting the Bank's expansion and development.

Capital adequacy is reviewed and reported quarterly to the Central Bank of Jordan.

According to the Central Bank Instructions, the minimum requirement for capital adequacy is 12%. For Banks that have foreign presence the minimum capital adequacy ratio is 14%, Banks are classified into 5 categories, the best of which is having an average capital adequacy equal to or more than 14%.

The Bank manage its capital structure and makes the necessary adjustments in terms of working conditions. No adjustments were made on the objectives, policies and procedures related to capital restructuring during the year.

The Bank manage its capital structure based on CBJ that are based on Basel 3 agreement is as stated in the table below:

	December 31,2021	December 31,2020 (Restated)
	JD (In Thousands)	
Common Equity Shareholders Rights		
Authorized capital - (Paid)	200,655	200,655
Retained earnings	48,061	44,306
The cumulative change in fair value	(5,645)	(4,794)
Statutory reserve	65,209	62,723
Voluntary reserve	15,762	15,762
other reserve	3,678	3,678
Total Common Equity Tire 1 before regulatory adjustments	327,720	322,330
Regulatory Adjustments (deductions from Capital)		
Goodwill and intangible assets	(7,586)	(10,810)
Proposed dividends	(14,046)	(8,026)
Postponed provisions with the approval of the Central Bank	(7,200)	(9,234)
Investment in Bank's capital, financial institutions and insurance companies	(3,025)	(3,575)
Investments where the bank owns more than 10%	-	(1,040)
Deferred tax assets	(15,269)	(14,119)
Net Common Equity Shareholders Rights	280,594	275,526
Additional capital		
Net Primary Capital (Tier 1)	280,594	275,526
Tier 2 capital		
Provision for debts tools listed in Stage 1	10,936	10,658
Subordinated bonds	5,000	10,000
Total Supporting Capital	15,936	20,658
Total Regulatory Capital	296,530	296,184
Total Risk Weighted Assets	1,863,180	1,907,214
Capital percentage from regular shares (CET 1) (%)	%15,06	%14,45
Regulatory capital percentage (%)	%15,92	%15,53

*During October 2017, the bank issued subordinated bonds in the amount of JD 25 million for a period of six years at discounted interest rate to the Central Bank of Jordan in addition to 2% margin in order to improve the capital adequacy percentage.

Liquidity Coverage Ratio (LCR):

	December 31,2021
	JD (In Thousands)
Total high-quality liquid assets after adjustments	990,829
Total net cash outflow	438,104
Liquidity Corves Ratio (LCR) (%)	%226,2
The Liquidity Coverage Ratio/ based on the average of all working days	% 188,7

42. Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled:

	Up to 1 Year	More than 1 Year	Total
	JD	JD	JD
December 31, 2021			
Assets			
Cash and balances at Central Banks	249,042,707	10,635,000	259,677,707
Balances at banks and financial institutions	177,418,823	-	177,418,823
Deposits at banks and financial institutions	20,312,861	-	20,312,861
Direct credit facilities - Net	339,837,145	1,017,847,494	1,357,684,639
Financial assets at fair value through OCI	-	26,485,706	26,485,706
Financial assets at amortized cost	739,051,444	127,198,963	866,250,407
Right of use	-	10,031,598	10,031,598
Property and equipment	-	80,356,732	80,356,732
Intangible assets	-	7,586,755	7,586,755
Deferred tax assets	-	15,268,775	15,268,775
Other assets	-	132,342,750	123,342,750
Total Assets	1,525,662,980	1,427,753,773	2,953,416,753
Liabilities			
Banks and financial institution deposits	161,786,222	-	161,786,222
Customers' deposits	1,835,819,897	167,930,966	2,003,750,863
Cash margins	14,737,614	199,148,929	213,886,543
Borrowed funds	14,287,365	143,701,026	157,988,391
Subordinated Bonds	-	25,000,000	25,000,000
Other provisions	-	3,685,682	3,685,682
Income tax provision	10,398,470	-	10,398,470
Lease liability	-	9,663,597	9,663,597
Other liabilities	-	39,537,487	39,537,487
Total Liabilities	2,037,029,568	588,667,687	2,625,697,255
Net	(511,366,588)	839,086,086	327,719,498

	Up to 1 Year	More than 1 Year	Total
	JD	JD	JD
December 31, 2020			
Assets			
Cash and balances at Central Banks	180,982,135	10,635,000	191,617,135
Balances at banks and financial institutions	167,340,463	-	167,340,463
Deposits at banks and financial institutions	19,618,676	-	19,618,676
Direct credit facilities - Net	395,184,613	974,449,219	1,369,633,832
Financial assets at fair value through OCI	-	25,744,834	25,744,834
Financial assets at amortized cost	753,739,841	63,453,255	817,193,096
Right of use	-	8,744,226	8,744,226
Investments in associate	-	1,039,817	1,039,817
Property and equipment	-	81,498,310	81,498,310
Intangible assets	-	10,810,030	10,810,030
Deferred tax assets	-	14,118,818	14,118,818
Other assets	-	138,637,804	138,637,804
Total Assets	1,516,865,728	1,329,131,313	2,845,997,041
Liabilities			
Banks and financial institution deposits	143,818,778	-	143,818,778
Customers' deposits	1,720,326,853	184,066,721	1,904,393,574
Cash margins	65,927,845	142,201,142	208,128,987
Borrowed funds	26,871,761	160,509,473	187,381,234
Subordinated Bonds	-	25,000,000	25,000,000
Other provisions	-	3,896,808	3,896,808
Income tax provision	5,783,953	-	5,783,953
Lease liability	-	8,419,731	8,419,731
Other liabilities	-	36,844,014	36,844,014
Total Liabilities	1,962,729,190	560,937,889	2,523,667,079
Net	(445,863,462)	768,193,424	322,329,962

43. Commitments and Contingent Liabilities

Details of this item are as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Letter of credit:		
Letter of credit-outgoing	57,262,633	63,752,264
Letter of credit-incoming	52,545,134	30,359,056
Acceptances	63,743,868	23,939,740
Letter of guarantees:		
Payment	116,138,301	112,907,034
Performance bonds	94,537,895	91,018,267
Others	40,762,163	36,931,062
Unutilized credit facilities Limits	331,793,139	442,102,268
	756,783,133	801,009,691

44. Accounts Managed on Behalf of Customers

Details of this item are as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Accounts managed on behalf of customers	10,707,620	10,227,695

45. Lawsuits Against the Bank

Lawsuits raised against the Bank amounted to JD 2,558,173 as at 31 December 2021 (31 December 2020: JD 2,814,990). In the opinion of the Bank's management and the legal advisor, no further liabilities exceeding the provision amounted to JD 290,601 is required as at December 31, 2021 (December 31, 2020: JD 528,205).

Lawsuits raised by the bank against others amounted around JD 289 million, those lawsuits are still pending at the specialized court and they have no financial impact on the Bank.

46. Comparative figures

a. During the ended December 31, 2021, the Bank has retrospectively adjusted the comparative figures balances as a result of an accounting adjustments from prior years, based on the International Accounting Standard 8-Accounting Policies, Changes in Accounting Estimates by booking deferred assets on the following:

1. All balance of expected of credit losses provisions for stages 1 and 2 after the implementation year.
2. All net fair value reserve.

• The effect of the adjustments as follows:

The adjustments on the items related to the year 2020:

	For the Year Ended December 31, 2020		
	Balance before the Adjustments	Effect of the Adjustments	Adjusted Balance
	JD	JD	JD
Consolidated Statement of Financial Position:			
Assets			
Deferred Tax Assets	9,462,975	4,655,843	14,118,818
Consolidated Statement of Change's in Shareholders' Equity			
Retained Earnings	(41,928,062)	(2,378,129)	(44,306,191)
Net fair value reserve after tax (negative)	7,072,122	(2,277,714)	4,794,408

	For the Year Ended December 31, 2020		
	Balance before the Adjustments	Effect of the Adjustments	Adjusted Balance
	JD	JD	JD
Statement of Profit or Loss			
Income tax expense	8,037,021	(974,647)	7,062,374
Net income for the year	9,547,962	891,744	10,439,706
Basic and diluted earnings per share attributable to Bank's shareholders	0,048	0,004	0,052
Statement of Comprehensive Income			
Change in fair value	316,290	(109,728)	206,562

The adjustments on the items related to the years before 2020:

	December 31, 2021		
	Balance before the Adjustments	Effect of the Adjustments	Adjusted Balance
	JD	JD	JD
Consolidated Statement of Financial Position:			
Assets			
Deferred Tax Assets	9,540,754	3,873,828	13,414,582
Consolidated Statement of Change's in Shareholders' Equity			
Retained Earnings	(34,138,598)	(1,486,385)	(35,624,983)
Net fair value reserve after tax (negative)	7,388,412	(2,387,442)	5,000,970

b. Some of the comparative figures for the year 2020 have been reclassified to match the classification of the financial statements for the year ending on December 31, 2021. The reclassifications have no impact on the profit and loss statement, comprehensive income and equity for the year 2020.

	December 31, 2020	
	Balance before the reclassification	Balance after the reclassification
	JD	JD
Consolidated Statement of Financial Position:		
Assets		
Property and equipment	90,242,536	81,498,310
Right of use	-	8,744,226
Liabilities		
Lease liability	-	8,419,731
Other liabilities	45,180,842	36,844,014

Accordingly, the details of the consolidated statement of financial position as of January 1, 2020 became as follows:

	January 1, 2020 (Restated)
	JD
Assets	
Cash and balances at Central Banks	212,324,788
Balances at banks and financial institutions	135,787,335
Deposits at banks and financial institutions	8,520,926
Direct credit facilities-net	1,369,737,583
Financial assets at fair value through OCI	25,014,042
Financial assets at amortized cost	754,893,973
Investment in associate	3,516,259
Property and equipment-net	91,633,021
Deferred tax assets	13,414,582
Intangible assets - net	13,502,104
Other assets	138,352,740
Total Assets	2,766,697,353
Liabilities and Shareholders' Equity	
Liabilities:	
Banks and financial institutions' deposits	150,146,290
Customers' deposits	1,864,020,376
Margin accounts	211,783,599
Borrowed funds	145,009,726
Subordinated Bonds	25,000,000
Other provisions	3,551,062
Income tax provision	10,097,921
Other liabilities	45,404,685
Total Liabilities	2,455,013,659
Shareholders' Equity	
Bank's Shareholders' Equity	
Authorized and paid-up capital	200,655,000
Statutory reserve	60,964,485
Voluntary reserve	15,761,637
Periodic fluctuations reserve	3,678,559
Fair value reserve-net	(5,000,970)
Retained earnings	35,624,983
Total Bank's Shareholders' Equity	311,683,694
Total Shareholders' Equity	311,683,694
Total Liabilities and Shareholders' Equity	2,766,697,353

47. Impact of Covid 19

The coronavirus ("COVID - 19") pandemic has spread across various geographies globally, causing disruption to business and economic activities. COVID - 19 has brought about uncertainties in the global economic environment.

The Bank is closely monitoring the situation and has activated its business continuity planning and other risk management practices to manage the potential business disruption the COVID - 19 outbreak may have on its operations and financial performance.

The Bank has performed an assessment of COVID - 19 pandemic which has resulted in the following changes to the expected credit loss methodology and valuation estimates and judgements as at and for the year ended December 31, 2020 noting that there were no changes to policies, estimates and judgments during the period ended December 31, 2021:

a. Expected credit losses

The uncertainties caused by COVID - 19, have required the Bank to update the inputs and assumptions used for the determination of ECLs during the year, 2020. ECLs were estimated based on a range of forecast economic conditions as at that date and considering that the situation is fast evolving, the Bank has considered the impact of higher volatility in the forward-looking macro-economic factors, when determining the severity and likelihood of economic scenarios for ECL determination.

This volatility has been reflected through adjustment in the methods of scenario construction and the underlying weightages assigned to these scenarios. The forward-looking factor (here Credit Index or CI) used is determined from the observed historical credit index. The credit index is used to forecast expected probability of defaults for the credit portfolio of the Bank.

In addition to the assumptions outlined above, the Bank has given specific consideration to the relevant impact of COVID - 19 on the qualitative and quantitative factors when determining the significant increase in credit risk and assessing the indicators of impairment for the exposures in potentially affected sectors and reflecting the Bank's management estimates (Management Overlay) in evaluating the impact on certain sectors or specific customers based on studying each sector or customers separately.

b. Valuation estimates and judgements

The Bank has also considered potential impacts of the current economic volatility in determination of the reported amounts of the Bank's financial and non-financial assets and these are considered to represent management's best assessment based on available or observable information.

c. Deferred installments and customer credit ratings

Based on the Central Bank of Jordan Circular number 10/3/4375 and 10/3/14960 issued on March 15, 2020 and November 22, 2020 to the banks operating in Jordan, the bank postponed the installments due or that would be due on some customers without considering this as a restructuring and without affecting the customer credit rating, the postponed installments amounted to around JD 52 million during the year ended December 31, 2021 (JD 183 million during the year 2020).

48. Fair Value Hierarchy

a. The fair value of financial assets and financial liabilities of the Company specified at fair value on an ongoing basis:

Some financial assets and liabilities of the Company are measured at fair value at the end of each fiscal period.

The following table shows information about how the fair value of these financial assets and liabilities is determined (valuation methods and inputs used).

Financial Assets / Financial Liabilities	Fair Value		The Level of Fair Value	Valuation Method and Inputs Used	Important Intangible Inputs	Relation between Fair Value and Significant Intangible Inputs
	December 31, 2021	December 31, 2020				
	JD	JD				
Financial Assets at Fair Value in Income Statement						
Financial Assets at Fair Value in Other Comprehensive Income						
Quoted shares	10,451,048	9,290,420	Level I	Prices listed in stock exchanges	Not Applicable	Not Applicable
Investments fund	-	-	Level II	The fund managers evaluation of the fair value	Not Applicable	Not Applicable
Unquoted shares	16,034,658	16,454,414	Level III	Through using equity method based on the latest financial information available	Not Applicable	Not Applicable
Total	26,485,706	25,744,834				
Financial Assets at Fair Value	26,485,706	25,744,834				

There were no transfers between the first level and second level during 2021.

b. The fair value of financial assets and financial liabilities of the Company (non-specific fair value on an ongoing basis):

Except as set out in the table below, we believe that the carrying value of financial assets and financial liabilities in the financial statements of the Company approximates their fair value, as the Company's management believes that the carrying value of the items listed below approximate their fair value, due to either their short-term maturity or repricing of interest rates during the year.

