

The Ahlī logo consists of the word "ahli" in a white, lowercase, sans-serif font, centered within a teal-colored oval. The background of the entire page is a light blue color with a repeating pattern of white circles and teal leaf-like shapes. There are two olive branches with olives: one in the top left and one in the bottom right.

ahli

ANNUAL REPORT 2023

Shared Prosperity





Table of Content

| | |
|---|-----------|
| Our Charter | 8 |
| Message from the Chairman | 12 |
| CEO's Message | 15 |
| Jordanian Economic Performance 2023 | 19 |
| | |
| Board of Directors' Report | |
| The Bank's Main Accomplishments | 22 |
| Geographical Coverage and Number of Employees | 25 |
| Branches and Staff Distribution | 26 |
| Capital Investment | 27 |
| Jordan Ahli Bank Subsidiaries | 28 |
| Members of Board of Directors | 35 |
| Executive Management | 50 |
| Competitiveness and Market Share | 66 |
| Jordan Ahli Bank Organization Chart | 67 |
| Number of Staff at the Bank and Its Subsidiaries | 68 |
| Risk | 71 |
| Summary of 2023 | 78 |
| Financial Indicators | 79 |
| Financial Impact of 2023 | 80 |
| Future Outlook and Plans for 2024 | 84 |
| The External Auditors' Compensation of the Bank and its Subsidiaries | 85 |
| Number of the Bank's Shares Owned by Members of the Board, Executive Management and their Relatives | 86 |
| Names of Major Shareholders | 95 |
| Board of Directors and Executive Management Compensations and Benefits | 99 |
| Sustainability and Environmental Social Governance (ESG) | 107 |
| Summary of Performance Appraisal and Performance Incentives Policies | 114 |
| Disclosure and Transparency | 116 |

**Jordan Ahli Bank Financial Statements and
Accompanying Notes for The Year 2023**

Independent Auditor’s Report in Respect of
the Financials of the Year 2023 120

Financial Statement of Jordan Ahli Bank of the Year 2023 126

Notes to the Financial Statements of 2023 132

Attestation Statements 244

Corporate Governance

Corporate Governance Guidelines 248

Corporate Governance Report 277

Agenda of the Ordinary General Assembly 291

The Addresses of the Bank’s Branches 292

ATM Locations - Jordan 295

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.

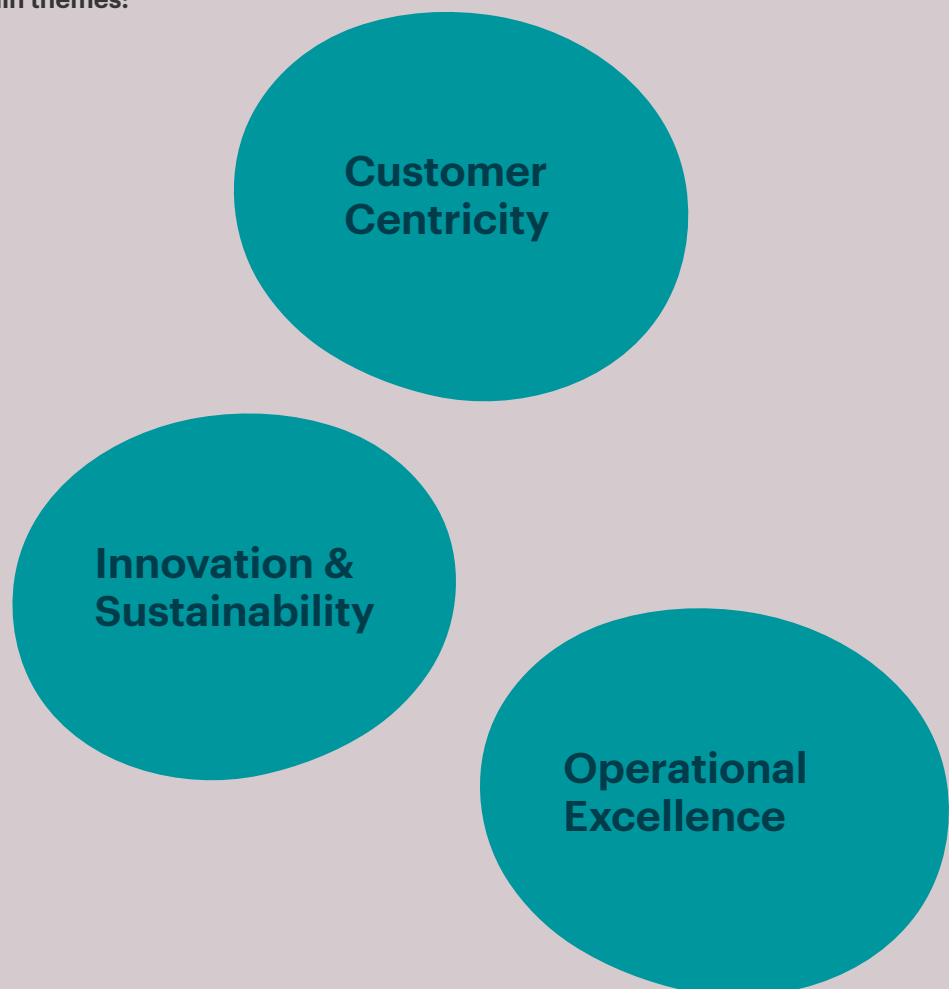
Strategy Ambitions

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 | Mr. Moh'd Mousa Dawood (Moh'd Issa) |
| Board Members | Mr. Nadim Yousef Issa Muasher |
| | Rajaei Mouasher & Brothers Co. Represented by Mr. Rafik Saleh Issa Muasher |
| | Mouasher Investment & Trading Co. Represented by Mr. Imad Yousef Issa Muasher |
| | Jordan Investor Center Co. Represented by H.E Mrs. Majd Mohammad Abdul Kareem Shwaikeh |
| | Byblos Bank Represented by Mr. Alan Fouad Tanios Wanna |
| | Social Security Corporation Represented by Mr. Mo'nes Omar Saleem Abdel All |
| | H.E. Dr. Tareq Mohammad Khaleel Hammouri |
| | Mr. Karim Tawfiq Amin Kwar |
| | Mr. Yazan Munther Jeries Haddadin |
| | Mr. Khalil Safwan Khalil Saket |
| | Mr. Basim Mahmoud Zuhdi Malhas |
| Legal Advisor & Board Secretary | Advocate. Maisa' Ziad Moh'd Turk |
| External Auditors | Messrs Deloitte and Touché |



Message from the Chairman

Ladies and Gentlemen, Esteemed Shareholders of Jordan Ahli Bank,

On behalf of myself and the Board of Directors of Jordan Ahli Bank, I am honored to extend a heartfelt welcome to each of you. It is with immense pride that we present our 68th Annual Report for the fiscal year ending in 2023, as we look towards 2024 with renewed optimism and determination.

Our confidence is strengthened by the easing of strict monetary policies adopted by central banks around the world. As we move forward, the global economy should begin to reap the benefits of a more favorable interest rate environment. The global banking industry has increasingly come to the realization that monetary tightening cannot be extended further due to concerns of slipping into a global economic slowdown.

Stringent monetary policy has succeeded in dramatically reducing inflation in the United States, from a peak of 9.1% in the first half of 2022 (the highest level since 1981), to 3.35% by end of 2023. Capital markets responded positively in the latter months of 2023, with indications pointing towards a corrective movement leading to an increase in sovereign debt instrument prices across all maturities, especially long-term ones. The yield on 30-year US Treasury bonds peaked at 5.11% in October 2023 (the highest level reached since the financial crisis in 2007) and has steadily decreased to 4% by end of 2023. This supports the return to normal levels of systemic risk levels for global banking institutions after several banks that were heavily exposed to sovereign debt instruments were ousted.

In the midst of this, our national economy indicators have shown positive signs, with the Gross Domestic Product (GDP) registering a growth rate of 2.7% during the first three quarters of 2023, compared to a growth rate of 2.6% during the same period in 2022. This was accompanied by a decrease in the inflation rate to 2.1% during 2023, compared to 4.2% during 2022. According to the latest data from the Central Bank of Jordan, foreign currency reserves reached approximately \$18.1 billion Jordanian Dinars by the end of 2023, sufficient to cover the Kingdom's exports of goods and services for a period of 7.9 months. This was a result of a 30.5% increase in tourism receipts, in addition to a 1.4% increase in remittances reaching 2.25 billion Jordanian Dinars during the first eleven months of 2023.

The Jordanian banking system affirmed its strength and resilience by continuing to achieve growth despite the significant challenges that have affected the banking industry across the world. Assets of operating banks grew by 3.2% during 2023 compared to the end of 2022, reaching approximately 66.2 billion Jordanian Dinars, constituting about 196.5% of the Gross Domestic Product. Regarding the sources and utilization of funds, banks managed to achieve growth rates of 3.9% and 2.6% for deposits and credit

facilities, respectively, by the end of 2023 compared to the same period in 2022. By end of 2023, total deposits reached about 43.7 billion JD and credit facilities about 33.4 billion JD.

Jordan Ahli Bank has mirrored this positive trajectory, achieving a commendable growth in assets by 7.2%, reaching 3.3 billion JD as of December 31, 2023. This can be attributed to the bank's success in growing its sources of funds from customer deposits by 8.9% to reach around 2.2 billion JD compared to around 2.0 billion JD at the end of 2022. The bank was able to employ these funds in accordance with acceptable risk levels and maintain a balanced interest margin. The credit portfolio before credit provisions and accrued interest achieved a growth rate of 5.8% to reach around 1.8 billion JD as of the end of 2023, compared to 1.7 billion JD for 2022. Similarly, the investment portfolio, including fixed income securities and equity instruments, grew by 2.6% to reach around 932 million JD as of December 31, 2023, compared to 909 million JD for the same period of the previous year.

In terms of our financial performance, Jordan Ahli Bank achieved a healthy growth in net profits before tax of 13.5% for the year 2023 to reach around 32.2 million JD, compared to 28.3 million JD in 2022. This is mainly attributed to the increase in net interest income by 6.5% to reach around 94.9 million JD for 2023, compared to around 89.1 million JD for 2022.

We also continue to lead the industry in good governance standards. Jordan Ahli Bank was the first local bank to begin evaluating the maturity of institutional governance by engaging Deloitte to conduct a Governance Maturity Assessment. The objective of the maturity assessment was to present the board with detailed recommendations to elevate our governance maturity to world class levels. Three assessments have been conducted, in the years 2015, 2018, and most recently in 2023. Our governance maturity score improved from 1.9 out of 5 in 2015, to 3.9 out of 5 in 2018, and finally to 4.5 out of 5 in 2023. According to Deloitte, our latest score exceeds global best practices in governance, and we are eminently proud of this achievement. Similar assessments have also been conducted to assess the maturity of all board control functions: audit, compliance, and risk management. All three functions are showing steady improvement and maturity, aligned with best practices, and with a target to continuous improvement, excellence, and advancement.

Ahli Bank continues to execute an exciting strategy, centered on shared prosperity and innovation to serve the needs of our beloved customers. One of our key imperatives has been to invest heavily in digitization and technology, and I am proud to share that in 2023, 87% of all Ahli Bank customer transactions have been digital. Behind this trend is a tremendous team and enterprise architecture that bodes well for our ability to scale in the future. We are also building persona specific value propositions and have launched a couple of deep persona verticals for our personal banking segment – with great success. This falls in line with Ahli Bank's strategy to develop differentiated products, services and customer journeys that appeal specifically to certain customer segments. It is the right way to grow and focuses our value proposition.

We are also focused on Fintech IP creation and corporate venture building. In 2023, we launched Qawn – a unified, social financial platform in the cloud that is the first of its kind in the MENA region. Qawn serves both personal as well as business customers, and is an agile, innovative and state of the art platform that we hope will not only transform banking in Jordan, but will also transform Ahli Bank's culture, operations and strategic direction. Qawn provides customers with an easy and fast way to send and receive money through social interaction. It also allows all Jordanians to open their bank accounts remotely without the need to visit a branch, with the registration process taking on average less than five minutes. Qawn is also suitable for merchants, enabling them to accept payments, manage their finances and grow their businesses more effectively. I look forward to updating you on Qawn's progress in next year's annual report.

Social responsibility has been a central part of Ahli Bank's DNA since the bank's formation, and I am proud to remind shareholders that we became the first bank in the country to issue a GRI certified sustainability report in 2017. Since then, we have produced four other Sustainability Reports, including our latest one for the year 2023 which will be published shortly after our annual report. We hope you will thoroughly enjoy reviewing our latest sustainability report, as it transparently and objectively highlights the deep impact Jordan Ahli Bank is having on the environment, society, and governance.

I would like to mention a few of our ESG highlights. In 2023, we launched “Ahli Future” – an educational program that we designed to bridge technology and software design skill gaps in the university ecosystem, and that aims to promote Ahli Bank and to attract the highest caliber students to join our software development teams. The bank also signed research partnerships with public and private Jordanian universities to develop products and services that save time and effort for customers and apply the latest technology and scientific research findings.

In addition, In our effort to continue to promote gender equality and to empower women across the country, we signed the statement of support for «Women’s Empowerment Principles» established by the United Nations Global Compact and UN Women. Jordan Ahli Bank also became a platinum member at the Jordan Green Building Council.

I hope you will join me in celebrating Jordan Ahli Bank’s award for 1st place in the “Arabia CSR and Sustainability” competition. Our Sustainability team traveled to Dubai to receive this great recognition – as we lead all organizations in the financial services category across the entire MENA region. This is a formidable recognition of our bank’s commitment to sustainability and ESG.

As we reflect on the accomplishments of 2023, I extend my deepest gratitude to the Jordan Ahli Bank family, under the leadership of Dr. Ahmed AlHussein, our General Manager/CEO, and to our distinguished Board of Directors. Our sincere appreciation also goes to the Central Bank of Jordan and its brilliant management of our monetary and banking ecosystem. I extend my gratitude also to the Ministry of Industry Trade and Supply, the Companies and Control Department, the Securities Commission, and all capital market institutions for their invaluable support. Special thanks are also extended to our partners in Palestine, especially the Palestinian Monetary Authority, and to you, our esteemed shareholders, for your continued trust and support.

We remain grateful for the peace and stability that grace our beloved Jordan and earnestly pray for sustained peace across the region. Under the wise leadership of His Majesty King Abdullah II In Al-Hussein, we look forward to a future of prosperity and success for Jordan and all its formidable people. May peace and prosperity prevail.

Warm regards,



Saad Nabil Mouasher
Chairman of the Board



CEO's Message

Ladies and Gentlemen,

First of all, allow me to welcome you all and present to you the sixty-eighth annual report of the Jordan Ahli Bank, as well as my first annual report as the CEO/General Manager of the Jordan Ahli Bank. Through this report, we will highlight the most significant achievements and successes of the past year. The bank has continued and will continue with a steady and confident pace towards achieving more accomplishments, guided by a comprehensive vision set by the Board of Directors and the executive management.

We will continue to work towards sustainable development and contribute to building a prosperous and sustainable economy. We rely on creativity, innovation, and digital technology to provide the best banking solutions in line with the bank's vision of achieving shared prosperity.

I am pleased to express my deep gratitude to Mr. Mohammad Mousa Dawood, the former CEO, for his exceptional leadership over the past years. I also congratulate him on assuming the position of Deputy Chairman of the Board, wishing him every success.

To start, I am delighted to inform you with great pride that the Jordan Ahli Bank has secured the first place in the Arabia CSR (Corporate Social Responsibility) Award in its sixteenth edition, in the financial sector category. This award ceremony took place in the United Arab Emirates. This award reflects the commitment of the bank's management and its team to the importance of sustainability and its implementation in all the bank's activities.

For many years, the bank has been committed to diligently working towards finding the best digital and electronic solutions to meet the needs of its customers. During the past year, we have added numerous digital features to the Ahli Mobile application, in addition to automating various banking services. These efforts have significantly increased the efficiency of our operations and allowed us to offer high-quality services to our valued customers.

To promote sustainability across all of the bank's operations, we have been working on developing a comprehensive sustainability policy and plan covering environmental, social, and governance aspects. Through this, we will collaborate with all relevant parties to build a strong foundation for sustainable finance. We are also collaborating with national entities and institutions to enhance all aspects of our operations.

In pursuit of these goals, we have launched the ESG Ambassadors program, which will operate in all departments and divisions to find sustainable solutions for all the bank's operations. Additionally, we have introduced a green business bundle for small and medium-sized enterprises, offering a unique range of banking services tailored to meet our customers' needs and fulfill their aspirations. In line with our belief in the importance of promoting gender equality and empowering women in the workplace and society, and recognizing their fundamental role in community development, we have signed the "UN Women's Empowerment Principles" presented by the United Nations Global Compact and UN Women. We aspire to achieve gender equality, provide equal opportunities, and create an inclusive environment for empowering women. Our commitment involves enabling women to access leadership positions and participate in decision-making processes to contribute to comprehensive community development.

In the realm of banking services, we have launched the "Qawn" app, which is the first social payment application in Jordan. This app provides an easy and fast way to send and receive money through chat. Furthermore, we have introduced several competitive banking products in the local market. We have updated personal and housing loans and launched a car loan program with competitive interest rates.

On another note, the bank has introduced new products for its customers in the medical sector. The Doctors' Loan caters to the specific needs of medical professionals, including specialized doctors. Additionally, we have introduced a loan program for pharmacy owners and their employees. We have also launched a new program dedicated to Jordanian university professors, offering them a package of competitive banking services and interest rates that meet their needs and the needs of their families.

Continuing our commitment to supporting and preparing the youth, the Jordan Ahli Bank has appointed the 7th batch of outstanding new students from Jordanian universities. We work on training and preparing them to enter the working environment while also providing them with part-time job opportunities at the bank, enabling them to earn a salary that helps meet their educational needs and fulfill their aspirations.

In terms of financial performance, we achieved remarkable results in 2023, with a net profit of 32.2 Million dinars, compared to 28.3 million dinars in the previous year, marking a 13.5% increase in net profits compared to 2022.

In conclusion, I would like to emphasize Jordan Ahli Bank's commitment to its mission and values. We will continue to provide integrated and sustainable digital services with the highest standards of professionalism and excellence. Our commitment is to serve our customers and communities sustainably, ensuring a distinctive customer experience.

I want to stress that we are not just a financial institution that supports the just national economy, but rather a force with a positive impact that influences our team, our customers, our community, and those around us, enhancing the true meaning of shared prosperity.

I would like to express my deep gratitude to the Chairman of the Board, Mr. Saad Nabil Mouasher, the current and former board members, and everyone I have worked with over the years for their continuous support and trust in us. I also extend my profound thanks to our partners and subsidiary companies, as well as to the Jordan Ahli Bank team who have led our shared prosperity and success with their unwavering dedication and hard work.



Dr. Ahmad Al Hussein

Chief Executive Officer/General Manager





Jordanian Economic Performance 2023

The most important economic indicators for 2023

Output, Prices and Employment

- Real GDP at market prices grew by 2.7% during the first three quarters of 2023, compared to 2.6% during the same period of 2022.
- General price level, measured by the percentage change in the Consumer Price Index (CPI) increased during 2023 by 2.1%, compared to 4.2% for the same period of 2022.
- Unemployment rate during the third quarter of 2023 reached 22.3%, compared to 23.1% during the same quarter of 2022.

Monetary and Banking Sector

- The CBJ's gross foreign reserves amounted to USD 18.1 Billion at the end of 2023. This level of reserves covers around 7.9 months of the Kingdom's imports of goods and services.
- The outstanding balance of credit facilities extended by licensed banks amounted to JOD 33.43 Billion at the end of 2023, compared to JOD 32.59 Billion at the end of 2022.
- Total deposits at licensed banks amounted to JOD 43.74 Billion at the end of 2023, compared to JD 42.11 Billion at the end of 2022.

Public Finance

- General budget (including foreign grants) recorded a fiscal deficit in the amount of JOD 1.98 Billion (6.0% of GDP) during the first eleven months of 2023, comparing to a fiscal deficit of JOD 1.33 Billion (4.2% of GDP) during the same period of 2022.
- Outstanding government debt (domestic and external) rose up to reach JOD 41.58 Billion at the end of November 2023 (114.8% of GDP), compared to (111.4% of GDP) at the end of 2022. Government domestic debt (budgetary and guaranteed) increased by JOD 1.43 Billion at the end of November 2023, compared to its level at the end of 2022, to reach JOD 23.01 Billion, Moreover, outstanding external debt (budget and guaranteed) went up by JOD 1.66 Billion, to reach JOD 18.57 Billion.

External Sector

- Trade balance deficit decreased by 9.0% during the first ten months of 2023, compared to the same period of 2022, to reach JOD 8.14 Billion.
- Travel receipts increased by 30.5% during the first eleven months of 2023, compared to the same period of 2022, to reach JOD 4.89 Billion.
- Total workers' remittances receipts increased by 1.4% during the first eleven months of 2023, to reach JOD 2.25 Billion, compared to the same period of 2022.

Board of Directors' Report





BOARD OF DIRECTORS' REPORT

Main Jordan Ahli Bank Activities

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

The Bank's Main Accomplishments of the Year 2023

The business sector is one of the most important sectors at Jordan Ahli Bank as it provides services related to the corporate and consumer banking sector, by offering financial and banking solutions consistent with the companies and customers' requirements and are in accordance with the sustainable shared prosperity framework.

The business sector encompasses Corporate banking and project financing, in addition to the of small and medium, Consumer banking, the Treasury, Investments and Financial Institutions department, and financial institutions department. The Corporate Banking department and project financing develops and offers a wide range of specialized banking solutions and services provided by a team of experts specializing in advising and counselling clients to develop and support their businesses. Furthermore, the department finances commercial, vital, and utility projects, infrastructure development, mining, and participates in banking consortium loan programs for various economic sectors.

Despite the local and global political, economic, and financial challenges that have had a direct impact on the Jordanian economy, the department of Corporate Banking managed to continue providing innovative banking solutions over the past year. These solutions empowered the bank's clients to overcome the effects of these economic conditions and seize opportunities to achieve success. The department also continued to enhance and develop the Ahli Online application for businesses by adding several new digital features and services aimed at improving the customer experience. This enables them to easily, quickly, and securely complete various transactions. Additionally, the department introduced specialized electronic payment systems for clients, which had a positive impact on the overall development of the Corporate Banking sector.

In light of the corporate and SME departments' efforts to maintain their effective role in sustainability, in the past year, they launched a methodology for integrating the loan portfolio with the core principles and standards of sustainable finance outlined in the environmental, social, and governance sustainability policy framework. The aim is to direct financing towards enhancing community empowerment, health, education, financial inclusion, innovation, social and cultural creativity, reducing poverty and unemployment levels, and preserving and minimizing the impact on the environment.

The department of small and medium enterprises (SMEs) has also been providing the best and latest specialized banking solutions for SMEs across various economic sectors and throughout all stages of a company's life. This is made possible through a network of business centres located in different governorates of the Kingdom, as well as various communication channels offered by Jordan Ahli Bank to serve all customers.

The department has also achieved significant growth in the financing portfolio, deposits, and customer base at the governorate level through the launch of several projects stemming from the sector's strategic plans. An important milestone was the introduction of the Green Business Packages program, which reflects Jordan Ahli Bank's vision and strategy to focus on environmental and social sustainability. Additionally, a loan origination system for corporate, small and medium-sized enterprises was launched alongside the enhancement of electronic services to facilitate access to various banking services and enhance the exceptional customer experience with the bank.

In turn, the Consumer banking department has been providing the best digital banking solutions to meet the needs of its customers. It has also updated its branches and ATMs to align with its corporate identity. Moreover, several digital services have been added to the Ahli Mobile application, enabling customers to access all banking services at any time and from anywhere without the need to visit a branch.

Additionally, several new products have been introduced and developed, such as the new savings account program. This program targets all customer segments, including youth, women, and children, offering valuable prizes to winners in a new format. On the other hand, a car loan product has been launched, along with salary acquisition campaigns and residential loans for residents and expatriates.

Furthermore, the Credit Card development department has implemented a project to unify bank cards under a single service provider in partnership with Mastercard.

During this year, the Treasury, Investments and Financial Institutions department has prioritized effectively managing and meeting liquidity requirements, despite the challenges resulting from rising interest rates globally and locally. The department has successfully maintained the cost of funding at reasonable levels, strengthening the net interest margins on managed funds.

The investment department has continued its efforts to meet the diverse investment needs of its clients, with the portfolio size of the payment agent reaching 584 million Jordanian Dinars as of December 31, 2023. After, an agreement being signed with a local bank to serve as a payment agent for an issuance of 100 million US dollars.

The department remains committed to governance and transparency toward investors. An investor relations platform has been launched on the bank's website to establish effective communication channels with financial analysts, investors, media representatives, and shareholders, aligning with international best practices. Furthermore, relationships with banks and financial institutions have been enhanced through the establishment of new banking relationships and an increase in the local, regional, and international correspondent network, covering approximately five hundred financial institutions in eighty countries around the world. This has improved the quality and speed of services provided to clients and increased credit limits granted by correspondent banks to cover their business operations. The introduction of the "Instant Payments" product allows customers abroad to make instant transfers to beneficiaries in Jordan within seconds, with the first agreement signed with Doha Bank, Qatar in this regard.

Moving to the support sector, the Operations Department continued its approach based on automating banking operations and providing banking services to customers through electronic channels. In the past year, an automated system for loan disbursement and repayment was implemented. Additionally, the issuance of banking guarantees for customers was made available through electronic channels. The final stages of launching a banking phone service for large, medium, and small business sector customers are currently underway. This service will enable customers to execute various banking transactions with the highest levels of security.

The Payments Control System project was implemented in collaboration with SWIFT to maximize the security of banking transfers. Furthermore, a contract was signed with Mastercard to implement the Data Intelligence project, providing the necessary protection for our customers in all card-related transactions, whether they involve ATM cash withdrawals, point of sale purchases, or e-commerce transactions.

The Information Technology Department has also been working to support and assist all sectors from a technical standpoint while committing to providing the best solutions for business sustainability. The department continued to perform disaster recovery site assessments and implemented the Near Field Communication (NFC) payment service using Apple Pay and Tap to Pay.

Additionally, an automation system for creating requests for facilities and loans for large, medium, and small businesses was launched. The department introduced the CliQ service, as well as the service for requesting banking guarantees through corporate internet banking without the need for paper requests. They also provided services for stopping and lifting holds on outgoing checks.

Furthermore, the Cash Withdrawal service using QR technology via CliQ through the bank's ATMs was launched. The department also enhanced the bank's systems and infrastructure security through the application of new information security systems, adherence to global card security standards, and SWIFT security standards.

Moving to the role of the credit sector, encompassing the Credit Review, Execution, and Remedial departments, these departments have been actively involved in studying credit applications submitted by various credit institutions. They have analyzed the financial and commercial situations of these companies in accordance with the guidelines of the Central Bank of Jordan.

Furthermore, they have participated in the automation project for credit applications, which is expected to significantly reduce costs. Additionally, these departments have been responsible for identifying risks and taking appropriate actions, coordinated with the credit processing and execution departments.

When transitioning to the Human Resources department, it has undertaken the implementation of projects and initiatives that align with the strategic plans stemming from the bank's adoption of the Shared Prosperity model. This entails applying the best standards for employee experience, expanding the framework of the corporate culture project, enhancing the ideal values that should be present in our corporate environment, and applying them to all practices across all managerial levels.

Additionally, the bank has been implementing best practices from the recruitment and hiring of highly competent human resources to developing their performance. They have also worked on enhancing work policies and procedures to maintain these competencies, especially in a competitive environment.

The bank aims to create an environment that nurtures and attracts talent. Furthermore, the bank directs all available resources towards achieving high levels of job satisfaction, fostering an institutional culture that supports and encourages creativity and innovation. The bank provides competitive reward and incentive programs, along with clear and fair performance evaluation criteria and mechanisms. It offers opportunities for internal development and career growth for employees, thereby increasing their sense of importance, boosting their morale, diversifying their experiences, and enriching them, all within a framework that ensures fairness and transparency while guaranteeing equal opportunities for all employees.

The bank has also worked on enhancing and developing the skills and capabilities of its employees through training programs, courses, and training activities for all employees at various management levels. This approach ensures the provision of the competencies and skills necessary to achieve job objectives and compliance with the specific training and awareness requirements set by regulatory authorities.

The bank recognizes the importance of training and awareness, aiming to elevate knowledge levels, encompassing all developments in the banking and technological fields, as well as legal updates. This is achieved using the best technologies, theories, and trainers.

The Innovation Department introduced the "Qawn" application, which is the first social financial platform serving both the retail and business sectors in Jordan. This platform has expanded our digital financial services in the Jordanian market. Additionally, a developer portal was launched within the Qawn application, enabling the execution of open banking capabilities and enhancing the integrated financial environment.

The bank continued to work on the "Ahli Future" program in partnership with local universities. This program aims to provide up-skilling to students majoring in computer science and related fields, focusing on preparing these graduates and equipping them with the necessary skills for the job market.

On the other hand, the bank launched "Ahli Chat GPT," integrating artificial intelligence functions into the bank's chat services. This technology allows customers to inquire about all services and products and receive immediate responses to any questions they may have. New cloud-based technologies have been adopted to streamline operations and provide a sustainable paperless model to enhance the efficiency of banking operations.

The Center of Excellence has automated some of the bank's processes to reduce the time and effort required for their execution. This includes activating control measures, reducing human errors, and preparing a comprehensive review plan to update the bank's policies and procedures within a specific timeframe. They have also conducted process engineering for some operations to improve the quality of the outputs. Additionally, the department has prepared matrices of banking authorizations for

the Consumer Banking and Operations Department, unifying them in a single document to serve as a fundamental reference for daily operations. They have also continued to implement field visits to branches and management departments, conducting awareness workshops for branch employees to enhance service quality and minimize operational errors as much as possible. Moreover, the center has maintained its work in managing information technology governance in accordance with the relevant guidelines. As for the Strategy and Project Management office, it is responsible for preparing and evaluating budgets for these projects and providing the necessary guidance and support to all project managers and departments. The office coordinates between them to ensure the success of these projects within the specified timeframe and at the lowest possible cost. Currently, the office is managing and monitoring the strategic initiatives included in the bank's plan for the coming five years.

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 60 as detailed at the end of this report herein, and the total number of the Bank's employees are 1368 as of the end of 2023, as detailed below:

| | No. of Branches | No. of Employees 31/12/2023 |
|-----------------------------|-----------------|--------------------------------|
| Hashemite Kingdom of Jordan | 49 | 1131 |
| Palestine | 10 | 223 |
| Cyprus | 1 | 14 |
| Total | 60 | 1368 |

The number of employees of the Head Offices of the Jordanian Bank amounts to 750.