Financial Assets / Financial Liabilities	December 31, 2021		December 31, 2020		Fair Value Level
	Book Value	Fair Value	Book Value	Fair Value	
	JD	JD	JD	JD	
Financial Assets with an Unspecified Fair Value					
Balances at central banks	90,598,000	90,606,219	46,846,207	46,848,355	Level II
Balances and deposits at banks and other financial institutes	197,731,684	197,734,698	186,959,139	186,961,497	Level II
Direct credit facilities - net	1,357,684,639	1,364,781,919	1,369,633,832	1,376,195,281	Level II
Financial assets at amortized costs	866,250,407	877,269,669	817,193,096	828,338,788	Level I and II
Seized assets against debts	89,012,597	105,770,770	91,749,387	106,631,006	
Total Financial Assets with an Unspecified Fair Value	2,601,277,327	2,636,163,275	2,512,381,661	2,544,974,927	
Financial Liabilities with an Unspecified Fair Value					
Banks and financial institutions' deposits	161,786,222	162,198,847	143,818,788	144,175,555	Level II
Customers deposits	2,003,750,863	2,010,471,656	1,904,393,574	1,911,164,649	Level II
Cash margins	213,886,543	213,888,440	208,128,987	208,134,599	Level II
Borrowed funds	157,988,391	158,116,994	187,381,234	187,774,494	Level II
Total Financial Liabilities with an Unspecified Fair Value	2,537,412,019	2,544,675,937	2,443,722,583	2,451,249,297	

For the above-mentioned items, the second level financial liabilities and financial assets have been determined at fair value according to the agreed-upon pricing model, which reflects the credit risk of the parties dealt with.

ATTESTATION STATEMENT ON COMPLETENESS OF FINANCIAL INFORMATION

We, the undersigned, hereby attest to the accuracy and completeness of the financial statements and the financial information of this report as of 2021



Saad Nabil Mouasher
Chairman of the Board



Moh'd Mousa Dawood
CEO / General Manager



Dirar Haddadin
Chief Financial Officer

ATTESTATION STATEMENTS

- The Board of Directors confirms, in accordance to their knowledge and belief that there are no significant issues that may affect the continued operations of the Bank during the financial year 2022.
- The Board of Directors confirms its responsibility for the preparation of the financial statements and for implementing an effective internal control system in line with international standards.
- Each member of the Board of Directors of the Jordan Ahli Bank confirms that neither he/she nor those related to them received any benefits that were not disclosed, whether material or in kind, and whether they were for him/her personally or for any of their related parties during the fiscal year 2021.



Saad Nabil Mouasher
Chairman of the Board



H.E. Dr. Umayya Salah Touka
Vice Chairman



Nadim Yousef Muasher
Board Member



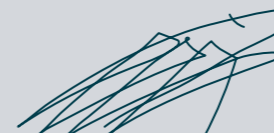
H.E. Mrs. Majd Mohammad Shwaikeh
Representing Jordan Investor Center / Board Member



Imad Yousef Mouasher
Representing Mouasher Investment & Trading Co / Board Member



Rafik Saleh Muasher
Representing Rajai Muasher & Brothers Co / Board Member



H.E. Dr. Tareq Mohammad Hammouri
Board Member



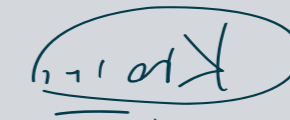
Alan Fouad Wanna
Representing Byblos Bank / Board Member



Ranya Moosa Al-Araj
Representing Social Security Corporation / Board Member



Karim Tawfiq Kwar
Board Member



Khalil Safwan Saket
Board Member



Yazan Munther Haddadin
Board Member



Basim Mahmoud Malhas
Board Member

Corporate Governance

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Enjoy a range of non stop prizes.

Corporate Governance Guidelines

Introduction

Corporate governance has become one of the most important requirements for companies and establishments in world economies. It is considered an important factor that reinforces the success of economic and organizational reforms currently undertaken in the context of globalization and open economies. It is considered a tool for administrative and managerial reform. It emphasizes principles of fairness, transparency, and disclosure, accountability and control. In addition it clearly specifies responsibilities and defines relationships between all stakeholders in order to achieve the Bank's vision and objectives. Accordingly, corporate governance is used as a platform for the development of institutional performance. On one hand, it reinforces overall trust in the Bank as it safeguards depositors' and shareholders' savings. On the other hand, it enables the Bank to effectively contribute to the development of the banking sector; which is considered one of the main pillars for sustainable economic and social development.

The Organization of Economic Cooperation and Development ("OECD") defines corporate governance as a set of relationships between a company's management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set. Additionally, it determines the means of monitoring performance and attaining those objectives. Good corporate governance should provide proper incentives for the Board and management to pursue objectives that are in the interests of the company and shareholders and should facilitate effective monitoring, all of which encourages firms to use resources more efficiently. Therefore, effective corporate governance is considered the basis for institutional success. It provides appropriate tools and practices for the Board of Directors and the Senior to achieve corporate strategic objectives and creates an environment of effective control. Therefore, it is an essential element required to win the trust of all stakeholders. Jordan Ahli Bank's Board of Directors decided to adopt the Corporate Governance Guide (hereinafter referred to as "the Guide"). The Guide was prepared according to the corporate governance guidelines issued by the Central Bank of Jordan, the Banking Law and its amendments and international best practices as detailed in the Basel Committee recommendations on corporate governance.

The Guide also implements the requirements of the regulatory authorities in other countries that host the Bank's branches. Moreover, the Board committed to implement the Guide in accordance with Jordanian banking sector norms and the legislative and legal framework governing the Bank.

With the Guide in place, the Bank aims to offer all stakeholders with the highest levels of fairness and transparency, with accurate disclosure with regards to the Bank's administrative and financial standing. Through the implementation of clear separation of responsibilities and authority delegation the Guide also emphasizes the principles of accountability between the Senior and the Board of Directors, as well as between the Board of Directors on one hand and shareholders and stakeholders on the other.

Legal Framework and Guide Sources

The Guide was prepared in accordance with the following laws and regulations:

- Banking Law no. 28 of 2000 and its amendments. Companies Law no. 22 of 1997 and its amendments. Securities Law no. 18 for the year 2017.
- Regulations Amending the Institutional Corporate Governance Guidelines for Banks. (63/2016) issued by the Central Bank of Jordan.
- Basel Committee regulations on the topic. Corporate Governance Regulations for Publicly listed entities for the year 2017.

The amended version was approved by the Board of Directors at its 4th meeting held on 17/06/2021.

Definitions

Central Bank	Central Bank of Jordan.
The Bank	Jordan Ahli Bank.
The Board	Board of Directors of Jordan Ahli Bank.
Corporate Governance	The system of rules by which the Bank is directed and controlled and which identifies the Bank's corporate objectives and the framework for attaining them, the safe operation of the Bank's business, securing the interests of depositors, shareholders and other stakeholders, and compliance with the Bank's bylaws and internal policies.
Suitability	The fulfillment of certain requirements and criteria by the members of the Board and Executive Management.
Independent Member	A Board member who is a non main shareholder who is not controlled by any of them and not subject to any influences that might limit his/her ability to make objective decisions in the Bank's interests. An independent member must fulfil the conditions mentioned in Article 6/D of the Corporate Governance instructions issued by the Central Bank of Jordan.
Executive Member	Member of the Board, who in turn participates in the daily management of the operations of the Bank.
Senior Executive Management	The Senior Executive Management comprises the General Manager, Deputy General Manager, Assistant General Manager, Financial Manager, Operations Manager, Risk Manager, Internal Audit Manager, Treasury (Investment) Manager and Compliance Manager, in addition to any employee who has executive authority parallel to any authority of the above-mentioned and is directly functionally associated with the General Manager.
Subsidiary	A company where at least 50% of its share capital is owned by one person or by multiple persons with joint interests, or where such person (or persons) have an influential stake that allows for control of its management of general policy.
Affiliate Companies	Are companies in which the Bank practices effective influence on the financial and operational policies (without the Bank controlling it) and where the Bank holds between 20% to 50% of voting rights.
Related Party	A person is considered related to the Bank if either of them has directly or indirectly a Controlling Interest in the other, (the Bank's Subsidiaries are considered Related Parties), or if that person has a managerial position at the Bank or has joint interest with one of the managers, or if the person was a spouse of one of the managers, or is related up to the third degree to the manager or his/her spouse or has a joint interest with any of the above-mentioned.
Affiliate	A person controlling, controlled by, or under common control with another person.

Concerned Party	Two or more people who form one banking risk due to the control of one person on the other, due to a mutual exchange of guarantees, due to the fact that the payment of their loans comes from the same source, due to taking loans for the same project, or due to other similar cases. The parties concerned are considered as one person.
Control	The ability to effectively influence the work or decisions of another person directly or indirectly.
Controlling Interest	The control of not less than 10% in the share capital of a legal person.
Major Shareholder	The person who directly or indirectly holds 5% or more in share capital of the bank.
Stakeholders	Any party that has interest or concern in the Bank, such as depositors, shareholders, employees, debtors, customers or competent regulatory authorities.
Conflict of Interest	Any relationship that exists between any of the Board Members or the Bank's employees or the clients or suppliers or competitors that limits their ability to fully perform their duties and responsibilities objectively and the end result of this relationship is to achieve personal benefit, either morally or financial, on the account of the Bank.
External Auditor	All the auditors (natural persons) grouped under the name of an auditing firm, which audits the Bank's accounts, and are registered in the list issued by the Central Bank annually.
Auditing Team	All team members who conduct the audit under the supervision of the External Auditor and does not included members of the additional services team for services which fall outside the auditing services.
Internal Capital Adequacy Assessment Process (ICAAP)	A future operation to evaluate the capital adequacy for all the risk elements the Bank might face whether expected or unexpected. The risk elements include the first risk pillar (credit, market, operational), the second risk pillar (liquidity, interest in the Bank's portfolio, credit concentrations, strategies, reputation and business cycle) and the specific risk elements (Corporate Governance, Board of Directors, Senior, risk, internal audit and internal controls).
Stress Tests	A group of hypothetical scenarios that cover all types of risks (credit, market, operational, concentrations, liquidity) designed to evaluate the Bank's ability to continue under normal conditions and stressful situations by assessing the extent of unexpected losses and its impact on the profit and loss, the Bank's financial status and strategic and contingency plans.
Acceptable Risk Document	It is the document that specifies the acceptable levels of risks the Bank might face.
Compliance Risks	Risks of legal or regulatory penalties, financial risks, or risks to the Bank's reputation that result from non-compliance with laws, regulations, instructions, orders, codes of conduct, standards, and proper banking practices.

Chapter 1: Corporate Governance Stakeholders

1. Shareholders:

With the aim of enhancing institutional corporate governance the Board has adopted considerable measures to protect shareholders' rights and to ensure their equitable treatment according to the following criteria:

- The Bank shall disclose and provide material information on its activities to all Stakeholders through its website, annual report as well as its investor relations section.
- The Bank shall encourage shareholders to participate in the Annual General Assembly by clarifying their rights, and publishing documents concerning the meetings, including the full text of invitations and the minutes of meetings on the Bank's website.
- Separate voting shall be taken into consideration on every issue raised during the General Assembly's annual meeting.
- The Board shall limit the influence of shareholders with Controlling Interests.
- The Board shall put in place adequate procedures to ensure a clear separation between the authorities of shareholders with Controlling Interests on one side and the Senior on the other side, whereby none of the shareholders with Controlling Interests will hold a position in the bank's Senior Executive Management.
- The Bank shall separate between the Chairman of the Board and the General Manager position, while ensuring that there is no family relationship between the Chairman, any of the Board Members or a Major Shareholders with the General Manager below third degree.
- The appointment of the General Manager does not constitute a conflict of interest arising from a relationship with the Chairman of the Board of Directors or any member of it or any major shareholder, including a kinship relationship up to the third degree in the case of the General Manager and even to the first degree in the case of occupants of senior positions
- The Bank shall develop a system to evaluate the performance of the Board and its members, whereby it facilitates continuous communications between the Board and shareholders.

2. Board Members:

Board members are any member of the Jordan Ahli Bank's Board of Directors, whether in their personal capacity or as representatives of corporate bodies. They have the responsibility for managing the Bank on behalf of the shareholders. Their responsibilities and tasks shall be subject to the relevant rules, regulations and internal policies governing the Bank.

3. Bank Employees:

All Bank employees have responsibility to apply executive measures and internal control procedures as part of their respective responsibilities in achieving the goals of the Bank. All employees should possess the necessary knowledge, skills, information and authority to perform their duties. His requires that employees have a complete understating of the operations of the Bank, the industry, the market and pertinent risks.

4. Customers and external parties:

The various parties having contractual relationships with the Bank, such as customers, suppliers and creditors. The relationship between them and the Bank is governed by a set of approved policies and procedures.

Chapter 2: Board of Directors

1. Composition of the Board:

The composition of the Board shall comply with the following:

- The Board shall comprise of no less than eleven members elected by the Bank's General Assembly.
- The Bank shall ensure that none of the Board members is an Executive Member.
- The Board shall have a minimum of four Independent Members.
- An Independent Member is a Board member who is a non main shareholder who is not controlled by any of them and who is not subject to any influence that might limit his/her ability to make objective decisions in the Bank's interests. An independent member must fulfil the conditions listed under Article (6/D) of the Corporate Governance instructions issued by the Central Bank of Jordan, namely:
 1. Has not been an Executive Member of the Board during the three years preceding the date of his/ her candidacy for membership of the Board of Directors.
 2. Has not been employed by the Bank or any of its subsidiaries in the three years prior to his/ her election.
 3. Is not a relative (up to the second degree) of any of the other members of the Board or any board member of the Subsidiaries of the Bank or a relative of any of the Bank's Major Shareholders.
 4. Is not a relative of any of the Senior Executive Management members of the Bank or any of the Senior Executive Management members of the Subsidiaries of the Bank up to the second degree.
 5. Is not a partner or employee of the external Auditor of the Bank, or has been a partner or employee during the past three years preceding the date of his/her election as member of the Board and is not a relative (up to the first degree) with the partner responsible for the audit.
 6. Is not a Major Shareholder in the Bank or a representative or Affiliate of a Major Shareholder in the Bank, nor should his/her shareholding constitute, along with his/her Affiliate, a Major Shareholding, and is not a Major Shareholder of one of the Bank's Subsidiaries or in the group owning the Bank.