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 2023 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 | 9 | Abdoun | 8 | Wadi Saqra Street | 8 |
| Corporate | 20 | Taj Mall | 13 | Ibn Khaldoun Street | 5 |
| Wasfi Al Tal | 8 | Jabal Amman | 7 | Abdali Boulevard | 8 |
| Sweifieh | 9 | Um Uthaina | 8 | | |
| East Amman | | | | | |
| Sahab | 6 | Tabarbour | 6 | Dahieh Yasmine | 5 |
| Madaba | 8 | Al-Hashimi Al-Shamali | 5 | Marka | 7 |
| Hurriya Street | 6 | Downtown | 7 | Jabal Al Hussein | 7 |
| Middle East Circle | 9 | Marj Hamam | 7 | | |
| West Amman | | | | | |
| Mecca Mall | 11 | Makkah Street | 8 | Khalda | 8 |
| Al Bayader | 9 | City Mall | 13 | Abdullah Ghosheh | 4 |
| Balqa | | | | | |
| Deir Alla | 6 | Al-Salt Gate | 8 | Balqa Applied University | 6 |
| Al-Salt | 4 | Fuhais | 6 | Jubaiha | 8 |
| Zarqa & North | | | | | |
| Zarqa Main Branch | 7 | Ramtha | 6 | Irbid | 7 |
| New Zarqa | 6 | Mafraq | 6 | Jerash | 6 |
| The Free Zone | 3 | Arabella Mall - Irbid | 14 | Rusayfa | 6 |
| Souq Bab Al Madinah Mall | 12 | | | | |
| South | | | | | |
| Tafila | 9 | Mu'ta | 6 | Karak | 8 |
| Ma'an | 7 | Aqaba | 11 | | |

Outside The Hashemite Kingdom Of Jordan

| Branch | No. of Employees | Branch | No. of Employees | Branch | No. of Employees |
|------------------|------------------|-------------|------------------|-----------|------------------|
| Palestine | | | | | |
| Regional Office | 133 | Jenin | 12 | Ramallah | 10 |
| Nablus | 12 | Tulkarm | 10 | Bethlehem | 13 |
| Shalala - Hebron | 1 | Beit Sahour | 6 | Masyoun | 7 |
| Salam - Hebron | 11 | Betonia | 8 | | |
| Cyprus | | | | | |
| Limassol | 14 | | | | |

Capital Investment

The capital investments of Jordan Ahli Bank amounted to 93.36 million Jordanian Dinars with fixed assets amounting to 90.84 million Jordanian Dinars and intangible assets amounting to 2.51 million Jordanian Dinars as at the end of 2023.

Jordan Ahli Bank Subsidiaries

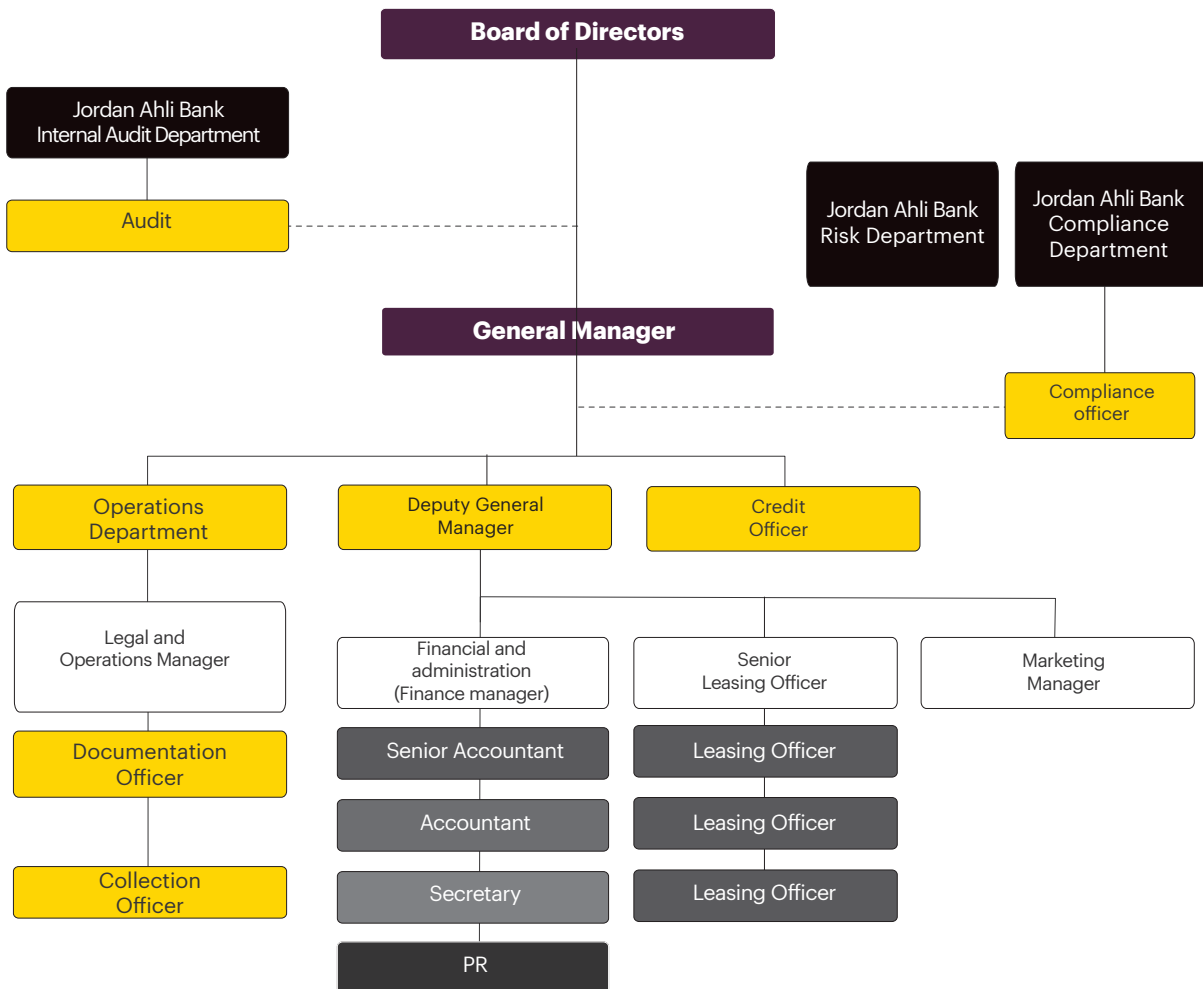
Table Providing Detailed Information in Respect of Subsidiaries

| 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 31/12/2023 | % | No of Shares as of 31/12/2022 | % |
| Ahli Financial Leasing | Private Shareholding Co. | Amm. Jo. Tel: 06-5003333 | Leasing | 17,500,000 | 13 | 1 | Jordan Ahli Bank | 17,500,000 JD/Share | 100% | 17,500,000 JD/Share | 100% |
| Ahli Micro-finance | Private Shareholding Co. | Amm. Jo. Tel: 06-5865970 | Micro-finance | 6,000,000 | 294 | 28 | 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: 06-5206000 | Financial Technology development and investment. | 1,500,000 | - | 0 | Jordan Ahli Bank | 1,500,000 JD/Share | 100% | 1,500,000 JD/Share | 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.

* The Organizational Chart in line with the relationship matrix between the bank at the group level as per the bank’s regulatory body requirements.



Achievements of the company in 2023

- Leased financing amounted to 36.6 million dinars under 189 lease contracts.
- The company’s net profit before tax was approximately 3.746 million dinars.
- The total assets of the company amounted to about 92 million dinars.
- Dividends in the amount of 18 million dinars were distributed.
- The company’s equity decreased to 24 million dinars.

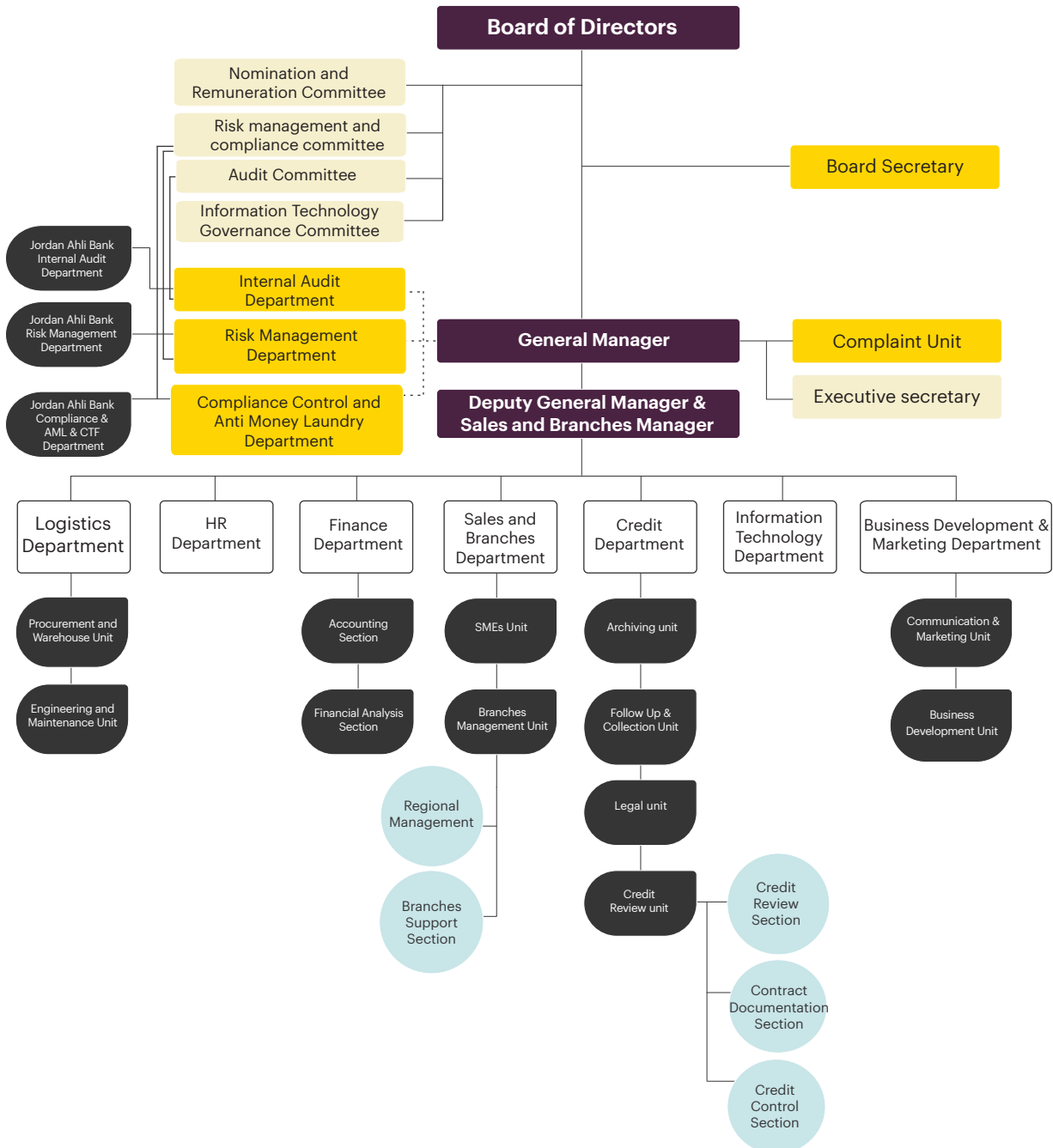
Future Plans in 2024

- Establishing an Islamic finance company to meet market needs.
- Continuing attracting new customers by holding extensive meetings across various economic sectors and promoting awareness and financial culture through leasing and financing programs.
- Developing electronic services and launching new products that cater the market needs.

Ahli Microfinance Company P.S.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, in addition to being the first Jordanian company to obtain a license from the Central Bank of Jordan in 2018 in addition to that in 2023 AMC was the first Jordanian Microfinance complied with the Finance Companies Bylaw No.107. 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 254 million Jordanian Dinars and served more than 304 thousand customers through 28 branches located inside the Kingdom.

* The Organizational Chart in line with the relationship matrix between the bank at the group level as per the bank's regulatory body requirements.



Achievements of the company in 2023

- The first microfinance company to comply with the provisions of Financial Companies Regulation No. 107 of 2021.
- Implementation of 80% of the loan system upgrade project, as well as the automation of loan disbursement process, expected to be completed by the end of the year.
- Implementation and launch of a new Contact Center system and offer new innovative communication channels for customers and clients to enhance the customer experience journey.
- Implementation of the electronic archiving project across all company's departments.
- Implementation of an advanced anti-money laundering system.
- Integration with the Civil Status and Passport Department system through JOPACC in cooperation with the Jordan Ahli Bank.
- Increase in the credit portfolio to reach 18.8 million JOD, with a growth rate of 2% compared to the previous year.
- Increase in the number of clients to reach 38,000, with a 5% growth rate compared to the previous year.
- Provide non-financial services through conducting financial literacy workshops for clients to raise awareness about financial literacy.
- Opening a new branch in Deir Alla.
- Contribute and participate in Jordan's national and social occasions part of the company's role in corporate social responsibility.
- Conducting training courses for company employees in line with the training needs assessment of each department and in compliance with

Future Plans in 2024

- Achieving growth and increasing the company's market share.
- Continuing to implement the company's digital transformation strategy and developing digital services.
- Enhancing the company's policy in corporate social responsibility and shared prosperity.
- Expand the company's outreach in line with its approach in spreading the concept of financial inclusion through the redistribution of some branches in accordance with the company's strategy to improve operational efficiency.
- Continuing to develop the information technology and cybersecurity infrastructure.
- Enhancing operational efficiency and achieving financial and non-financial goals.

Ahli Microfinance Company's Branches:

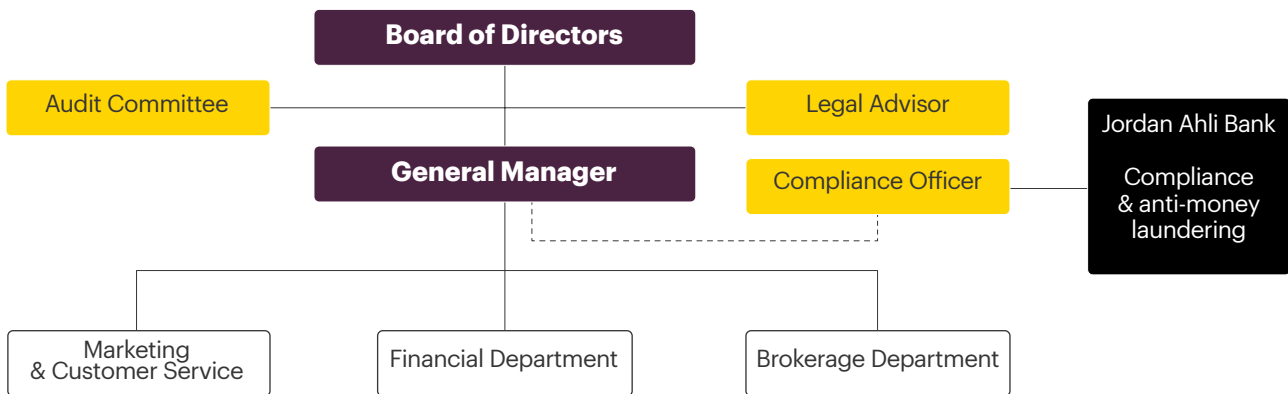
| Branch | Address | Phone No. | No. of Employees |
|----------------------------|--|--------------|------------------|
| Bayader | Bayader Street, Ata Ali traffic light, opposite to Jordan Kwait Bank - Ground floor | (06) 5820993 | 10 |
| Zarqa | Al-Saadeh Street, building 20 - 4th floor, on top of Ahli Bank | (05) 3980083 | 8 |
| 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 | 11 |
| Swaileh | Princess Haya Street, Al Jude building, next to Jo Petrol gas station - Ground floor | (06) 5347594 | 6 |
| Zarqa Jadeedah | 36 Street, building 37, next to Nuram Shamia sweets - Ground floor | (05) 3863354 | 8 |
| Rsaifeh | King Hussain Street, building 100 - Ground floor | (05) 3755115 | 7 |
| 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 | 8 |
| Baqaa' | Al Shu'un Street, opposite to Al Wakaleh school - Ground floor | (06) 4727124 | 8 |
| Marka | Esawiah Street, building 8 - Ground floor | (06) 4884123 | 9 |
| Jabal Al Hussien | Khaled Ben Al walid Street, building 130, opposite to Opera House - Ground floor | (06) 4657201 | 15 |
| Aqaba | Petra Street, opposite to Super Market Hamam - Ground floor | (03) 2030320 | 9 |
| 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 | 8 |
| 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 | 9 |
| Marj Al Hamam | Prince Nayef Street, Abu Khaled Al Manaseer building, next to pharmacy One - Ground floor | (06) 5733984 | 9 |
| 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 | 6 |
| Salt | Anees Muasher St.- Dababneh Trade Complex - next to Housing Bank - Ground floor | (05) 3557105 | 9 |
| Al Hurria | Al-Hurriyah Street, building 95, next to National Poultry Company - Ground floor | (06) 4205072 | 5 |
| Jabal Al Naser | Adan Street, next to Flamingo Restaurant - Ground floor | (06) 4967529 | 6 |
| Tabarbour | Tabarbour - Tareq Street, opposite to Tareq Post Office | (06) 5059350 | 6 |
| Mu'ta Office | King's St. - Mazar area - municipality complex - Ground floor | (03) 2370312 | 7 |
| Jarash | Hasan Al Kayed Street, near Al Kairwan circle, opposite to the bus station, Al Baraka commercial complex | (02) 6342070 | 10 |
| Mafraq | Mafraq, King Abdullah I Street, Jordanian Hijaz railway complex, next to Bank ABC - Ground floor | (02) 6232059 | 10 |
| Deir Alla | Balqa' - Jordan Valley St. - Muaddi - Opposite to Nuimat Station - Ground floor | (05) 3572359 | 7 |
| Main Office | 8 th circle, King Abdulla II Street, building 449 | (06) 5865970 | 62 |

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).

* The Organizational Chart in line with the relationship matrix between the bank at the group level as per the bank's regulatory body requirements.



Achievements of the company in 2023

- Ahli Brokerage maintains a resilient and comfortable solvency ratio of 140% by the end of 2023 VS. 133% in 2022, which is well above the minimum required ratio of 75% set by JSC, where the company's book value reached its highest level since 2007.
- The company's owner's equity increased by 5.6% compared to the year 2022.
- The company's total assets increased by 7.3% compared to the year 2022.
- The company Upgraded its ordering management system (OMS) which enables the company to meet the client's needs with accuracy and agility.
- The company activated its Anti-Money Laundering and Counter-Terrorist Financing System.

Future Plans for 2024

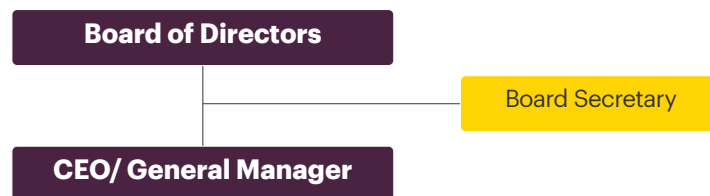
Continue with the efforts aimed at expanding the client base and increasing market share to reinforce the competitive position of the company in the capital market by focusing on innovation and digitization to meet the client's needs.

Ahli Financial Technology Company P.S.C. (ahli Fintech)

Established by Jordan Ahli Bank in 2017, AHLI FINTECH is a wholly owned subsidiary of the bank, with a paid-up capital of JOD 1.5 million. The company is 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's primary focus is on its fintech programs, including the early-stage incubator and seed accelerator programs targeting local and regional FinTech startups, with investment of up to USD \$200 thousand. The programs offer several benefits, including access to co-working space, a global network of experts and mentors, the ability to access financial services experts at ahli bank and its subsidiaries and partners, and access to the sandbox environment to develop and pilot test customer-facing solutions with ease using the bank's APIs, amongst other benefits. The company's vision is to enable and promote the fintech innovation ecosystem and establish Jordan as a hub for FinTech innovation.

* The Organizational Chart in line with the relationship matrix between the bank at the group level as per the bank's regulatory body requirements.



Achievements of the company in 2023

- The 1-month AHLI FINTECH Hackathon, in partnership with the Crown Prince Foundation, was completed with participation of 39 teams made up of 130 students from 12 universities in Jordan.
- Launched the 20-week AHLI FINTECH Incubator program in its first year of implementation with participation of 34 students from the top 10 teams selected from the Hackathon. The participants were immersed in hands-on workshops and mentorship, with access to co-working space, as they validated their problem-solution fit followed by extensive prototyping of their solution for validating their product-market fit.
- Launched the second wave of the AHLI FINTECH Accelerator program, with investments in five FinTech startups, including the deployment of Proof of Concept (POC) projects being implemented with ahli group companies to accelerate their validation, growth, and scalability.
- Renewed existing partnership with the Crown Prince Foundation to further develop the fintech innovation ecosystem targeting youth in Jordan.
- Established a number of partnerships with service providers to offer support to the startups in our programs.
- Signed Memorandum of Understanding with the Central Bank of Jordan (Jo-Fintech) which is aimed at developing the FinTech ecosystem in Jordan, enabling innovation in the financial services sector, FinTech capacity building and skills development, and enhancing the regulatory framework to promote successful deployment of innovative FinTech solution in Jordan and beyond.

Future Plans for 2024

- Launch the 3rd AHLI FINTECH Hackathon with a wider audience of youth in Jordan, in partnership with the Crown Prince Foundation.
- Launch the 2nd round of the AHLI FINTECH Incubator program.
- Conclude the 2nd wave and launch the 3rd wave of the AHLI FINTECH Accelerator program.
- Integrating fintech portfolio companies' solutions into the ahli group's customer offering to add value to the services offered by the ahli group companies.
- Continue to develop partnerships to enhance the Fintech innovation ecosystem around AHLI FINTECH to support portfolio companies and the AHLI FINTECH community in general.

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 | 26/10/1974 |
| 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"> • Participant, moderator and contributor in Jordan's Economic Modernization Vision. • A Member in the Ministerial Committee to modernise public sector formed by the Council of Ministers until 2022. • A banker with more than two decades experience in the financial services industry, last executive position held: Senior Deputy CEO, Jordan Ahli bank. • Vice Chairman – Al Nabil for Trade and Investments. • Vice Chairman – Fig Tree Ventures (Al Nabil for Trade and Investments representative). • Member of the Board - Al Asnaf Company for Tourism Projects Management (representative of Al Nabeel Company for Trade and Investment Management) • Member of the Board - 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). |



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|-------------------------|---|
| Name | Mr. Moh'd Mousa Dawood (Moh'd Issa) |
| Title | Vice Chairman Non-Executive Non-Independent |
| Date of Membership | 01/02/2023 |
| Date of Birth | 01/02/1956 |
| Academic Qualifications | <ul style="list-style-type: none"> • Bachelors in Major Mathematics, Minor Business Administration / University of Jordan 1978. |
| Experiences | <ul style="list-style-type: none"> • Member of the Board - Al Dawliyah for Hotels & Malls Plc.(MALL) (Jordan Ahli Bank Representative) - Present. • Member of the Board - Arab International Hotels Plc. (AIHO) (Jordan Ahli Bank Representative) - Present. • Former CEO/General Manager – Jordan Ahli Bank (11/2015 until 31/01/2023) • Former Executive Vice President - Country Manager of Jordan (12/2012 until 11/2015). • Former Executive Vice President - Head of Libya project (09/2012 until 11/2012). • Former Executive Vice President - Head of Corporate and Investment Banking/ Jordan & Palestine (04/2009 until 07/2012) • Former Senior Vice President - Head of Credit- Corporate Finance / Jordan & Palestine (8/2004 until 03/2009). • Other senior posts within Arab Bank plc, and Arab National Bank (11/1978 until 7/2004) • Former Chairman of Board (Ahli FinTech, Ahli For Financial Leasing). • Former Vice chairman (the International Islamic Arab Bank, and Arab National Leasing Company) • Former Board Member for the following (Arab Bank – Syria, Jordan Mortgage Refinance Company, Jordan Hotels and Tourism Company, Association of Banks and Institute of Banking Studies, Jordan Payment & Clearing Company (JoPACC), Jordan Loan Guarantee Corporation, Jordan Capital & Investment Fund Management). |



| | |
|-------------------------|--|
| 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. • Member of RHC • Obtained the Hungarian medal of merit • 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 & 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. • Chairman of Trustees - Jordanian Hospitality & Tourism Education Co. • Vice Chairman – Marasi for Development & Management • Vice Chairmen – Al Karam for Agriculture Products • Chairman of the Board -Wings of Hope Society |



| | |
|----------------------------|---|
| Name | Mr. Rafik Saleh Issa 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, 1973, USA. • B.A. in Engineering, 1972, the American University of Beirut. |
| Experiences | <ul style="list-style-type: none"> • Board Member - Premier Business And Projects (ACDT) • Managing business in business and investments. • General Manager at Rajai Muasher & Brothers Co. • Al Ahliyah for Securities 1988 - present. |





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|----------------------------|--|
| 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 | <p>He is on the boards of directors of several businesses and works in the fields of business management, finance, investment, industry, and trade</p> <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. • Chairman of Al Karam for Agriculture Products • Vice Chairman of Ranco Diversified Investments Co. • Vice Chairman of Al Dawliyah for Hotels & Malls Co. (Jordan Worsted Mills Co representative) • Vice Chairman of Arab International Hotels Co. • 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. |





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|--|---|
| Name | H.E Mrs. Majd Mohammad Abdul Kareem Shwaikeh 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 | 08/03/1966 |
| Academic Qualifications | <ul style="list-style-type: none"> • Bachelor of Business Administration in Finance, 1987, Yarmouk University • CMA Certificate, 1999, Institute of Management Accountants |
| Experiences | <ul style="list-style-type: none"> • Board Member - Saudi Jordanian Fund for Medical and Educational Investment (10/2021 until now). • CEO Advisor -the Royal Commission for AlUla Saudi Arabia (10/2021 until now). • Board member – IOTUM – Canada 2020-present. • Member at the National investment Council 2021-Present. • Former Vice Chairman of EHS -Jordan. • Strategic Partner of 360 Solutions Middle East - 2021. • Board Member Fulbright - 2021. • Senior Advisor Arthur D Little 2021. • Board of Trustees Amman Bacculaureate 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). • Former Board member and Audit Chair at Etihad Bank 3/2015. • 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. |





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|-------------------------|--|
| Name | Mr. Alan Fouad Tanios 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. • Chartered Certified Accountants - ACCA. |
| Experiences | <ul style="list-style-type: none"> • Deputy General Manager - Byblos Bank - present. • Board Member at Byblos Bank Africa - present. • Chairman of Byblos Bank Armenia - present. • Board member of Byblos Invest Bank - present. • Board member of ADIR SAL (Insurance company) - present. |





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|--|---|
| Name | Mr. Mo'nes Omar Saleem Abdel All Social Security Corporation Representative |
| Title | Board Member Non-Executive Non-Independent |
| Date of Membership | 1995 |
| Date of the Representative Appointment | 01/08/2023 |
| Date of Birth | 07/04/1982 |
| Academic Qualifications | <ul style="list-style-type: none"> • BA in Accounting, 2004, Yarmouk University • Certified Management Accountant (CMA), 2014, Institute of Management Accountant • Certified Public Accountant (CPA), 2018 American institute of certified public accountant – AICPA • A professional diploma in International Financial Reporting Standards (DiplFR), 2019, Association of Chartered Certified Accountants – ACCA |
| Experiences | <ul style="list-style-type: none"> • Section Head -Corporate Affairs Section –at Social Security Investment Fund (SSIF) (7/2020 -to date) . • Former Board member and board audit committee member at Jordan Commercial Bank (11/2019 – 7/2023) • Former Head of Investment Risk at Social Security Investment Fund (SSIF), (1/2019 until 6/2020) • Former Head of settlement division and CFO deputy at SSIF (5/2006 until 12/2018) • former Board member representative at Al Etihad Bank (11/2017 until 11/2019) • Former board member representative at Jordan Press & Publishing Company “Addustour” (4/2017 until 11/ 2017) • Lecturer in the American Certified Public Accountant (CPA) and the Certified Management Accountant (CMA) matters |





| | |
|-------------------------|--|
| Name | H.E. Dr. Tareq Mohammad Khaleel Hammouri |
| Title | Board Member Non-Executive Independent |
| Date of Membership | 2017 – noting that there is a cooling off period |
| 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"> • Vice Chairman of Trustees of Jordan University of Science and Technology. • Member of the Board of Trustees of the Institute of Politics and Society. • Member of the Board of Directors of the Aqaba Development Company LLC • Member of the Board of Directors of Sama Alia Real Estate Company • Chairman of the Board of Directors of Hammouri & Associates Advocates and Legal Consultants (civilian company) • 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, 2018-2020. • Chairman of Jordan Enterprise Development Corporation (JEDCO), Jordan Civil, 2018-2020. • Former Vice Chairman of the Ministerial Economic Committee, 2018 - 2020. • Former Member of the Ministerial Legal Committee, 2018 - 2020. • Dean of Faculty of Law - University of Jordan, 2012 - 2014. <p>Former Board Member in several companies and institutions:</p> <ul style="list-style-type: none"> • The Social Security Investment Fund (SSIF) • King Abdullah II Fund for Development (KAFFD) • The Electricity Distribution Company • The National Company for Tourism Development • The Islamic International Arab Bank |



| | |
|-------------------------|---|
| Name | Mr. Karim Tawfiq Amin Kawar |
| Title | Board Member Non-Executive Independent |
| Date of Membership | 2008 – noting that there is a cooling off period |
| 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 , 17 for restaurants) • Vice-Chairman (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 as a board member 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"> • Board Member- Government Investment Management Co. - Present • CEO & Managing Partner, GMS Capital Partners LLC, 2017 - Present <p>Board Memberships:</p> <ul style="list-style-type: none"> • Outlook Therapeutics 2017 - present and member of the Audit and Special Finance committees. • Pharma Nobis LLC 2022 - present. <p>Previous Memberships:</p> <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. • Executive Director- Vice President - J.P Morgan Securities Inc. 2004 -2007. • Associate- Mergers and Acquisition - J.P Morgan Securities Inc. 2000-2004. • 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"> • BSc. in Engineering, University of Toledo. • Applied Corporate Finance, University of Cambridge - Institute of Continuing Education • Anti-Money Laundering and Financial Crime, Highspeed Training, UK. |
| Experiences | <ul style="list-style-type: none"> • Seasoned professional with 25 years of experience in multiple sectors • Member of the Board of Directors of The Saudi Jordan Fund for Medical & Educational Investments and Chairperson of the DCC Committee • Strategic Advisor to the President & Chairman of the Board of Directors of Abdali Investment & Development PSC. • Founder of Privy Advisory LLC. • Senior Vice President of Investment & Development at a Private Family Office, managing assets and investment portfolios globally. • Former Chief Executive Officer at Saraya Abdali Real Estate Investments & Development. • Former Business Advisor at Saraya Holding. • Former Chief Operating Officer at Jordan Dubai Properties PSC. • Former Regional Business Development Manager at Gundle SLT Environmental GmbH. • A Certified Non-Executive Board Director, NEDA / United Kingdom. <p>Previous:</p> <ul style="list-style-type: none"> • Board of Directors member, King Abdulla II Design and Development Bureau. • Board of Directors member, KIG • Board of Directors member, Edifice, UK. • Audit Committee member, King Abdula II Design and Development Bureau. • Audit Committee member, KIG. |



| | |
|-------------------------|--|
| Name | Mr. Basim Mahmoud Zuhdi Malhas |
| Title | Board Member Non-Executive 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"> • Board Member at Arab wings • Vice Chairman - Mediterranean Tourism Investments Company (Four Seasons) • Vice Chairman – Mahmoudia Motors • Vice Chairman – Mahmoudia Renewable energy • Board Member - Mahmoudia Trading Company. • Board Member - Jordan Investment and Tourism Transport (ALFA) • Former Member - YPO (Young Presidents Organization). • Former Member - Injaz. • Former Board Member - Bank of Commercial Palestine. • Arab Bank – Amman 1997 - 1998. • HSBC London 1995- 1997. |

Resigned Members or Board Representatives Who Were Replaced during the Year 2023:



| | |
|---|---|
| Name | H.E. Dr. Umayya Salah Ala Uddin Toukan |
| Title before resignation/ replacement of representative | Vice Chairman Non-Executive Independent |
| Date of Resignation/ replacement of Representative | 31/01/2023 |
| 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"> • Vice Chairman of Jordan Ahli Bank from 2017 – 31/01/2023 • 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 Advisor to the Prime Minister. • Former General Manager of the Financial Market • Former Board Member at Al Dawliyah for Hotels & Malls. |

Resigned Members or Board Representatives Who Were Replaced during the Year 2023 / continuous:



| | |
|---|--|
| Name | Mrs. Ranya Moosa Fahed Alaraj Social Security Corporation Representative. |
| Title before resignation/ replacement of representative | Board Member Non-Executive Non-Independent |
| Date of Resignation/ replacement of Representative | 01/08/2023 |
| 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 ● ESG Investing Certificate ● CFA Institute awarded 2022 |
| Experiences | <ul style="list-style-type: none"> ● SSC Representative - Jordan Ahli Bank Board- (01/09/2021 – 01/08/2023) ● 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. |



Executive Management



Dr. Ahmad Awad Abd Al Halim Al-Hussein **Chief Executive Officer/General Manager
As of 01/02/2023**

Date of Appointment 10/11/2015

Commencement Date
of the Current Job 01/02/2023

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:

- Deputy Chief Executive Officer/ General Manager Jordan Ahli Bank from 1/2015 until 01/2023
- 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:

- Chairman of the Board – Ahli Microfinance.
- Chairman of Tanmeyah - Jordan Microfinance Network.
- Vice Chairman – Ahli For Financial Leasing.
- Board Member at Jordan National Shipping Lines Company.
- Board Member at the Palestine Real Estate Investment Company.
- 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 the Palestine Mortgage Refinance Company.