7. Has not been a member of the Board of Directors of the Bank or any of its subsidiaries for more than eight consecutive years.
8. Has not obtained, personally or through any other company in which he is a board member or owner or a major shareholder, credit facilities from the Bank exceeding 5% of the Bank's share capital, nor is a guarantor of a facility which amount exceeds the percentage.
9. Has adequate knowledge and experience in the financial and banking sectors.
 - The Board is elected by secret ballot of the General Assembly according to the provisions of the Companies Law. It shall perform the tasks and responsibilities of managing the Bank's affairs for four years starting from the date of its election.
 - An Independent Member shall lose his/her independent status after eight years of being appointed as an independent member.
 - The Bank shall develop a system to evaluate the performance of the Board and its members, whereby it facilitates continuous communications between the Board and shareholders and neither the Chairman nor any of the Board members, or Major Shareholders may be related, up to the third degree, to the General Manager.

2. Meetings of the Board of Directors:

- The board of directors shall meet at the invitation of the Chairman or his/her Vice Chairman in his absence or upon a written request from at least one quarter of its members stating the reasons for holding the meeting. If the Chairman or his/her Vice Chairman does not invite the board meeting within seven days from the date of receiving a copy of the request, the members who submitted the request to convene.

Half of the members of the Council who are entitled to vote on the topics of the meeting, must be present so that its meetings and decisions are legal.

Board decisions are issued by an absolute majority of the attending members who have the right to vote on the topics of the meeting presented, and when the votes are equal on the subject at hand, the opinion supported by the chairperson of the session shall prevail.

- Minutes of Board meetings are noted accurately and fully including any reservations from any member. The Bank must keep all of these records appropriately.
- The Senior Executive Management shall provide sufficient and accurate information and related documents to Board members regarding the items on the meeting agenda, and must do so promptly and prior to the meeting. The Chairman shall confirm that the process is complete.
- The Board members may attend meetings by any means of video telephony, provided that the Board Chairman and the Secretary of the Board approves the minutes of the meeting and its legal quorum in accordance with the applicable Banking Law.

3. Responsibilities and Duties of the Board of Directors:

The Board of Directors shall have the following duties and responsibilities:

- Specify the strategic objectives of the Bank, instruct the Executive Management to set a strategy for achieving these objectives and approve the strategy and relevant work plans.
- Set the Bank's institutional values, and clear plans for responsibility and accountability regarding the Bank's activities; and incorporate a culture of compliance with ethical standards, integrity and professional conduct among managers, while also reflecting these standards in the Bank's code of conduct.
- Adopt strategies, policies, and organizational structures for the Bank and its Affiliates clarifying reporting lines, including those of the Board committees and Senior. Comply with instructions issued by central banks or the regulatory authorities in the countries where the Affiliates operate, and inform these authorities of the relationships and links between the Bank and its Affiliates, and of the adequacy of corporate governance within the group. Adopt a guide for corporate governance at the level of the group in line with instructions issued in his regard in the country of the mother company (Jordan) and in the countries where the Affiliates operate. In the event of any conflict arising between the two, the bank shall refer to the Central Bank to resolve the issue.
- Adopt the appropriate policies and procedures necessary to monitor and control the Bank's performance.
- Oversee and monitor the Senior and its performance, ensure the financial soundness and solvency of the Bank; ensure the availability of

appropriate policies, plans and procedures that comprehensively cover the Bank's activities in line with relevant legislation; and ensure their circulation to all administrative levels and maintain continuous review.

- Adopt a policy to monitor and review the Senior by setting KPIs to determine, measure, and monitor performance and progress toward key objectives.
- Bear the ultimate responsibility for the bank's Business including its financial standing, and its compliance with the requirements of the Central Bank and other regulatory authorities.
- Ultimately, the Board shall also be responsible for safeguarding the interests of the stakeholders, ensuring that the Bank is being operated in accordance with its bylaws and internal policies. His supervision and control of the activities of the Bank, including those that are outsourced, should be continually and effectively maintained.
- Adopt adequate procedures to ensure clear separation of powers between Controlling Shareholders and the Senior in order to reinforce sound corporate governance. The Board shall also maintain proper mechanisms to limit the influence of Controlling Shareholders, which shall include but are not limited to:
 - No Controlling Shareholder may hold any position in the Senior Executive Management.
 - The Senior Executive Management's authority comes from the Board alone and it can only work within the framework of the assignment given to it by the Board.
 - Allow direct communication between the members of the Board of Directors and its committees with the Senior Executive Management and the Secretary of the Board and facilitate the performance of their duties including seeking the assistance, at the expense of the Bank and upon its approval, of third parties.
 - Ensure that the acts of the members of the Board do not influence the decisions of the Senior Executive Management apart from through deliberations held during the meetings of the Board or its committees.
 - Be informed of and stay up to date with legislation and principles related to the banking sector and the Bank's operational environment, stay abreast of external developments related to the bank's work, including appointment requirements for the Bank's Senior Executive Management.
 - Approve and annually review the internal control systems of the Bank and ensure that the internal and external auditors review those systems once a year at least.
 - Take the necessary measures to remedy weaknesses in the internal control systems or any other issues raised by the external auditor.
 - Ensure the availability of sufficient and reliable MIS systems that cover all of the Bank's activities.

- Determine the banking operations which require the approval of the Board of Directors, subject always to limiting the scope of operations requiring the Board's approval in order not to prejudice the supervisory role of the Board, and subject also to not granting the Board any executive authorities including not delegating any authorities relating to the granting of credit to a single Board member including the Chairman.
- Ensure that the Bank's credit policy, in addition to being comprehensive, includes a corporate governance evaluation system for its corporate clients. Particularly, the public shareholding companies whereby the risk is evaluated by assessing points of weakness and strength according to their implementation of sound corporate governance practices.
- Ensure that the Bank adopts social initiatives in the field of environment, health and education; and provide finding for SMEs with suitable terms and prices.
- Appoint the Secretary of the Board, and define his/her responsibilities and duties.
- Appoint the General Manager, the Audit Director, the Risk Director, and the Compliance Director; and accept their resignation or termination of services based on recommendations from the concerned committee. Obtain a no objection certificate from the Central Bank for the resignation or termination of services.
- Guarantee and reinforce the independence of internal auditors, and grant them an appropriate position in the Bank's organizational structure. Provide these internal auditors with support, and guarantee that they are empowered to perform their duties, including ensuring their right to access all records, information and communications regarding any Bank employee, so they can perform their duties and draft their reports without any external intervention.
- Adopt and circulate the Internal Audit Charter, which shall include the duties, authorities and responsibilities of the Audit Department.
- Guarantee the independence of external auditors at the beginning of their work and throughout.
- Guarantee the independence of the Risk Department at the Bank by having the department send its reports to the Risk Committee. Grant the department all needed authorities and powers to facilitate its acquisition of all information from the Bank's various departments and ensuring cooperation by other committees to carry on its tasks.
- Adopt and monitor the execution of a risk management strategy, which includes acceptable risk levels, guarantees that the Bank is not exposed to high risks, and oversight of the Bank's operational environment and relevant risk. Guarantee the availability of the necessary tools and infrastructure for risk management to enable the Bank to determine, measure, control, avoid, and monitor all types of risks the bank may be exposed to.
- Guarantee that the Risk Department regularly conducts stress tests to measure the Bank's ability to tolerate shocks and face high risks. The Board plays a key role in adopting the assumptions and scenarios used, discussing the tests' results, and approving the measures to be taken based on these results.
- Adopt an internal evaluation methodology to assess the adequacy of the Bank's capital. His method must be comprehensive, effective and capable of identifying all the risks the Bank may face. It must take into consideration the Bank's strategic plan and capital plan. The method shall be regularly reviewed and compliance thereto monitored, and the Bank's capital must be maintained at a suitable level to face all possible risks.
- Before approving the expansion of any of the Bank's activities, take into consideration the risks involved, and the abilities and qualifications of the Risk Department's employees.
- Adopt a policy to guarantee the Bank's compliance with all relevant legislation, regularly review it, and ensure its implementation.
- Adopt the duties and responsibilities of the Compliance Department.
- Guarantee the independence of the Compliance Department, and continuously ensure that it is staffed with sufficient and trained personnel.

The Board's Orientation Program:

The Board of Directors offers its new members the opportunity to attend its Orientation Program organized through the Board's Secretary to help continuously develop their skills and knowledge, each according to his/her background in the banking sector. The program covers the following subjects:

- The Bank's organizational structure, corporate governance, and code of conduct.
- The Bank's corporate objectives and plans, the strategies, and its policies.
- The Bank's financial standing.
- The Bank's risk structure and its risk management framework.
- Information on the Bank's activities as compared with other local banks.

4. Chairman of the Board:

In addition to supervisory tasks mentioned under Article (3) above, the Chairman of the Board of Directors shall have the following duties:

- Encourage a positive and constructive relationship between the Board of Directors and the Senior Executive Management.
- Promote critical discussions of issues deliberated by the Board, ensure different views are expressed and discussed during the decision-making process, and that votes are cast.
- Ensure that Board members are provided with and sign the minutes of previous meetings, and ensure the timely provision of Board meeting agendas and relevant documents, provided that the said agendas contain sufficient detail about the items that will be discussed. The Secretary of the Board shall be responsible for providing the Board members with the documents.
- Ensure the availability of a charter that sets out the Board of Directors' mandate and scope of work.
- Encourage thorough discussions of strategic and critical issues during Board meetings.
- Provide each Board member, upon his/her election, with the laws and regulations that govern the Banks' activities as well as the instructions of the Central Bank of Jordan, including his Guide and a manual outlining rights, responsibilities and duties of the member and the responsibilities and duties of the Secretary of the Board.
- Provide each member with a comprehensive summary of the Bank's activities upon his/her election or request.
- Discuss, with each new member and in cooperation with the Bank's legal counsel, the duties and responsibilities of the Board, in particular: issues pertaining to legal and regulatory requirements, the term of Board membership, the dates of meetings, responsibilities and duties of Board committees, remuneration amounts, and the possibility of obtaining independent technical and specialized advice when necessary.
- Accommodate the Board members' needs for continuous improvement and learning, and give new Board members the opportunity to participate in the Orientation Program, taking into consideration his/her banking background. The program covers the Bank's organizational structure, corporate governance and code of conduct, corporate objectives and the Bank's strategic plan and approved policies, in addition to the financial position of the Bank as well as the Bank's risk structure and risk management framework.
- Inform the Central Bank of Jordan of any material information that might negatively affect the suitability of any of its Board members.

5. Regulating the Board's Operations:

- The Board shall meet at least 6 times per year.
- The Chairman is entitled to call for a meeting in the case of any developments.
- The Secretary of the Board shall provide all Board members with the meeting agenda, at least a week prior to date of the meeting, ensuring that the agenda includes all relevant information on the topics to be discussed during the meeting and provides an update on the progress on the decisions taken in previous meetings.
- The Secretary of the Board shall fully and accurately monitor the deliberations and proceedings of the meetings of the Board and its committees along with any reservation that may be voiced by any member. The Secretary shall also note down all deliberations, suggestions, objections, and results of voting on Board resolutions.
- Such records, minutes and decisions shall be duly and properly kept by the Secretary of the Board.
- The Chairman shall ensure that the Senior Executive Management provides all Board members with adequate and accurate information prior to Board meetings.
- If a member is unable to attend, the votes of present members shall be counted in accordance to what is stated under Chapter 2 Article 2 herein.
- The Chairman must attend the meetings and is entitled to delegate to any other Board member the responsibility the meeting in case he was unable to attend.

6. Limits of the Board's Responsibilities and Accountability:

- The Board shall have clear limitations on for responsibility and accountability, to which it commits to and ensures all the Bank's executive team commit to as well.
- The Board shall ensure that the organizational structure clearly demarcates responsibilities and authorities, and at least includes the following regulatory levels:
 - The Board and its committees.
 - Separate administrations for risk, compliance, and auditing that don't practice daily executive tasks.
 - Units/employees that don't participate in the Bank's daily operations (such as credit review and middle office employees).
- The Board shall ensure that the Senior Executive Management fulfils its responsibilities regarding the Bank's daily operations, contributes to implementing corporate governance, assigns powers to employees, builds an effective administrative structure that reinforces accountability, and executes tasks across the Bank's various fields of activity in line with the policies and procedures adopted by the Board.
- The Board shall adopt appropriate regulatory controls that enable it to hold the Senior Executive Management accountable.
- The positions of Chairman of the Board and General Manager should not overlap. The Chairman of the Board, Board members, or Major Shareholders cannot be related to the General Manager below the third degree.

7. Secretary of the Board:

- In addition to acting as a liaison between the Board of Directors and the Senior Executive Management, the Secretary of the Board shall be responsible for the following:
 - Attending all meetings of the Board and recording all deliberations, suggestions, objections, and results of voting on Board resolutions.
 - Ensure that all Board members sign the minutes of the meetings and Board resolutions.
 - Monitor the implementation of Board resolutions, and follow-up on topics postponed from previous meetings.
 - Keep records and documents of Board meetings.
 - Take all necessary measures and ensure that the draft resolutions intended to be issued by the Board are consistent with the applicable rules and regulations.
 - Prepare for General Assembly meetings and coordinate with the Board's committees in this regard.

- Submit suitability attestations signed by each of the Board members to the Central Bank.
- Providing direct contact for Board Members and its committees with the executive management and the secretary of the board and facilitating the tasks entrusted to them, including the use of external sources when necessary at the expense of the bank subject to the Board approval, with an emphasis on the fact that none of the board members influence the decisions of the executive management except through the deliberations that take place in the meetings of the Board or its committees.

8. General Manager/CEO:

In addition to the duties mentioned under applicable legislation, the General Manager shall:

- Develop the Bank's strategic direction. Implement the Bank's strategies and policies. Implement the Board's decisions.
- Provide guidance for the implementation of short and long-term work plans.
- Convey the Bank's message and strategy to employees.
- Inform the Board of all important aspects of the Bank's operations.
- Manage the Bank's daily operations.

Chapter 3: Committees Emanating from the Board

In order to organize the Board's workflow and increase its efficiency and competence, the Board has formed different committees delegated with certain powers and responsibilities in line with the regulations of the Central Bank of Jordan regarding corporate governance and the Bank's strategies and objectives. Nevertheless, the presence of these committees does not relieve the Board of Directors from its direct responsibilities towards the Bank. The following points are taken into account when forming these committees:

- Each of the committees emanating from the board of directors is composed of members appointed by the board in accordance with the committee's charter, and so that its composition is from the number of the board of directors, whether even or odd, taking into account the minimum set forth in the committee charter and the corporate governance guide.
- Each of the committees takes its decisions and recommendations by an absolute majority of the members, and if the votes are equal, the side with which the head of the committee voted shall prevail. The decisions of the committee are issued by an absolute majority of the attending members who have the right to vote on the topics of the meeting presented, and when the votes are equal on the topic at hand, the opinion supported by the chairperson of the session shall be considered outweighed by the opinion, taking into consideration the quorum at the Credit Committee's meeting shall require the presence of at least four members in which decisions are made with the approval of the majority of members regardless of the number of those present.
 - ..A charter is drafted for each committee and approved by the Board. It specifies each committee's duties, responsibilities and powers and indicates the nature of the committee (permanent or temporary).
 - Every member must show credibility, integrity, competence, necessary experience, dedication, commitment and devotion for the Bank.
 - Every member should have the knowledge, experience and qualifications that will assist him/her in taking suitable decisions independently and objectively.
 - The committees emanating from the Board meet on a regular basis according to the charter approved by the Board.
 - The Bank shall disclose the names of the different committee members as well as the duties and responsibilities of each in the Bank's annual report.

- The committees periodically submit their reports, recommendations and results to the Board.
- No Board member may head more than one of the following committees: Corporate Governance Committee, Audit Committee, Nominations and Remuneration Committee, Risk Committee and Compliance Committee. No Board member may head more than two committees emanating from the Board. The committee are:
 - Corporate Governance Committee.
 - Audit Committee.
 - Nominations and Remuneration Committee.
 - Risk Committee
 - Compliance Committee.
 - Board Credit Committee.
 - Strategy and IT Governance Committee.

1. Corporate Governance Committee:

- The Committee is comprised of at least three board members the majority of which are to be independent. In addition, the committee is to include the Chairman.
- The Head of the Committee holds the right to invite any of the executive employees to attend the meetings provided that those invitees do not have the right to vote. The Committee is in charge for the following duties:
 - To operate according to a charter adopted by the Board of Directors to set its tasks, authority, and responsibilities.
 - Provide guidance and supervision in preparing the Corporate Governance Guide.
 - Monitor the implementation of the Corporate Governance Guide and report to the Board of Directors on the extent of compliance with the Guide.
 - Promote and emphasize the concepts of Corporate Governance in the Bank.
 - Recommend the Corporate Governance Guide for the Board to approve.
 - Review, amend and update the Corporate Governance Guide on a yearly basis or as and when needed in accordance with the Central Bank of Jordan's instructions and in line with the requirements and policies of the bank.
 - Ensure that the Guide is published on the Bank's website for the public to view.

- Ensure the availability of a Code of Conduct that sets the Bank's corporate values, demarcates responsibility and accountability, and reinforces ethical behavior, integrity, and professional conduct for the Bank's directors.

2. Audit Committee:

- The Audit Committee is comprised from at least two Board members and a Chairperson, provided that the chairperson and at least one other member are independent members and that the committee chair is not the Chairman of the board or the Chairman of any other Committee emanating from the board. Nor may the Chairperson of the board be a member of it.
- To operate according to a charter adopted by the Board of Directors to set its tasks, authority, and responsibilities in accordance with the banking law in force. The Audit Committee meets periodically every three months as a minimum and submits its reports to the Board of Directors provided that the number of its meetings is not less than four times and its meeting is legal in the presence of the majority of its members, and its recommendations are taken by a majority vote of its members a year, and that the minutes of these meetings are duly written.
- The Audit Committee's members should have professional financial or accounting qualifications and practical experience in the fields of accounting, finance or any other specializations in similar areas that are relevant to the Bank's business.
- Provided that such authority is granted to the Audit Committee in its charter, the committee may obtain any information from the Senior Executive Management, and summon any executive or director to attend its meetings.
- The committee shall submit recommendations to the Board regarding the external Auditor's appointment/termination of appointment, remuneration, and other terms of engagement; taking into account any non-audit services that he have performed, in addition to assessing the independence of the external Auditor.
- The Audit Committee shall meet, at least once a year, with the presence of the bank's external auditor, internal auditor and compliance officer, without the presence of the Senior Executive Management.
- The Committee must monitor and reviews the procedures that enable an employee to report any error in financial reports or any other matters confidentially. The committee must ensure also the availability of the necessary independent investigative arrangement and that findings are addressed in an objective manner.
- The activities of any other committee may not overlap with those of the Audit Committee.

- The Committee exercises its role in accordance with the Bank Laws the Corporate Governance Guide and other relevant laws and regulations to include the following at least:
 - The scope, results and adequacy of the Bank's internal and external audits.
 - Accounting issues that have a material impact on the Bank's financial statements.
 - The Bank's internal controls.
- Ensure the availability of sufficient resources and qualified cadres for managing and training the Internal Audit Department.
- Rotate internal Auditors to audit all the Bank's activities every three years at a minimum.
- Ensure that internal Auditors do not perform any executive duties.
- Make sure that all the Bank's activities are subject to audit, including outsourced activities.
- The committee has direct supervision over the Internal Audit Department, which reports directly to the Head of the Audit Committee.
- Evaluate the performance of the Internal Audit Department manager and employees and determine their remuneration.
- Ensure that the Internal Audit Department is capable of carrying out the following tasks at least:
 - Ensure the availability of adequate internal controls at the Bank and its Subsidiaries and that such controls are being adhered to.
 - Ensure compliance with the Bank's internal policies and to relevant laws and regulations.
 - Ensure adherence to the Corporate Governance Guide.
- The Committee performs under the supervision of the Board of Directors and submits its reports, recommendations and findings to the Board of Directors.

3. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be comprised of three Board members, two of whom at least shall be Independent including the Head of the Committee. The Committee's duties are as follows:

- To operate according to a charter adopted by the Board of Directors that sets its tasks, authority, and responsibilities.
- Recommend qualified candidates for the membership of the Board of Directors, taking into consideration the candidates' qualifications and skills. In case of re-nomination, the regular attendance of such candidate of Board meetings and active participation in the meetings shall be taken into consideration.

- Recommend to the Board qualified candidates for appointment to Senior Executive Management jobs.
- Ensure that Board Members attend workshops or seminars related to banking topics with particular emphasis on risk management, corporate governance and other topics covering the latest developments in the banking industry.
- Define and annually review the criteria applicable to Independent Members, taking into account the definition of an Independent Member under Article (6/D) of the Corporate Governance instructions issued by the Central Bank of Jordan no. (63/2016), which is referred to throughout this Guide.
- Follow specific standards to evaluate the performance of the Board and the Chief Executive Officer objectively.
- Provide, upon request, background information and summaries to the members of the Board regarding certain significant matters relating to the Bank, and ensure that members remain informed with regards to material developments in the banking industry.
- Ensure that a Performance Incentives Policy is in place and that the policy is being implemented and periodically reviewed. The Committee shall also recommend the compensation and benefit plan for the Chief Executive Officer and other senior executive managers.
- Ensure that every Board and Senior Executive Management member possesses credibility, integrity, competency, necessary experience, commitment and devotion for the Bank.
- Put in place a framework to evaluate the performance of the Board as a whole and each of its committees and members and to inform the Central Bank of the results of this evaluations.
- Put in place a framework to annually evaluate the performance of the General Manager and putting in place KPIs that address administrative and financial metrics, as well as an evaluation of the achievement to medium and long-term goals and strategies.
- Provide a summary of the Bank rewards plan and to disclose all rewards, of any kind, granted to each Member of the Board and to the Senior Executive Management during the past year.
- Put in place an evaluation framework for Senior Executive Management, other than Board Members and the General Manager, that gives proper weighting to commitment to the risk related matters, the implementation of internal control, and regulatory requirements so that profit and loss is not the only element that is considered for measuring performance with consideration of the risk surrounding the core functions of the Bank as well as customer satisfaction and also taking into account conflicts of interest and undue influence.

- Putting in place a policy to ensure the adequacy of members of the Board which would include the minimum level of requirements and conditions that need to be met for a person to be considered for membership in the Board and putting in place the mechanism necessary to ensure that all members are, and continue to be, compliant with such requirements.
- Putting in place a policy to ensure the adequacy of members of the Senior Executive Management which would include the minimum level of requirements and conditions that need to be met for a person to be considered for a role in the Senior Executive Management and putting in place the mechanism necessary to ensure that all members are, and continue to be, compliant with such requirements.
- Ensuring there is a contingency plan in place for Senior Executive Management.

4. Risk Committee:

The Risk Committee comprises of three members, one of whom shall be an Independent Member. Members of the Senior Executive Management are permitted to participate. The Committee shall have the following duties:

- The Committee operates in accordance with a charter approved by the Board of Directors that defines its tasks, powers and responsibilities.
- Reviewing the risk management framework in the bank and recommending to the board the adoption of the Risk Management Framework in the bank.
- Reviewing the bank's risk management strategy and recommending it to the Board and constantly evaluating its effectiveness to ensure its consistency with the changes.
- Ensure the availability of automated systems that assist in the process of managing and measuring risks.
- Oversee the development of the necessary database for the risk management group.
- Keeping abreast of developments affecting the bank's risk management, and submitting periodic reports thereon to the Board.
- Verifying that there is no discrepancy between the actual risks taken by the bank and the level of acceptable risks approved by the Board, addressing any abuses of acceptable levels of risk, and holding the concerned senior executive management accountable for these abuses.
- Approval of any expansion of the Bank's activities based on the risks ensuing and the capabilities and qualifications of the staff of the Risk Management Department.
- Ensuring that the Risk Management Department conducts stress testing periodically to measure the bank's ability to withstand shocks and face high risks.

- Reviewing risk management reports and approving the recommendations and corrective actions that have been taken to reduce the risks arising from any violations that may expose the bank to legal penalties or be exposed to large financial or reputational losses or any exposure to risks and any exceptional cases of the risk management policy.
- Creating the appropriate conditions that ensure the identification of risks of material impact and any activities undertaken by the bank that may expose it to risks greater than the level of acceptable risks, and submit reports thereon to the Board and follow up on their treatment.
- Recommending to the Board the adoption of risk management policies in line with the strategic directions of the Bank.
 - Recommending the adoption of the bank's capital adequacy internal assessment methodology, taking into account the bank's strategic plan and capital plan, reviewing this methodology periodically and verifying its application, and ensuring that the bank maintains sufficient capital to meet the risks it faces.
- Recommending to the Board the approval of a document of acceptable risks for the bank.
- Ensure the existence of a business continuity plan.
- Ensure the independence of risk management
- Verify that the Risk Management does not carry out daily operational work.
- Recommending to the Board of Directors the appointment of the Head of Risk Management, ensuring that the conditions are met, and accepting his resignation
- Recommending to the Board the adoption of the annual plan for the risk department and the continuous evaluation of the department's performance in line with the specific plans and objectives.
- Ensure that the Risk Management is provided with sufficient and trained staff to enable it to carry out its responsibilities efficiently and effectively.

5. Compliance Committee:

The Compliance Committee comprises of at least three members of the Board, with a majority of Independent members. The Committee shall have the following duties:

- The Committee operates in accordance with a charter approved by the Board of Directors that defines its duties, powers and responsibilities.
- Ensure the independence of the Compliance Department.
- Verify the compliance of the bank and its subsidiaries with all banking legislation and the bank's policies regarding compliance control, combating money laundering and terrorist financing operations, international sanctions regimes, and the FATCA Tax Compliance Act.
- Recommending to the Board of Directors the appointment of the compliance officer, ensuring that the conditions are met, and accepting his resignation.
- Verify that the Compliance Department does not carry out daily operational work.
- Ensuring that the Compliance and Combating Money Laundering and Terrorist Financing Department is provided with sufficient and trained cadres to enable it to carry out its responsibilities efficiently and effectively.
- Submitting periodic reports to the Board of Directors.
- Ensure the adequacy and effectiveness of compliance control and anti-money laundering systems.
- Recommending to the Board the adoption of the annual plan of the Compliance Department and continuous evaluation of the department's performance in line with the specific plans and objectives.
- Recommending to the Board the adoption of the policies of the Compliance Department.
- Create channels of communication between the Compliance Department and the Board of Directors to ensure the achievement of its objectives.
- Granting the Compliance Department the necessary powers to enable it to obtain information from other departments of the Bank and cooperate with other committees to carry out their tasks.
- Take the necessary measures to promote the values of integrity and sound professional practice within the bank.
- Reviewing the reports of the Compliance Department and combating money laundering and terrorist financing operations and adopting recommendations and corrective measures to be taken to limit the bank's exposure to legal and regulatory risks or its exposure to financial or reputational losses.

Assigning the Compliance Officer to carry out the following duties and responsibilities:-

- Assisting the executive management and the bank's staff in managing the compliance risks faced by the bank.
- Providing advice to the executive management on the applicable laws and legislation and any amendments thereto.
- Ensuring compliance with the compliance control policy and implementing the supervisory compliance program, while providing the committee with the results of examinations
- Complying with the statement of any violations of the laws / instructions in force and making the necessary recommendations to address them and reduce their recurrence, while providing the executive management with a copy of them.

- Educating employees about compliance issues and holding training courses and introductory workshops on the role of the Compliance Department.
- Reviewing the bank's professional code of conduct.
- Contribute to the planning of banking products and policies to ensure compliance/no conflict with the instructions of the regulatory authorities and the laws in force.

6. Board Credit Committee:

- The Board Credit Committee is comprised of at least five members of the Board of Directors. One of its members must be an Independent Member provided he is not a member of the Audit Committee.
- To operate according to a charter adopted by the Board of Directors to set its tasks, authority, and responsibilities.
- The Committee has the right to obtain any information from the Senior Executive Management and has the right to summon any executive to attend any of its meetings as stipulated in its charter.
- Limits are set for the authority the Board Credit Committee in terms of granting, amending, renewing, or setting the structure of credit facilities so that the Board of Directors has a clear understanding of prerogatives in this regard.
- The Committee's powers are limited to making suitable decisions concerning the facilities recommended by the Executive Management Committee for approval.
- Quorum at the Committee's meeting shall require the presence of at least four members. Decisions are made with the approval of the majority of members regardless of the number of those present.
- The Committee regularly reports to the Board about details of the facilities it approved.
- Committee members must attend meetings and vote in person. If a member's presence is not possible, he can voice his/her opinion by video or telephone and may vote and sign the meetings provided this process is duly documented provided that the percentage of personal attendance of the member is not less than 50% of the committee's meetings during the year.
- The Board of Directors may assign some or all of the committee's authorities with regards to amending the terms or structure of facilities granted to the aforementioned Executive Management Committee. Facilities committees must be informed of the decisions made in this regard.
- Ensuring that the credit policy of the Bank which requires investigation of the corporate governance framework of corporate clients is applied to measure the customer risk in terms of strength and weakness of the corporate governance practices.
- Recommending the credit policy and overseeing the performance of the credit portfolio.
- Directing the executive management to prepare policies and plans relating to credit matters and then raising and recommending the same to the Board for proper adoption and to abide by their terms post-adoption in order to achieve the following goals:
 - Grant/increase/renew credit.
 - Oversee and process credit.
 - Collection and bad debt provisions.
- Ensure that the executive management/credit departments take the necessary care to make correct credit decisions based on objective criteria applied in accordance with set credit analysis practices and that they exert their efforts to provide the necessary information as required by the credit policy in order to allow for proper decision making that maintains and elevates the quality of decision making and reduces levels of risk to the maximum extent all of which reflects positively on the quality of the credit portfolio.
- Ensure that the authority matrix of the Bank as it relates to credit in authorities granted by the Board.
- Taking necessary decisions in relations to matters that are outside the scope of the internal credit committee or the Senior Executive Management and in accordance with the authorities guide adopted and approved by the Board of Directors.
- Making recommendations to the Board with respect to matters that are outside the scope of authority of the committee.
- Setting the limits to the authorities granted to the committee relating to granting, amending, renewing or structuring facilities where these authorities are clearly apparent to the Board.
- Reviewing the facilities granted to the top 20 corporate customers in the credit portfolio once every six months at least.
- Reviewing the facilities granted to the top 20 SME customers in the credit portfolio once every six months at least.
- Reviewing the default rate dashboard and analyzing the underlying reasons for all business units.
- Reviewing the early warning signal dashboard for all business units.
- Making recommendations for writing off bad debt for delinquent customers.
- Adopting a review and oversight policy that puts in place KPIs that measure performance against specific institutional goals relating to credit facilities.
- Reviewing the Central Bank report on business departments.