Current Board of Directors Membership:

- Chairman – Ahli For Financial Leasing.
- Chairman – Ahli FinTech.
- Board Member – Association of Banks in Jordan.
- Board Member- Business Tourism Company.
- Board Member – Jordan Worsted Mills.
- Board Member – Jordan Institute of Banking Studies.
- Board Member - Jordan Payment & Clearing Company (JoPACC).
- Board Member - Jordan Loan Guarantee Corporation.
- Board Member - Jordan Capital & Investment Fund Management Company.
- Board Member - Jordan Capital and Investment Fund Company.



Mr. Majed Abdel Karim M. Hijab **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 24/09/1997.
- Bachelor of Economics - Minor Banking and Financial Science at 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 Company.
- Board Member - Commercial Banks Group for Investments.
- Board Member - Ahli FinTech Company.
- Board Member - Ahli Microfinance Company.
- Board Member - Jordan Investor Center Company.
- Board Member- Al Rasekh for Real Estate Development Company.



Mr. Sofyan Ayed Mohammad Duais

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

- Bachelor 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:

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



Mr. Ammar (M.S.) R. Alsa'id **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

- Bachelor's 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 Company.
- Vice Chairman - Ahli Microfinance Company.



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|--|-------------------------------------|
| Mr. Mohammad Nizam Jamil Abu Injeileh | Head of Consumer Banking |
|--|-------------------------------------|

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| Date of Appointment | 01/04/2018 |
|---------------------|------------|

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|---|------------|
| Commencement Date of the Current Job | 01/09/2022 |
|---|------------|

| | |
|---------------|------------|
| 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 \ Acting Head of Consumer Banking from 01/07/2021 until 31/08/2022.
- 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 **Chief Financial Officer**

Date of Appointment 2018/09/02

Commencement Date
of the Current Job 2018/09/02

Date of Birth 22/10/1973

Academic Qualifications

- Master's in Accounting and Financial Management - University of Essex / UK 30/11/2009.
- Bachelor's in Accounting and Business Administration - University of Jordan 11/06/1995.

Experience

Previous Experience:

- Assistant General Manager / Chief Financial Officer - Arab Jordan Investment Bank from 02/01/2013 till 31/08/2018.
- Planning and Studies Department Manager - Jordan Commercial Bank from 06/10/2002 till 1/1/2013.
- Cost and Financial Analysis Officer - Housing Bank for Trade and Finance from 21/10/1995 till 01/10/2002.

Current Board of Directors Membership:

- Board Member - Ahli Brokerage Company.



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|-----------------------------------|-----------------------------|
| Mr. Mouin Aziz Nasif Bahou | Chief Credit Officer |
|-----------------------------------|-----------------------------|

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|---------------------|-----------|
| Date of Appointment | 13/9/2004 |
|---------------------|-----------|

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|--------------------------------------|----------|
| Commencement Date of the Current Job | 1/5/2017 |
|--------------------------------------|----------|

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|---------------|-----------|
| 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 - Ahli Brokerage Company.
- Vice Chairman - Ahli Financial Leasing Company.



**Mr. Khalid Zuhair Jamil
Abuesh- Shaer**

Chief Compliance and AML 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 | Chief Risk Officer |
|---------------------------------|---------------------------|
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| Date of Appointment | 8/12/2013 |
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| Commencement Date of the Current Job | 1/1/2020 |
|--------------------------------------|----------|

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|---------------|-----------|
| 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 **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 **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.

Current Board of Directors Memberships:

- Vice Chairman - Ahli Fintech Company.



**Mr. Rami Mohd-Murshed
Khalaf Dana**

**Chief Operations and
Support Officer
As of 01/01/2023**

Date of Appointment 2/1/2017

Commencement of the Current Job 01/01/2023

Date of Birth 26/3/1973

Academic Qualifications

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

Experience

Previous Experience:

- Senior Vice President/ Head of Operations & Shared Services – Ahli Bank from 02/01/2017 until 31/01/2023.
- 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:

- Chairman of the Board – Ahli Microfinance Company.
- Deputy Chairman - Hemaia Jordan for Cash in Transit Ltd.



Mr. Jwallant Arvindkumar Vasani **Chief Information Officer**

Date of Appointment 1/8/2017

Commencement 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 **Chief Human Resources Officer**

Date of Appointment 15/5/2005

Commencement 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.

The Resigned or Retired Executive Management Member During the year 2023



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

Date of Appointment 08/01/2015

Resignation/Retirement Date 31/01/2023

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:

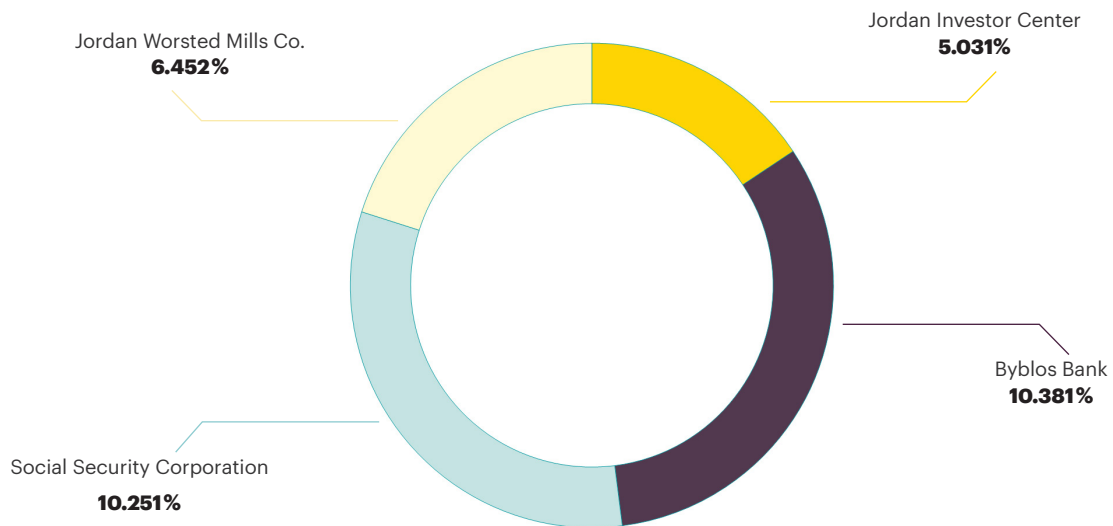
- Deputy Chairman of the Board of the International Islamic Arab Bank.
- Deputy Chairman of the Board of Directors of the Arab National Leasing Company
- Board Member at the Arab Bank - Syria.
- Board Member at the Jordan Mortgage Refinance Company.
- Board Member at the Jordan Loan Guarantee Corporation.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

Board of Directors Membership:

- Chairman of the Board- Ahli FinTech Until 31/1/2023.
- Chairman of the Board – Ahli For Financial Leasing Until 31/1/2023.
- Board Member- AlDawlah for Hotels and Malls PLC Until 31/1/2023.
- Board Member- Arab International Company - Present.
- Board Member - Jordan Capital and Investment Fund - Present.
- Board Member - Jordan Capital & Investment Fund Management Until 31/1/2023.
- Board Member - Jordan Payment & Clearing Company (JoPACC) Until 31/1/2023.

Names of Major Shareholders of 5% and More

| Name of Shareholder | 2023 | | 2022 | |
|-----------------------------|-----------------------------|---------|-----------------------------|---------|
| | No. of shares 31/12/2023 | % | No. of shares 31/12/2022 | % |
| Byblos Bank | 20,829,355 | 10.381% | 20,829,355 | 10.381% |
| Social Security Corporation | 20,570,010 | 10.251% | 20,566,000 | 10.249% |
| Jordan Worsted Mills Co. | 12,945,315 | 6.452% | 12,945,315 | 6.452% |
| Jordan Investor Center | 10,094,450 | 5.031% | 10,019,048 | 4.993% |



Competitiveness and Market Share

Jordan Ahli Bank works through its branches network across the Kingdom and abroad, with a market share on the credit facilities side of 4.34% among the licensed banks as of September 30 2023, and 4.21% on the deposits side. In Palestine Jordan Ahli Bank market share on the credit facilities side reached 2.62% and 2.86% on deposits side as of September 2023.

The percentage of direct credit facilities granted to the bank's customers in the Middle Eastern countries outside the Kingdom amounted to 13.5%, equivalent to 1.3% in European countries out of the total net direct credit facilities granted by the Bank.

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.

Governmental or Preferential Protection that the Bank or Any of its Products enjoy by Virtue of the Applicable Laws, Regulations or Otherwise

The Bank and its products do not enjoy any governmental or preferential protection by virtue of the applicable laws, regulations or otherwise.

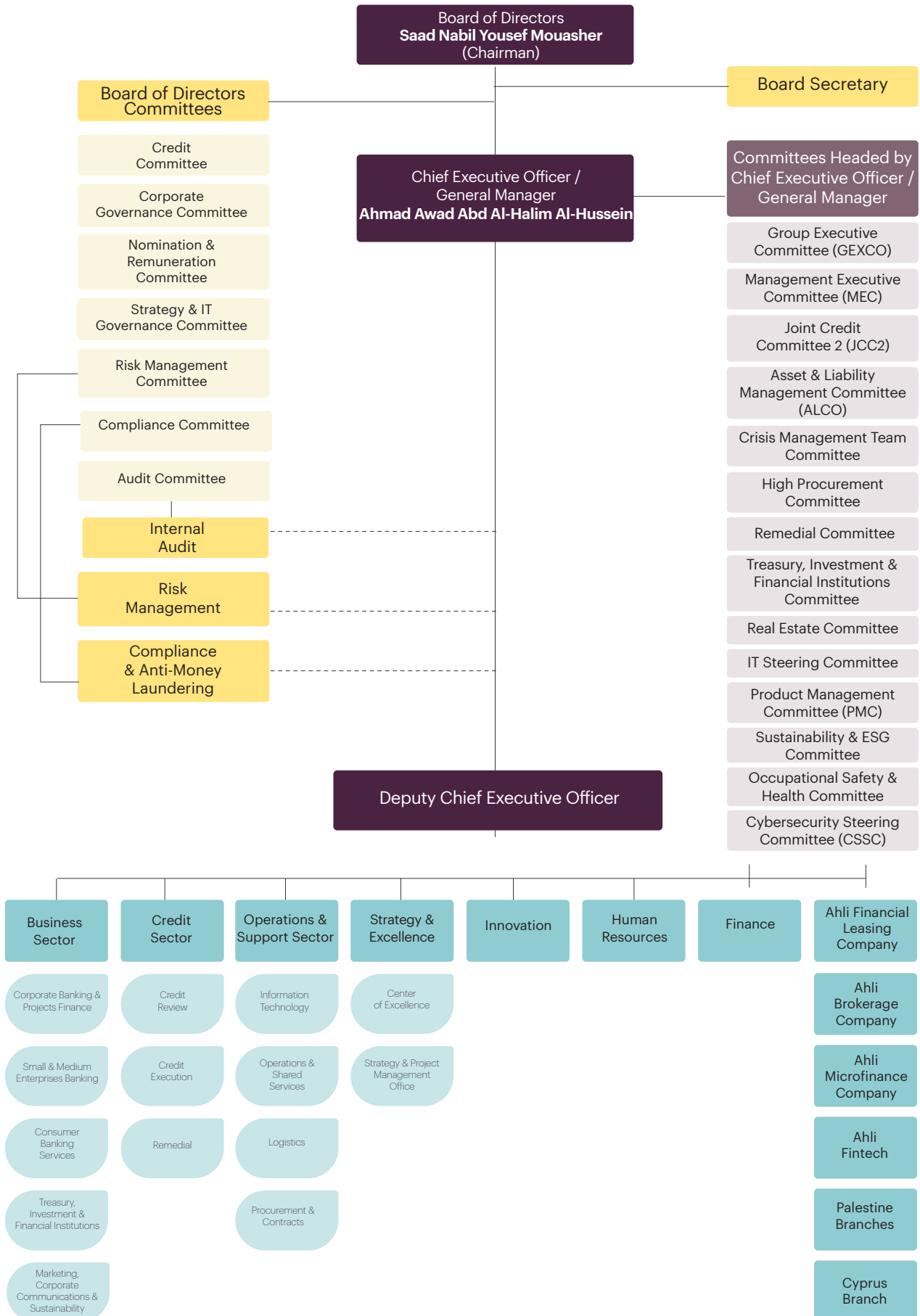
The Bank has neither obtained preferential rights nor specific patents.

Decisions Issued by the Government or the International Agencies that have a Material Impact on the Bank, its products or its competitive capabilities

No decrees, laws or regulations were issued by any governmental bodies or international organizations that would have material impact on the Bank, its products or its competitive capabilities, noting that the bank complies with the applicable legislation and quality standards related to its business and services.

On 16th of November 2023, Fitch rating agency affirmed Jordan Ahli Bank credit rating at (B+) with stable outlook. The credit rating agency stated that Jordan Ahli Bank follows a prudent risk approach with strong franchise and a diversify geographic presence, in addition to sound management.

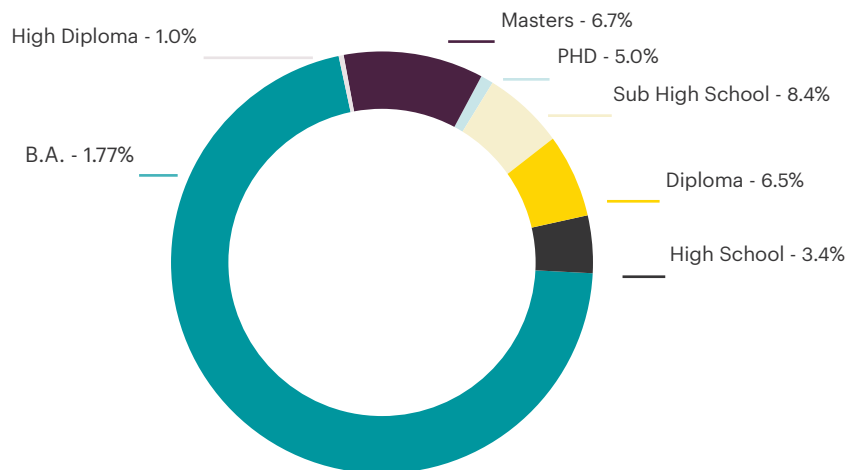
Jordan Ahli Bank Organization Chart



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 | 7 | 0 | 0 | 1 | 1 | 0 | - |
| Masters | 100 | 13 | 4 | 4 | 6 | 0 | - |
| High Diploma | 1 | 0 | 0 | 0 | 1 | 0 | - |
| B.A. | 881 | 183 | 8 | 7 | 209 | 6 | - |
| Diploma | 20 | 15 | 1 | 0 | 36 | 0 | - |
| High School | 57 | 6 | 1 | 1 | 29 | 0 | - |
| Sub High School | 65 | 6 | 0 | 0 | 7 | 2 | - |
| Total | 1131 | 223 | 14 | 13 | 289 | 8 | - |

The distribution of employees 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 | 141 | 3374 | 1629 | 1745 |
| Programs with local / foreign companies and training agencies | 130 | 1114 | 658 | 456 |
| Training programs / Institute of Banking Studies | 21 | 47 | 26 | 21 |
| Outside the Hashemite Kingdom of Jordan | | | | |
| Programs with foreign companies and training bodies | 17 | 23 | 18 | 5 |
| Training Programs / Palestine | 31 | 153 | 111 | 42 |
| Training Programs / Cyprus | 30 | 71 | 26 | 45 |
| Total | 370 | 4782 | 2468 | 2314 |

Fields of Training Courses:

| The Program/Course | No. of Programs | No. of Training Opportunities | No. of Males | No. of Females |
|-----------------------------------|-----------------|-------------------------------|--------------|----------------|
| Accounting Programs | 14 | 29 | 20 | 9 |
| Audit Programs | 7 | 22 | 13 | 9 |
| Awareness Programs | 42 | 524 | 275 | 249 |
| Compliance Programs | 53 | 750 | 360 | 390 |
| Credit | 12 | 31 | 22 | 9 |
| Customer Service & Selling Skills | 13 | 190 | 77 | 113 |
| Desktop | 2 | 16 | 11 | 5 |
| Functional Programs | 36 | 632 | 281 | 351 |
| HR Programs | 4 | 8 | 3 | 5 |
| Innovation Programs | 9 | 15 | 11 | 4 |
| Insurance Programs | 4 | 13 | 7 | 6 |
| IT Programs | 23 | 56 | 53 | 3 |
| Legal Programs | 3 | 68 | 25 | 43 |
| Management Programs | 19 | 234 | 158 | 76 |
| Marketing Programs | 1 | 1 | 1 | 0 |
| Operational Programs | 14 | 211 | 88 | 123 |
| Banking Products Knowledge | 25 | 564 | 248 | 316 |
| Risk Programs | 36 | 491 | 277 | 215 |
| Soft Skills | 21 | 454 | 261 | 192 |
| Sustainability & Governance | 14 | 265 | 189 | 76 |
| Technical Programs | 8 | 100 | 38 | 62 |
| Treasury Programs | 8 | 87 | 33 | 54 |
| Language Programs | 2 | 21 | 17 | 4 |
| Total | 370 | 4782 | 2468 | 2314 |

Together for a better
future
ahli.com/Disabilities



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 analyse 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.

The primary role of the risk management is to identify potential future risks. Credit risk department has activated the early warning model to contribute to enhancing the prediction process of possible risks. This is done through a set of economic, quantitative, and qualitative indicators that assist in evaluating the credit portfolio. These indicators highlight customers with high-risk scores within this portfolio, enabling the formulation of hypotheses for stressful scenarios to calculate the expected impact on provisions. Consequently, corrective measures are implemented based on the results to ensure keeping the credit portfolio within bank risk appetite.

Pursuant to the IFRS 9, as issued by the IASB, and in accordance with the guidelines set forth by the Central Bank, the Credit Risk Department play an active role in updating Expected Credit Loss ECL calculation indicators on an annual basis. These revisions are made based on historical data and macroeconomic factors. Furthermore, the department ensures the regular annual update of policies and procedures aligning with implementation methodology.

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. However, one of the basic tools used in measuring & managing market Risk are the following) Basis Point value, Value at Risk & Sensitivity Analysis).

Basel Division falling under the market risk Umbrella which is responsible of measuring CAR ratio in accordance with Basel III supervisory guidelines, 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 division 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 division also prepares ICAAP report in compliance with Basel III requirements, 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.

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. And consist of the following:

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.

Information Security and Cyber Risk

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 Strategy that is aligned with Jordan Ahli Bank Strategy.
- Establishing cybersecurity and information security policies and plans and aligning them with the bank strategic directions.
- Review, update and Test the Cyber Incident Response Plan to ensure it addresses regulatory and cyber security best practices requirements.
- Establishing cybersecurity risk profile that includes cybersecurity risks related to Information Assets and networks.
- Establish cybersecurity program that includes related activities to ensure proper achievement of Cyber Security Strategy.
- Establish Cybersecurity Key Performance Indicators (KPIs) and Key Risk Indicators (KRIs).
- Adopting and applying cyber security regulatory and best practices and controls within the information technology environment in the bank (such as NIST and CIS).
- Preparing a comprehensive assessment that meets the requirements of the Central Bank of Jordan and the legislative bodies.
- Monitoring compliance of cybersecurity regulatory, Cybersecurity Policy and best practices requirements and prepare regulatory reports for the Board members, Executive Management and concerned parties.

- Conducting security and technical tests to identify vulnerabilities in the IT environment, such as penetration testing and vulnerability assessments and conduct the required review and monitoring to ensure compliance with the related policies.
- 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.
- Conduct the required User Access Management review over critical systems (Technical and Functional)
- Review agreements, business cases and project charters to ensure they address cybersecurity requirements.

In addition, the Cybersecurity/Information Security risk is managed 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 set of information security projects in response to regulatory requirements or risk mitigating requirements.
- Implementation of the General Data Protection Regulation (GDPR) 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.
- Adopting best practices in risk management, and establishing a culture of sustainability and sustainable practices in business in order to better manage environmental and social factors.
- 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 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.

Fraud Risk

Based on the Bank's endeavor to enhance the right behavior and promote the principles of integrity, transparency and the Bank's Values, a fraud risk management department was established to deal with fraud risk issues within the following parameters:

- An established fraud risk management policy at the level of the Ahli Bank group and its approval by the Bank's Board of Directors.
- Adopt the policy to manage avoiding conflict of interest, disclosure and transparency at the level of the Ahli Bank group and its approval by the Bank's Board of Directors.
- Adopting a Code of Conduct and circulating it to all employees.
- Adopting an approved "Whistleblowing Policy" that ensures reporting any breaches or suspicions.
- Adopting the principle of transparency so that the regulatory and the concerned authorities are informed of any verified cases that have been dealt with.

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 defence 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 defence 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 defence 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.

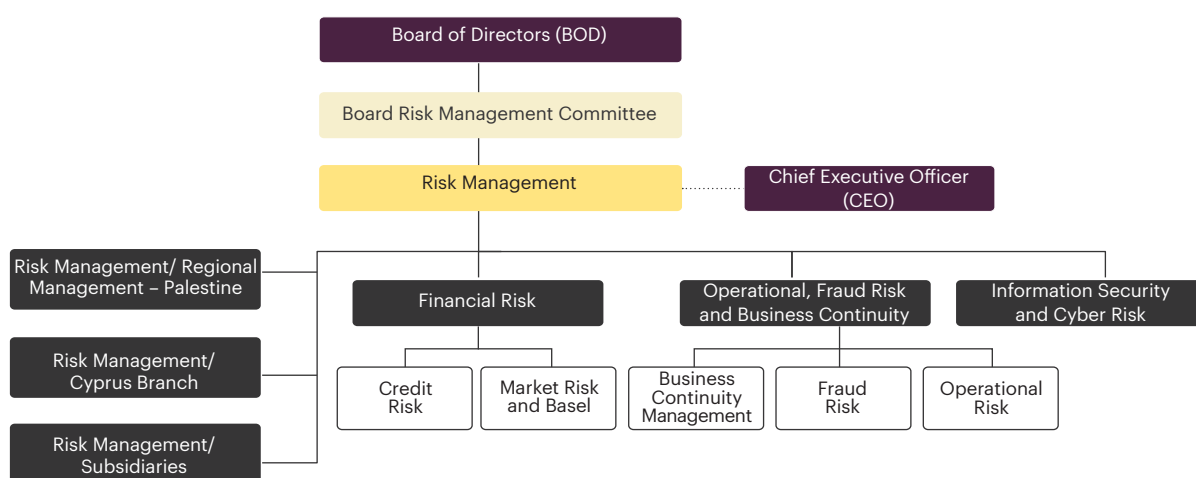
In This regards the Risk Department undertakes the following main functions:

- 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.

Risk Appetite Levels

- 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 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 analysed 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 (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 on annual basis in a manner that complies with regulatory requirements and also can be conducted more frequently as a recommendation of the Risk committee based on the banking sector & economic factors updates.

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.

Risk Management Accomplishments

- Entrenching the governance framework for risk management by incorporating the bank's overall risk management strategy, Risk Appetite and methodologies.
- Maintaining the Bank Capital Adequacy Ratio within the Targeted Ratios.
- Preparing a set of stress testing scenarios in order to simulate the impact of Risk of climate change and geopolitical tensions.
- Activating the Early warning reports on credit portfolio segments.
- Supervising, developing and updating the ECL

system, and implementing a set of scenarios that simulate changes in economic indicators and changes in the structure of the credit portfolio.

- Completing the independent Validation assessment of Models & Methodologies for expected credit losses in accordance with IFRS 9 requirements with the independent advisory body.
- Develop reporting regarding market risk and risk associated with in Interest Rates changes.
- 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.
- Achieving the international standard certificate ISO 22301 Business Continuity Management.
- 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.
- Developing and Upgrading the Internal Rating Model (Credit Lens system) current version to the latest Version.

Risk Management Future Plans

- The continuous adoption of established international best practices in Risk Management, ISO31000 and Enterprise Risk Management Framework.
- The continuous adoption of established international best practices in Information Security ISO 27001, Cybersecurity Framework for Jordan Financial Sector, NIST...etc.
- The continuous adoption of established international best practices in Business Continuity Management ISO 22301
- Continue to implement risk management strategy (2023-2027) 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.
- Continuous review and update of the incidents database defining its source and categorizing the same according to the type of risks.
- Testing the Bank Business Continuity plans, Business alternative site (BAS) and Disaster Recovery site (DRS).
- To continue the Developing and Implementing of the 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.
- Developing and Upgrading Capital allocation process and the risk associated with it.
- Developing tools toward measuring market and liquidity risk in order to be always aligned with best practices and Basel Committee requirements.
- Instilling Risk Management culture across the Bank through the Training and Awareness programs.
- Adopting the Bank corporate culture practices.
- Adopting the environmental, social, and governance (ESG) international best practices within the risk management framework.
- Develop and adopt the needed anti-fraud programs in accordance with the risk-based approach, including the development and implementation of the necessary controls to detect, combat and recover from Fraud. In addition to enhancing the training and awareness programs towards combating fraud.

2023 in Brief



Total Assets

JOD 3,282 Mn
+7.2% YOY



Direct Credit Facilities, Net

JOD 1,681 Mn
+5.4% YOY



Customers' Deposits

JOD 2,209 Mn
+8.9% YOY



Shareholders' Equity

JOD 334 Mn
+1.1% YOY



Profit Before Tax

JOD 32.2 Mn
+13.5% YOY



Profit After Tax

JOD 18.6 Mn
+10.0% YOY



% of Cash Dividend to Shareholders

8% maintaining the same
cash dividend ratio as
2022

* As proposed by the Board of Directors and subject to the general assembly approval.

2023 Financial Indicators



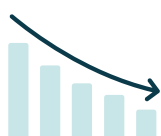
Return on Average Assets (ROA)

0.59% compared with 0.56% last year



Return on Average Equity (ROE)

5.6% compared with 5.1% last year



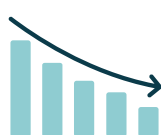
Cost to Income Ratio

60.8% compared with 65.9% last year



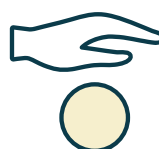
Non-Interest Income / Gross Income

21.2% compared with 20.1% last year



Non-Performing Loans-Net

4.6% compared with 5.1% last year



Coverage Ratio/ Stage 3

81.3% compared with 73.3% last year



Cost of Risk Ratio

0.8% compared with 0.5% last year



Capital adequacy Ratio

15.1% compared with 15.6% last year

*** Higher than the minimum required by the Central Bank of Jordan 14% for banks with foreign presences and higher than the Basel Committee requirements of 10.5%.

Analysis of Business Results for 2023

During 2023, Ahli Bank continued to achieve strong operational results despite the continuing challenges and increased competition in the banking sector.

Gross income increased by 8% to reach amount of JOD 120.5 mn, compared to JOD 111.6 mn for the year 2022.

Operating profits before tax and provisions recorded an increase of 24%, reaching amount of JOD 47.2 mn compared to JOD 38.1 mn at the end of 2022.

The coverage ratio for NPLs (stage 3) increased from 73.3% ,reaching 81.3% for the year 2023.

The bank's management is prudent regarding operating expenses, as they decreased by 3% over the year 2022, bringing the cost income ratio to 60.8%.

As a result, net profit after tax increased from JOD 16.9 mn in 2022 to JOD 18.6 mn for the year 2023, with a growth 10%.