7. Strategy and IT Governance Committee:

The Strategy and IT Governance Committee comprises of at least three members and shall have the following duties:

- To operate according to a charter adopted by the Board of Directors to set its tasks, authority, and responsibilities.
- Issue recommendations to the Board of Directors concerning the Bank's general strategy, including IT objectives, guide the Senior Executive Management in setting a strategic plan to achieve these objectives and in having the Board approve the plan, and adopt work plans in line with this strategy within an effective execution framework.
- Review and approve balanced scoreboards to assess the performance of the Senior Executive Management in line with the Bank's approved strategy.
- Review KPIs concerning issues of strategy, finance, quality, and quantity as proposed by the CEO/ General Manager, and issue recommendations to improve the efficiency of strategic plans and reinforce alignment in executing these plans within an effective systematic framework in preparation for the Board's approval of said plans.
- Follow-up on and support the development of a corporate identity that reflects the Bank's strategy.
- Adopt strategic objectives for IT issues and their corresponding regulations, including for steering committees within the Senior Executive Management, especially the IT Steering Committee. In doing so, support the achievement of the Bank's strategic objectives and the achievement of the highest added value for IT projects and investments, while ensuring that the appropriate tools and criteria are used to monitor the former, such as IT Balanced Scorecards, return on investment calculations, and the impact on increasing operational and financial efficiency.
- Adopt a general framework for managing, controlling, and regulating IT projects and resources in line with the relevant best international practices, especially the Control Objectives for Information and Related Technology (COBIT). The framework must meet the objectives and requirements of Instructions no. 65/2016 issued by the Central Bank of Jordan by sustainably meeting corporate objectives, fulfilling the appropriate IT objectives matrix, and cover IT governance operations as mentioned in the instructions.
- Adopt a corporate objectives matrix and its relevant IT objectives as mentioned in Instructions no. (65/2016) issued by the Central Bank of Jordan. The criteria of the matrix shall be considered as the minimum requirements and sub-objectives shall be identified to achieve it.
- Adopt a responsibility matrix (RACI Chart) for key IT governance operations as mentioned in Instructions no. (65/2016) issued by the Central Bank of Jordan and deriving sub-instructions in terms of the entities or parties initially Responsible, ultimately Accountable, those Consulted, and those Informed for operations subject to these instructions. The COBIT 5 Enabling Processes criterion shall be taken into consideration.
- Ensure that a general framework for IT risks is in place, and is aligned and complements the overall risk framework at the bank. The IT risk framework shall take into consideration and shall seek to fulfill the bank's strategy in guaranteeing a minimal level of control over risks, protecting customer interests, and fulfilling all IT governance operations as mentioned in Instructions no. 65/2016 issued by the Central Bank of Jordan.
- Approve the budget for IT projects and resources in line with the Bank's strategic objectives.
- Supervise and follow-up on IT operations, resources, and projects, and follow-up on their efficiency and contribution to meeting the bank's requirements.
- Review IT audit reports and take the necessary measures to remedy any problems.
- Submit recommendations to the Board on the measures that should be taken to remedy any problem.
- Any other tasks assigned to it by the Board of Directors.

Chapter 4: Suitability

1. Suitability of Board Members:

The Board of Directors adopts an effective strategy to ensure that its members possess the minimum requirements and standards to fulfill the membership criteria. The policy referred to is subject to review whenever necessary. Adequate procedures are set to ensure that all Board members fulfill their suitability requirements, and that they continue to do so and shall provide the Central Bank of Jordan with a copy of such policy.

- The Chairman and Board members must meet the following requirements:
 - Must not be less than twenty-five years of age.
 - Must not be a member of the Board of any other bank in Jordan, or a general manager, regional manager, or an employee of any other bank in Jordan unless the other bank is a subsidiary of Jordan Ahli Bank. Must not be the Bank's lawyer, legal advisor or auditor.
 - Must have a bachelor's degree at a minimum, specializing either in economics, finance, accounting, business administration or any other related field, whereby the Nomination and Remuneration committee is permitted to consider adding new specialties if combined with an experience that is related to banking.
 - Must not be a government employee or an employee of an official public institution unless he is a representative of that entity.
 - Must not be a member of the boards of more than five public shareholding companies in Jordan, whether in a personal capacity or as a representative of a legal entity.
 - Must possess a minimum expertise of five years in banking, finance or similar specializations.
- The Chairman and Board members must each sign a suitability attestation in the form approved by the Central Bank of Jordan in its corporate governance instructions.
- The Chairman shall ensure that any critical information that may adversely affect the suitability of any Board member is disclosed to the Central Bank of Jordan.
- The Central Bank may object to the nomination of any person as a member of the Board of the Bank on the basis that they do not meet any of the conditions set out above.

2. Suitability of Executive Management:

The Board shall develop an effective policy to ensure the suitability of members of the Senior Executive Management that includes the minimum requirements to fulfill the membership criteria. The said policy is subject to review whenever necessary. The Board shall also develop adequate procedures to ensure that all members fulfill their suitability requirements and that they continue to do so and shall provide the Central Bank of Jordan with a copy of such policy.

- The Board shall adopt a succession plan for members of the Senior Executive Management and shall review this plan once a year, at least.
- The Board of Directors shall appoint a Chief Executive Officer who possesses a high level of integrity, technical competence and banking experience after obtaining the approval of the Central Bank of Jordan.
- The approval of the Board of Directors must be obtained prior to the appointment, acceptance of the resignation or termination of any of the Senior Executive Management members.
- The Board shall ensure that any critical information that may adversely affect the suitability of any senior executive is disclosed to the Central Bank of Jordan.
- The following conditions should be fulfilled by an appointed senior executive:
 - Should not be a member of the Board of Directors of any other bank in Jordan unless the other bank is a subsidiary of Jordan Ahli Bank.
 - Should be dedicated full-time to the management of the Bank's business.
 - Should have, at a minimum, a bachelors' degree in economics, finance, accounting, business administration or any other related field.
 - Should have a minimum of five years of experience in banking or any related field, except for the position of Chief Executive Officer, in which a minimum of ten-year experience in banking is required.
 - A "No Objection" letter should be obtained from the Central Bank of Jordan prior to the appointment of any Senior Executive Management member. The Bank, prior to the appointment of a senior executive, must obtain from the candidate his/her Curriculum Vitae along with any academic certificates, certificates of expertise, certificate of good conduct and any other necessary documentation. The member will also be asked to sign the approved suitability attestation form and the Bank will provide the Central Bank of Jordan with a copy thereof along with the Curriculum Vitae.

Chapter 5: Performance Evaluation and Remuneration

1. Evaluating the Performance of the Board and their Remunerations

The mechanism to evaluate the performance of Board members is an important tool in guaranteeing good performance of the Board and its committees. Therefore, specific and approved principles must be followed during the evaluation process to ensure assessment criteria are objective. The mechanism must take into consideration the following:

- The extent to which members were able to acquire skills, knowledge and expertise that effectively regulate the Bank's work.
- The extent to which members communicate with internal and external stakeholders at certain times.
- How clear the structure of committees deriving from the Board is, and how many members are provided with the necessary data and tools to perform their tasks effectively.
- The extent to which members focus on the important aspects at the right time.
- The extent to which members have a team spirit and seek to find the right level of confidence and challenge.
- The Chairman of the Board's role as an effective board leader.
- The extent of continuous development and improvement for the Board and its members as a group and as individuals.

The General Framework for the Performance Assessment Policy for Board Members, and their Financial Remuneration

The Board of Directors shall develop a mechanism to evaluate its performance and that of its members, provided that the mechanism must at least include the following:

- The Nomination and Remuneration Committee shall be responsible for evaluating, on an annual basis, the performance of the Board as a whole, its committees and its members, and inform the Central Bank of the results of the evaluation.
- The Board shall set specific goals and define the role of the Board in order to achieve these goals in a measurable manner.
- The Board shall identify KPIs based on the plans and strategic goals and use them to measure the performance of the Board.

- Communication between the Board and the shareholders, and the regularity of this communication.
- Regularity of the meetings of the Board of Directors with the Senior Executive Management.
- The member's participation in the Board's meetings, comparing his/her performance with that of other Board members, and receiving the members' feedback as a means to improve the evaluation process.
- The Board shall set measures to determine the remuneration granted to its members based on the approved evaluation system.
- The Board's incentives program links financial incentives to performance and to meeting the Board's objectives as linked to the Bank's annual objectives. This encourages the Board to exert all efforts to improve the efficiency and corporate performance, and to direct all capacities toward achieving the Bank's general goals and improving corporate governance.
- The program is implemented at the end of every fiscal year after the incentive amounts are allocated in the estimated budget approved by the Board. The payment of these incentives must fully fulfill the adopted goals.

Evaluation form for the Board of Directors and its Members:

- The Nomination and Remuneration Committee prepares a form for evaluation, the review of evaluation criteria, and the weights attributed to each criterion.

The model evaluates Board Members and the Board's performance. Below are examples of criteria covered by the form:

- Aspects relating to individual contributions, challenges, independence of opinions, integrity, training, and development.
- The quality of decisions or recommendations issued by the committee(s) in which the member participates. This includes but is not limited to:
 - The member's commitment to attending committee meetings, and regular attendance.
 - The impact of the member's contribution in the committee(s) in which he participates.
 - Allowing ideas provided by management to the Board to be discussed.
- Evaluation levels vary between 1 and 5.

- The Nomination and Remuneration Committee sends the form to all Board members for self-evaluation and submission to the Chairman of the Board.
- The Nomination and Remuneration Committee provides support and advice to every Board member.
- The Chairman of the Board meets with each Board member individually to review their self-assessments, and discuss points of weakness (points that require development and improvement).
- The final forms are sent to the Nomination and Remuneration Committee for approval.
- The Nomination and Remuneration Committee calculates the results of the Board members' performance based on the weights set for each evaluation criterion.
- The Chairman of the Board informs the Board members of the evaluation results.
- The Central Bank of Jordan is informed of the results and of final recommendations through an official letter issued by the Nomination and Remuneration Committee.
- Maintaining confidentiality of personal feedback and disclosing data relating to collective feedback only.

2. Evaluating the Performance of Executive Management and their Remunerations:

The Board shall, on an annual basis, evaluate the performance of the General Manager according to an evaluation mechanism set by the Nomination and Remuneration Committee, which includes key performance indicators. The General Manager's evaluation includes the following criteria:

- The Bank's financial and administrative performance.
- The extent to which the Bank's medium and short-term plans and strategies are achieved.
- The Nomination and Remuneration Committee informs the Central Bank of Jordan of the findings.
- The Board shall adopt a system to measure the performance of the Bank's executives who are not members of the Board and are not the General Manager. This system should include at a minimum the following:
 - Attribute appropriate weighting to criteria in order to measure the extent of commitment to the framework of risk management, internal controls and regulatory requirements.
 - The net revenue and profit should not be the sole measurement indicator; risks related to basic operations, customer satisfaction, and other indicators should also be considered when possible.

- Not abusing a person's position and taking into account conflicts of interest.
- The Nomination and Remuneration Committee is responsible for setting an objective and transparent reward policy for the Executive Management. The policy must be approved by the Board.
- The Reward Policy should include the following key points:
 - To be structured to retain and recruit qualified and experienced executives, and to motivate them and promote their performance.
 - To be designed to ensure that it will not be used in a manner that might affect the soundness and reputation of the Bank.
 - To take into consideration the risks, liquidity, profit and their timing.
 - To ensure that rewards are not based on the performance of the current year only, but also consider medium and long-term performance (3-5 years).
 - To reflect the achievement of the goals, values and strategy of the Bank through clear KPIs.
 - To define the form of the reward will take such as fees, salaries, allowances, bonuses, share options or any other form of benefits.
 - The possibility of postponing the payment of a reasonable proportion of the reward. The amount of such proportion and the postponement period will depend on the nature of the work, the risks associated therewith and the concerned executive's activities.
 - Executives of supervisory departments (risk management, audit, compliance, etc.) should not be given a reward based on the performance of their respective departments.

Chapter 6: Conflict of Interest

1. Conflict of Interest:

- To ensure that there is no conflict of interest between Board members and the Bank or between the Senior Executive Management and the Bank, Jordan Ahli Bank has adopted a conflict of interest policy addressing all different aspects or units (administrative, regulatory, Board of Directors).
- The Board shall adopt procedures to handle conflicts, of interest that may arise from the Bank's position within a banking group and disclose any such conflicts that may arise as a result of inter-group relationships.
- The Board shall ensure that the Senior Executive Management implements the adopted policies and procedures.
- The Board shall adopt controls to manage the transfer of information within the various departments to prevent using such information for personal gain.
- The Board shall ensure that the Senior Executive Management exercises high integrity and avoids conflict of interest in the conducting of its affairs.

2. Related Party Transactions:

- The Board shall adopt specific policies and procedures addressing related party transactions that include a clear definition of the different stakeholders while taking into consideration applicable legislation, procedures, practices and mechanisms governing such dealings and transactions with restrictions in place to ensure adherence to such policies and procedures.
- Oversight departments at the Bank shall ensure that all related party transactions are carried out according to the related policies and procedures.
- The Audit Committee shall review all related party transactions and present them to the Board of Directors.

3. Code of Conduct:

- The Code of Conduct is a key document that regulates the Bank's transaction – in relation to all activities – with related parties. It addresses ethical practices, values, and controls.
- The Board shall adopt the code of conduct and will circulate it among all executives. The code shall include the following:
 - Executives are not to use any insider or confidential information related to the Bank for their personal benefit.
 - Rules and procedures that govern related party transactions.
 - Examples of cases that may lead to conflicts of interest.
- The Compliance and Anti-Money Laundering/Combating the Financing of Terrorism Department shall be responsible for drafting the code of conduct, and for answering any questions about it. It shall update it regularly and whenever necessary.

4. Whistleblowing (Confidential Reporting Policy):

- The Bank will prepare and adopt a whistleblowing (confidential reporting) policy and procedures for the reporting of illegal activities, fraud, manipulation, collusion and which will allow employees to contact the Senior Executive Management – Audit Committee to report any concerns that they may have about any potential breaches or fraud in a manner that would allow for the initiation of an independent investigation into these concerns and to follow up on them in a manner that allows the Bank to afford such employees with the necessary protections against threats or retribution in case the fears do not materialize.
- The Audit Committee will review and supervise the procedures that allow for whistleblowing (confidential reporting) of any error in the financial reports or any other matter and which ensure that arrangements are in place to allow for independent investigation and ensuring that the results have been objectively pursued and followed up.

Chapter 7: Control, and Internal and External Audit Systems

The Board of Directors shall ensure that the Bank's internal control systems are in place and that the duties of the different departments are clearly specified in order to put in place adequate controls are in place based on the duties and responsibilities assigned to each of the following departments:

1. Internal Audit:

- The Audit Committee emanating from the Board of Directors ensures that the Bank's Internal Audit Department is capable of fulfilling, among others, the following duties:
 - To ascertain that there are adequate internal controls for the activities of the Bank and its subsidiaries, and to ensure compliance therewith.
 - To ascertain adherence to internal policies, international standards and procedures, and applicable laws and regulations.
 - To audit the Bank's financial statements and administrative reports while ensuring accuracy, credibility, and timeliness (and that they cover important issues such as allocations and defaulting debts).
 - To assess compliance with the Corporate Governance Guide.
 - To examine the comprehensiveness and accuracy of stress tests in accordance with the methodology approved by the Board.
 - To ensure the accuracy of procedures used for the internal evaluation of the bank's capital adequacy (ICAAP).

2. External Audit:

- The Audit Committee emanating from the Board of Directors shall choose the best auditing firms, and shall guarantee the regular rotation of the External Auditors at the Auditor firms and at their Subsidiaries, Affiliates, and other related entities. The rotation must happen at intervals of no longer than seven years.
 - The seven-year period shall be computed as of the date of the launch in 2010.
 - The new external Auditing firm (when rotation is implemented) shall work jointly with the old firm for the first year.
 - Apart from the joint auditing task, the old external auditing firm shall not be re-elected before at least two years from the date of its last election.

- The independence of the External Auditor is assessed annually by the Audit Committee.
- The Board of Directors shall take appropriate measures to address the weaknesses in the control and internal control systems or any other points revealed by the external auditor.

3. Risk Management

The Risk Management Department shall have the following duties:

- Prepare and review the Bank's risk management framework to be approved by the Board.
- Implement the risk management strategy, and develop policies and procedures to manage all types of risks.
- Develop methodologies to identify, measure, monitor and control all types of risks.
- Monitor the compliance of the Bank's executive departments to the set levels of acceptable risk.
- Report to the Board of Directors through the Risk Management Committee, and send a copy of the report to the Senior Executive Management. The report shall include information on the Bank's actual risk profile for all its activities compared with the risk appetite. It shall also follow-up on measures taken to remedy any problems.
- Verify the compatibility of the risk measurement methodologies with the applied management information systems.
- Review and analyze all types of risks that the Bank may face.
- Submit recommendations to the Risk Committee on risk exposures and any exceptions to the risk management policy.
- Provide the necessary information about the Bank's risks for use in the Bank's disclosures.
- The Risk Management Department submits a document of the risks acceptable to the bank to the Risk Committee for review and recommending it accordingly.
- The Risk Committee deriving from the Board of Directors shall check that violations related to acceptable risks are remedied, including holding the Senior Executive Management accountable for such violations.

4. Compliance

- Monitoring compliance is considered an independent duty that seeks to guarantee the compliance of the Bank and its internal policies to all laws, regulations, instructions, resolutions, codes of conduct, standards, and safe practices issued by local and international regulatory entities.
- The Board of Directors, represented by the Compliance Committee, shall ensure the independence of the Compliance Department and that adequate and well-trained personnel are being employed.
- The Compliance Department forms part of and reports to the Compliance Committee emanating from the Board of Directors. It shall have a dotted line to Bank's Senior Executive Management and will provide them with copies of these reports.
- The Compliance Department has many duties, including:
 - Manage "compliance risks" that the Bank faces within the limits of the laws, regulations, and standards in force and their amendments.
 - Continuously monitor compliance at the Bank, test compliance using adequate and sufficient tools, and issue reports in this regard.
 - Adopt a training, development and awareness plan to increase awareness about subjects related to compliance and professional conduct, and answer employee questions about compliance.
 - Act as a link and liaison center between the Bank and concerned regulatory entities.
 - Monitor the Bank's operations to combat money laundering and the funding of terrorism, in line with recognized best practices and within the framework of international sanctions systems.
 - Comply with international laws and sanctions.
 - Receive and timely resolve customer complaints, and issue recommendations to the concerned entities to take the necessary measures to avoid their reoccurrence.

Chapter 8: Stakeholder Rights, Disclosure and Transparency

In order to guarantee the rights of Stakeholders, and meet disclosure and transparency requirements, the Board of Directors should ensure the following:

- The Board shall ensure that all financial and non-financial information that is of interest to the Stakeholders is published.
- A mechanism shall be developed to guarantee communication with Stakeholders by disclosing and providing relevant information about the Bank's activities through:
 - General Assembly meetings.
 - Annual Report.
 - Quarterly financial reports which enclose financial data, and the Board's report on the Bank's share trading and the bank's financial status during the year.
 - The Bank's website.
 - Investors' division.
- A part of the Bank's website shall be designated to clarify investors' rights and to encourage them to attend and vote at the General Assembly meetings. Also, the documents of the General Assembly meetings, including the invitation and minutes of meetings, shall be published on the website.
- The Board shall ensure that the Bank's financial disclosures are consistent with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Central Bank of Jordan's regulations, and other relevant legislation. Also, the Senior Executive Management shall remain well informed of changes and updates on related International Financial Reporting Standards (IFRS).
- The Board shall ensure that the annual report includes the following information:
 - Disclosures that allow current and potential Stakeholders to be informed of operation results and the Bank's financial standing.
 - Summary of the organizational chart of the Bank.
 - Summary of the roles and responsibilities of Board committees, and the authorities delegated to each committee.
 - Useful information to Stakeholders as identified in the Corporate Governance Guide and the extent of compliance with the Guide.
 - Information about each Board member in terms of his/her qualifications, experience, shareholding, status (independent –non-executive, etc.) membership in Board committees, date of appointment, any other board memberships in the boards of other companies and remunerations

of all forms for the previous year in addition to loans granted to the member by the Bank and any other transaction that has taken place between the Bank on the one part and the member or stakeholders on the other.

- Information about Risk Management Department, including its structure and nature of its operations and its development.
- Number of Board and Board Committee meetings and attendance of each member at such meetings.
- Names of each Board member and senior executive who have resigned during the year.
- Summary of the rewards policy and full disclosure of all forms of reward to Board members and Senior Executive Management team member individually for the previous year.
- A list of shareholders who own 1% or more of the share capital of the Bank, the ultimate beneficiary owner of such shareholdings or any part thereof, in addition to a clarification as to whether the shareholdings are wholly or partially pledged.
- Attestations from all Board members confirming that he/she or any of the members' relatives did not receive any benefits from the Bank during the previous year which has not been previously disclosed.
- The annual report shall include a statement to the effect that the Board is liable for the accuracy and completeness of the financial statements of the Bank and all other information in the report in addition to the adequacy of the internal control systems. It shall also include a report from the Board in relation to the Bank's traded shares and the financial status throughout the year.

Chapter 9: General Provisions

- The Chairman of the Board shall extend an invitation, sufficiently ahead of time, to the Central Bank of Jordan to attend General Assembly meetings for the CBJ to name its representative.
- The Chairman of the Board shall provide the Central Bank of Jordan with the minutes of General Assembly meetings no later than five days after the Companies Controller or his/her representative approves the minutes.
- At least 30 days before the date of the General Assembly meeting, the Bank shall inform the Central Bank of Jordan of its wish to nominate an external auditor for election (or reelection) by the General Assembly.
- The Bank shall provide the Central Bank of Jordan with the number of shares pledged by the Bank's shareholders who own 1% or more of the Bank's capital, and the party to which they are pledged.
- The Bank shall provide the Central Bank of Jordan with information on Board members and committees, and Senior Executive Management members, according to approved forms. His/her information must be sent semi-annually and whenever amended.
- The Bank shall provide the Central Bank of Jordan with information on department members and executive entities, and Senior Executive Management departments at subsidiary companies inside and outside the Kingdom, according to approved forms. This information must be sent semi-annually and whenever amended.
- The Central Bank of Jordan may summon any candidate for a senior executive position at the Bank for a personal interview before his/her appointment, and may, as it deems necessary, summon any Board member for an interview.
- The Central Bank of Jordan may appoint any external entity to evaluate the bank's governance at the expense of the bank.
- The Central Bank of Jordan, may at any time, summon Audit Committee members, the Internal Audit Department Director, or the Compliance Department Director to discuss any issue related to their work.
- The Central Bank of Jordan set a maximum limit of Independent Members for the Board's structure as it deems necessary.
- The Central Bank of Jordan may consider any member to be non-independent based on specific criteria, even if all terms in Article 6/D of its Corporate Governance instructions apply.
- This Guide shall take into consideration the Corporate Governance Instructions for Banks as a minimum requirement in line with the Bank's needs and policies. The guide shall be adopted by the Board and a copy shall be sent to the Central Bank of Jordan.
- This Guide reflects the Bank's perspective on corporate governance in terms of concepts, importance, principles and in line with relevant legislation and international best practices.
- This Guide shall be reviewed and updated regularly and whenever necessary.
- This Guide shall be published on the Bank's website (www.ahli.com). The Bank shall disclose the existence of this Guide in its annual report, and shall disclose information of interest to Stakeholders and announce its commitment to implementing the Guide's content.

Disclosure Relating to Corporate Governance

Jordan Ahli Bank confirms its commitment to the Corporate Governance Guide adopted by the Board of Directors and the implementation of its terms and conditions in accordance with the Amended Corporate Governance Instructions and the Banking Law in force as published on the Bank's website.

Jordan Ahli Bank has also adopted and published the associated Information Technology Management and Governance Guide which have been published on the Bank's website based on the Central Bank Instructions and confirms its commitment to apply the Guide and its terms stated therein.

Governance Report

Jordan Ahli Bank (the "Bank") believes that Good governance practices upholds the principles of fairness, transparency, accountability, and responsibility. It also bestows the ability to develop and execute a long term, sustainable strategy that can deliver great value to all stakeholders, instead of simply optimizing around short-term objectives. The Board Members have invested their time, experience, and capabilities to implement and develop governance within ahli Group and its fully owned companies, through the board's carrying out its duties and responsibilities entrusted to it, including its responsibility for the safety of all the bank's operations, its responsibility of ensuring the soundness of the Bank's operations including its financial standing, and fulfilling its obligations towards all stakeholders most notably to shareholders, in addition to elevating the governance and bank's practices by accrediting many best practices and recommendations to evolve the corporate governance framework. Where the Bank implemented many of the recommendations recommended by the outsourced assurance company, which assessed the maturity degree of the Bank's corporate governance, in addition to evaluating the quality assurance of the control departments (audit, risk and compliance), based on and in line of the provisions of the Companies Law in force, the Corporate Governance instructions issued by the Jordan Securities Commission for the year 2017, and the Corporate Governance instructions for banks No. 63/2016 issued by the Central Bank of Jordan (CBJ), in addition to the instructions and circulars issued by the relevant regulatory authorities pertaining to banking operations and that are in line with the Bank's nature of business, taking into consideration what is stated therein, in order to evolve its 'governance maturity', which in turn will translate to great value to all the Bank's stakeholder community, most notably to shareholders. Therefore, a mechanism and procedures were put in place to ensure compliance with all the legislation in force, including without limitation:

- Ensure the application of the Disclosure Policy in accordance with local and international best practices in addition to ensure the existence of policies for the Bank's various activities and in accordance with the applicable legislation.
- Formation of the board and committees emanating from the board, the number of independent members and non-executive members, and their expertise in accordance with instructions and best practices, including the promotion of gender diversity and other expertise.
- Implementing all the provisions of the corporate governance guide accredited by the Bank and prepared in accordance with the relevant legislation.
- Ensure that there exists a Charter for the Board of Directors and charters for all committees in alignment with the relevant legislation.
- Ensure that the Board of Directors' meetings and its committees are held in accordance with Instructions and the laws in force and that the subcommittees are performing their duties in accordance with best practices relating to corporate governance.
- Ensure the conditions and requirements for Independent Members are met and that Independent Members sign the suitability attestation forms annually.
- Ensure that the Board and each of the subcommittees emanating from it undergo self-evaluation and overall evaluation in accordance with the Instructions.

The requirements for the Governance and Management of Information and Technology No. 65/2016 according to the Central Bank of Jordan Instructions were applied

In addition, the Bank adopts the highest standards of disclosure and transparency within the framework of good governance and is committed to disseminate the material information in an integrated, and accurate manner to its shareholders and in line with the regulatory and legislative requirements whether the disclosures are financial or non-financial.

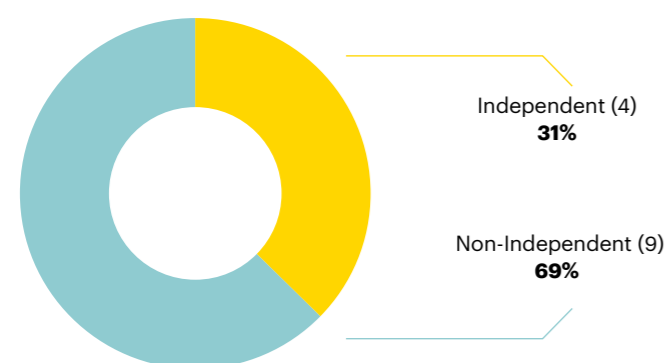
In compliance with the Publicly Listed Companies Instructions which are issued by the Securities Commission, this Governance Report was prepared as follows:

A- Board of Directors of Jordan Ahli Bank

The formation of the Board of Directors is governed by the Jordanian Companies Law, the Banking Law, the Corporate Governance Instructions for Banks, and the Corporate Governance Instructions for Listed Companies for the year 2017.