Time-Series Data of the Main Financial Indicators

(Amounts in million Jordanian Dinars)

| Item/ Year | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-------|-------|-------|-------|-------|
| Total Assets | 2767 | 2846 | 2953 | 3063 | 3282 |
| Customers' Deposits | 1864 | 1904 | 2004 | 2028 | 2209 |
| Loans and Credit Facilities (Net) | 1370 | 1370 | 1358 | 1595 | 1681 |
| Shareholders' Equity | 312 | 322 | 328 | 330 | 334 |
| Profit before Tax | 36.2 | 17.5 | 27.2 | 28.3 | 32.2 |
| Profit after Tax | 23.7 | 10.4 | 14.2 | 16.9 | 18.6 |
| Cash Dividends | *- | 8 | 14 | 16 | 16 |
| Basic and Diluted Earning Per Share | 0.118 | 0.052 | 0.071 | 0.084 | 0.093 |
| Cash Dividend Per Share | - | 0.04 | 0.07 | 0.08 | 0.08 |
| Share Price as of last working day (JOD) | 0.95 | 0.77 | 0.97 | 1.07 | 1.08 |

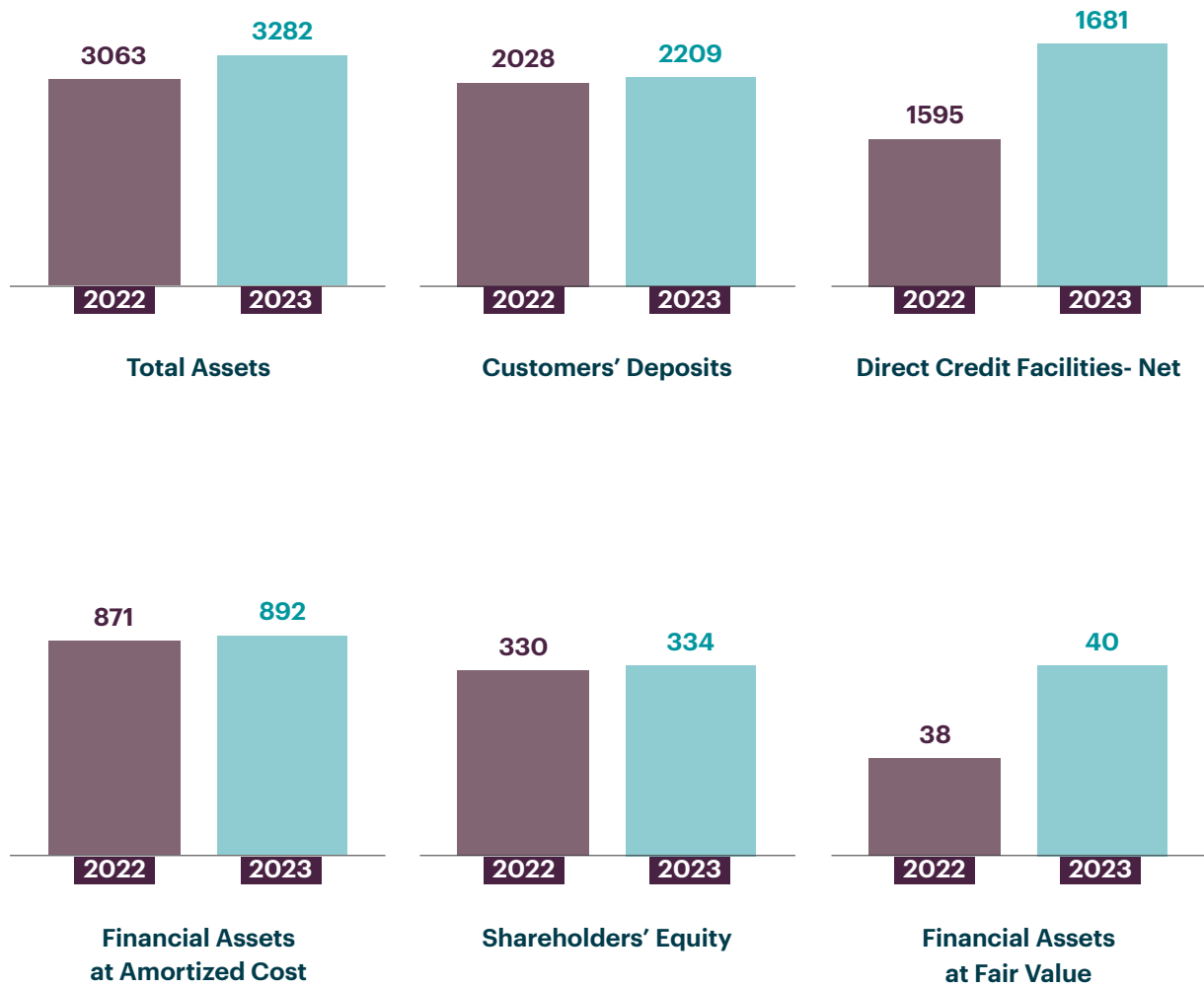
* As per The Central Bank of Jordan circulation No 1/1/4693 dated 9 April 2020, in which the Central bank of Jordan decided to postpone the Jordanian Banks distribution of dividends to shareholders for the year 2019.

Financial Impact of Non-Recurring Operations of the Year 2023 that are not included within the main bank operating income

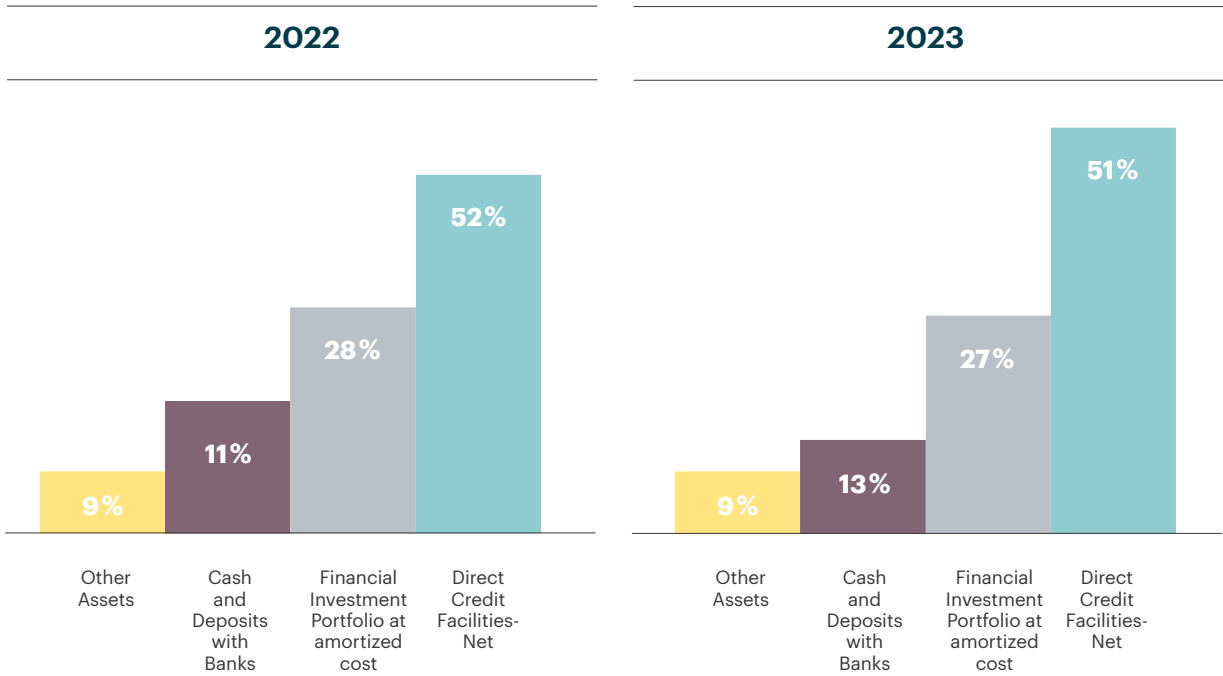
There are no financial impact arising from non-recurring transactions that do not considered within the banking main activities.

Financial Position key Items

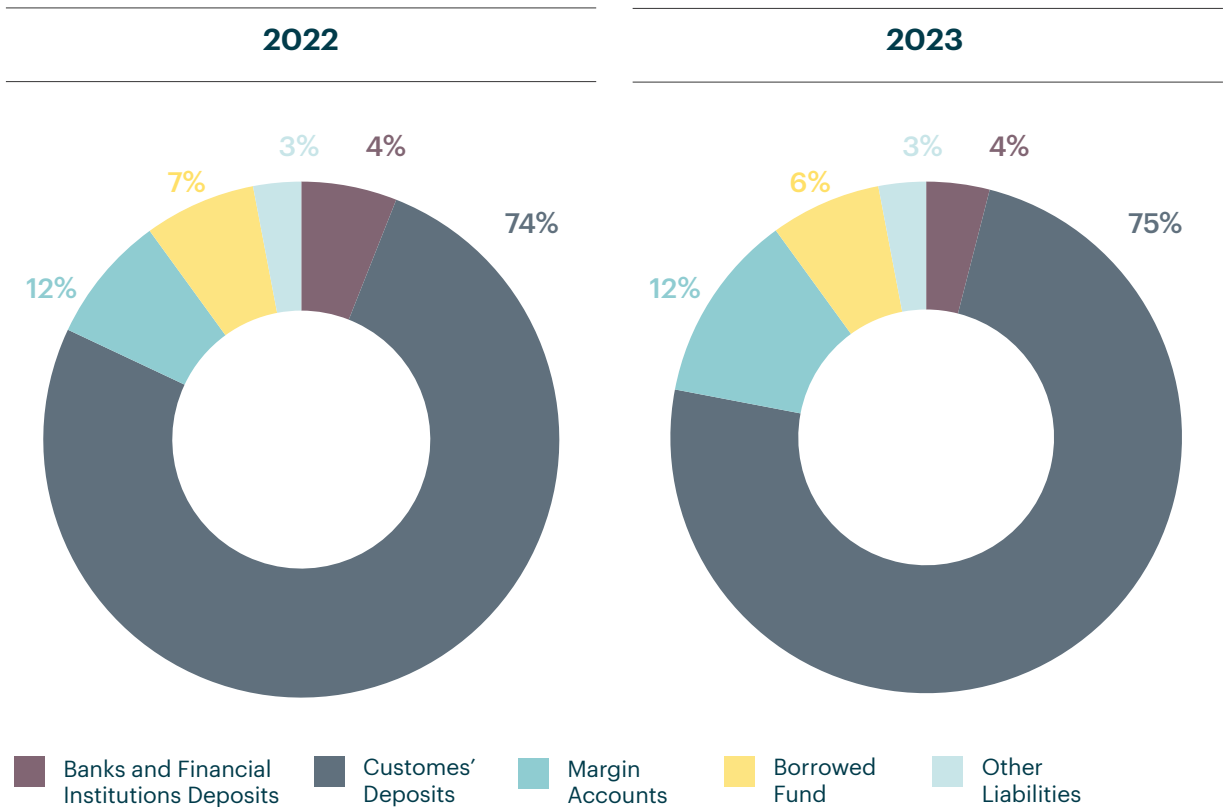
(Amounts in million Jordanian Dinars)



Assets Structure



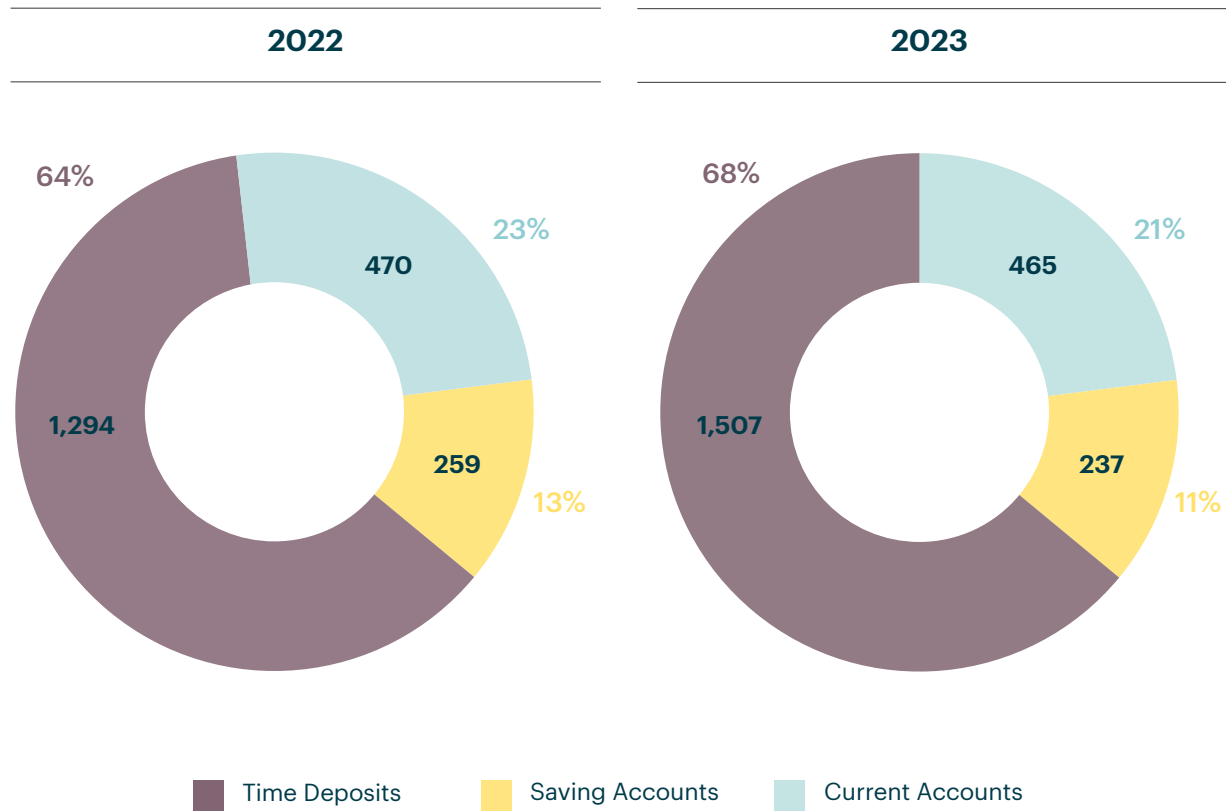
Liabilities Structure



Banks and Financial Institutions Deposits
 Customers' Deposits
 Margin Accounts
 Borrowed Fund
 Other Liabilities

Customers' Deposits Structure

(Amounts in million Jordanian Dinars)



Future Outlook and Plans for 2024

Each of the departments has set several objectives to be achieved, during the year 2023, as the corporate department will continue to support the economic sectors, commercial projects, and infrastructure development. They will continue to enhance the Ahli Online platform for corporate clients by adding new digital services and features to meet their needs. The Small and Medium Enterprises (SME) division is committed to providing valuable services and products to its clients and launching more electronic and automated services for clients across various economic sectors. They will also offer financial and consultancy solutions to support the environment, aiming to improve operational efficiency, reduce expenses, enhance revenue and profits, and build investor confidence. Additionally, they will work on developing tools to measure the positive impact on environmental and social sustainability for customers and investors, as well as improving disclosures in this regard. The Retail Banking division plans to expand its customer base by offering value-added electronic banking products and services, including account opening, instant debit card issuance. They will also continue to introduce new products that serve all categories, especially banking insurance services, and automate various banking services provided to customers. The bank will also expand its network of ATMs across the Kingdom, ensuring an increase in the number of ATMs available in all regions.

The Innovation department will work on providing innovative solutions targeting both the retail and small & medium-sized business sectors. They aim to create the best banking solutions that align with and meet their needs. Additionally, they will focus on improving the customer and employee experience by restructuring operations and implementing automation. These initiatives demonstrate our commitment to innovation and operational excellence, along with our investment in the latest global standards to meet the requirements of digital banking services.

The human resources department will continue to work on continuous development and improvement, expanding its scope of work to meet the growing needs of human capital. This will be based on the strategic plans associated with the implementation of the Shared Prosperity Model and aligned with the human resources mission of providing the best employee experience. They will aim to create a strong corporate culture and implement various initiatives and projects that enhance their role in elevating the work environment and providing advanced services to employees. This commitment to continuous improvement and employee welfare are crucial to fostering a productive and satisfied workforce.

The Information Technology department will work alongside the relevant bank departments to implement various systems and technologies. This includes the implementation of a Customer Relationship Management (CRM) system at the bank level, and the use of digital technology for public budget preparation and interest and liquidity management. The department will also focus on implementing multiple systems and applications such as a loyalty program system for retail customers, and a financial crime and fraud prevention system. They will initiate a new data centre project, obtaining UPTIME TIER 3 certification. Additionally, the department will emphasize enhancing the security of the bank's systems and infrastructure through the implementation of new information security systems. Furthermore, they will launch an Open Banking channel system, allowing the transfer and sharing of customer information with authorized entities based on customer consent. This will facilitate access for new customers and leverage their financial information for various purposes.

The Center of Excellence will focus on automating banking operations. Additionally, they will engineer a set of banking processes to save both time and effort, while adopting the best global banking practices. This commitment to automation, efficiency, and global best practices will help streamline operations and improve the overall customer experience.

The Treasury, Investments & Financial Institutions department will work on enhancing the bank's position in the banking sector, achieving sustainable revenue growth, and increasing its market share. They will continue to uphold the bank's approach of implementing a sophisticated investment policy for managing investments while maintaining high levels of liquidity for those investments. The department will also implement several initiatives related to digital channels, with one of the most significant being the "instant payment" service for customers abroad, benefiting beneficiaries in Jordan. This is in response to our customers' requirements and will lead to more diversification, excellence, and integration in the services provided to customers.

The External Auditors' Compensation of the Bank and its Subsidiaries

a. Fees for external audit services provided by the external auditor (Deloitte & Touche) for the year 2023, with a total value of (328,479) dinars, including sales tax; their details are as follows:

| No. | Name of Company | Audit Fees in JOD |
|-----|---|-------------------|
| 1 | Jordan Ahli Bank/Jordan Branches | 229,583 |
| 2 | Regional Administration of Palestine Branches | 36,592 |
| 3 | Jordan Ahli Bank/ Cyprus Branches | 33,580 |
| 4 | Ahli Microfinance Company | 11,774 |
| 5 | Ahli Brokerage Company | 8,120 |
| 6 | Ahli Financial Leasing Company | 7,064 |
| 7 | Ahli Fintech Company | 1,766 |

b. Fees for additional tasks outside the scope of audit services Audit Clearances / Consultations provided by the auditor Deloitte & Touche Workshop (Deloitte) for the year 2023 total to a value of (29,524) dinars, including sales tax; their details are as follows:

| No. | Name of Company | Audit Fees in JOD |
|-----|---|-------------------|
| 1 | Jordan Ahli Bank/Jordan Branches | 23,374 |
| 2 | Regional Administration of Palestine Branches | - |
| 3 | Jordan Ahli Bank/ Cyprus Branches | 6,150 |
| 4 | Ahli Microfinance Company | - |
| 5 | Ahli Brokerage Company | - |
| 6 | Ahli Financial Leasing Company | - |
| 7 | Ahli Fintech Company | - |

A - (1) Jordan Ahli Bank Shares Owned by Members of the Board and by the Companies Controlled by any of the Board of Directors

| Name | Position | Nationality | No. of shares as of | | Ownership and Names of Companies controlled by any of them | |
|--|-----------------------|-------------|---------------------|------------|--|-------|
| | | | 31/12/2023 | 31/12/2022 | | |
| Mr. Saad Nabil Yousef Mouasher | Chairman of the Board | Jordanian | 2,542,882 | 2,502,882 | Please refer to Table A(1.1) | |
| Mr. Moh'd Mousa Dawood (Moh'd Issa) As of 01/02/2023 | Vice Chairman | Jordanian | 11,466 | 11,466 | ----- | ----- |
| Mr. Nadim Yousef Issa Muasher | Board Member | Jordanian | 6,974,106 | 6,974,106 | Please refer to Table A(1.1) | |
| Byblos Bank | Board Member | Lebanese | 20,829,355 | 20,829,355 | ----- | ----- |
| Represented by Mr. Alan Fouad Tanios Wanna | | | ----- | ----- | ----- | ----- |
| Rajai Muasher & Brothers Co | Board Member | Jordanian | 13,097 | 13,097 | Please refer to Table A(1.1) | |
| Represented by Mr. Rafik Saleh Issa Muasher | | | 3,000,000 | 2,500,000 | ----- | ----- |
| Muasher Investment & Trading Co. | Board Member | Jordanian | 529,240 | 529,240 | Please refer to Table A(1.1) | |
| Represented by Mr. Imad Yousef Issa Mouasher | | | 7,339,722 | 7,339,722 | ----- | ----- |
| Jordan Investor Center | Board Member | Jordanian | 10,094,450 | 10,019,048 | Please refer to Table A(1.1) | |
| Represented by H.E Mrs. Majd Mohammad Abdul Kareem Shwaikeh | | | ----- | ----- | ----- | ----- |
| Social Security Corporation | Board Member | Jordanian | 20,570,010 | 20,566,000 | ----- | ----- |
| Represented by Mr. Mo'nes Omar Saleem Abdel All As of 01/08/2023 | | | ----- | ----- | ----- | ----- |

Jordan Ahli Bank Shares Owned by Members of the Board and by the Companies Controlled by any of the Board of Directors/continued:

| Name | Position | Nationality | No. of shares as of | | Ownership and Names of Companies controlled by any of them | |
|---|--------------|-------------|---------------------|------------|--|-------|
| | | | 31/12/2023 | 31/12/2022 | | |
| H.E. Dr. Tareq Mohammad Khaleel Hammouri | Board Member | Jordanian | 31,922 | 14,922 | ----- | ----- |
| Mr. Karim Tawfiq Amin Kawar | Board Member | Jordanian | 145,286 | 131,989 | ----- | ----- |
| Mr. Yazan Munther Jeries Haddadin | Board Member | Jordanian | 2,000 | 2,000 | ----- | ----- |
| Mr. Khalil Safwan Khalil Saket | Board Member | Jordanian | 2,000 | 2,000 | ----- | ----- |
| Mr. Basim Mahmoud Zuhdi Malhas | Board Member | Saudi | 166,256 | 166,256 | ----- | ----- |

A - (1.1) 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 | Nationalities | No. of shares owned by the companies controlled by any of such Board Members | |
|--|---|---------------|--|------------|
| | | | 31/12/2023 | 31/12/2022 |
| Mr. Saad Nabil Yousef Mouasher Chairman of the Board | Al Nabil For Trade And Investments | Jordanian | 2,846,598 | 2,846,598 |
| Mr. Nadim Yousef Issa Muasher Board Member | Jordan Fabric & Worsted Manufacturing Co. | Jordanian | 5,118,757 | 5,118,757 |
| | Arab International Hotels Company | | 2,010,000 | 1,920,000 |
| | ELZAY Ready Wear Manufacturing Company | | 285,580 | 195,580 |
| | Ranco Diversified Investments Co. | | 7,812 | 7,812 |
| | World Fashion Trading Co Wft | | 31,715 | 31,715 |
| | Jordan Investor Center | | 10,094,450 | 10,019,048 |
| | Jordan Worsted Mills Co. | | 12,945,315 | 12,945,315 |
| Rajai Muasher & Brothers Co Board Member | Jordan Worsted Mills Co. | Jordanian | 12,945,315 | 12,945,315 |
| | Arab International Hotels Company | | 2,010,000 | 1,920,000 |
| | ELZAY Ready Wear Manufacturing Company | | 285,580 | 195,580 |

A - (1.1) Number of Jordan Ahli Bank Shares Owned by the Companies Controlled by any of the Board of Directors/continued:

| Board Members | Companies Controlled by any of them | Nationalities | No. of shares owned by the companies controlled by any of such Board Members | |
|--|---|---------------|--|------------|
| | | | 31/12/2023 | 31/12/2022 |
| Mouasher Investment & Trading Co. Board Member | Jordan Fabric & Worsted Manufacturing Co. | Jordanian | 5,118,757 | 5,118,757 |
| | Arab International Hotels Company | | 2,010,000 | 1,920,000 |
| | ELZAY Ready Wear Manufacturing Company | | 285,580 | 195,580 |
| | Ranco Diversified Investments Co. | | 7,812 | 7,812 |
| | World Fashion Trading Co Wft | | 31,715 | 31,715 |
| | Jordan Investor Center | | 10,094,450 | 10,019,048 |
| | Jordan Worsted Mills Co. | | 12,945,315 | 12,945,315 |
| Jordan Investor Center Board Member | Middle East Insurance Company | Jordanian | 100,000 | 100,000 |
| | Jordan Worsted Mills Co. | | 12,945,315 | 12,945,315 |
| | Arab International Hotels Company | | 2,010,000 | 1,920,000 |

A - (2) Number of Jordan Ahli Bank Shares Owned by the Resigned Board Members or Board Representatives Who were Replaced during the Year 2023 and by the Companies Controlled by any of such Board of Directors:

| Name | Position | Nationality | No. of shares as of | | Ownership and Names of Companies controlled by any of them |
|--|---------------|-------------|---------------------|------------|--|
| | | | 31/12/2023 | 31/12/2022 | |
| H.E. Dr. Umayya Salah Ala Uddin Toukan Until 31/01/2023 | Vice Chairman | Jordanian | 116,953 | 116,953 | ----- |
| Social Security Corporation Represented by Mrs. Ranya Moosa Fahed Alaraj Until 01/08/2023 | Board Member | Jordanian | ----- | ----- | ----- |

B- (1) 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 | | Ownership and names of the companies controlled by any of such relatives | |
|---|--------------|-------------|---------------------|---------|--|------|
| | | | 2023 | 2022 | 2023 | 2022 |
| Mr. Saad Nabil Yousef Mouasher Chairman of the Board | | | | | | |
| Mrs. Tania Anwar Boulos Harb | Spouse | Jordanian | 256,698 | 256,698 | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |
| Mr. Moh'd Mousa Dawood Issa Vice Chairman as of 01/02/2023 | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |
| Mr. Nadim Yousef Issa Muasher Board Member | | | | | | |
| Mrs. Rania Issa Mubadda Dallal | Spouse | Jordanian | 107,420 | 107,420 | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |
| Byblos Bank Represented by Mr. Alan Fouad Tanios Wanna Board Member | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |
| Rajai Muasher & Brothers Co Represented by Mr. Rafik Saleh Issa Muasher Board Member | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |
| Mouasher Investment & Trading Co. Represented by Mr. Imad Yousef Issa Mouasher Board Member | | | | | | |
| Mrs. Nadine Wadi Khalil Halaseh | Spouse | Jordanian | 101,019 | 101,019 | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |

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 | | Ownership and names of the companies controlled by any of such relatives | |
|--|--------------|-------------|---------------------|------|--|------|
| | | | 2023 | 2022 | 2023 | 2022 |
| Jordan Investor Center | | | | | | |
| Represented by | | | | | | |
| H.E. Mrs. Majd Mohammad Abdul Kareem Shwaikeh | | | | | | |
| Board Member | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |
| Social Security Corporation | | | | | | |
| Represented by | | | | | | |
| Mr. Mo'nes Omar Saleem Abdl All - 1/8/2023 | | | | | | |
| Board Member | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |
| H.E. Dr. Tareq Mohammad Khalil Hammouri | | | | | | |
| Board Member | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |
| Mr. Karim Tawfiq Amin Kawar | | | | | | |
| Board Member | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |
| Mr. Yazan Munther Jeries Haddadin | | | | | | |
| Board Member | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |
| Mr. Khalil Safwan Khalil Saket | | | | | | |
| Board Member | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| Maya Khalil Safwan Saket | Minor | Jordanian | 5000 | 5000 | ---- | ---- |
| Haya Khalil Safwan Saket | Minor | Jordanian | 5000 | 5000 | ---- | ---- |
| Mr. Basim Mahmoud Zuhdi Malhas | | | | | | |
| Board Member | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minor | ---- | ---- | ---- | ---- | ---- |

B- (2) Number of Jordan Ahli Bank Shares Owned by the Relatives of the Resigned Board Members or Board Representatives Who were Replaced during the Year 2023 and by the Companies Controlled by any of such Board of Directors:

| Name | Relationship | Nationality | No. of shares as of | | Ownership and names of the companies controlled by any of such relatives | |
|--|--------------|-------------|---------------------|------|--|------|
| | | | 2023 | 2022 | 2023 | 2022 |
| H.E. Dr. Umayya Salah Ala Uddin Toukan Vice Chairman until 31/01/2023 | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |
| Mrs. Ranya Moosa Fahed Alaraj Representative of the Social Security Corporation Until 01/08/2023 | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |

C- (1) 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 |
|---|-------------|---------------------|------|---|------|---|
| | | 2023 | 2022 | 2023 | 2022 | |
| Dr. Ahmad Awad Abd Al Halim Al- Hussein Chief Executive Officer/General Manager As of 01/02/2023 | Jordanian | 0 | 0 | 0 | 0 | ----- |
| Mr. Majed A. M. Hijab Head of Treasury, Investments & Financial Institutions | Jordanian | 196 | 196 | 0 | 0 | ----- |
| Mr. Sofyan Ayed Mohammad Duais Head of Corporate Banking & Projects Finance | Jordanian | 0 | 0 | 0 | 0 | ----- |
| Mr. Ammar MS. R. Al Sa'id Head of SME | Jordanian | 0 | 0 | 0 | 0 | ----- |
| Mr. Mohammad Nizam Jamil Abu-Injeileh Chief Head of Consumer Banking | Jordanian | 0 | 0 | 0 | 0 | ----- |
| Mr. Dirar Shebli Khalaf Haddadin Chief Financial Officer | Jordanian | 0 | 0 | 0 | 0 | ----- |
| Mr. Mouin Aziz Nasif Al- Bahou Chief Credit Officer | Jordanian | 0 | 0 | 0 | 0 | ----- |
| Mr. Khalid Zuhair Jamil Abuesh-Shaer Chief Compliance Officer | Jordanian | 0 | 0 | 0 | 0 | ----- |

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 |
|--|-------------|---------------------|------|---|------|---|
| | | 2023 | 2022 | 2023 | 2022 | |
| Mr. Taha Mousa Taha Zeid Chief Risk Officer | Jordanian | 0 | 0 | 0 | 0 | ----- |
| Mr. Safwan Suhail Ali Asfour Chief Internal Auditor | Jordanian | 0 | 0 | 0 | 0 | ----- |
| Mr. Nidal Jalil Mahmoud Khalifeh Chief Innovation Officer | Jordanian | 0 | 0 | 0 | 0 | ----- |
| Mr. Rami (Moh'd Murshed) Khalaf Da'na Chief Support and Operations Officer As of 01/01/2023 | Jordanian | 0 | 0 | 0 | 0 | ----- |
| Mr. Jwallant Arvindkumar Vasani Chief Information Officer | Indian | 0 | 0 | 0 | 0 | ----- |
| Mrs. Maha Khaled Fathallah Dado Chief Human Resources Officer | Jordanian | 0 | 0 | 0 | 0 | ----- |

C- (2) Jordan Ahli Bank Shares Owned by the Resigned or Retired 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 |
|---|-------------|---------------------|--------|---|------|---|
| | | 2023 | 2022 | 2023 | 2022 | |
| Mr. Moh'd Mousa Dawood "Moh'd Issa" Chief Executive Officer/ General Manager Until 31/01/2023 | Jordanian | 11,466 | 11,466 | 0 | 0 | ----- |

D- (1) Jordan Ahli Bank Shares Owned by the Relatives of Executive Management and the Companies Controlled by any of such Relatives:

| Name | Relationship | No. of shares as of | | Ownership and names of the companies controlled by any of such relatives controlled by any of such relatives | |
|---|--------------|---------------------|------|--|------|
| | | 2023 | 2022 | 2023 | 2022 |
| Dr. Ahmad Awad Abd Al Halim Al-Hussein Chief Executive Officer/ General Manager As of 01/02/2023 | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mr. Majed A. M. Hijab Head of Treasury, Investments & Financial Institutions | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mr. Sofyan Ayed Mohammad Duais Head of Corporate Banking & Projects Finance | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mr. Ammar MS. R. Al Sa'id Head of SME | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mr. Mohammad Nizam Jamil Abu-Injeileh Chief Head of Consumer Banking | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mr. Dirar Shebli Khalaf Haddadin Chief Financial Officer | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |

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

| Name | Relationship | No. of shares as of | | Ownership and names of the companies controlled by any of such relatives controlled by any of such relatives | |
|--|--------------|---------------------|------|--|------|
| | | 2023 | 2022 | 2023 | 2022 |
| Mr. Mouin Aziz Nasif Al- Bahou Chief Credit Officer | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mr. Khalid Zuhair Jamil Abuesh-Shaer Chief Compliance Officer | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mr. Taha Mousa Taha Zeid Chief Risk Officer | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mr. Safwan Suhail Ali Asfour Chief Internal Auditor | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mr. Nidal Jalil Mahmoud Khalifeh Senior Vice President/ Chief Innovation Officer | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mr. Rami (Moh'd Murshed) Khalaf Da'na Chief Support and Operations Officer As of 01/01/2023 | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mr. Jwallant Arvindkumar Vasani Chief Information Officer | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |
| Mrs. Maha Khaled Fathallah Dado Chief Human Resources Officer | | | | | |
| | Spouse | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- |