The current Board of Directors was elected on **April 29, 2021** for a period of four years, and the Board has elected:

- **Mr. Saad Nabil Yousef Al-Mouasher as Chairman of the Board of Directors; and**
- **H.E. Dr. Umayya Salah Ala Uddin Toukan as Vice Chairman.**



The elected Board of Directors of Jordan Ahli Bank is composed of (13) thirteen non-executive members, (4) four of which are independent members with a diverse knowledge base and a balanced skill set that gives the bank a distinctive edge, and for this reason, the Board's responsibilities are focused on strengthening the basic pillars of governance, at the utmost, the required strategic alignment through setting the Bank's values, strategy and key policies, along with pursuing and maintaining its long-term success. Such role is accomplished through providing entrepreneurial leadership, sound strategies and risk management oversight to ensure that risks are assessed and properly managed.

The Board of Directors meet at least six times per year for discussions on matters that are important to all stakeholders.

A-1 The names of Jordan Ahli Bank's Board Members and Representatives for the current term*

Name	Position	Independent/ Non-Independent	Executive/Non- Executive
Mr. Saad Nabil Mouasher Election date for the current term 29/04/2021	Chairman of the Board	Non-Independent	Non-Executive
H.E Dr. Umayya Salah Toukan Election date for the current term 29/04/2021	Vice Chairman	Independent	Non-Executive
Mr. Nadim Yousef Muasher Election date for the current term 29/04/2021	Board Member	Non-Independent	Non-Executive
Mr. Rafik Saleh Muasher Rajai Muasher & Brothers Co. Representative Election date for the current term 29/04/2021 Date of appointing the Representative 29/04/2021	Board Member	Non-Independent	Non-Executive
H.E Mrs. Majd Mohammad Shwaikeh Jordan Investor Center Representative Election date for the current term 29/04/2021 Date of appointing the Representative 27/05/2021	Board Member	Non-Independent	Non-Executive
Mr. Imad Yousef Mouasher Mouasher Investment & Trading Co. Representative Election date for the current term 29/04/2021 Date of appointing the Representative 29/04/2021	Board Member	Non-Independent	Non-Executive
Mrs. Ranya Moosa Al-Araj Board Member Social Security Corporation Representative Election date for the current term 29/04/2021 Date of appointing the Representative 01/09/2021	Board Member	Non-Independent	Non-Executive
Mr. Alan Fouad Wanna Byblos Bank Representative Election date for the current term 29/04/2021 Date of appointing the Representative 29/04/2021	Board Member	Non-Independent	Non-Executive
H.E. Dr. Tareq Mohammad Hammouri Election date for the current term 29/04/2021	Board Member	Independent	Non-Executive
Mr. Karim Tawfiq Kawar Election date for the current term 29/04/2021	Board Member	Non-Independent	Non-Executive
Mr. Khalil Safwan Saket Election date for the current term 29/04/2021	Board Member	Independent	Non-Executive
Mr. Yazan Munther Haddadin Election date for the current term 29/04/2021	Board Member	Independent	Non-Executive
Mr. Basim Mahmoud Malhas Election date for the current term 29/04/2021	Board Member	Non-Independent	Non-Executive

*Jordan Ahli Bank Board of Directors was elected by the General Assembly of the bank on 29/4/2021.

A-2 The Resigned Board Members during the Year 2021:

There are no members who submitted their resignations during the aforementioned year, but the membership of the members / appointment of the representative ended with the election of the new Board of Directors on 29/4/2021, whom are as follows::

Name	Position	Independent/ Non-Independent	Executive/Non- Executive
Mr. Mahmoud Zuhdi Malhas	Vice Chairman	Non-Independent	Non-Executive
Mr. Aladdin Sami ZI&IME Ltd	Board Member	Non-Independent	Non-Executive
Mr. Tarek Ziad Jallad	Board Member	Independent	Non-Executive
Mr. Izzat Rashed Dajani	Board Member	Independent	Non-Executive
Mrs. Ibtissam (M.S) I. El-Ayoubi Until the date of the Board's election on 4/29/2021, after which Mrs. Ibtisam was appointed as the representative of Jordan Investor Center	Board Member	Non-Independent	Non-Executive

A-3 Changes of Representative Board Members during 2021 **

Name	Position	Independent/ Non-Independent	Executive/Non- Executive
H.E. Mr. Wasef Y. N Azar Until 29/4/2021	Board Member Representative - Jordan Investor Center	Non-Independent	Non-Executive
Mrs. Ibtissam (M.S) I. El-Ayoubi Until 4/5/2021	Board Member Representative - Jordan Investor Center	Non-Independent	Non-Executive
Mr. Eyad Abdulsalam Rashad Until 1/9/2021	Board Member Representative - Social Security Corporation	Non-Independent	Non-Executive

B- Board Secretary

Tracking the decisions of the Board and the committees emanating from it is an important part of the responsibilities of the Board. Keeping in mind the importance of the role of the Secretary for Corporate Governance, the elected Board of Directors has appointed Lawyer **Maisa' Ziad Moh'd Turk** as the Board Secretary and Legal Advisor of the Board of Directors as well as the rapporteur and secretary of all the committees emanating from the Board. Also, she is responsible for the Governance, and Board affairs, where the basic tasks

and responsibilities were defined in accordance with the relevant legislation within the Corporate Governance Guidelines and the procedures relating thereto.

C- Executive Positions in Jordan Ahli Bank and Names of persons who occupy them

Executive Position	Name
Chief Executive Officer - General Manager	Mr. Moh'd Mousa Dawood (Moh'd Issa)
Deputy Chief Executive Officer - General Manager	Dr. Ahmad Awad Abd Al Halim Al- Hussein
Head of Treasury, Investments & Financial Institutions	Mr. Majed Abdel Karim M. Hijab
Head of Corporate Banking & Projects Finance	Mr. Sofyan Ayed Mohammad Duais
Head of SME	Mr. Ammar (M.S.) R. Al Sa'id
Acting as Head of Consumer Banking As of 1/7/2021	Mr. Mohammad Nizam Abu Injeileh
Chief Financial Officer	Mr. Dirar Shebli Khalaf Haddadin
Chief Credit Officer	Mr. Mouin Aziz Nasif Al- Bahou
Chief Risk Officer	Mr. Taha Mousa Taha Zeid
Chief Compliance Officer	Mr. Khalid Zuhair Jamil Abuesh- Shaer
Chief Internal Auditor As of 1/12/2021	Mr. Safwan Suhail Asfour
Chief Innovation Officer As of 17/10/2021	Mr. Nidal Jalil Mahmoud Khalifeh
Head of Operations & Shared Services	Mr. Rami (Moh'd Murshed) Khalaf Da'na
Chief Information Officer	Mr. Jwallant Arvindkumar Vasani
Chief Human Resources Officer As of 1/6/2021	Mrs. Maha Khalid Fathallah Dado

C2- Name of the Executives who resigned during the year 2021

Executive Position	Name
Chief Business Officer – resigned as of 31/7/2021	Ms. Lina Najib Al Bakhit AlDababneh
Head of Consumer Banking– resigned as of 30/6/2021	Mr. Zaid Wasef Shams- Eddin El-Khatib
Chief Innovation Officer– resigned as of 30/6/2021	Mr. Rami Marwan Abdulhadi Al Karmi
Chief Internal Auditor– resigned as of 30/11/2021	Mr. Iyad T. N. Ammari

D- Memberships of the Board of Directors (natural person) held by the Board of Directors in Public Shareholding Companies inside Jordan*

Name	Memberships in the Boards of Public Shareholding Companies
Mr. Nadim Yousef Muasher	EL- Zay Ready Wear Manufacturing Company (ELZA) -Arab International Hotels Plc. (AIHO) -Al Dawliya for Hotels & Malls Plc.(MALL) (Jordan Investor Center Representative) -Jordan Worsted Mills Co. (JOWM) (Ranco Holding Company Representative)
Mr. Karim Tawfiq Kawar	Al Fares National Investment group (Optimiza)
Mr. Basim Mahmoud Malhas	Mediterranean Tourism Investments Company(Four Seasons) Jordan Investment and Tourism Transport (AIFA)
H.E. Dr. Tareq Mohammad Hammouri	EL- Zay Ready Wear Manufacturing Company (ELZA)

*There are no other memberships for members of the Board of Directors in Public Shareholding Companies inside Jordan

E- Governance Liaison Officer

Mrs. Muna George Saliba Baqlouq/ Compliance and AML Department

F- Committees emanating from the Board.

The Board of Directors has formed seven committees emanating from the Board that assist in fulfilling its duties in an effective manner, in which the composition of the committees includes the Compliance Committee as a separate committee from the Risk Management Committee. Each committee emanating from the Board operates under its own charter that sets out its duties and responsibilities and composition requirements.

- Board Corporate Governance Committee
- Board Nomination and Remuneration Committee
- Board Risk Committee
- Board Compliance Committee
- Board Audit Committee
- Board Credit Committee
- Board Strategy and Information Technology Governance Committee

G- The Names of Members of the Audit Committee and their Financial and Accounting Qualifications.

Name	Qualifications	Experience
H.E Dr. Umayya Salah Toukan Chairperson	<ul style="list-style-type: none"> • PhD in Monetary economics , 1987, Columbia University. • M.A. in Economic Development/ International Economics, 1982, University of Oxford. • Masters of Business Administration, 1970, the American University of Beirut. 	<ul style="list-style-type: none"> • Former Deputy Prime Minister and Minister of State for Economic Affairs. • Former Member of the Senate House. • Former Chairman of the Economic and Financial Committee - Senate House. • Former Governor of the Central Bank of Jordan during the period 2001-2010 for two consecutive terms. • Former Finance Minister. • Former Ambassador to the European Union. • Non-executive director at the European Arab Bank. • He worked as part of the experts' group at the International Monetary Fund for the year 2011. • Jordan's representative in the United Nations (Second Economic and Financial Committee). • Economic Adviser to the Prime Minister. • Former General Manager of the Financial Market • Former Board Member at Al Dawliyah for Hotels and Malls.
Mr. Karim Tawfiq Kawar	<ul style="list-style-type: none"> • BSc in Management, Finance and Computer Science, 1987, Boston College Massachusetts - US in 1987 	<ul style="list-style-type: none"> • Former Ambassador to the Unites States of America (2002-2007) • Chairman of Amin Kawar & Sons, Kawar Energy, IrisGuard, NatHealth • Vice-Chairman: <ul style="list-style-type: none"> - Optimiza - Al-Riyah Real Estate Development Co. - Cosco Shipping • Board Member in Jordan Strategy Forum (JSF), and Oasis500 • Trustee in Princess Summaya University for Technology • Membership of Global Agenda Council. • Membership of Young Global Leader. • Membership of Global Leader for Tomorrow of the World Economic Forum. • Membership of Eisenhower Fellow. • Membership of the World Presidents' Organization (YPO/WPO). • Co-founder and President of Bridges of Understanding Foundation. • Founding Chairman of Information Technology Association (Int@j). • Architect of the REACH and REACH 2025 Initiatives. • Founding Chairman of Initiative for Sustainable Energy (EDAMA). • Founding Chairman of REACH. • Founding Chairman of REACH 2025. <p>• Previous Appointments:</p> <ul style="list-style-type: none"> - Appointed by Royal Decree to the Economic Consultative Council by His Majesty King Abdullah II. - Chairman of the board of trustees of King's Academy. - Trustee of King Abdullah II Fund for Development (KAFD). - Vice Chairman and Trustee of the Jordan River Foundation (JRF) headed by Her Majesty Queen Rania Al-Abdullah. - Founding trustee of the American University of Madaba (AUM). - In addition to his former position at Jordan Ahli Bank as a board member and the Chairperson of the Audit Committee and his board membership at United Insurance and Jordan Wood Industries Company.

Name	Qualifications	Experience
Mr. Khalil Safwan Saket	<ul style="list-style-type: none"> • Bachelor of Science (B.Sc.) Civil Engineering, 1998, University of Toledo - Ohio • Member at Jordan Engineering Association 1999 	<ul style="list-style-type: none"> • Seasoned professional with more than 22 years of experience in several sector. • Founder of Privy Advisory. • Former Board Member at King Abdula II Design and Development Bureau (KADDB). • Former Board Member at KADDB Investment Group. • Former Audit Committee Member at King Abdula II Design and Development Bureau (KADDB) and at KADDB Investment Group • Former Board Member at Edifice (UK). • Senior VP Investment & Development for a Family Office, managing assets and investment portfolios globally. • Chief Executive Officer (CEO) Saraya Abdali Real Estate Investments, developing mixed-use project incubating leading luxury hotel brands Business Advisor at Saraya Holding. • Business Advisor at Saraya Holding. • Chief Operating Officer at Jordan Dubai Properties - Public Shareholding Company. • Regional business development Manager at Gundle SLT Environmental GmbH. <p>• Certificate:</p> <ul style="list-style-type: none"> • Certificate in Behavioral Economics (Changing Minds, Behaviors and Decisions) issued by The London School of Economics and Political Science (LSE). • Certificate in Strategic Leadership, Mobilizing People and Organizations issued by CIGL. • Entrepreneurship in Emerging Economies Certificate issued by HarvardX • Digital Banking Business Model Certificate issued by SBI. • Negotiations (Strategy and Skills) Certificate issued by the University of Michigan.

H- Names of Chairperson and Members of the Committees.

Board Corporate Governance Committee



- H.E. Dr. Tareq Mohammad Hammouri | Chairperson | Independent
- H.E. Dr. Umayya Salah Toukan | Member | Independent
- Mr. Saad Nabil Mouasher | Member | Non-Independent
- Mr. Nadim Yousef Muasher | Member | Non-Independent
- Mr. Khalil Safwan Saket | Member | Independent

BCG Rapporteur/ Secretary - Advocate – Maisa' Ziad Turk

Board Nomination and Remuneration Committee



- Mr. Khalil Safwan Saket | Chairperson | Independent
- Mr. Rafik Saleh Muasher | Member | Non-Independent
- H.E. Dr. Umayya Salah Toukan | Member | Independent
- H.E. Dr. Tareq Mohammad Hammouri | Member | Independent
- Mr. Basim Mahmoud Malhas | Member | Non Independent

BNRC Rapporteur/ Secretary - Advocate – Maisa' Ziad Turk

Board Risk Committee



- Mr. Yazan Munther Haddadin | Chairperson | Independent
- Mr. Saad Nabil Mouasher | Member | Non-Independent
- Mr. Alan Fouad Wanna | Member | Non-Independent
- H.E. Mrs. Majd Mohammad Shwaikeh | Member | Non-Independent
- Mrs. Ranya Moosa Al-Araj | Member | Non-Independent

It also includes members of the executive management who are:

- CEO/ General Manager - Executive Management
- DCEO/ General Manager - Executive Management
- Chief Risk Officer

BRC Rapporteur/ Secretary - Advocate – Maisa' Ziad Turk

Board Compliance Committee



- Mr. Karim Tawfiq Kawar | Chairperson | Non-Independent
- H.E. Dr. Tareq Mohammad Hammouri | Member | Independent
- H.E. Dr. Umayya Salah Toukan | Member | Independent









BComC Rapporteur/ Secretary - Advocate – Maisa' Ziad Turk









Board Audit Committee



- H.E. Dr. Umayya Salah Toukan | Chairperson | Independent
- Mr. Karim Tawfiq Kawar | Member | Non-Independent
- Mr. Khalil Safwan Saket | Member | Independent

BAC Rapporteur/ Secretary - Advocate – Maisa' Ziad Turk

	 Board of Directors	 Board Credit Committee	 Board Audit Committee	 Board Nomination and Remuneration Committee	 Board Strategy and Information Technology Governance Committee	 Board Compliance Committee ***	 Board Risk Committee ***	 Board Corporate Governance Committee
Total number of meeting	9	15	8	6	6	4	5	2
Rajai Muasher & Brothers Co. Board Member Represented by Mr. Rafik Saleh Muasher	(8/9)	(14/15)	---	(6/6)	---	---	---	---
Social Security Corporation Board Member Represented by Mrs. Ranya Moosa Al-Araj As of 1/9/2021		(3/3)	---	---	---	---	(3/3)	---
Represented by Mr. Eyad Abdul-salam Rashad Until 1/9/2021		(6/6)	---	---	---	(1/1)	(2/2)	---
Byblos Bank Board Member Represented by Mr. Alan Fouad Wanna	(9/9)	---	---	---	---	(3/3)	---	---
H.E. Dr. Tareq Mohammad Hammouri Board Member	(9/9)	(10/10)	(4/4)	(6/6)	(5/5)	(1/1)	(5/5)	(2/2)
Mr. Karim Tawfiq Kawar Board Member	(7/7)	---	(4/4)	---	(5/5)	---	(4/4)	---
Mr. Yazan Munther Haddadin Board Member	(7/7)	---	---	---	(5/5)	(3/3)	---	---
Mr. Khalil Safwan Saket Board Member	(7/7)	---	(4/4)	(5/5)	(5/5)	---	---	(2/2)
Mr. Basim Mahmoud Malhas Board Member	(6/7)	---	---	(5/5)	(5/5)	---	(4/4)	---

	 Board of Directors	 Board Credit Committee	 Board Audit Committee	 Board Nomination and Remuneration Committee	 Board Strategy and Information Technology Governance Committee	 Board Compliance Committee ***	 Board Risk Committee ***	 Board Corporate Governance Committee
Total number of meeting	9	15	8	6	6	4	5	2
The total number of meetings for the Board members as of 29/4/2021 who did not run for the term 2021-2025 :								
Mr. Mahmoud Zuhdi Mahmoud Malhas Vice Chairman Until 29/4/2021	(1/1)	---	---	(1/1)	---	---	---	---
ZI&IME Ltd Board Member Represented by Mr. Aladdin Riad Sami Until 29/4/2021	(2/2)	---	---	---	---	---	---	---
Mr. Tarek Ziad Mounir Jallad Board Member Until 29/4/2021	(1/2)	---	---	---	(1/1)	---	---	---
Mr. Izzat Rashed izzat Dajani Board Member Until 29/4/2021	(2/2)	(5/5)	---	(1/1)	---	---	---	---
Mrs. Ibtissam (M.S) I. El-Ayoubi – as an individual Board Member Until 29/4/2021	(2/2)	---	(4/4)	(1/1)	(1/1)	(1/1)	(1/1)	---

** The Bank's external auditors attended five meetings of the Audit Committee.

***The Risk and Compliance Committee was split into two committees on 29/04/2021.

The Board Risk Committee includes members of the Executive Management: CEO/General Manager, DCEO/General Manager, Chief Risk Officer, who attended all meetings of the Committee.

The Board Compliance Committee was re-formed in 2/12/2021 comprises of 3 members instead of 5.



Saad Nabil Mouasher
Chairman of the Board

The Meeting Agenda of the Ordinary General Assembly Meeting 2022

1- To read the preceding ordinary general assembly meeting decisions, which was held on 29/04/2021.

2- To vote and ratify the Board of Directors report for the fiscal year 2021 and the bank's future business plan.

3- To vote on the bank's auditors report for the fiscal year 2021, the bank's statements and budget for the fiscal year ending 31/12/2021, ratify it and approve the recommendation of the Board of Directors to distribute cash dividends to shareholders with a percentage of 7 % of the Bank's Subscribed and Paid Up Capital from the retained earnings.

4- To read the Board subcommittees summary report by virtue of the amended Corporate Governance Instructions and the provisions of Article 6/E of the Corporate Governance Instructions for PLC of the year 2017.

5- To absolve the members of the Board of Directors from liability for the fiscal year 2021.

6- To elect of the bank's auditors for the fiscal year 2022 and determining their fees.

The Addresses of the Bank's Branches:

Within the Hashemite Kingdom of Jordan

Amman

Central Amman

Main

Tel. +962 (6) 5807677
Fax +962 (6) 5689634

Wadi Saqra

Tel. +962 (6) 5807678
Fax +962 (6) 5678612

Abdoun

Tel. +962 (6) 5929397
Fax +962 (6) 5929652

Taj Mall

Tel. +962 (6) 5930961
Fax +962 (6) 5931024

Jabal Amman

Tel. +962 (6) 5807676
Fax +962 (6) 4611541

Ibn Khaldoun Street

Tel. +962 (6) 5807675
Fax +962 (6) 4622685

Abdali Boulevard

Tel. +962 (6) 5807666
Fax +962 (6) 5102844

East Amman

Sahab

Tel. +962 (6) 5807677
Fax +962 (6) 4025673

Madaba

Tel. +962 (5) 3903466
Fax +962 (5) 3240260

Al Hurriah Street

Tel. +962 (6) 5807673
Fax +962 (6) 4206214

Dahiyat Al-Yasmeen

Tel. +962 (6) 5807671
Fax +962 (6) 4206759

Marka

Tel. +962 (6) 5807658
Fax +962 (6) 4890360

Tabarbour

Tel. +962 (6) 4603112/3
Fax +962 (6) 5061694

Al Hashmi Al Shamali

Tel. +962 (6) 5807657
Fax +962 (6) 4901302

Downtown

Tel. +962 (6) 5807656
Fax +962 (6) 4645717

Middle East Circle

Tel. +962 (6) 5807655
Fax +962 (6) 4777289

Jabal Al Hussein

Tel. +962 (6) 5807662
Fax +962 (6) 5698069

Marj Al-Hamam

Tel. +962 (6) 5807670
Fax +962 (6) 5716915

West Amman

Souq Um Uthaina

Tel. +962 (6) 5807668
Fax +962 (6) 5523029

Al-Bayader

Tel. +962 (6) 5857791
Fax +962 (6) 5819834

Sweifieh

Tel. +962 (6) 5865401
Fax +962 (6) 5865402

Abdullah Ghosheh street

Tel. +962 (6) 5861408/9
Fax +962 (6) 5817921

Mecca Street

Tel. +962 (6) 5807669
Fax +962 (6) 5852512

Mecca Mall

Tel. +962 (6) 4603103

Wasfi Al-Tal Street

Tel. +962 (6) 5807664
Fax +962 (6) 5682188

Khilda

Tel. +962 (6) 5807663
Fax +962 (6) 5341263

Queen Rania Street

Tel. +962 (6) 5807659
Fax +962 (6) 5699742

City Mall

Tel. +962 (6) 5823154
Fax +962 (6) 5825174

Balqa	Zarqa and the North	South
Deir Alla Tel. +962 (5) 3903467 Fax +962 (5) 3573186	Zarqa -Main Tel. +962 (5) 3961603 Fax +962 (5) 3996555	Tafila Tel. +962 (3) 2090998 Fax +962 (3) 32241710
Al Salt Tel. +962 (5) 3903465 Fax +962 (5) 3555774	New Zarqa Tel. +962 (5) 3903473 Fax +962 (5) 3859110	Ma'an Tel. +962 (3) 2090995 Fax +962 (3) 2132799
Al-Balqa Applied University Tel. +962 (5) 3903470 Fax +962 (5) 3532690	Free Zone Tel. +962 (5) 3826214 Fax +962 (5) 3826200	Karak Tel. +962 (3) 2090997 Fax +962 (3) 2351676
Al Salt Gate Tel. +962 (5) 3903469 Fax +962 (5) 3551440	Rusaifa Tel. +962 (5) 3903464 Fax +962 (5) 3746192	Mu'ta Tel. +962 (3) 2090996 Fax +962 (3) 2360377
Fuheis Tel. +962 (6) 4603128 Fax +962 (6) 4721702	Irbid Tel. +962 (2) 7242201 Fax +962 (2) 7276146	Aqaba Tel. +962 (3) 2022351 Fax +962 (3) 2013520
Jubaiha Tel. +962 (6) 5807665 Fax +962 (6) 5354782	Arabella Mall - Irbid Tel. +962 (2) 7249252 Fax +962 (2) 7249236	Corporate Tel. +962 (6) 4603124 Fax +962 (6) 5699867
	Ramtha Tel. +962 (2) 7201651 Fax +962 (2) 7382610	Exclusive Tel. +962 (6) 5638800 Fax +962 (6) 5624806
	Mafraq Tel. +962 (2) 7201650 Fax +962 (2) 6230303	
	Jerash Tel. +962 (2) 7201649 Fax +962 (2) 6351893	

Outside the Hashemite Kingdom of Jordan

Palestine and Cyprus

Palestine	AlSalam	Cyprus
Nablus Commercial Center Street, Aloul Building Tel. +972 (2) 2948861	Hebron-Al Salam Street opposite to Al Salam gas station Tel. +972 (2) 2948865	Limassol Pecora Tower 2nd Floor
Al Shalala Hebron - Al Shalala Street Tel. +972 (2) 2948862	Jenin Haifa Street / AlBareeq Street Tel. +972 (2) 2948866	
Ramallah City Center - Al Zahraa Street, Audi Al Shami Building Tel. +972 (2) 2948863	Tulkarm University Street, AlBareeq Building Tel. +972 (2) 2948868	
Bethlehem AlMahd Street- Katlu Building Tel. +972 (2) 2948864	Beit Sahour President Mahmoud Abbas Street / Micheal Kamsieh Street Tel. +972 (2) 2948867	
	AlMasyoun Naji Al Ali Street, Ahli bank Building Tel. +972 (2) 2948869	
	Betonia Athens Street - Totah Building Tel. +972 (2) 2948870	

Automated Teller Machines Locations (ATM)

Amman

Safeway Airport
 Amman Mall
 Al-Kiswani Station
 Al-Ahlia Building - Ahli Bank
 Safeway Shmeisani
 Manaseer station Marka
 Sheraton Hotel
 Manaseer - Al Quds Street
 Al Jameaa Street
 Cosmo Vth Circle
 Safeway - University of Jordan
 Marriott Amman Hotel
 Corner Supermarket
 Maxim Mall
 Safeway Wholesale Market
 Isra University
 King Hussein Cancer Center
 Al-Mukhtar Mall
 ATM Shop
 Landmark Hotel
 Ministry of Industry and Trade
 Shafa Badran
 Children Museum
 Manaseer Station - Airport Road
 Safeway Marj Al Hamam
 Jopetrol station - Medina Str.
 Safeway Shafa Badran
 Medical City
 Umniah Building
 Italian Hospital
 Orthodox Club
 Avenue Mall
 Istiklal Mall
 Jabal Al Waibdeh
 Abu Alanda Mall
 Manaseer Station - Cultural Centre
 Izmir Mall - Al Hashemi
 Ahwar Mall - Tabarbour
 Sweifieh Village
 Medical City Street
 The Main Branch
 Al Thaqafa Street
 Al Bayader Branch

Sweifieh Branch
 Abdullah Ghosheh St. Branch
 Jabal Amman Branch
 City Mall Branch
 Abdoun Branch
 Taj Mall Branch
 Marj Al-Hamam Branch
 Jabal Al-Hussein Branch
 Wadi Saqra Street Branch
 Jubeiha Branch
 Downtown Branch
 Al Hurriah Street Branch
 Middle East Circle
 Sahab Branch
 Khuraybet Al-Souq - ATM
 Hashmi Shamali Branch
 Marka Branch
 Tabarbour Branch
 Mecca Mall Branch
 Ibn Khaldoun Branch
 Mecca Street Branch
 Khalda Branch
 Queen Rania Al-Abdullah St. Branch
 Wasfi Al-Tal Street Branch
 Souq Umm Atinah Branch
 Al-Yasmeen Branch
 Abdali Branch - Boulevard
 Al Salam Street - JoPetrol
 Al Distour Street - JoPetrol
 Istiqlal Street - JoPetrol
 Al Yasameen - JoPetrol
 Corridor Abdoun - Manaseer
 KHBP
 Dabouq District Mall
 IKEA ATM

ATM Mobile

Balqa

Manaseer Station - Al Sarw Street
 Salt Branch
 Salt License Center
 Salt Gate Branch

Al-Balqa Applied University Branch
 Deir Alla Branch
 Fuheis Branch
 Total Station - Akroush

Zarqa and the North

Free Zone Branch / Zarqa
 Zarqa Safeway
 Khaled markets - Zarqa - Army Road
 Zarqa Branch
 New Zarqa
 Rusaifa Branch
 Ramtha Branch
 Mafraq Branch
 Jerash Branch
 AMC Jerash
 ATM of Kafr Asad Irbid
 Manaseer Al-Hosn
 Irbid City Center
 Al-Hashemi Street Branch / Irbid
 JJEEN Village - Irbid
 Arabella Mall Branch
 Irbid Branch
 Al Rjoub station - Irbid
 Baghdad Street - JoPetrol
 MCC Mafraq

South

Carrefour Madaba
 Madaba Branch
 Marriott dead sea
 Dead Sea Spa Hotel
 Tafila Branch
 Tafila Commercial Complex
 Ma'an Commercial Complex
 Ma'an Branch
 Manaseer Station - Karak
 Karak Branch
 Mu'ta Branch
 Marriott Petra
 Shuweikh Mall
 Ayla - Aqaba
 Aqaba Branch
 Aqaba Downtown