D- (2) Jordan Ahli Bank Shares Owned by the Relatives of the Resigned or Retired Executive Management and the Companies Controlled by any of such Relatives

| Name | Nationality | No. of Shares as of | | No. of shares owned by the companies controlled any of them | | Ownership and Names of companies controlled by any of the Executive Management |
|---|-------------|---------------------|------|---|------|--|
| | | 2023 | 2022 | 2023 | 2022 | |
| Mr. Moh'd Mousa Dawood (Moh'd Issa) Chief Executive Officer/ General Manager Until 31/01/2023 | | | | | | |
| | Spouse | ---- | ---- | ---- | ---- | ---- |
| | Minors | ---- | ---- | ---- | ---- | ---- |

Major Shareholders Owning 1% or more of the Share Capital of the Bank as of 31/12/2023, the Ultimate Beneficial Owner and Pledged Shares

| Shareholder Name | Nationality | No. of Shares Owned as of 31/12/2023 | 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 | 10.381% | Byblos Invest Holding S.A 29.43% | Dr. Francois Semaan Bassil 3.212% | 3.212% | | | |
| | | | | The Bank of New York Mellon 11.07% | | | | | |
| | | | | Dr. Francois Semaan Bassil 3.57% | | | | | |
| | | | | International Finance Corporation 8.36% | | | | | |
| | | | | Anasco Holding Company S.A 4.67% | | | | | |
| | | | | Frabas Corporation 3.62% | | | | | |
| Social Security Corporation | Jordanian | 20,570,010 | 10.251% | Same | Same | 10.251% | | | |

Jordan Ahli Bank Shares Owned by the Relatives of Executive Management and the Companies Controlled by any of such Relatives/continued:

| Shareholder Name | Nationality | No. of Shares Owned as of 31/12/2023 | Ownership of Capital % | Major Shareholders | Ultimate Beneficial Owner (UBO) | Percentage of UBO Ownership | No. of pledged shares % | Percentage of pledged shares% | Pledgee | |
|----------------------------------|---------------------|--------------------------------------|------------------------|--|---------------------------------|-----------------------------|-------------------------|-------------------------------|---------|-------------------------|
| Jordan Worsteds Mills Co. | Jordanian | 12,945,315 | 6.452% | Social Security Corporation 20% | Nadim Muasher 0.533% | 1.307% | | | | |
| | | | | Jordan Ahli Bank 10% | | | | | | |
| | | | | Arab Bank 9.358% | | | | | | Imad Mouasher 0.366% |
| | | | | Jordan Investor Center 8.267% | | | | | | Saad Mouasher 0.121% |
| | | | | Arab International Hotels Company 7.036% | | | | | | Ibrahim Mouasher 0.054% |
| | | | | | | | | | | Yousef Mouasher 0.091% |
| | | | | | | | | | | Ghada Muasher 0.071% |
| | Huda Muasher 0.071% | | | | | | | | | |
| Jordan Investor Center | Jordanian | 10,094,450 | 5.031% | AlDawlah for Hotels and Malls PLC 8.73% | Nadim Muasher 0.701% | 1.418% | | | | |
| | | | | Business Tourism Company 9.04% | Imad Mouasher 0.408% | | | | | |
| | | | | Jordan Ahli Bank 10% | Saad Mouasher 0.098% | | | | | |
| | | | | Arab International Hotels Company 49.99% | Ibrahim Mouasher 0.088% | | | | | |
| | | | | Jordan Worsteds Mills Co 18.186% | Yousef Mouasher 0.10% | | | | | |
| | | | | Jordan Investor Center 2.43% | Ghada Muasher 0.011% | | | | | |
| | | | | | Huda Muasher 0.011% | | | | | |
| | | | | | | | | | | |
| Imad Yousef Issa Muasher | Jordanian | 7,339,722 | 3.658% | Same | Same | 5.148% | | | | |
| | | 2,989,760 | 1.490% | | | | | | | |
| Nadim Yousef Issa Muasher | Jordanian | 6,974,106 | 3.476% | Same | Same | 5.636% | | | | |
| | | 4,334,148 | 2.160% | | | | | | | |

Major Shareholders Owning 1% or more of the Share Capital of the Bank as of 31/12/2023, the Ultimate Beneficial Owner and Pledged Shares/continued:

| Shareholder Name | Nationality | No. of Shares Owned as of 31/12/2023 | Ownership of Capital % | Major Shareholders | Ultimate Beneficial Owner (UBO) | Percentage of UBO Ownership | No. of pledged shares % | Percentage of pledged shares% | Pledgee |
|--|-------------|--------------------------------------|------------------------|---|--------------------------------------|-----------------------------|-------------------------|-------------------------------|---------|
| Jordan Fabric & Worsted Manufacturing Co. | Jordanian | 5,118,757 | 2.551% | Jordan Worsted Mills Co 100% | Nadim Muasher 0.09% | 0.292% | | | |
| | | | | | Imad Mouasher 0.091% | | | | |
| | | | | | Saad Nabil Yousef Mouasher 0.026% | | | | |
| | | | | | Yousef Mouasher 0.029% | | | | |
| | | | | | Ghada Muasher 0.028% | | | | |
| Huda Muasher 0.028% | | | | | | | | | |
| Rafik Saleh Issa Muasher | Jordanian | 3,000,000 | 1.495% | Same | Same | 1.495% | -- | -- | -- |
| Al Nabil for Trade and Investments Company | Jordanian | 2,846,598 | 1.419% | Saad Nabil Yousef Muasher 33.333% | Saad Nabil Yousef Mouasher 0.473% | 1.419% | | | |
| | | | | Ibrahim Nabil Yousef Muasher 33.333% | Ibrahim Mouasher 0.473% | | | | |
| | | | | Yousef Nabil Yousef Muasher 33.333% | Yousef Mouasher 0.473% | | | | |
| Mustafa Diya' Habib AlKhayoun | Iraqi | 2,675,397 | 1.333% | Same | Same | 1.333% | | | |
| Saad Nabil Yousef Muasher | Jordanian | 2,542,882 | 1.267% | Same | Same | 2.162% | | | |
| | | 1,795,862 | 0.895% | | | | | | |
| Mohammad Yousif Saleh Al-Tarawneh | Jordanian | 2,420,191 | 1.206% | Same | Same | 2.156% | -- | -- | -- |
| | | 1,906,222 | 0.950% | | | | | | |
| Ibrahim Nabil Yousef Muasher | Jordanian | 2,262,616 | 1.128% | | | 1.948% | | | |
| | | 1,645,371 | 0.820% | | | | | | |
| Yousef Nabil Yousef Muasher | Jordanian | 2,121,480 | 1.057% | Same | Same | 1.799% | | | |
| | | 1,488,860 | 0.742% | | | | | | |

Major Shareholders Owning 1% or more of the Share Capital of the Bank as of 31/12/2023, the Ultimate Beneficial Owner and Pledged Shares/continued:

| Shareholder Name | Nationality | No. of Shares Owned as of 31/12/2023 | Ownership of Capital % | Major Shareholders | Ultimate Beneficial Owner (UBO) | Percentage of UBO Ownership | No. of pledged shares % | Percentage of pledged shares% | Pledgee |
|-----------------------------------|-------------|--------------------------------------|------------------------|--|---------------------------------|-----------------------------|-------------------------|-------------------------------|---------|
| Arab International Hotels Company | Jordanian | 2,010,000 | 1.002% | Nadeem Muasher 23.169% | Nadim Muasher 0.283% | 0.558% | | | |
| | | | | Imad Muasher 14.334% | Imad Mouasher 0.147% | | | | |
| | | | | Jordan Worsted Mills Co 10.732% | Saad Mouasher 0.048% | | | | |
| | | | | The Arab Investment Company 8.173% | Yousef Mouasher 0.049% | | | | |
| | | | | Al Nabil for Trade and Investments Company 3.635% | Ghada Muasher 0.001% | | | | |
| | | | | Jordan Ahli Bank 3.625% | Huda Muasher 0.001% | | | | |
| | | | | Saad Mouasher 3.483% | Shaker Muasher 0.019% | | | | |
| | | | | Ibrahim Mouasher 3.451% | Yazan Muasher 0.019% | | | | |
| | | | | Yousef Mouasher 2.918% | | | | | |
| | | | | Ranco Diversified Investments Co. 2.372% | | | | | |
| | | | | Shaker Muasher 1.472% | | | | | |
| | | | | Yazan Muasher 1.470% | | | | | |

Remuneration and Benefits paid to the Chairman and Board of Directors during the year 2023:

| Name | Annual Transportation Allowance, Chairing Committees & Other Benefits | Annual Remuneration | Annual Travel Expenses | Total Annual Benefits |
|--|---|---------------------|------------------------|-----------------------|
| Mr. Saad Nabil Yousef Mouasher Chairman of the Board | 660,000 | 5,000 | 8572 | 673,572 |
| Mr. Moh'd Mousa Dawood "Moh'd Issa" Vice Chairman As of 01/02/2023 | 124,450 | - | 0 | 124,450 |
| Mr. Nadim Yousef Issa Muasher Board Member | 26,000 | 5,000 | 0 | 31,000 |
| Rajai Muasher & Brothers Co Mr. Rafik Saleh Issa Muasher Board Member | 25,600 | 5,000 | 0 | 30,600 |
| Mouasher Investment & Trading Co. Mr. Imad Yousef Issa Mouasher Board Member | 25,200 | 5,000 | 0 | 30,200 |
| Jordan Investor Center H.E. Mrs. Majd Mohammad Abdul Kareem Shwaikeh Board Member | 26,000 | 5,000 | 0 | 31,000 |
| Social Security Corporation* | 26,000 | 5,000 | 0 | 31,000 |
| Byblos Bank Mr. Alan Fouad Tanios Wanna Board Member | 22,800 | 5,000 | 0 | 27,800 |
| H.E. Dr. Tareq Mohammad Khaleel Hammouri Board Member | 52,000 | 5,000 | 0 | 57,000 |
| Mr. Karim Tawfiq Amin Kawar Board Member | 46,934 | 5,000 | 0 | 51,934 |
| Mr. Yazan Munther Jeries Haddadin Board Member | 38,000 | 5,000 | 0 | 43,000 |
| Mr. Khalil Safwan Khalil Saket Board Member | 44,400 | 5,000 | 0 | 49,400 |
| Mr. Basim Mahmoud Zuhdi Malhas Board Member | 25,200 | 5,000 | 0 | 30,200 |

*The benefits are paid to the Social Security Corporation not the representative.

Remuneration and Benefits paid to the Resigned Members or Board Representatives Who Were Replaced during the Year 2023:

| Name | Annual Transportation Allowance, Chairing Committees, Annual Remuneration & Other Benefits | Annual Travel Expenses | Total Annual Benefits |
|---|--|------------------------|-----------------------|
| H.E Dr. Umayya Salah Ala Uddin Toukan Vice Chairman until 31/01/2023 | 250,000 | 0 | 250,000 |

Executive Management Compensations and Benefits during the Year 2023:

| Name | Annual Salary | Annual Transportation Allowance | Annual Remuneration | Total Travel Expenses | Annual Benefits |
|---|---------------|---------------------------------|---------------------|-----------------------|-----------------|
| Dr. Ahmad Awad Al-Hussein Deputy Officer/ General Manager Until 31/01/2023 Chief Executive Officer/ General manager As of 01/02/2023 | 516,822 | 0 | 168,350 | 5,921.04 | 691,092.958 |
| Mr. Majed A. M. Hijab Head of Treasury, Investments & Financial Institutions | 131,200 | 0 | 19,275 | 1,064 | 151,539 |
| Mr. Sofyan Ayed Mohammad Duais Head of Corporate Banking & Projects Finance | 128,000 | 3,600 | 22,500 | 0 | 154,100 |
| Mr. Ammar MS. R. Al Sa'id Head of SME | 91,088 | 2,400 | 16,500 | 0 | 109,988 |
| Mr. Mohammad Abu Injeileh Head of Consumer Banking | 99,360 | 3,600 | 15,000 | 5,077.5 | 123,037.5 |
| Mr. Dirar Shebli Khalaf Haddadin Chief Credit Officer | 190,128 | 0 | 34,443 | 0 | 224,571 |
| Mr. Mouin Aziz Al- Bahou Chief Credit Officer | 123,360 | 0 | 18,025 | 0 | 141,385 |
| Mr. Khalid Zuhair Jamil Abuesh-Shaer Chief Compliance and AML Officer | 112,000 | 0 | 16,353 | 2,690 | 131,043 |

Executive Management Compensations and Benefits during the Year 2023/continued:

| Name | Annual Salary | Annual Transportation Allowance | Annual Remuneration | Total Travel Expenses | Annual Benefits |
|--|---------------|---------------------------------|---------------------|-----------------------|-----------------|
| Mr. Taha Mousa Taha Zeid Chief Risk Officer | 84,000 | 0 | 11,250 | 0 | 95,250 |
| Mr. Safwan Suhail Ali Asfour Chief Internal Auditor | 79,583,562 | 2,400 | 11,500 | 0 | 93,484 |
| Mr. Nidal Jalil Mahmoud Khalifeh Chief Innovation Officer | 165,600 | 0 | 30,000 | 3,308 | 198,908 |
| Mr. Rami (Moh'd Murshed) Khalaf Da'na Chief Operations and Support Officer As of 01/01/2023 | 160,000 | 0 | 26,574 | 1,071 | 187,645 |
| Mr. Jwallant Arvindkumar Vasani Chief Information Officer | 268,650 | 0 | 14,420 | 0 | 283,070 |
| Mrs. Maha Khaled Fathallah Dado Chief Human Resources Officer | 87,200 | 0 | 11,750 | 0 | 98,950 |

The Resigned or Retired Executive Management Members Compensation and Benefits:

| Name | Annual Salary | Annual Transportation Allowance | Annual Remuneration | Total Travel Expenses | Annual Benefits |
|---|---------------|---------------------------------|---------------------|-----------------------|-----------------|
| Mr. Moh'd Mousa Dawood "Moh'd Issa" Chief Executive Officer/ General Manager Until 31-01-2023 | 69,660 | 0 | 988,150 | 2,576 | 1,060,386 |

Jordan Ahli Bank Donations During the Financial Year 2023:

| Category | Amount in (JD) |
|---|------------------|
| Community support and empowerment (local development) | 1,147,000 |
| Education and youth | 242,154 |
| Internal social responsibility | 23,183 |
| Business support and others | 120,271 |
| Total | 1,532,608 |

Transactions with the Board of Directors and the Related Parties

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

Except for what falls under the scope of the usual bank operations, there are no contracts, projects, or commitments contracted by the bank with its subsidiaries, board members, general manager, or any bank employee or their relatives.

The details of the existing balances with related parties were as follows:

Credit facilities granted to members of the Board of Directors as of 31/12/2023

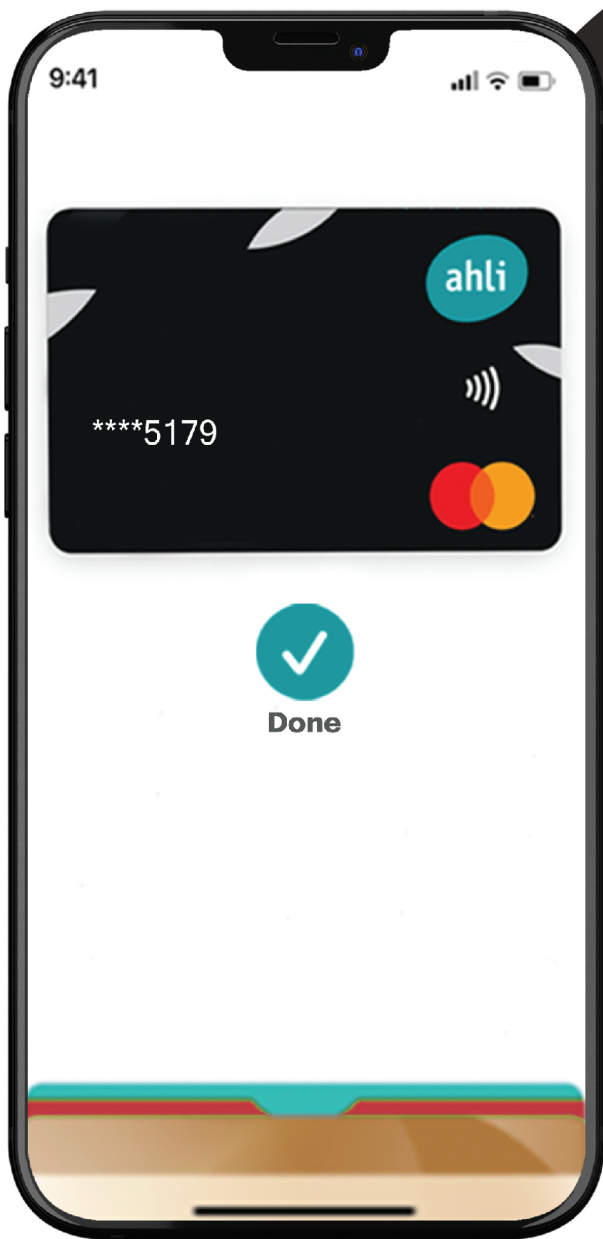
| Board Members | Direct Credit Facilities | Indirect Credit Facilities | Other exposures (investments in stocks and bonds) | Notes |
|--|--------------------------|----------------------------|---|---|
| Mr. Saad Nabil Yousef Mouasher | | | | |
| Inside the Kingdom | 239,994 | - | - | |
| Mr. Nadim Yousef Issa Muasher | | | | |
| Inside the Kingdom | 1,740,009 | - | - | |
| Mr. Rafik Saleh Issa Muasher | | | | |
| Inside the Kingdom | 645,633 | - | - | Rajai Muasher & Brothers Co Representative |
| Jordan Investor Center | | | | |
| Inside the Kingdom | 36,390 | - | 2,425,000 | |
| Mouasher Investment & Trading Co | | | | |
| Inside the Kingdom | 55,989 | - | - | |
| Mr. Imad Yousef Issa Mouasher | | | | |
| Inside the Kingdom | 775,823 | - | - | Mouasher Investment & Trading Co Representative |
| H.E Dr. Tareq Mohammad Khaleel Hammouri | | | | |
| Inside the Kingdom | 79,569 | - | - | |
| Mr. Karim Tawfiq Amin Kawar | | | | |
| Inside the Kingdom | 181,229 | - | - | |
| Mr. Mohammad Mousa Dawood (Moh'd Issa) | | | | |
| Inside the Kingdom | 24,075 | - | - | |

Credit Facilities granted to the Board of Directors Related Parties as of 31/12/2023:

| Group | Name | Direct Credit Facilities | Indirect Credit Facilities | Other exposures (investments in stocks and bonds) |
|---------------------------------|--|--------------------------|----------------------------|---|
| Mr. Rafik Mouasher Group | | | | |
| Inside the Kingdom | Mr. Rafik Saleh Mouasher | 645,633 | - | - |
| | Rawad Security and Protection Company | - | 50,000 | - |
| Mr. Saad Mouasher Group | | | | |
| Inside the Kingdom | Mr. Saad Nabil Yousef Mouasher | 239,994 | - | - |
| | Al Karam for Agriculture Products Company | 503,720 | - | - |
| | Al Nabil for Trading and Investments Company | 823,413 | - | - |
| | Messrs. Imad, Nadim Yousef Mouasher and Yousef Mouasher sons | 996,505 | - | - |
| Mr. Imad Mouasher Group | | | | |
| Inside the Kingdom | Business Tourism Company | 3,097,035 | 47,340 | 5,724,373 |
| | The Generous Palms Company | 150,789 | 10,000 | - |
| | Al Karam for Agriculture Products Company | 503,720 | - | - |
| | RANCO Diversified Investments Company | 1,180,424 | - | - |
| | Al Izdihar Center for Trade & Investments Company | 409,437 | - | - |
| | Jordan Investor Center Company | 36,390 | - | 2,425,000 |
| | Mouasher Investment & Trading Company | 55,989 | - | - |
| | Marasy for Development and Management Company | 283,300 | - | - |
| | Messrs. Imad, Nadim Yousef Mouasher and Yousef Mouasher sons | 996,505 | - | - |
| | Mr. Imad Yousef Mouasher | 775,823 | - | - |

Credit Facilities granted to the Board of Directors Related Parties as of 31/12/2023/continued:

| Group | 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 | 1,099,503 | 4,000 | - |
| | World Fashion Trading Company | 614,343 | 300 | - |
| | Business Tourism Company | 3,097,035 | 47,340 | 5,724,373 |
| | The Generous Palms Company | 150,789 | 10,000 | - |
| | Al Karam for Agriculture Products Company | 503,720 | - | - |
| | RANCO Diversified Investments Company | 1,180,424 | - | - |
| | Interior Design Studio Company | 190,436 | - | - |
| | Al Izdihar Center for Trade & Investment Company | 409,437 | - | - |
| | Jordan Investor Center Company | 36,390 | - | 2,425,000 |
| | Marasy for Development and Management Company | 283,300 | - | - |
| | Nadim Yousef Issa Muasher and Shaker Nadim Muasher | 5,944 | - | - |
| | Messrs. Imad, Nadim Yousef Mouasher and Yousef Mouasher sons | 996,505 | - | - |
| | Mr. Nadim Yousef Mouasher | 1,740,009 | - | - |
| Mr. Karim Kawar Group | | | | |
| Inside the Kingdom | Amin Kawar & Sons Company | 997,702 | - | - |
| | Mr. Karim Tawfiq Kawar | 181,229 | - | - |
| | IRISGUARD Jordan Company | 1,384,419 | - | - |
| | Kawar Energy Company | 328,139 | - | - |
| Jordan Investor Center Group | | | | |
| Inside the Kingdom | Jordan Hospitality and Tourism Education Company | 1,099,503 | 4,000 | - |
| | Rawad Security and Protection Company | - | 50,000 | - |
| | Al Izdihar Center for Trade & Investment Company | 409,437 | - | - |
| | Jordan Investor Center Company | 36,390 | - | 2,425,000 |
| Mr. Basim Malhas Group | | | | |
| Inside the Kingdom | Mahmoudia Motors Company | 10,750,000 | - | - |
| | Almahmoud Training Company | - | 3,000 | - |



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Sustainability and Environmental Social Governance (ESG)

We are committed to preserving our position and our concern for sustainable development issues that are based on maintaining a high environmental performance, distinctive social responsibility, and our commitment to corporate governance. We aim to enhance long-term sustainable investment, develop disclosure, and engage in developing sustainability and ESG issues. We firmly believe in our responsibility to set an exemplary precedent through our top-notch products, services, and our unwavering dedication to holistic and sustainable economic development.

We recognize that adopting business practices that address environmental, social, and governance issues within the framework of shared prosperity with stakeholders (customers, shareholders, suppliers and partners, the community and the environment, employees, and regulators), particularly through our financial activities, makes a significant contribution to society. Moreover, following a proactive approach to sustainability not only enhances Ahli Banks' resilience but also fosters sustainable financial performance.

Ahli Banks' Sustainability and Environmental, Social, and Governance (ESG) Strategy and Framework:

Ahli Bank has updated its approach in sustainability and its commitment to conserving the environment, social responsibility, and governance which has been approved by the board of directors to the best global and international standards and practices in addition to forming the Sustainability and ESG committee.

This is achieved through the following key pillars:

1. **Environmental Sustainability:** This pillar focuses on conserving the environment by reducing the environmental impact of our operations and practices. We do this by utilizing alternative energy sources, reducing natural resource depletion, and minimizing paper consumption through process automation. We aim to provide environmentally friendly banking solutions for individuals, institutions, and environmentally focused companies.
2. **Social Sustainability:** This approach revolves around uplifting the local community and developing our social responsibility to achieve increasing developmental impact. We do this by meeting the aspirations of all stakeholders, including improving customer experience and satisfaction, developing, and enhancing employees capabilities while considering their health and safety, empowering and supporting our communities through diverse development initiatives, and supporting local partners and suppliers.
3. **Responsible Governance and its Sustainability:** Ahli Bank is committed to integrating and managing environmental, social, and governance issues within the governance framework and key governance principles of the bank. This guarantees sustainability and promotes responsible and sustainable practices throughout the bank's operations and institutional decision-making processes.

These pillars lead to three sub-pillars:

- **Sustainable and Responsible Finance,** which is one of the most significant areas of growth in the banking sector. It aims to finance projects and initiatives that have a positive impact on society and the environment.
- **Sustainable Operations,** which reducing the environmental impact from our operations, adopting responsible procurement practices and sustainable supply chains, achieving fairness and equality for all our workforce.
- **Environmental and Social Responsibility,** where purposeful initiatives are undertaken to provide social and economic development in the context of eight focus areas: community empowerment, particularly women's empowerment, poverty and unemployment, health, environment and climate change, education and financial inclusion, art and culture, social innovation and creativity, and volunteering.

The sustainability strategy is an integral part of the bank's overall strategy, vision, and core values, meeting the aspirations and expectations of all stakeholders. The bank will achieve a suitable long-term return for shareholders by adhering to best practices, provide an integrated and inclusive work environment for employees, continue to achieve its strategic objectives and sustainable growth through flexible and environmentally friendly services to cater customers needs, while also supporting communities and contributing to social and environmental responsibility through responsible governance and strong compliance with the laws and regulations, issuing highly transparent reports according to regulatory requirements.

Accordingly, our most prominent achievements during 2023 were the following:

Jordan Ahli Bank was awarded the "Best Corporate Social Responsibility Bank in the Arab World for 2023" by Arabia CSR awards. The bank secured the first place in the financial services category. This recognition was given in acknowledgment of our commitment to achieving institutional sustainability and our efforts in promoting sustainable development.

To ensure the incorporation and integration of environmental protection, social responsibility, and responsible governance standards across the bank, we launched the "Sustainability and Environmental, Social, and Governance (ESG) Ambassadors" program.

Ambassadors represent different bank departments and have various responsibilities, including raising awareness about sustainability policies, ensuring their implementation, collaborating with the Sustainability and ESG department to integrate the standards into daily bank operations and decision-making processes, and participating in the implementation of sustainable projects and action plans of relevant departments. They also provide continuous feedback to enhance the bank's sustainable practices.

Emphasizing the importance of gender equality and women empowerment in the workplace, market, and society, the bank signed the "United Nations Women's Empowerment Principles" document. This commitment aligns with the UN Women and UN Global Compact and aims to achieve gender equality, equal opportunities, and a comprehensive environment to empower women, allowing them to hold leadership positions and make decisions in support of community development.

The bank joined the Jordan Green Building Council as a platinum member, with the goal of promoting and enabling sustainable building environments, especially concerning resources and their role in addressing climate change. This includes adopting the concept of the circular economy, designed to reduce waste, pollution, and emissions, while extending the lifecycle of products, resources, and energy.

The bank has issued its fifth sustainability report for the year 2022, prepared in accordance with the Global Reporting Initiative (GRI) standards, in both Arabic and English. The report highlights the bank's performance in 2022, reflecting its ongoing efforts to integrate sustainability and environmental, social, and governance standards into its activities and operations. It assesses our impact on the environment, society, and economic development. This reflects our commitment to transparency, stakeholders engagement, and building strong relationships to understand their priorities, identify their needs and meet their expectations.

Community Empowerment:

The bank continues its active role in empowering the community and achieving social solidarity. It promotes the principles of equality, diversity, and inclusivity among community members and instills values of giving and awareness of the importance of making positive differences in the lives of many. This includes supporting children in SOS Villages by sponsoring a family for a full year, covering their annual expenses, including care, food security, housing, education, healthcare, mental care, protection, and community integration.

Additionally, various projects were undertaken in collaboration with the Princess Taghreed Foundation for Development and Training, such as the "EWA Village", we have sponsored two projects involved in the production of olive oil soap and wood carving for women from the Zarqa and Mafraq governorates with the aim of empowering women and enhancing their roles, especially in these regions, and providing opportunities for their development. Another project involves training and employing one hundred special education specialists to achieve social cohesion for people with disabilities and special needs, effectively integrating them with their peers.

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Fighting poverty and unemployment:

The bank has participated in a range of initiatives and activities aimed at providing support and assistance to needy families and combating poverty and unemployment in Jordan. This is achieved through the utilization of various programs that empower them to become self-reliant, improving their challenging living conditions, and contributing to providing employment opportunities for young people through purposeful programs. The bank has partnered with Dar Abu Abdullah, a subsidiary of Tkiyet Um Ali, to implement a sustainable water farming project that provides income opportunities for vulnerable youth aged 18-24. The products from these projects are purchased at prices and quantities that increase the monthly income of families by around 250 to 300 Jordanian Dinars.

Furthermore, the bank has continued its support for one hundred families in need from Tkiyet Um Ali by providing them with food parcels for an entire year. Bank employees have also participated in renovating homes in the Mafraq governorate and preparing more than 4,300 iftar meals during the holy month of Ramadan, distributing them to less fortunate families. The bank has organized numerous Ramadan iftar events for orphaned children and children with special needs in collaboration with the Crown Prince Foundation, Haya Cultural Center, Children's Museum, and the Jordanian Hashemite Charity Organization, which included various entertainment and educational activities, with gifts distributed by our employees, benefitting approximately 4,580 fasting individuals.

Additionally, the bank organized an "Eid Clothing" event for the occasion of Eid al-Fitr in collaboration with the "We4You" Association, where orphaned children chose their own Eid clothes with the assistance of bank employees. For the back-to-school season, the bank participated in a "School Bag" campaign and distributed 100 school bags and supplies to needy children in collaboration with Tkiyet Um Ali. Furthermore, the bank took part in the "Back to School" campaign organized by the Crown Prince Foundation, distributing more than 250 school bags to Suf Mixed Primary School and Burma Mixed Primary School in Jerash. The bank also supported the Change for Jabal Al Taj initiative by rehabilitating a house in Jabal Al Taj district and fully furnishing it in cooperation with high school students. Our employees also made donations to support the Ezwatti Restaurant in providing free meals to the poor. As part of the strategic cooperation with the Jordanian Hashemite Charity Organization, the bank's donated a bus to help with the clothing collection process clothing collection bus which has been in operation for the seventh year. The total donations collected by the bus reached 17,232 bags, benefiting approximately 86,160 recipients across the kingdom for 2023, in addition to clothing collection boxes distributed in our branches.

Craft workshops were established in the Dibbeen area as part of the Social and Economic Development Program for Local Communities in collaboration with the Royal Society for the Conservation of Nature and the Wings of Hope Association. Jobs were provided for seven employees from the local community by equipping the workshop with electric machines that increase production rates and speed, thus boosting the financial returns for members of the local community.

Health:

Several effective initiatives and contributions have been made to support health awareness and education campaigns, as well as to activate sustainable health initiatives to ensure the well-being of the community and meet their healthcare needs. These efforts have a significant impact on enhancing the healthcare system in the Kingdom, through collaboration with numerous non-profit organizations.

Five less fortunate children with hearing problems, from various governates in the Kingdom, were provided with hearing aids in collaboration with the Advanced Technology Center for Auditory Solutions "3DP4ME" which is aligned with four UN SDGs.

Support was extended to the Gift of Life Charitable Association, which conducts open-heart surgeries for and catheter interventions for children born with congenital heart defects from underprivileged families. Additionally, support was provided to the “Seven Mountains initiative”, which aims to collect donations by high school students at The International School of Choueifat to support the treatment of patients at the King Hussein Cancer Center. On the occasion of the International Breast Cancer Awareness Month, support was given to a campaign organized by Harley-Davidson Company, which included a charity bazaar with the goal of raising donations to support early detection campaigns, assist cancer patients, and raise awareness about cancer. An awareness session was held for the employees of Ahli Bank under the title “Step Towards Life” in collaboration with the King Hussein Cancer Center, aiming to increase awareness about breast cancer. The session included free clinical examinations for the female employees.

Furthermore, the bank participated in supporting a charity event organized by the Al-Malath Foundation for Palliative Care to raise awareness about palliative care provided free of charge to patients and their families, ensuring that they live with dignity and comfort until the end of their journey in life.

The bank also launched its annual blood donation campaign under the slogan “Thank You for donating and Contributing to Saving Lives,” in collaboration with the Blood Bank. The campaign took place in the bank’s headquarters and there was a significant participation from bank employees and visitors.

Environment and Climate Change:

Based on our belief in conducting our operations, services, and activities with conscious responsibility, using technology to help reduce our impact on the environment, and through our community investments, we have fully realized the importance of protecting the environment and all its sources, preserving the environment, addressing the challenges resulting from climate change, and providing banking solutions and projects that enhance environmental sustainability and protect resources. In a pioneering step that embodies our commitment to environmental sustainability, and in pursuit of a sustainable future, the Green Business Bundles was launched for small and medium-sized companies, which aims to provide sustainable banking solutions to build a green and sustainable future.

To increase green areas, combat desertification and drought, and emphasize the importance of agriculture while supporting small-scale farmers, a program called “The Green Caravan in Jordan” was initiated in collaboration with the Arab Group for the Protection of Nature. This program involved planting 500 trees in the Jerash governorate to raise awareness about water resource conservation, management, and environmental protection. To reduce electricity costs and energy consumption, a “Handicrafts Workshops Project” was established in the Dibbeen Nature Reserve, along with the installation of a solar power system that complies with environmental standards. This project was carried out in collaboration with the Wings of Hope Association and the Royal Society for the Conservation of Nature.

The “Green prints initiative” agreement was renewed to replace damaged paper, recycle it, and support government schools. Under this charitable initiative, damaged paper is recycled and replaced with new paper, which is then distributed to government schools. This effort is carried out in collaboration with the Princess Alia Foundation and the Ministry of Education, in addition to recycling plastic with the aim of raising awareness about environmental issues and climate change.

Education and Financial Inclusion:

The bank renewed an agreement to support the “Scholarship Program for Cancer Patients” in partnership with the King Hussein Cancer Center. This program covers university education costs for high school graduates who received treatment at the center, benefiting 20 recipients.

On the wedding of the Crown Prince Hussein bin Abdullah, a donation of 100,000 Jordanian dinars was made to Al-Hussein Technical University to increase education opportunities for as many outstanding and underprivileged students. In addition, support was provided for the student scholarship program at the Al-Hussein Technical University by granting a single undergraduate scholarship to a female student from less privileged families who excelled academically. This scholarship will cover the cost of her education with the aim of promoting equal opportunities, social solidarity, and women’s empowerment. Jordan Ahli Bank has continued its strategic partnership with the Queen Rania Foundation by supporting the “Financial Literacy Enhancement” project in collaboration with the Children’s Museum. This project aims to increase financial literacy awareness among children under the age 12 years old. The bank’s

exhibit, which is one of the most popular displays at the museum, is visited by approximately 115,000 children and their families throughout the year. This partnership has also contributed to the design and development of several other financial literacy awareness projects aimed at spreading financial literacy among children outside the museum. These projects include creating and distributing activity booklets on financial literacy, designing unique piggy banks that children can make themselves, as well as developing, producing, and sharing various educational videos on financial literacy through social media. In addition, there was a reading competition in which 60 children participated, and they managed to read over 24,000 pages. Furthermore, Jordan Ahli Bank sponsored the "Read" project, which aims to build a reading culture in Jordan by empowering school libraries in public schools and providing them with age-appropriate books. This project is designed to enhance the efficiency of schoolteachers and administrators and encourage reading.

Additionally, support was provided for the "AlKitab Khair Alsadeeq" initiative, organized by the University of Jordan, which aims to establish a library within an orphan center to instill a love for reading in orphans and nurture the idea in their minds. Numerous awareness and educational workshops were conducted in various schools by bank employees.

These included an awareness lecture on "Financial Inclusion Day" at Kingston School and a presentation titled "How to Organize Ourselves" at both Al-Ahliyya School for Girls and Matran School for Boys. Ahli Bank continued its annual support for the Trade Union of Workers in Banks, Accounting and Insurance employees to aid the Financial and Labor Banking Training Center. Furthermore, in collaboration with the Crown Prince Foundation and Radio Bliss, the bank participated in the rehabilitation of Al-Ayn Elementary School in the Mahis district. This project involved refurbishing school classrooms, installing sunshades in the schoolyards, providing clean drinking water facilities, insulating some classrooms to prevent rainwater leakage, and setting up a prepared cafeteria for the school.

Innovation and Community Creativity:

We support numerous programs that encourage innovation, scientific research, and entrepreneurship across various sectors. Additionally, we collaborate with several schools and universities by offering advanced technology and artificial intelligence programs & activities. We also promote projects and startups focused on development across various sectors through technology. For instance, we supported the "Eureka Academy Education Project - Phase Three." This project aims to train and prepare 1,000 male and female students from 100 public schools in various technology-related courses, including artificial intelligence, programming, and information security. The bank also renewed its support for the 8th annual Hakim Innovation and Creativity Competition organized by the Electronic Health Solutions company for the eighth consecutive year. The competition aims to enhance innovative and creative ventures in the healthcare field using technology, with students from various universities in the Kingdom participating.

Furthermore, the bank supported the First Conference on Technological Agriculture titled "Innovative Agriculture for Food Security," organized by Al-Balqa Applied University. The conference addressed a diverse range of relevant topics, including animal and plant production, plant protection, climate change, sustainable water usage, and food production and manufacturing technologies.

Art and Culture:

We are committed to supporting initiatives that promote conscious art and culture in Jordan, recognizing their significant positive impact on personal development, community awareness, and empowerment. Building on our role in promoting youth and sports, the bank has provided support to the Al-Salt Sports Club to encourage sports activities. We also support the Jordan Professional Football League and the Jordanian Handball League.

In addition, we have sponsored a short documentary film created by a group of university students to participate in the Amman International Film Festival, aiming to raise awareness. Furthermore, we have sponsored a fundraising dinner hosted by the Jordan Media Institute to support their student scholarship program. This initiative aims to raise awareness of the importance of journalism education and to support talented students in making a positive impact on the media industry.

Volunteering:

We consistently encourage our employees to engage in initiatives coordinated by the bank's Sustainability and ESG Department. Volunteering serves to develop the skills of our employees, increase their awareness and social responsibility, and contribute to achieving the bank's goals and sustainable development. We have organized 32 different events in collaboration with our partners, with our employees participating as volunteers. This has resulted in 363 volunteers and more than 6,496 beneficiaries, particularly from less privileged segments of society.

Moving forward in our Sustainability Journey:

The Department of Sustainability and ESG looks forward to a significant progress in the various fields of sustainability. We will focus on environmental protection by promoting the use of renewable energy and the development of clean technologies. We will also work on reducing emissions resulting from our operations and activities in line with environmental standards. In the social context, we will strive to promote the principle of equality and empower women within the bank, the job market, and society. We aim to provide opportunities for women to pursue leadership positions. We are also committed to empowering the local community through sustainable education and training to achieve financial inclusion and comprehensive development.

In the realm of governance, we will build effective monitoring and evaluation systems, enhance transparency in decision-making, and leverage innovation and technology to improve efficiency and performance. We aim to transform our banking products and services into innovative digital solutions and automate our processes to provide sustainable, innovative, and digital services.

We will also provide a comprehensive responsible and sustainable financing framework that addresses environmental and social challenges through a diverse range of banking services and products that promote sustainable development and social justice for all segments of society. This includes projects aimed at empowering women and underserved populations, green financing, renewable energy projects, low-carbon emission projects, environmentally friendly homes, and vehicles, and more, with the goal of achieving financial prosperity for all stakeholders.

Standard criteria will be established in the "Green, and Social Lending Portfolio" in alignment with international standards. We will also commit to responsible procurement practices and sustainable supply chains by supporting local suppliers and eco-friendly products. We are building a future that reflects our commitment to sustainability in all aspects.



Our Sustainability and ESG Pillars:



Rewards, incentives and employee retention policy

Stemming from the bank's absolute belief in the importance of human resources as one of the most significant pillars for success and given that human resources are one of the main elements of the shared prosperity framework adopted within our strategy, the total remuneration and retention policy has been adopted so that it reflects the seriousness of this concern which in return ensures the retention of qualified employees and guarantees sustainable success and continuity.

This policy aims to retain and motivate employees to help them achieve the bank's goals and strategies, in addition to creating a sense of ownership amongst all employees towards these goals. Moreover, this policy also aims to meet the requirements and needs of employees and, in particular, to contribute to job satisfaction and in enhancing the employee experience. The total remuneration is linked to efforts and performance not only for the short term but also on the medium and long term in addition to clear individual performance indicators that are aligned with the bank's performance.

The Total Remuneration Policy aims to adopt general frameworks for wages, total remunerations, as well as aspects related to employee retention, this policy is based on the following main principles:

1. Consistent with the bank's vision, mission, goals, and core values and seeks to improve the employees' experience.
2. Maintaining a transparent and objective environment, as well as attracting, retaining, and motivating employees with the required competencies, skills and experience and improve their performance.
3. Take into account internal equity and non-discrimination among employees so that they are compensated with salaries and benefits that are commensurate with their job and level and performance.
4. Balanced management of employees' costs to ensure competitiveness and cost efficiency.
5. The totality and structure of remuneration granted to employees must be competitive to attract and retain talent.
6. Eliminates potential conflict of interest arising from the implementation of this policy, whereby eliminating the possibility of employees prioritizing their interests over those of the bank in order to earn the incentive at stake. Ensure that the policy is not used in a way that affects the bank's solvency and reputation.
7. Takes into consideration risks associated with the nature of the tasks, capital, liquidity position, timing of profits, financial position, operational performance, and strategic perspectives of the Bank.
8. The total remuneration is linked to individual performance taking into account the contribution of the position held by the employee and its importance to the bank's overall performance.
9. An employee's total remuneration should reflect both their individual performance and the contribution of their position and its importance to the bank's overall performance.
10. Balance between financial and non-financial incentive plans so that the reward component is not solely dependent on the performance of the bank in the current year, but also in the medium and long term (3-5 years).
11. The remuneration may take several forms such as salaries, allowances, bonuses, stock options, etc.
12. Includes the possibility of deferring the payment of an appropriate percentage of remuneration, whereby the percentage and period of deferral shall be determined on the basis of the nature and risks of the work and activity of the employee concerned
13. Employees engaged in control functions (Risk, Compliance and Audit) are independent from the activities they oversee, have appropriate authority, and are remunerated in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control.

Total Remuneration & Retention Strategies

Five strategies were used as the basis for the policy to reward and incentivize workers:

1. Work environment and corporate culture: the bank aspires to foster an atmosphere and a corporate culture that will both retain current employees and attract talented individuals.
2. Internal relations: this aspect relates to how the bank's management interacts with employees on one hand, and the employees' interactions with one another on the other, efforts must be continuously intensified to strengthen internal relations.
3. Support and assistance: the bank shall provide all necessary resources to enable the employee to perform his/her duties to the best of his/her ability.
4. Career growth and development: Providing all appropriate means for the growth and development of the bank's employees through the development and refinement of position competencies (knowledge,

skills and job behavior). Additionally, the Bank strives to provide genuine opportunities for career development and advancement.

5. Remuneration: The bank strives to maintain the remuneration of its employees to a level competitive with competing market and strives to do so through positioning the cash payouts within the market's "Third Quartile" as much as possible and in accordance with the approved budgets.

Clear action items have been identified in the policy to implement each strategic pillar, in addition to defining the implementation responsibilities of each of the; board of directors, the CEO/General Manager, the human resources, the control departments, and the responsibility of the Managers.

Components of rewards, incentives and employee retention

The bank believes that rewards and incentives aid in attracting and retaining talent, and that they consist of the following fundamental components:

1. Salaries and Benefits:

Salaries and benefits are determined using a scientific methodology that aims to create an incentive for employees to achieve the highest levels of productivity, taking into account the inflation of costs, as well as the size of responsibilities in various jobs and their weights, in addition to salary levels in the competitive market, and the employee's level of knowledge and skills and productivity.

2. Reward and incentive programs:

The reward and incentive programs aim to motivate employees at all levels towards achieving the strategic goals of the Bank whereby the value of these rewards is determined based on the employee's performance and the extent to which they achieve the desired and specified goals. The bank offers a variety of reward and incentive programs, including sales incentives, commissions, annual bonus programs, as well as long-term incentive plans for executive management and other Highflier employees.

3. Employee experience, retention and reward programs:

The bank takes a comprehensive and integrated approach to improving employee experience in a way that contributes to employee development and well-being. As a result, the bank's commitment to creating the best environment for employees stems from adopting the necessary human resource policies that ensure the provision of a positive work environment that enables them to realize themselves, their dreams, and aspirations. The application of the concept of employee experience in the Bank has benefits that can be summarized in increasing job satisfaction, enhancing institutional loyalty, decreasing turnover rate, and creating a safe and motivating work environment for work and productivity, all of which contribute to improving the Bank's corporate image and supporting efforts to attract and retain qualified talent. Moreover, reward programs are being developed with the goal of rewarding individuals with exceptional performance, motivating them to continue raising their level of performance, and promoting positive behavior, as well as raising employee morale and enhancing their loyalty to the bank.

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. |
| Fax | 06-5657268 |

Customers' Complaints and its Statistical Report:

A total of (258) complaints were received in 2023 of which (30) were considered real and (228) were considered frivolous:

| Classification | Total Number of Complaints | Percentage of Complaints |
|-------------------------------|----------------------------|--------------------------|
| Electronic services | 16 | 6.2% |
| Commissions and fees | 12 | 4.86% |
| Rates and returns | 81 | 31.3% |
| Professional dealing behavior | 23 | 8.9% |
| Bank cards | 13 | 5% |
| Contracts and terms | 53 | 20.5% |
| Work environment | 18 | 7% |
| Remittances | 2 | 0.78% |
| Others | 26 | 10% |
| Guarantees | 1 | 0.38 |
| Credit inquiry | 1 | 0.38 |
| Accounts | 12 | 4.7% |
| Total | 258 | 100% |

* Customer complaints received through all communication channels were addressed, and the necessary steps were taken to resolve complaints within the specified time frame and in accordance with the internal procedures instructions for dealing with Customer Complaints for Financial Providers Regulations (1/2017).

ahli Mobile

ahli.com/**MobileBanking**



Consolidated Financial Statements

ahli is with you...

Because we believe in innovation and we care to provide our customers a comfy life we always come up with the best fintech solutions and provide an up to date mobile apps and digital channels to serve you anytime any where





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Independent Auditor's Report

AM/009498

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Jordan Ahli Bank (the "Bank") and its subsidiaries and foreign branches (the "Group"), which comprise the consolidated statement of financial position as of December 31, 2023, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in owners' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Jordan Ahli Bank as of December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standard) as adopted by the Central Bank of Jordan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. 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 together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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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 | How our audit addressed the key audit matter |
|---|--|
| <p>1. Expected Credit Losses on Credit Facilities As described in Notes (8) to the consolidated financial statements, the Bank had net direct credit facilities of JD 1.7 billion as at 31 December 2023 representing 51% of total assets. The total allowance for expected credit losses relating to these facilities was JD 91 million. The determination of the Bank's expected credit losses for credit facilities is a material and complex estimate requiring significant management judgement in the evaluation of the credit quality and the estimation of inherent losses in the portfolio.</p> <p>The financial statement risk arises from several aspects requiring substantial judgement of management, such as the estimation of probabilities of default and loss given defaults for various stages, the determination of significant increase in credit risk (SICR) and credit-impairment status (default), the use of different modelling techniques and consideration of manual adjustments. In calculating expected credit losses, the bank considered credit quality indicators for each loan and portfolio, stratifies loans and advances by risk grade and estimates losses for each loan based upon their nature and risk profile.</p> <p>The amendments made to the models were applied to identify risks that were not taken into account in the model for calculating expected credit losses. The basis and calculation of the amendments to the models require fundamental judgments that include considerations for risk of management's adjustments.</p> | <p>We established an audit approach which includes both testing the design and operating effectiveness of internal controls over the determination of expected credit losses and risk-based substantive audit procedures. Our procedures over internal controls focused on the governance over the process controls around the ECL methodology, completeness and accuracy of credit facilities data used in the expected loss models, management review of outcomes, management validation and approval processes, the assignment of borrowers' risk classification, consistency of application of accounting policies and the process for calculating allowances.</p> <p>The primary procedures which we performed to address this key audit matter included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • For a risk-based sample of individual loans, we performed a detailed credit review, assessed the appropriateness of information for evaluating the creditworthiness and staging classification of individual borrowers and challenged the assumptions underlying the expected credit loss allowance calculations, such as estimated future cash flows, collateral valuations and estimates of recovery as well as considered the consistency of the Bank's application of its impairment policy. Further, we evaluated controls over approval, accuracy and completeness of impairment allowances and governance controls, including assessing key management and committee meetings that form part of the approval process for credit impairment allowances; |

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In calculating expected credit losses, the Bank considered credit quality indicators for each loan and portfolio, stratified credit facilities by risk grades and estimated losses for each facility based upon their nature and risk profile.

The Bank's expected credit losses are calculated against credit exposures, according to the requirements of International Financial Reporting Standard 9 Financial Instruments (IFRS 9) as adopted by the Central Bank of Jordan (CBJ). Credit exposures granted directly to the Jordanian Government as well as credit exposures guaranteed by the Jordanian Government are excluded from the determination of the allowance for expected credit losses. In addition, expected credit losses are also adjusted to take into consideration any special arrangements with the Central Bank of Jordan.

The recognition of specific allowances on impaired facilities under the CBJ instructions is based on the rules prescribed by the CBJ on the minimum allowances to be recognized together with any additional allowances to be recognized based on management's estimate of expected cash flows related to those credit facilities.

Auditing these complex judgements and assumptions involves especially challenging auditor judgement due to the nature and extent of audit evidence and effort required to address these matters and therefore this item is considered to be a key audit matter.

- For credit facilities not tested individually, we evaluated controls over the modelling process, including model monitoring, validation and approval. We tested controls over model outputs and the mathematical accuracy and computation of the expected credit losses by re-performing or independently calculating elements of the expected credit losses based on relevant source documents with the involvement of our credit specialists. We challenged key assumptions, inspected the calculation methodology and traced a sample back to source data. We evaluated key assumptions such as thresholds used to determine SICR and including the related weighting.
- We evaluated key assumptions such as the limits used to determine the increase in credit risk and future economic scenarios including the relevant weights;
- We evaluated post model adjustments and management overlays in the context of key model and data limitations identified by the Bank in order to assess these adjustments, focusing on PD and LGD used for corporate loans, and challenged their rationale;
- We assessed the amendments made by management by evaluating the model adjustments in relation to macroeconomic factors and the forward-looking scenarios which were incorporated into the impairment calculations by utilizing our internal specialists to challenge the multiple economic scenarios chosen and weighting applied to capture non-linear losses; and
- 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 assessed the disclosure in the consolidated financial statements relating to this matter against the requirements of IFRSs.

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Key Audit Matters

2. IT systems and controls over financial reporting

We have identified the Bank's IT systems and controls related to financial reporting as a key audit matter due to the large volume and variety of transactions processed daily by the Bank and which depend on the effective operation of automated controls and information technology.

There is a risk that automated accounting procedures and related internal controls are not designed and implemented accurately and effectively. In particular, the relevant controls in place that are necessary to reduce the probability of fraud and error as a result of a change in the application or underlying data.

How our audit addressed the key audit matter

Our audit approach depends to a large extent on the effectiveness of automated controls and IT-dependent manual controls and therefore the following procedures were designed to test and control access to IT systems:

We performed an understanding of the Bank's IT related control environment and identified IT applications, databases and operating systems that are relevant for the financial reporting process and the infrastructure supporting these systems.

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

We have also tested computer generated information used in financial reports extracted from relevant applications. And examined Key automated controls on relevant to logic business related to controls.

We have tested the key automated controls in significant IT systems relevant to the business processes.

Other Matter

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

Other Information

Management is responsible for other information. The other information comprises the other information in the annual report, excluding the consolidated financial statements and the independent auditors' report thereon. We expect that the annual report will be made available to us after the date of our audit report. Our opinion on the consolidated financial statements does not cover 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 identified above when it becomes available 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.

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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 IFRS Accounting Standards as adopted by the Central Bank of Jordan, and for such internal control as management determines is necessary to enable the preparation of 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 Group'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.

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 for 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 consolidated 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.

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- 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 financial information of the entities or business activities within the Group 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 procedures.

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 reasonable 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 and we recommend that the General Assembly of the Shareholders to approve these consolidated financial statements.

Amman – Jordan
February 11, 2024


Deloitte & Touche (M.E) - Jordan
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ديلويت اند توش (الشرق الأوسط)
010105

Jordan Ahli Bank

Consolidated Statement of Financial Position

For the Year Ended 31 December 2023

| | Note | 31 December 2023 | 31 December 2022 |
|---|------|----------------------|----------------------|
| | | JD | JD |
| Assets | | | |
| Cash and balances at central banks | 5 | 263,246,931 | 208,440,151 |
| Balances at banks and financial institutions | 6 | 123,493,099 | 110,803,850 |
| Deposits at banks and financial institutions | 7 | 34,818,367 | - |
| Direct credit facilities - net | 8 | 1,680,782,737 | 1,595,272,646 |
| Financial assets at fair value through other comprehensive income | 9 | 39,753,290 | 37,735,650 |
| Financial assets at amortized cost - net | 10 | 892,199,789 | 870,996,932 |
| Property and equipment and project under construction - net | 11 | 90,842,701 | 81,575,718 |
| Deferred tax assets | 19/b | 16,401,308 | 16,013,873 |
| Right of use assets | 37 | 9,857,063 | 10,582,187 |
| Intangible assets - net | 12 | 2,512,533 | 4,928,612 |
| Other assets | 13 | 128,500,445 | 126,163,674 |
| Total Assets | | 3,282,408,263 | 3,062,513,293 |
| Liabilities and owners' equity: | | | |
| Liabilities: | | | |
| Banks' and financial institutions' deposits | 14 | 135,034,935 | 116,878,759 |
| Customers' deposits | 15 | 2,208,601,883 | 2,027,658,466 |
| Margin accounts | 16 | 344,478,493 | 329,873,356 |
| Loans and borrowings | 17/a | 164,166,542 | 164,628,175 |
| Subordinated loan | 17/b | 20,000,000 | 20,000,000 |
| Other provisions | 18 | 4,652,002 | 5,141,770 |
| Lease liability | 37 | 9,919,590 | 10,477,672 |
| Income tax provision | 19/a | 13,222,005 | 10,871,837 |
| Other liabilities | 20 | 48,485,627 | 46,635,430 |
| Total Liabilities | | 2,948,561,077 | 2,732,165,465 |
| Owners' equity: | | | |
| Subscribed and paid in capital | 21 | 200,655,000 | 200,655,000 |
| Statutory reserve | 22 | 70,592,981 | 67,779,725 |
| Voluntary reserve | 22 | 15,761,637 | 15,761,637 |
| Periodic fluctuations reserve | 22 | 3,678,559 | 3,678,559 |
| Fair value reserve - net after tax | 23 | (4,869,383) | (5,871,290) |
| Retained earnings | 24 | 48,028,392 | 48,344,197 |
| Total owners' equity to the bank shareholders | | 333,847,186 | 330,347,828 |
| Total owners' equity | | 333,847,186 | 330,347,828 |
| Total liabilities and owners' equity | | 3,282,408,263 | 3,062,513,293 |

The accompanying notes from 1 to 46 constitute an integral part of these consolidated financial statements and should be read with them and with the accompanying audit report.

Jordan Ahli Bank

Consolidated Statement of Profit or Loss

| | Note | For the year ended 31 December | |
|--|---------|--------------------------------|-----------------|
| | | 2023 | 2022 |
| | | JD | JD |
| Interest income | 25 | 200,506,011 | 156,710,497 |
| Interest expense | 26 | 105,599,065 | 67,604,268 |
| Net interest income | | 94,906,946 | 89,106,229 |
| Net commission income | 27 | 14,542,342 | 13,851,269 |
| Net interest and commission income | | 109,449,288 | 102,957,498 |
| Gain from foreign currencies | 28 | 2,369,921 | 2,138,981 |
| Dividends from financial assets at fair value through other comprehensive income | 30 | 793,726 | 367,687 |
| Other income | 31 | 7,827,946 | 6,086,861 |
| Gross income | | 120,467,881 | 111,551,027 |
| Employees' expenses | 32 | 37,149,347 | 37,664,053 |
| Depreciation and amortization | 11 & 12 | 8,247,117 | 8,886,897 |
| Other expenses | 33 | 26,061,077 | 25,184,129 |
| Depreciation of right-of-use assets | 37 | 1,822,187 | 1,746,528 |
| Provision for expected credit losses - net | 29 | 12,881,970 | 7,518,884 |
| Impairment Provision on Assets seized by the bank | 13 | 1,457,000 | 363,072 |
| Other provisions | 18 | 677,067 | 1,838,033 |
| Total expenses | | 88,295,765 | 83,201,596 |
| Profit for the year before tax | | 32,172,116 | 28,349,431 |
| Income tax expense | 19/a | (13,579,632) | (11,449,589) |
| Profit for the year | | 18,592,484 | 16,899,842 |
| Allocated to: | | | |
| Bank's shareholders | | 18,592,484 | 16,899,842 |
| Profit for the year | | 18,592,484 | 16,899,842 |
| | | JD/ Fils | JD/ Fils |
| Basic and diluted earnings per share (Bank's shareholders) | 34 | 0/093 | 0/084 |

The accompanying notes from 1 to 46 constitute an integral part of these consolidated financial statements and should be read with them and with the accompanying audit report.

Jordan Ahli Bank

Consolidated Statement Of Comprehensive Income

| | For the year ended 31 December | |
|---|--------------------------------|-------------------|
| | 2023 | 2022 |
| | JD | JD |
| Income for the year | 18,592,484 | 16,899,842 |
| Other comprehensive income items | | |
| Add: items not to be reclassified to consolidated statement of profit or loss in subsequent periods | | |
| Loss from sale of shares | (14,635) | - |
| Change in Fair value reserve - net (Note 23) | 973,909 | (225,662) |
| Total Comprehensive Income for the Year | 19,551,758 | 16,674,180 |
| Total Comprehensive Income for the Year Attributed to: | | |
| Bank's shareholders | 19,551,758 | 16,674,180 |
| | 19,551,758 | 16,674,180 |

Jordan Ahli Bank

Consolidated Statement Of Changes In Equity

| | Note | Reserves | | | | | Retained earnings | Total Shareholders' equity |
|--|------|--------------------------------|------------|------------|-----------------------|-------------------------|-------------------|----------------------------|
| | | Subscribed and paid-in Capital | Statutory | Voluntary | Periodic Fluctuations | Fair value reserve, net | | |
| | | JD | JD | JD | JD | JD | | |
| For the year ended 31 December 2023 | | | | | | | | |
| Balance - Beginning of the Year | | 200,655,000 | 67,779,725 | 15,761,637 | 3,678,559 | (5,871,290) | 48,344,197 | 330,347,828 |
| Income for the year | | - | - | - | - | - | 18,592,484 | 18,592,484 |
| Loss on sale of financial asset at fair value through other Comprehensive Income | | - | - | - | - | 27,998 | (42,633) | (14,635) |
| Change in fair value | 23 | - | - | - | - | 973,909 | - | 973,909 |
| Total comprehensive income | | - | - | - | - | 1,001,907 | 18,549,851 | 19,551,758 |
| Distributed dividends | 24 | - | - | - | - | - | (16,052,400) | (16,052,400) |
| Transferred to reserve | | - | 2,813,256 | - | - | - | (2,813,256) | - |
| Balance - End of the Year | | 200,655,000 | 70,592,981 | 15,761,637 | 3,678,559 | (4,869,383) | 48,028,392 | 333,847,186 |
| For the year ended 31 December 2022 | | | | | | | | |
| Balance - Beginning of the Year | | 200,655,000 | 65,208,593 | 15,761,637 | 3,678,559 | (5,645,628) | 48,061,337 | 327,719,498 |
| Income for the year | | - | - | - | - | - | 16,899,842 | 16,899,842 |
| Change in fair value reserve | 23 | - | - | - | - | (225,662) | - | (225,662) |
| Total comprehensive income | | - | - | - | - | (225,662) | 16,899,842 | 16,674,180 |
| Distributed dividends | 24 | - | - | - | - | - | (14,045,850) | (14,045,850) |
| Transferred to reserve | | - | 2,571,132 | - | - | - | (2,571,132) | - |
| Balance - End of the Year | | 200,655,000 | 67,779,725 | 15,761,637 | 3,678,559 | (5,871,290) | 48,344,197 | 330,347,828 |

- An amount of JD 14,024,952 from retained earnings is restricted to be used based on the Central Bank of Jordan instructions, against deferred tax assets as of December 31, 2023 (JD 13,300,066 as of December 31, 2022).
- 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, 2023 and 2022 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 4,869,383 is prohibited, according to the instructions of Jordan Securities Commission.

Jordan Ahli Bank

Consolidated Statement of Cash Flows

| | Note | For the year Ended December 31, 2023 | For the year Ended December 31, 2022 |
|---|----------|--------------------------------------|--------------------------------------|
| | | JD | JD |
| Cash flow from operating activities | | | |
| Profit for the year before tax | | 32,172,116 | 28,349,431 |
| Adjustments: | | | |
| Depreciation and amortization | 11,12,37 | 10,069,304 | 11,114,769 |
| Provision for expected credit losses, net | 29 | 12,881,970 | 7,518,884 |
| Other provisions | 18 | 677,067 | 1,838,033 |
| Impairment provision on assets seized by the bank | 13 | 1,457,000 | 363,072 |
| Dividends income on financial assets at fair value through other comprehensive income | 30 | (793,726) | (367,687) |
| Loss (Gain) from sale of property and equipment and others | 31 | (425,292) | 120,713 |
| (Gain) from sale assets seized by the Bank | 31 | (114,426) | (713,198) |
| Net interest revenue | | (10,100,594) | (9,523,296) |
| Lease liability interest | 37 | 637,141 | 564,308 |
| Effect of exchange rate changes on cash and cash equivalents | 28 | 443,989 | 297,594 |
| Profit before changes in assets and Liabilities | | 46,904,549 | 39,562,623 |
| CHANGES IN ASSETS AND LIABILITIES: | | | |
| (Increase) Decrease in Assets | | | |
| Balances and Deposits at banks and financial institutions (maturing within a period exceeding 3 months) | | (34,818,367) | 20,158,941 |
| Direct credit facilities | | (98,596,634) | (245,078,619) |
| Other assets | | 13,353,584 | 27,377,756 |
| Increase (Decrease) in liabilities | | | |
| Banks' and financial institutions' deposits maturing within a period exceeding 3 months | | 11,697,665 | (24,289,402) |
| Customers' deposits | | 180,943,417 | 23,907,603 |
| Margin accounts | | 14,605,137 | 115,986,813 |
| Other liabilities | | (13,686,287) | (2,977,420) |

The accompanying notes from 1 to 46 constitute an integral part of these consolidated financial statements and should be read with them and with the accompanying audit report.

Jordan Ahli Bank

Consolidated Statement of Cash Flows / Continued

| | Note | For the year Ended December 31, 2023 | For the year Ended December 31, 2022 |
|---|---------|--------------------------------------|--------------------------------------|
| Net Cash flow from (used in) Operating Activities Before Income Tax and paid provisions | | 120,403,064 | (45,351,705) |
| | | JD | JD |
| Income tax paid | 19/a | (11,954,352) | (11,449,421) |
| Other provisions paid | 18 | (1,166,835) | (381,945) |
| Net Cash flow from (used in) Operating Activities | | 107,281,877 | (57,183,071) |
| Net cash flow from investing activities | | | |
| Financial assets at fair value through other comprehensive income | | (720,913) | (11,747,505) |
| (Purchases) Financial assets at amortized cost | 10 | (293,750,727) | (193,623,332) |
| Matured Financial assets at amortized cost | 10 | 272,908,347 | 188,927,078 |
| Purchases of property, equipment, projects under construction, and intangible assets | 11 & 12 | (15,552,551) | (8,765,144) |
| Dividends income on financial assets at fair value through other comprehensive income | | 793,726 | 367,687 |
| Proceeds from sale of properties and equipment | 11 | 9,820,552 | 29,547 |
| Net Cash Flow (used in) Investing Activities | | (26,501,566) | (24,811,669) |
| Cash Flow from Financing activities | | | |
| (Decrease) Increase in loans and borrowings | | (461,633) | 1,639,784 |
| Dividends distributed to shareholders | | (16,052,400) | (14,045,850) |
| Lease liabilities paid | 37 | (2,784,771) | (2,536,068) |
| Net Cash flow (used in) Financing Activities | | (19,298,804) | (14,942,134) |
| Effect of exchange rate changes on cash and cash equivalents | 28 | (443,989) | (297,594) |
| Net Increase (Decrease) in Cash and Cash Equivalents | | 61,037,518 | (97,234,468) |
| Cash and cash equivalents at the beginning of the year | | 192,714,619 | 289,949,087 |
| Cash and Cash Equivalents at the End of the Year | 35 | 253,752,137 | 192,714,619 |

The accompanying notes from 1 to 46 constitute an integral part of these consolidated financial statements and should be read with them and with the accompanying audit report.

Jordan Ahli Bank

Consolidated Financial Statements

For the Year Ended 31 December 2023

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 (11 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 31 January 2024 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:

- 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 client's facilities related to governmental projects outcomes (transfers of Government dues) are excluded from provisions calculation.
- 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 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 condensed interim financial statements, and any decrease in value is recorded as a loss in the consolidated condensed interim 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 condensed interim statement of profit or loss and comprehensive income to the extent that it does not exceed the previously recorded impairment value. In accordance with the circular of the Central Bank of Jordan NO. 10/3/16234 dated October 10, 2022, the gradual provision for the seized assets was suspended, provided that the allocated provisions for the expropriated real estate in violation of the provisions of the Banking Law are maintained, and only the allocated provision is released against any of the violating real estate that are disposed of.
- 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, 2022, 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, 2023:

| Company's Name | Ownership of the Bank | Paid-up Capital | Investment amount | Nature of Operation | Year of Inception | Location | Total Assets | Total Liabilities | Total Revenue | Total Expenses |
|---------------------------------------|-----------------------|-------------------|-------------------|----------------------|-------------------|----------|--------------|-------------------|---------------|----------------|
| | % | JD | JD | | | | JD | JD | JD | JD |
| Al-Alhli Microfinance Company | 100 | 6,000,000 | 6,000,000 | Micro Finance | 1999 | Jordan | 23,469,640 | 13,615,531 | 7,799,570 | 6,702,159 |
| Al-Alhli Financial Leasing Company | 100 | 17,500,000 | 17,500,000 | Finance leasing | 2009 | Jordan | 92,486,097 | 67,699,437 | 5,053,240 | 2,432,947 |
| Al-Alhli Financial Brokerage Company | 100 | 3,000,000 | 3,000,000 | Financial Brokerage | 2006 | Jordan | 5,127,892 | 916,278 | 380,913 | 156,434 |
| Al-Alhli Financial Technology Company | 100 | 1,500,000 | 1,500,000 | Financial Technology | 2018 | Jordan | 749,223 | 701 | 28,011 | 8,513 |
| Total | | 28,000,000 | 28,000,000 | | | | | | | |

The Bank owns the following subsidiaries as of December 31, 2022:

| Company's Name | Ownership of the Bank | Paid-up Capital | Investment amount | Nature of Operation | Date of Acquisition | Location | Total Assets | Total Liabilities | Total Revenue | Total Expenses |
|---------------------------------------|-----------------------|-------------------|-------------------|----------------------|---------------------|----------|--------------|-------------------|---------------|----------------|
| | % | JD | JD | | | | JD | JD | JD | JD |
| Al-Alhli Microfinance Company | 100 | 6,000,000 | 6,000,000 | Micro Finance | 1999 | Jordan | 23,116,268 | 8,359,569 | 7,021,349 | 5,664,582 |
| Al-Alhli Financial Leasing Company | 100 | 17,500,000 | 17,500,000 | Finance leasing | 2009 | Jordan | 92,000,358 | 51,833,991 | 5,269,518 | 2,542,095 |
| Al-Alhli Financial Brokerage Company | 100 | 3,000,000 | 3,000,000 | Financial Brokerage | 2006 | Jordan | 4,779,585 | 792,450 | 405,030 | 84,814 |
| Al-Alhli Financial Technology Company | 100 | 1,500,000 | 1,500,000 | Financial Technology | 2018 | Jordan | 729,725 | 701 | 4,200 | 610,874 |
| Total | | 28,000,000 | 28,000,000 | | | | | | | |

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 at the reporting date; with
- 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 investment's 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.
- 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 Seized 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. In accordance with the circular of the Central Bank of Jordan NO. 10/3/16234 dated October 10, 2022, the gradual provision for the seized assets was suspended, provided that the allocated provisions for the expropriated real estate in violation of the provisions of the Banking Law are maintained, and only the allocated provision is released against any of the violating real estate that are disposed of.

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.
- Good will 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.

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, 2023, have been adopted in these consolidated financial statements for the group. 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.

IFRS (17) Insurance Contracts (including the June 2020 and December 2021 amendments to IFRS (17))

IFRS 17 sets out principles for the recognition, measurement, presentation and disclosure of insurance contracts and replaces IFRS 4 Insurance Contracts.

IFRS 17 specifies a general model, modified for insurance contracts with direct participation features, described as a variable fee approach. The general model is simplified if certain criteria are met by measuring the remaining coverage obligation using a premium allocation approach.

The general model uses current assumptions to estimate the amount, timing, and uncertainty of future cash flows and explicitly measures the cost of uncertainty. It takes into account market interest rates and the effect of policyholders' options and guarantees.

The Group does not have any contracts that meet the definition of an insurance contract under IFRS 17.

Amendments to IAS (1) Presentation of Financial Statements and Statement of Practice for IFRS (2) Relative Judgments - Disclosure of Accounting Policies

The amendments change the requirements of IAS 1 regarding disclosure of accounting policies. The amendments replace the term "significant accounting policy information" with the term "significant accounting policies".

Accounting policy information is important if, when considered together with other information included in an entity's financial statements, it could reasonably be expected to influence decisions taken by the primary users of the general purpose financial statements on the basis of those financial statements.

The supporting paragraphs in IAS No. (1) have also been amended to clarify that accounting policy information relating to immaterial transactions or other events or conditions is immaterial and does not need to be disclosed. Accounting policy information may be material because of the nature of the relevant transactions, other events or circumstances, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is material in itself.

The Standards Board has also developed guidance and examples to explain and demonstrate the application of the "four-step materiality process" described in the IFRS Practice Statement (2).

Amendments to IAS 12 Taxes - Deferred taxes relating to assets and liabilities arising from a single transaction

The amendments provide another exception to the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption to transactions that give rise to equal taxable and deductible temporary differences. Depending on applicable tax law, equal taxable and deductible temporary differences may arise on the initial recognition of an asset and a liability in a transaction that is not a business combination and does not affect accounting profit or taxable profit.

Following the amendments to IAS 12, an entity must recognize the relevant deferred tax assets and liabilities, with the recognition of any deferred tax asset subject to the recoverability criteria contained in IAS No. (12).

Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules

The International Accounting Standards Board has amended the scope of IAS 12 to clarify that the standard applies to income taxes arising from tax law that has been promulgated or promulgated substantially to implement the rules of the Pillar Two model published by the OECD, including tax law that applies the minimum of the additional eligible local taxes described in those rules.

The amendments provide a temporary exception to the deferred tax accounting requirements in IAS 12, such that an entity does not recognize or disclose information about deferred tax assets and liabilities relating to Pillar 2 income taxes.

Amendments to IAS 8 - Accounting policies, changes in accounting estimates and errors - Definition of accounting estimates

The amendments replace the definition of change in accounting estimates with the definition of accounting estimates. Under the new definition, accounting estimates are “cash amounts in the financial statements that are subject to measurement uncertainty.” The definition of change in accounting estimates has been omitted.

b. New and Revised Standards in issue but not yet effective

As at the date of approval of these consolidated financial statements, the Group has not applied the following new and amended IFRSs issued but not yet effective. Management expects to apply these new standards, interpretations and amendments in the Group’s consolidated financial statements when they are applicable and to adopt these standards and interpretations. The new amendments may not have any material impact on the group’s consolidated financial statements in the period of initial application:

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>Amendments to International Financial Reporting Standard No. (10) and International Accounting Standard No. (28): Sale or sharing of assets between an investor and its associate or joint venture.</p> <p>The amendments made to IAS No. (10) and to IFRS No. (28) address situations in which there is a sale or contribution of assets between the investor and its associate or joint venture. The amendments specifically provide that gains or losses arising from a loss of control of a subsidiary that do not involve a business activity in a transaction with an associate or joint venture and that are accounted for using the equity method, It is recognized in the profit or loss of the parent company only to the extent of the shares of unrelated investors in that associate or joint venture. Likewise, gains and losses resulting from the remeasurement of investments held in any former subsidiary (which becomes an associate or joint venture and is accounted for using the equity method) are recognized in the profit or loss of the former parent only to the extent of the interests of non-investors. Related stakeholders in the new associate or joint venture.</p> | <p>Effective date has not yet been determined. Early application is permitted.</p> |
| <p>Amendments to International Accounting Standard No. (1) - Presentation of Financial Statements - Classification of liabilities as current or non-current</p> <p>The amendments made to International Accounting Standard No. (1) only affect the presentation of liabilities in the statement of financial position as current or non-current and not the amount or timing of recognition of any asset, liability, revenue or expense, or the information disclosed about those items.</p> <p>The amendments clarify that the classification of obligations as current or non-current is based on the rights existing at the end of the reporting period, and specify that the classification is not affected by expectations about whether the entity will exercise its right to postpone the settlement of the obligation. They also clarify that rights are considered existing if the obligations are complied with at the end of the reporting period. It provides a definition of “settlement” to explain that it refers to the transfer of cash, equity instruments, other assets or services to the counterparty.</p> | <p>The amendments apply retrospectively for annual periods beginning on or after January 1, 2024, with early adoption permitted.</p> |

| New and revised IFRSs | Effective date |
|---|--|
| <p>Amendments to IAS (1) Presentation of Financial Statements - Non-Current Liabilities with Pledges</p> <p>The amendments specify that only covenants that an entity is required to comply with at or before the end of the reporting period affect the entity's right to defer settlement of the liability for at least twelve months after the reporting date (and therefore should be taken into account when assessing whether the liability is classified as current or current). Uncirculated). These covenants affect whether the right exists at the end of the financial reporting period, Even if compliance with the covenants is assessed only after the financial reporting date (for example, a covenant based on the entity's financial position at the financial reporting date for which compliance is only assessed after the financial reporting date).</p> <p>The IASB also specifies that the right to defer settlement of an obligation for at least twelve months after the reporting date is not affected if the entity only has to comply with an obligation after the reporting period. However, if an entity's right to defer settlement of a liability is subject to the entity's compliance with covenants within twelve months after the reporting period, the entity discloses information that enables users of financial statements to understand the risks of obligations becoming due within twelve months after the reporting period.</p> <p>This may include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of the relevant liabilities and facts and circumstances, if any, that indicate that the entity may encounter difficulties in complying with the covenants.</p> | <p>The amendments apply retrospectively for annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.</p> |
| <p>Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Financing Arrangements</p> <p>The amendments add a disclosure objective to IAS 7 that states that an entity is required to disclose information about its supplier financing arrangements that enables users of financial statements to evaluate the effects of those arrangements on the entity's obligations and cash flows. In addition, IFRS 7 has been amended to add supplier financing arrangements as an example of the requirement to disclose information about an entity's exposure to liquidity risk concentration risks.</p> <p>The term "supplier financing arrangements" is not defined. Instead, the amendments describe the characteristics of the arrangement for which the entity will be required to provide information.</p> <p>To achieve the disclosure objective, the entity will be required to disclose in aggregate its supplier financing arrangements:</p> <ul style="list-style-type: none"> • Terms and conditions of arrangements • The carrying amount and associated items presented in the entity's statement of financial position of the liabilities that form part of the arrangements • The book value and associated items for which suppliers have already received payments from finance providers • The range of payment due dates for both financial liabilities that form part of supplier financing arrangements and similar trade payables that do not form part of supplier financing arrangements • Liquidity risk information | <p>Amendments that contain specific transitional exemptions for the first annual reporting period in which the entity applies the amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.</p> |

| New and revised IFRSs | Effective date |
|---|---|
| <p>Amendment to IFRS 16 Leases - Lease Obligations on Sale and Leaseback The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that meet the requirements of IFRS 15 to be accounted for as a sale. The amendments require the tenant seller to determine “lease payments” or “adjusted lease payments” such that the tenant seller does not recognize gain or loss relating to the right of use held by the tenant seller, after the commencement date.</p> <p>The amendments do not affect the profit or loss recognized by the tenant seller in connection with the partial or complete termination of the lease. Without these new requirements, the lease seller may have recognized a gain on the right-of-use it retains solely because of a remeasurement of the lease liability (for example, following a lease amendment or change in the lease term) Without applying the general requirements in IFRS 16. This may be particularly the case in the case of a leaseback involving variable lease payments that are not based on an index or rate.</p> <p>As part of the amendments, the IASB amended an illustrative example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and a lease liability in a sale and leaseback transaction with variable lease payments that are not dependent on an index or rate. The illustrative examples also show that a liability arising from a sale and leaseback transaction that qualifies as a sale applying IFRS 15 is a lease liability.</p> | <p>The amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.</p> |
| <p>IFRS S1 – General requirements for the disclosure of sustainability-related financial information.</p> | <p>The amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.</p> |
| <p>IFRS S2 – Climate-related disclosures. Management expects to apply these new standards, interpretations and amendments to the Group’s consolidated financial statements when they are applicable, and the adoption of these new standards, interpretations and amendments may not have any material impact on the Group’s consolidated financial statements in the period of initial application.</p> | <p>The amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.</p> |

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 assets seized by the bank

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.

In accordance with the circular of the Central Bank of Jordan NO. 10/3/16234 dated October 10, 2022, the gradual provision for the seized assets was suspended, provided that the allocated provisions for the expropriated real estate in violation of the provisions of the Banking Law are maintained, and only the allocated provision is released against any of the violating real estate that are disposed of.

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 (38).

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 detail in Note (38).

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 (38) 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 | |
|---|--------------------|--------------------|
| | 2023 | 2022 |
| | JD | JD |
| Cash at vaults | 85,019,238 | 66,137,926 |
| Balances at the Central Banks: | | |
| Current accounts | 8,165,980 | 13,031,476 |
| Term and notice deposits | 65,635,000 | 32,762,000 |
| Statutory cash reserve | 104,426,713 | 96,508,749 |
| Total Balances at the Central Banks | 178,227,693 | 142,302,225 |
| Total Cash and Balances at Central Banks | 263,246,931 | 208,440,151 |

- 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, 2023 and December 31, 2022.

- There are no balances, maturing within a period exceeding Three months as at December 31, 2023 and December 31, 2022.

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

| | December 31 | | | | |
|------------------------|-------------------------|-------------------------|---------|-------------|-------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Governmental | 178,227,693 | - | - | 178,227,693 | 142,302,225 |
| Balance at end of year | 178,227,693 | - | - | 178,227,693 | 142,302,225 |

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

| | December 31 | | | | |
|------------------------------|-------------------------|-------------------------|---------|--------------|---------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance at beginning of year | 142,302,225 | - | - | 142,302,225 | 193,366,595 |
| New balances during year | 110,975,246 | - | - | 110,975,246 | 60,797,646 |
| Paid balances | (75,049,778) | - | - | (75,049,778) | (111,862,016) |
| Balance at end of year | 178,227,693 | - | - | 178,227,693 | 142,302,225 |

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 | | December 31 | | December 31 | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| | JD | JD | JD | JD | JD | JD |
| Current accounts | 200,062 | 113,260 | 57,554,483 | 44,356,195 | 57,754,545 | 44,469,455 |
| Deposits maturing within 3 months or less | - | - | 65,757,670 | 66,539,145 | 65,757,670 | 66,539,145 |
| Total | 200,062 | 113,260 | 123,312,153 | 110,895,340 | 123,512,215 | 111,008,600 |
| Less: ECL provision | (861) | (861) | (18,255) | (203,889) | (19,116) | (204,750) |
| Net balance at banks and financial institutions | 199,201 | 112,399 | 123,293,898 | 110,691,451 | 123,493,099 | 110,803,850 |

- Non-interest bearing balances at banks and financial institutions amounted to JD 57,754,545 as of December 31, 2023 (JD 44,469,455 as of December 31, 2022).
- There are no restricted balances as of December 31, 2023 and 2022.

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

| | December 31 | | | | |
|--------------------------------------|----------------------|----------------------|---------|-------------|-------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| From (1) to (6) | 120,477,879 | - | - | 120,477,879 | 104,715,347 |
| un-rated | 3,034,336 | - | - | 3,034,336 | 6,293,253 |
| Total Balance At the End of the Year | 123,512,215 | - | - | 123,512,215 | 111,008,600 |

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

| | December 31 | | | | |
|------------------------------|----------------------|----------------------|---------|--------------|---------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance at beginning of year | 111,008,600 | - | - | 111,008,600 | 177,440,379 |
| New balances during year | 64,846,912 | - | - | 64,846,912 | 76,871,178 |
| Withdrawn balances | (52,343,297) | - | - | (52,343,297) | (143,302,957) |
| Balance at end of year | 123,512,215 | - | - | 123,512,215 | 111,008,600 |

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

| | December 31 | | | | |
|---|-------------------------|-------------------------|---------|-----------|---------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance at beginning of the year | 204,750 | - | - | 204,750 | 21,556 |
| Expected credit loss on new balances for the year | - | - | - | - | 156,663 |
| Recovered credit loss on balances and settled amounts | (185,634) | - | - | (185,634) | (2,743) |
| Changes resulting from adjustments | - | - | - | - | 29,274 |
| Balance at end of year | 19,116 | - | - | 19,116 | 204,750 |

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 | | December 31 | | December 31 | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| | JD | JD | JD | JD | JD | JD |
| Deposits maturing from 9 months to 12 months | 18,000,000 | - | - | - | 18,000,000 | - |
| More than year | 17,000,000 | - | - | - | 17,000,000 | - |
| Total | 35,000,000 | - | - | - | 35,000,000 | - |
| ECL provision | (181,633) | - | - | - | (181,633) | - |
| Net balance at banks and financial institutions | 34,818,367 | - | - | - | 34,818,367 | - |

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

| | December 31 | | | | |
|-------------------------|-------------------------|-------------------------|---------|------------|-------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| 5 | 23,000,000 | - | - | 23,000,000 | - |
| Un-rated | 12,000,000 | - | - | 12,000,000 | - |
| Total - end of the year | 35,000,000 | - | - | 35,000,000 | - |

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

| | December 31 | | | | |
|--------------------------------------|-------------------------|-------------------------|---------|------------|--------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance at the beginning of the Year | - | - | - | - | 20,342,135 |
| New balances during the year | 35,000,000 | - | - | 35,000,000 | - |
| Settled balances | - | - | - | - | (20,342,135) |
| Balance At the End of the Year | 35,000,000 | - | - | 35,000,000 | - |

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

| | December 31 | | | | |
|---|-------------------------|-------------------------|---------|---------|----------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance at beginning of the year | - | - | - | - | 29,274 |
| Expected credit losses for new balances during the year | 181,633 | - | - | 181,633 | - |
| Recovered from credit losses for new balances during the year | - | - | - | - | (29,274) |
| Total Balance At the End of the Year | 181,633 | - | - | 181,633 | - |

8. Direct Credit Facilities - Net

The details of this item are as follows:

| | December 31 | |
|-------------------------------------|----------------------|----------------------|
| | 2023 | 2022 |
| | JD | JD |
| Individuals (retail): | | |
| Overdraft accounts | 2,725,613 | 1,822,681 |
| Loans and bills * | 406,651,229 | 377,894,960 |
| Credit cards | 13,077,518 | 11,511,002 |
| Real estate loans | 328,992,495 | 329,799,397 |
| Corporate : | | |
| Large Corporate | | |
| Overdraft accounts | 194,170,648 | 177,990,289 |
| Loans and bills * | 627,787,105 | 602,776,362 |
| Small and Medium | | |
| Overdraft accounts | 35,131,695 | 34,049,264 |
| Loans and bills * | 145,804,790 | 133,749,424 |
| Government and public sector | 44,314,782 | 30,117,405 |
| Total | 1,798,655,875 | 1,699,710,784 |
| Less: Interest in suspense | (26,865,535) | (24,159,202) |
| Expected credit losses provision | (91,007,603) | (80,278,936) |
| Net Direct Credit Facilities | 1,680,782,737 | 1,595,272,646 |

* Net after deducting interest and commission received in advance of JD 15,454,588 as of December 31, 2023 (JD 14,257,407 as of December 31, 2022).

- Non-performing credit facilities were amounted to JD 106,753,999 which is equivalent to 5.94% of total direct credit facilities as of December 31, 2023 (JD 109,309,465 which is equivalent to 6.43% of total direct credit facilities as of December 31, 2022).
- Non-performing credit facilities after deducting interest in suspense were amounted to JD 81,898,658 as of December 31, 2023 which is equivalent to 4.62% (JD 86,110,168 which is equivalent to 5.14% of total credit facilities balance after deducting interest in suspense as of December 31, 2022).
- Non-performing credit facilities transferred to off statement of financial position items amounted to JD 138,876,608 as at December 31, 2023 (JD 139,384,618 as of December 31, 2022). Noting that these credit facilities are fully covered with the suspended interests and provisions.
- There are no credit facilities granted to, and guaranteed by the Jordanian government as at December 31, 2023 and December 31, 2022.

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

| | Corporates | | | | | Total |
|---|--------------|-------------------|---------------|--------------|------------------------------|---------------|
| | Retail | Real Estate Loans | Corporate | SMEs | Government and Public Sector | |
| | JD | JD | JD | JD | JD | |
| For the Year Ended December 31, 2023 | | | | | | |
| Balance at the beginning of the Year | 391,228,643 | 329,799,397 | 780,766,651 | 167,798,688 | 30,117,405 | 1,699,710,784 |
| New facilities during the year | 93,801,451 | 65,262,063 | 271,695,102 | 55,819,865 | 44,314,782 | 530,893,263 |
| Settled facilities | (62,175,215) | (65,568,081) | (228,400,662) | (41,662,829) | (30,117,405) | (427,924,192) |
| Transferred to stage 1 | - | - | - | - | - | - |
| Transferred to stage 2 | - | - | - | - | - | - |
| Transferred to stage 3 | - | - | - | - | - | - |
| Written off facilities and transferred to off statement of financial position items * | (400,519) | (500,884) | (2,103,338) | (1,019,239) | - | (4,023,980) |
| Foreign exchange adjustments | - | - | - | - | - | - |
| Balance as at the end of the year | 422,454,360 | 328,992,495 | 821,957,753 | 180,936,485 | 44,314,782 | 1,798,655,875 |

| | Corporates | | | | | Total |
|---|--------------|-------------------|---------------|--------------|------------------------------|---------------|
| | Retail | Real Estate Loans | Corporate | SMEs | Government and Public Sector | |
| | JD | JD | JD | JD | JD | |
| For the Year Ended December 31, 2022 | | | | | | |
| Balance at the beginning of the Year | 328,734,151 | 312,679,388 | 620,977,412 | 170,753,060 | 31,531,105 | 1,464,675,116 |
| New facilities during the year | 124,977,698 | 85,775,578 | 295,781,379 | 61,715,622 | - | 568,250,277 |
| Settled facilities | (61,027,411) | (67,205,321) | (129,078,005) | (61,643,134) | (1,413,700) | (320,367,571) |
| Transferred to stage 1 | - | - | - | - | - | - |
| Transferred to stage 2 | - | - | - | - | - | - |
| Transferred to stage 3 | - | - | - | - | - | - |
| Written off facilities and transferred to off statement of financial position items * | (1,455,795) | (1,450,248) | (6,914,135) | (3,026,860) | - | (12,847,038) |
| Foreign exchange adjustments | - | - | - | - | - | - |
| Balance at the beginning of the Year | 391,228,643 | 329,799,397 | 780,766,651 | 167,798,688 | 30,117,405 | 1,699,710,784 |

* Based on the Board of Directors decisions.

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 | |
| For the Year Ended December 31, 2023 | | | | | | |
| Balance at the beginning of the Year | 15,926,747 | 7,787,058 | 47,156,879 | 9,405,312 | 2,940 | 80,278,936 |
| Expected credit loss on new facilities granted during the period | 2,959,806 | 952,131 | 3,476,168 | 2,266,963 | 485,11 | 9,666,652 |
| Recovered of provision for expected credit loss paid | (1,350,189) | (1,421,428) | (2,298,733) | (1,236,382) | - | (6,306,732) |
| Transferred to stage 1 | (8,751) | 123,973 | (39,168) | 82,913 | - | 158,967 |
| Transferred to stage 2 | (26,028) | (136,913) | (26,587) | (283,680) | - | (473,208) |
| Transferred to stage 3 | 34,779 | 12,940 | 65,755 | 200,767 | - | 314,241 |
| Transferred to off statement of financial position | (184,643) | (4,926) | (844,692) | (673,897) | - | (1,708,158) |
| Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year | 2,469,094 | 644,636 | 228,597 | 1,269,999 | - | 4,612,326 |
| Changes resulting from adjustments | (3,031,534) | (2,138,514) | 10,360,306 | (73,021) | (2,940) | 5,114,297 |
| Written off facilities | (53,940) | (241,240) | (224,941) | (3,142) | - | (523,263) |
| Foreign exchange adjustments | (10,837) | - | (69,911) | (45,707) | - | (126,455) |
| Balance as at the end of the year | 16,724,504 | 5,577,717 | 57,783,673 | 10,910,125 | 11,584 | 91,007,603 |

| Redistribution: | | | | | | |
|----------------------------------|------------|-----------|------------|------------|--------|------------|
| Provision on an Individual basis | 16,724,504 | 5,577,717 | 57,783,673 | 10,910,125 | 11,584 | 91,007,603 |
| Provision on a collective basis | - | - | - | - | - | - |
| | 16,724,504 | 5,577,717 | 57,783,673 | 10,910,125 | 11,584 | 91,007,603 |

| | Corporates | | | | | Total |
|---|-------------|-------------------|-------------|-------------|------------------------------|-------------|
| | Retail | Real Estate Loans | Corporate | SMEs | Government and Public Sector | |
| | JD | JD | JD | JD | JD | |
| For the Year Ended December 31, 2022 | | | | | | |
| Balance at the beginning of the Year | 15,811,294 | 8,192,139 | 49,121,082 | 9,738,762 | 77,253 | 82,940,530 |
| Expected credit loss on new facilities granted during the period | 2,113,668 | 599,420 | 2,513,267 | 1,102,577 | - | 6,328,932 |
| Recovered of provision for expected credit loss paid | (1,283,875) | (1,309,677) | (1,159,679) | (1,247,277) | - | (5,000,508) |
| Transferred to stage 1 | 548,135 | 185,378 | (128,074) | (16,959) | - | 588,480 |
| Transferred to stage 2 | (650,364) | (78,867) | (572,769) | (418,497) | - | (1,720,497) |
| Transferred to stage 3 | 102,229 | (106,511) | 700,843 | 435,456 | - | 1,132,017 |
| Transferred to off statement of financial position | (943,262) | (676,550) | (4,367,915) | (1,923,737) | - | (7,911,464) |
| Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year | 1,048,917 | (3,350) | 1,299,581 | 1,003,297 | - | 3,348,445 |
| Changes resulting from adjustments | (784,413) | 1,012,149 | 1,660,296 | 1,000,024 | (74,313) | 2,813,743 |
| Written off facilities | (22,532) | (27,226) | (1,014,227) | (86,020) | - | (1,150,005) |
| Foreign exchange adjustments | (13,050) | 153 | (895,526) | (182,314) | - | (1,090,737) |
| Balance as at the end of the year | 15,926,747 | 7,787,058 | 47,156,879 | 9,405,312 | 2,940 | 80,278,936 |
| Redistribution: | | | | | | |
| Provision on an Individual basis | 15,926,747 | 7,787,058 | 47,156,879 | 9,405,312 | 2,940 | 80,278,936 |
| Provision on a collective basis | - | - | - | - | - | - |
| | 15,926,747 | 7,787,058 | 47,156,879 | 9,405,312 | 2,940 | 80,278,936 |

* Provisions no longer needed resulted from settlements, repayments or transferred against other facilities were amounted to JD 6,306,732 for the year ended December 31, 2023 (JD 5,000,508 for the year ended December 31, 2022).

Suspended Interests

The movement of the suspended interests is as follows:

| | | | Corporates | | Total |
|---|-----------|-------------------|-------------|-----------|-------------|
| | Retail | Real Estate Loans | Corporate | SMEs | |
| | JD | JD | JD | JD | |
| For the Year 2023 | | | | | |
| Balance beginning of the year | 2,863,096 | 2,609,569 | 14,435,104 | 4,251,433 | 24,159,202 |
| Add: Interest suspended during the year | 761,444 | 500,031 | 2,470,230 | 1,607,154 | 5,338,859 |
| Less: Interests transferred to revenue | (133,235) | (295,386) | (103,659) | (244,619) | (776,899) |
| Transferred to stage (1) | 2,196 | 11,977 | 15,525 | 7,558 | 37,256 |
| Transferred to stage (2) | 5,147 | 16,770 | 42,769 | (126,566) | (61,880) |
| Transferred to stage (3) | (7,343) | (28,747) | (58,294) | 119,008 | 24,624 |
| Less: Transferred to off-consolidated statement of financial position | (60,054) | - | (268,873) | (241,679) | (570,606) |
| Less: Written off suspended interests | (101,882) | (254,718) | (764,832) | (100,521) | (1,221,953) |
| Foreign exchange adjustments | (4,355) | - | (4,685) | (54,028) | (63,068) |
| Balance End of the Year | 3,325,014 | 2,559,496 | 15,763,285 | 5,217,740 | 26,865,535 |
| For the Year 2022 | | | | | |
| Balance beginning of the year | 3,006,442 | 3,030,874 | 13,869,994 | 4,142,637 | 24,049,947 |
| Add: Interest suspended during the year | 541,607 | 776,067 | 2,492,773 | 1,498,813 | 5,309,260 |
| Less: Interests transferred to revenue | (178,058) | (428,916) | (334,119) | (169,847) | (1,110,940) |
| Transferred to stage (1) | 11,100 | 19,327 | - | 1,012 | 31,439 |
| Transferred to stage (2) | 9,022 | 36,022 | (536,305) | (91,155) | (582,416) |
| Transferred to stage (3) | (20,122) | (55,349) | 536,305 | 90,143 | 550,977 |
| Less: Transferred to off-consolidated statement of financial position | (327,134) | (545,675) | (1,219,774) | (872,695) | (2,965,278) |
| Less: Written off suspended interests | (162,867) | (222,781) | (312,219) | (144,149) | (842,016) |
| Foreign exchange adjustments | (16,894) | - | (61,551) | (203,326) | (281,771) |
| Balance End of the Year | 2,863,096 | 2,609,569 | 14,435,104 | 4,251,433 | 24,159,202 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|-------------------|--------------------|--------------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Credit rating according to the Bank's internal policy: | | | | | |
| From (1) to (6) | 388,781 | 19,417 | - | 408,198 | 165,222 |
| (7) | - | 2,437 | - | 2,437 | 5,717 |
| From (8) to (10) | - | - | 16,262 | 16,262 | 17,361 |
| un-rated | 398,122,471 | 5,050,177 | 18,854,815 | 422,027,463 | 391,040,343 |
| Total | 398,511,252 | 5,072,031 | 18,871,077 | 422,454,360 | 391,228,643 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|-------------------|--------------------|--------------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance at the beginning of the year | 372,228,081 | 2,359,081 | 16,641,481 | 391,228,643 | 328,734,151 |
| New facilities during the year | 92,562,935 | 370,752 | 867,764 | 93,801,451 | 124,977,698 |
| Settled facilities | (59,857,975) | (677,881) | (1,639,359) | (62,175,215) | (61,027,411) |
| Transferred to stage 1 | 1,040,471 | (990,546) | (49,925) | - | - |
| Transferred to stage 2 | (4,129,102) | 4,153,336 | (24,234) | - | - |
| Transferred to stage 3 | (3,333,158) | (142,711) | 3,475,869 | - | - |
| Written off facilities and transferred to off statement of financial position items | - | - | (400,519) | (400,519) | (1,455,795) |
| Total Balance at the End of the Year | 398,511,252 | 5,072,031 | 18,871,077 | 422,454,360 | 391,228,643 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|-------------|-------------|-------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance at the beginning of the year | 902,250 | 1,343,404 | 13,681,093 | 15,926,747 | 15,811,294 |
| Credit loss on new facilities during the year | 319,952 | 48,580 | 2,591,274 | 2,959,806 | 2,113,668 |
| Recovered from credit loss on paid facilities | (21,403) | (5,901) | (1,322,885) | (1,350,189) | (1,283,875) |
| Transferred to stage 1 | 75,148 | (43,777) | (31,371) | - | - |
| Transferred to stage 2 | (25,130) | 38,322 | (13,192) | - | - |
| Transferred to stage 3 | (58,769) | (20,573) | 79,342 | - | - |
| Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year | (63,457) | 422,361 | 2,110,190 | 2,469,094 | 1,048,917 |
| Changes resulting from adjustments | 23,495 | (1,085,420) | (1,969,609) | (3,031,534) | (784,413) |
| Written off facilities and transferred to off statement of financial position items | - | - | (238,583) | (238,583) | (965,794) |
| Adjustments resulting from changes in exchange rates | - | - | (10,837) | (10,837) | (13,050) |
| Total Balance at the End of the Year | 1,152,086 | 696,996 | 14,875,422 | 16,724,504 | 15,926,747 |

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

| | 2023 | | | | 2022 |
|--|-------------------------|-------------------------|------------|-------------|-------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Credit rating categories according to the Bank's internal policy: | | | | | |
| From (1) to (6) | 29,421,698 | 555,833 | - | 29,977,531 | 26,531,738 |
| (7) | - | 390,563 | - | 390,563 | 583,363 |
| From (8) to (10) | - | - | 1,907,009 | 1,907,009 | 1,479,632 |
| Un-rated | 281,599,955 | 5,885,621 | 9,231,816 | 296,717,392 | 301,204,664 |
| Total | 311,021,653 | 6,832,017 | 11,138,825 | 328,992,495 | 329,799,397 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|-------------|--------------|--------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Gross balance at the beginning of the year | 306,417,601 | 8,807,687 | 14,574,109 | 329,799,397 | 312,679,388 |
| New facilities during the year | 64,543,558 | 168,565 | 549,940 | 65,262,063 | 85,775,578 |
| Settled facilities | (57,256,431) | (1,979,121) | (6,332,529) | (65,568,081) | (67,205,321) |
| Transferred to stage 1 | 3,026,220 | (2,678,066) | (348,154) | - | - |
| Transferred to stage 2 | (4,275,065) | 4,609,223 | (334,158) | - | - |
| Transferred to stage 3 | (1,434,230) | (2,096,271) | 3,530,501 | - | - |
| Written off facilities and transferred to off statement of financial position items | - | - | (500,884) | (500,884) | (1,450,248) |
| Total Balance at the End of the Year | 311,021,653 | 6,832,017 | 11,138,825 | 328,992,495 | 329,799,397 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|-------------|-------------|-------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance at the beginning of the year | 382,887 | 405,263 | 6,998,908 | 7,787,058 | 8,192,139 |
| Credit loss on new facilities during the year | 79,203 | 13,160 | 859,768 | 952,131 | 599,420 |
| Recovered from credit loss on paid facilities | - | - | (1,421,428) | (1,421,428) | (1,309,677) |
| Transferred to stage 1 | 136,852 | (120,043) | (16,809) | - | - |
| Transferred to stage 2 | (8,046) | 38,097 | (30,051) | - | - |
| Transferred to stage 3 | (4,833) | (54,967) | 59,800 | - | - |
| Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year | (131,787) | 181,500 | 594,923 | 644,636 | (3,350) |
| Changes resulting from adjustments | (54,806) | (125,799) | (1,957,909) | (2,138,514) | 1,012,149 |
| Written off facilities and transferred to off statement of financial position items | - | - | (246,166) | (246,166) | (703,776) |
| Adjustments resulting from changes in exchange rates | - | - | - | - | 153 |
| Total Balance at the End of the Year | 399,470 | 337,211 | 4,841,036 | 5,577,717 | 7,787,058 |

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

| | 2023 | | | | 2022 |
|--|-------------------------|-------------------------|-------------------|--------------------|--------------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Credit rating categories according to the Bank's internal policy: | | | | | |
| From (1) to (6) | 586,724,772 | 108,593,605 | - | 695,318,377 | 627,324,172 |
| (7) | - | 11,328,531 | - | 11,328,531 | 10,883,778 |
| From (8) to (10) | - | - | 55,158,231 | 55,158,231 | 60,034,237 |
| Un-rated | 53,967,227 | 416,868 | 5,768,519 | 60,152,614 | 82,524,464 |
| Total | 640,691,999 | 120,339,004 | 60,926,750 | 821,957,753 | 780,766,651 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|-------------------|--------------------|--------------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Gross balance at the beginning of the year | 605,862,477 | 110,495,048 | 64,409,126 | 780,766,651 | 620,977,412 |
| New facilities during the year | 248,770,240 | 18,526,312 | 4,398,550 | 271,695,102 | 295,781,379 |
| Settled facilities | (206,555,990) | (15,924,142) | (5,920,530) | (228,400,662) | (129,078,005) |
| Transferred to stage 1 | 2,976,941 | (2,845,625) | (131,316) | - | - |
| Transferred to stage 2 | (10,361,669) | 10,780,227 | (418,558) | - | - |
| Transferred to stage 3 | - | (692,816) | 692,816 | - | - |
| Written off facilities and transferred to off statement of financial position items | - | - | (2,103,338) | (2,103,338) | (6,914,135) |
| Total Balance at the End of the Year | 640,691,999 | 120,339,004 | 60,926,750 | 821,957,753 | 780,766,651 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|-------------|-------------|-------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance at the beginning of the year | 4,515,530 | 7,106,637 | 35,534,712 | 47,156,879 | 49,121,082 |
| Credit loss on new facilities during the year | 2,195,007 | 923,012 | 358,149 | 3,476,168 | 2,513,267 |
| Recovered from credit loss on paid facilities | (63,302) | (4,471) | (2,230,960) | (2,298,733) | (1,159,679) |
| Transferred to stage 1 | 50,862 | (50,862) | - | - | - |
| Transferred to stage 2 | (90,030) | 118,195 | (28,165) | - | - |
| Transferred to stage 3 | - | (93,920) | 93,920 | - | - |
| Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year | (45,312) | (28,025) | 301,934 | 228,597 | 1,299,581 |
| Changes resulting from adjustments | (1,571,030) | 6,694,072 | 5,237,264 | 10,360,306 | 1,660,296 |
| Written off facilities and transferred to off statement of financial position items | - | - | (1,069,633) | (1,069,633) | (5,382,142) |
| Adjustments resulting from changes in exchange rates | - | - | (69,911) | (69,911) | (895,526) |
| Total Balance at the End of the Year | 4,991,725 | 14,664,638 | 38,127,310 | 57,783,673 | 47,156,879 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|------------|-------------|-------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Credit rating according to the Bank's internal policy: | | | | | |
| From (1) to (6) | 132,220,210 | 4,855,338 | - | 137,075,548 | 125,381,379 |
| (7) | - | 10,868,610 | - | 10,868,610 | 11,098,475 |
| From (8) to (10) | - | - | 12,679,294 | 12,679,294 | 11,187,964 |
| Un-rated | 16,890,542 | 284,438 | 3,138,053 | 20,313,033 | 20,130,870 |
| Total | 149,110,752 | 16,008,386 | 15,817,347 | 180,936,485 | 167,798,688 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|-------------|--------------|--------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Gross balance at the beginning of the year | 133,754,636 | 20,359,303 | 13,684,749 | 167,798,688 | 170,753,060 |
| New facilities during the year | 53,806,099 | 1,098,002 | 915,764 | 55,819,865 | 61,715,622 |
| Settled facilities | (37,558,612) | (2,709,825) | (1,394,392) | (41,662,829) | (61,643,134) |
| Transferred to stage 1 | 3,284,309 | (3,257,447) | (26,862) | - | - |
| Transferred to stage 2 | (2,753,340) | 2,753,340 | - | - | - |
| Transferred to stage 3 | (1,422,340) | (2,234,987) | 3,657,327 | - | - |
| Written off facilities and transferred to off statement of financial position items | - | - | (1,019,239) | (1,019,239) | (3,026,860) |
| Total Balance at the End of the Year | 149,110,752 | 16,008,386 | 15,817,347 | 180,936,485 | 167,798,688 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|-------------|-------------|-------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Gross balance at the beginning of the year | 1,185,144 | 1,322,490 | 6,897,678 | 9,405,312 | 9,738,762 |
| Credit loss on new facilities during the year | 391,931 | 161,923 | 1,713,109 | 2,266,963 | 1,102,577 |
| Recovered from credit loss on paid facilities | (4,809) | (24,967) | (1,206,606) | (1,236,382) | (1,247,277) |
| Transferred to stage 1 | 112,072 | (112,072) | - | - | - |
| Transferred to stage 2 | (11,861) | 11,861 | - | - | - |
| Transferred to stage 3 | (17,298) | (183,469) | 200,767 | - | - |
| Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year | (102,262) | (3,040) | 1,375,301 | 1,269,999 | 1,003,297 |
| Changes resulting from adjustments | (593,008) | 75,350 | 444,637 | (73,021) | 1,000,024 |
| Written off facilities and transferred to off statement of financial position items | - | - | (677,039) | (677,039) | (2,009,757) |
| Adjustments resulting from changes in exchange rates | - | - | (45,707) | (45,707) | (182,314) |
| Total Balance at the End of the Year | 959,909 | 1,248,076 | 8,702,140 | 10,910,125 | 9,405,312 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|---------|------------|------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Credit rating according to the Bank's internal policy: | | | | | |
| From (1) to (6) | 44,314,782 | - | - | 44,314,782 | 30,117,405 |
| Total | 44,314,782 | - | - | 44,314,782 | 30,117,405 |

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

| | 2023 | | | | 2022 |
|--|-------------------------|-------------------------|---------|--------------|-------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Total exposures at the beginning of the year | 30,117,405 | - | - | 30,117,405 | 31,531,105 |
| New exposures during the year | 44,314,782 | - | - | 44,314,782 | - |
| Settled facilities | (30,117,405) | - | - | (30,117,405) | (1,413,700) |
| Total exposures at the ending of the year | 44,314,782 | | | 44,314,782 | 30,117,405 |

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

| | 2023 | | | | 2022 |
|--|-------------------------|-------------------------|---------|---------|----------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance at the beginning of the year | 2,940 | - | - | 2,940 | 77,253 |
| Credit loss on new facilities during the year | 11,584 | - | - | 11,584 | - |
| Changes resulting from adjustments | (2,940) | - | - | (2,940) | (74,313) |
| Total balance of expected credit losses at the end of the year | 11,584 | - | - | 11,584 | 2,940 |

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

| | 2023 | | | | 2022 |
|--|-------------------------|-------------------------|--------------------|----------------------|----------------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Credit rating categories according to the Bank's internal policy: | | | | | |
| From (1) to (6) | 793,070,243 | 114,024,193 | - | 907,094,436 | 779,402,511 |
| (7) | - | 22,590,141 | - | 22,590,141 | 22,571,333 |
| From (8) to (10) | - | - | 69,760,796 | 69,760,796 | 72,719,194 |
| Un-rated | 750,580,195 | 11,637,104 | 36,993,203 | 799,210,502 | 825,017,746 |
| Total | 1,543,650,438 | 148,251,438 | 106,753,999 | 1,798,655,875 | 1,699,710,784 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|--------------------|----------------------|----------------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Gross balance at the beginning of the year | 1,448,380,200 | 142,021,119 | 109,309,465 | 1,699,710,784 | 1,464,675,116 |
| New facilities during the year | 503,997,614 | 20,163,631 | 6,732,018 | 530,893,263 | 568,250,277 |
| Settled facilities | (391,346,413) | (21,290,969) | (15,286,810) | (427,924,192) | (320,367,571) |
| Transferred to stage 1 | 10,327,941 | (9,771,684) | (556,257) | - | - |
| Transferred to stage 2 | (21,519,176) | 22,296,126 | (776,950) | - | - |
| Transferred to stage 3 | (6,189,728) | (5,166,785) | 11,356,513 | - | - |
| Written off facilities and transferred to off statement of financial position items | - | - | (4,023,980) | (4,023,980) | (12,847,038) |
| Total Balance at the End of the Year | 1,543,650,438 | 148,251,438 | 106,753,999 | 1,798,655,875 | 1,699,710,784 |

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

| | 2023 | | | | 2022 |
|---|-------------------------|-------------------------|-------------|-------------|-------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance at the beginning of the year | 6,988,751 | 10,177,794 | 63,112,391 | 80,278,936 | 82,940,530 |
| Credit loss on new facilities during the year | 2,997,677 | 1,146,675 | 5,522,300 | 9,666,652 | 6,328,932 |
| Recovered from credit loss on paid facilities | (89,514) | (35,339) | (6,181,879) | (6,306,732) | (5,000,508) |
| Transferred to stage 1 | 374,934 | (326,754) | (48,180) | - | - |
| Transferred to stage 2 | (135,067) | 206,475 | (71,408) | - | - |
| Transferred to stage 3 | (80,900) | (352,929) | 433,829 | - | - |
| Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year | (342,818) | 572,796 | 4,382,348 | 4,612,326 | 3,348,445 |
| Changes resulting from adjustments | (2,198,289) | 5,558,203 | 1,754,383 | 5,114,297 | 2,813,743 |
| Written off facilities and transferred to off statement of financial position items | - | - | (2,231,421) | (2,231,421) | (9,061,469) |
| Adjustments resulting from changes in exchange rates | - | - | (126,455) | (126,455) | (1,090,737) |
| Total Balance at the End of the Year | 7,514,774 | 16,946,921 | 66,545,908 | 91,007,603 | 80,278,936 |

9. Financial Assets At Fair Value Through Other Comprehensive Income

The details of this item are as follows:

| | December 31 | |
|-----------------|-------------|------------|
| | 2023 | 2022 |
| | JD | JD |
| Quoted shares | 10,128,630 | 10,449,929 |
| Unquoted shares | 29,624,660 | 27,285,721 |
| | 39,753,290 | 37,735,650 |

- Cash dividends for the above-mentioned financial assets were amounted to JD 793,726 for the year ended December 31, 2023 (JD 367,687 for the year ended December 31, 2022).

10. Financial Assets at Amortized Cost - Net

The details of this item are as follows:

| | December 31 | |
|---|-------------|-------------|
| | 2023 | 2022 |
| | JD | JD |
| Governmental treasury bonds and bills | 810,222,305 | 768,028,106 |
| Corporate bonds | 82,503,117 | 103,854,936 |
| | 892,725,422 | 871,883,042 |
| Less: Provision for expected credit losses | (525,633) | (886,110) |
| | 892,199,789 | 870,996,932 |
| Bonds Analysis | | |
| With Fixed rate | 892,725,422 | 871,883,042 |
| Total | 892,725,422 | 871,883,042 |
| Unquoted bonds and bills | 892,725,422 | 871,883,042 |
| Financial Assets at Amortized Cost Analysis according to IFRS 9 (before provision): | | |
| Stage (1) | 892,725,422 | 871,883,042 |
| Total | 892,725,422 | 871,883,042 |

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

| | 2023 | | | | 2022 |
|--|----------------------|----------------------|---------|-------------|-------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Credit rating categories according to the Bank's internal policy: | | | | | |
| Government | 810,222,305 | - | - | 810,222,305 | 768,028,106 |
| Un-rated | 82,503,117 | - | - | 82,503,117 | 103,854,936 |
| Total | 892,725,422 | - | - | 892,725,422 | 871,883,042 |

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

| | 2023 | | | | 2022 |
|--|-------------------------|-------------------------|---------|---------------|---------------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Total balance at the beginning of the year | 871,883,042 | - | - | 871,883,042 | 867,186,788 |
| New investments for the year | 293,750,727 | - | - | 293,750,727 | 193,623,332 |
| Matured investments | (272,908,347) | - | - | (272,908,347) | (188,927,078) |
| Total Balance At the End of the Year | 892,725,422 | - | - | 892,725,422 | 871,883,042 |

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

| | 2023 | | | | 2022 |
|--|-------------------------|-------------------------|---------|-----------|----------|
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Total balance at the beginning of the year | 886,110 | - | - | 886,110 | 936,381 |
| Expected credit losses on new investments for the year | 2,025 | - | - | 2,025 | 4,984 |
| Recovered from credit loss on matured investments | (367,660) | - | - | (367,660) | (7,428) |
| Changes resulting from adjustments | 5,158 | - | - | 5,158 | (47,827) |
| Total Balance At the End of the Year | 525,633 | - | - | 525,633 | 886,110 |

- There are no agreements to repurchase Jordanian treasury bonds with the Central Bank of Jordan as of December 31, 2023, as shown in Note (17/A), in exchange for mortgaging treasury bonds (about 36.6 million dinars for the year 2022).

11. Property, Equipment and Project Under Construction - Net

The details of the following item are as follows:

| | Land | Buildings | Tools, Furniture & Fixtures | Vehicles | Computers | Other | Projects under Construction | Total |
|---------------------------------------|------------|------------|--------------------------------------|-----------|------------|------------|-----------------------------------|-------------|
| | JD | JD | JD | JD | JD | JD | | JD |
| For the year ended December 31, 2023 | | | | | | | | |
| Cost: | | | | | | | | |
| Balance at the beginning of the year | 23,250,855 | 50,295,538 | 25,362,414 | 1,038,077 | 14,351,525 | 11,322,376 | 8,676,396 | 134,297,181 |
| Additions | - | 2,319,009 | 1,267,734 | 69,750 | 1,797,474 | 538,159 | 11,002,346 | 16,994,472 |
| Disposals | (161,570) | (380,475) | (1,478,975) | (48,500) | (88,895) | (339,237) | (2,706,369) | (5,204,021) |
| Balance at the End of the Year | 23,089,285 | 52,234,072 | 25,151,173 | 1,059,327 | 16,060,104 | 11,521,298 | 16,972,373 | 146,087,632 |
| Accumulated Depreciation: | | | | | | | | |
| Balance at the beginning of the year | - | 11,873,080 | 19,235,386 | 686,364 | 12,648,772 | 8,277,861 | - | 52,721,463 |
| Depreciation for the year | - | 934,296 | 1,592,292 | 106,745 | 1,229,818 | 703,439 | - | 4,566,590 |
| Disposals | - | (197,142) | (1,371,289) | (48,500) | (86,955) | (339,236) | - | (2,043,122) |
| Balance at the End of the Year | - | 12,610,234 | 19,456,389 | 744,609 | 13,791,635 | 8,642,064 | - | 55,244,931 |
| Net Book Value at the End of the Year | 23,089,285 | 39,623,838 | 5,694,784 | 314,718 | 2,268,469 | 2,879,234 | 16,972,373 | 90,842,701 |

| | Land | Buildings | Tools, Furniture & Fixtures | Vehicles | Computers | Other | Projects under Construction | Total |
|---------------------------------------|------------|------------|--------------------------------------|-----------|------------|------------|-----------------------------------|-------------|
| | JD | JD | JD | JD | JD | JD | | JD |
| For the year ended December 31, 2022 | | | | | | | | |
| Cost: | | | | | | | | |
| Balance at the beginning of the year | 23,250,855 | 50,295,538 | 27,265,674 | 1,030,190 | 14,091,951 | 10,866,234 | 4,083,984 | 130,884,426 |
| Additions | - | - | 820,984 | 204,534 | 983,036 | 599,538 | 5,086,357 | 7,694,449 |
| Disposals | - | - | (2,724,244) | (196,647) | (723,462) | (143,396) | (493,945) | (4,281,694) |
| Balance at the End of the Year | 23,250,855 | 50,295,538 | 25,362,414 | 1,038,077 | 14,351,525 | 11,322,376 | 8,676,396 | 134,297,181 |
| Accumulated Depreciation: | | | | | | | | |
| Balance at the beginning of the year | - | 10,938,634 | 20,295,461 | 765,667 | 12,059,368 | 7,734,708 | - | 51,793,838 |
| Depreciation for the year | - | 934,446 | 1,616,486 | 117,333 | 1,309,303 | 686,546 | - | 4,664,114 |
| Disposals | - | - | (2,676,561) | (196,636) | (719,899) | (143,393) | - | (3,736,489) |
| Balance at the End of the Year | - | 11,873,080 | 19,235,386 | 686,364 | 12,648,772 | 8,277,861 | - | 52,721,463 |
| Net Book Value at the End of the Year | 23,250,855 | 38,422,458 | 6,127,028 | 351,713 | 1,702,753 | 3,044,515 | 8,676,396 | 81,575,718 |
| Annual Depreciation Rate % | - | 2 | 10 - 20 | 15 | 30 | 15-20 | - | - |

* Fully depreciated property and equipment amounted to JD 30,599,328 as of December 31, 2023 (JD 29,253,712 as of December 31, 2022) and are still being used by the Bank.

12. Intangible Assets - Net

The details of this item are as follows:

| | December 31 | |
|--------------------------------------|-------------|-------------|
| | 2023 | 2022 |
| | JD | JD |
| Balance at the beginning of the year | 4,928,612 | 7,586,755 |
| Additions | 1,264,448 | 1,564,640 |
| Amortization for the year | (3,680,527) | (4,222,783) |
| Balance at the End of the Year | 2,512,533 | 4,928,612 |
| Annual Amortization Rate | 14% - 33% | 14% - 33% |

13. Other Assets

The details of the following item are as follows:

| | December 31 | |
|--|-------------|-------------|
| | 2023 | 2022 |
| | JD | JD |
| Seized of assets by the Bank against debts* | 71,853,453 | 81,285,040 |
| Accrued interest and commissions | 25,477,173 | 19,780,154 |
| Checks and transfers under collection | 4,686,219 | 1,698,629 |
| Seized assets sold through installments - net ** | 12,246,498 | 13,540,517 |
| Prepaid expenses | 4,300,639 | 4,344,359 |
| Various debtors | 6,255,762 | 2,265,354 |
| Prepaid rent | 1,449,866 | 1,496,033 |
| Refundable deposits - Net | 416,811 | 363,411 |
| Temporary advances | 1,731,400 | 1,265,114 |
| Other | 82,624 | 125,063 |
| Total | 128,500,445 | 126,163,674 |

* 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. In accordance with the circular of the Central Bank of Jordan NO. 10/3/16234 dated October 10, 2022, the gradual provision for the seized assets was suspended, provided that the allocated provisions for the expropriated real estate in violation of the provisions of the Banking Law are maintained, and only the allocated provision is released against any of the violating real estate that are disposed of.

** A provision of JOD 915,000 was booked against the liability for a property sold in installments, as there is a claim against the client.

* The movement on assets seized by the Bank against debts is as follows:

| | December 31 | |
|--|--------------|--------------|
| | 2023 | 2022 |
| | JD | JD |
| Balance Beginning of the Year | 81,285,040 | 89,012,597 |
| Additions | 5,801,385 | 3,064,873 |
| Disposals * | (21,509,861) | (10,565,894) |
| Impairment loss | - | (53,072) |
| Recovered Impairment loss | 600,000 | - |
| Sold real estate impairment provision used | 621,904 | 127,275 |
| Provision for slod breached asset used | 5,596,985 | 9,261 |
| Provision for breached asset | (542,000) | (310,000) |
| Balance End of the Year | 71,853,453 | 81,285,040 |

* Sale loss during the year 2023 amounted to around JOD 114 thousand (JOD 713 thousand profit during the year 2022).

** Movement on the impairment on breached assets seized by the Bank is as follows:

| | December 31 | |
|--|-------------|------------|
| | 2023 | 2022 |
| | JD | JD |
| Balance Beginning of the Year | 10,759,641 | 10,458,902 |
| Impairment loss for the year | 542,000 | 310,000 |
| Recovered from sold seized assets for the year | (5,596,985) | (9,261) |
| Balance End of the Year | 5,704,656 | 10,759,641 |

14. Banks and Financial Institutions' Deposits

The details of the following item are as follows:

| | 2023 | | | 2022 | | |
|---------------------------|---------------|----------------|-------------|---------------|----------------|-------------|
| | Inside Jordan | Outside Jordan | Total | Inside Jordan | Outside Jordan | Total |
| | JD | JD | JD | JD | JD | JD |
| Current and call accounts | 106,290 | 4,867,970 | 4,974,260 | 135,741 | 5,541,777 | 5,677,518 |
| Time deposits | 51,543,892 | 78,516,783 | 130,060,675 | 50,423,344 | 60,777,897 | 111,201,241 |
| Total | 51,650,182 | 83,384,753 | 135,034,935 | 50,559,085 | 66,319,674 | 116,878,759 |

• There are banks and financial institutions deposits maturing within a period exceeding three months amounted to JD 12,682,042 as at 31 December 2023 (JD 984,377 as of 31 December 2022).

15. 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, 2023 | | | | | |
| Current and demand accounts | 159,964,974 | 137,263,803 | 152,541,779 | 15,079,637 | 464,850,193 |
| Saving accounts | 236,590,945 | - | - | - | 236,590,945 |
| Time and notice deposits | 807,685,340 | 341,029,732 | 208,132,351 | 150,313,322 | 1,507,160,745 |
| Total | 1,204,241,259 | 478,293,535 | 360,674,130 | 165,392,959 | 2,208,601,883 |
| For the Year Ended December 31, 2022 | | | | | |
| Current and demand accounts | 180,293,112 | 132,625,660 | 144,857,694 | 17,133,152 | 474,909,618 |
| Saving accounts | 258,785,941 | - | - | - | 258,785,941 |
| Time and notice deposits | 689,730,412 | 280,372,599 | 179,238,838 | 144,621,058 | 1,293,962,907 |
| Total | 1,128,809,465 | 412,998,259 | 324,096,532 | 161,754,210 | 2,027,658,466 |

- Public sectors and the government of Jordan deposits inside the Kingdom amounted to JD 158,772,054 representing 7.19% of total customers' deposits as at 31 December 2023 (JD 154,107,292 representing 7.6% of total customers' deposits as at 31 December 2022).
- Non-interest-bearing deposits amounted to JD 594,315,740 representing 26.91% of total customers' deposits as at 31 December 2023 (JD 508,300,243 representing 25.07% of total customers' deposits as at 31 December 2022).
- Reserved deposits (restricted withdrawal) amounted to JD 2,952,509 representing 0.13% of total customers' deposits of as at 31 December 2023 (JD 4,085,852 representing 0.20% of total customers' deposits as at 31 December 2022).
- Dormant deposits amounted to JD 21,382,573 representing 0.97% of total customers' deposits as of 31 December 2023 (JD 39,207,816 representing 1.93% of total customers deposits as of 31 December 2022).

16. Margin Accounts

The details of the following item are as follows:

| | December 31 | |
|--|-------------|-------------|
| | 2023 | 2022 |
| | JD | JD |
| Cash margins on direct credit facilities | 271,534,091 | 277,499,182 |
| Cash margins on indirect credit facilities | 52,191,384 | 34,506,044 |
| Other margin amount | 20,753,018 | 17,868,130 |
| Total | 344,478,493 | 329,873,356 |

17. Borrowed Funds

17/A. Borrowed Funds

The details of the following item are as follows:

| | No. of Installments | | | Payment frequency | Collaterals | Interest Rate | Relending interest rate |
|--|---------------------|-------|-------------|---|-------------|---------------|-------------------------|
| | Amount | Total | Outstanding | | | | |
| | JD | | | | | | |
| December 31, 2023 | | | | | | | |
| Central Bank of Jordan | 1,600,000 | 20 | 8 | Semi- annually | None | 5/64 | 9/13 |
| Central Bank of Jordan | 1,498,250 | 20 | 13 | Semi- annually | None | 5/69 | 9/26 |
| Central Bank of Jordan | 243,000 | 15 | 2 | Semi- annually | None | 2/5 | 12 |
| Central Bank of Jordan | 2,003,333 | 34 | 31 | Semi- annually | None | 3 | 8/646 |
| Central Bank of Jordan | 1,110,598 | 26 | 22 | Semi- annually | None | 5/18 | 6/077 |
| Central Bank of Jordan | 50,682,169 | - | - | Renewed monthly | None | - | 4/5 |
| Jordan Mortgage Refinance Company | 35,000,000 | 1 | 1 | one payment | None | 4/5 | 4/5 -8/5 |
| Local Bank (loan to a Subsidiary) | 2,583,333 | 24 | 22 | 24Monthly installments effective from the withdrawal date | None | 6/75 | 9/75 |
| Local Bank (loan to a Subsidiary) | 16,208,324 | 24 | 22 | 24Monthly installments effective from the withdrawal date | None | 4/75 -7/125 | 9/75 |
| Local Bank (loan to a Subsidiary) | 18,033,336 | 24 | 24 | 24Monthly installments effective from the withdrawal date | None | 4/75 -7/25 | 9/75 |
| Local Bank (loan to a Subsidiary) | 6,708,333 | 24 | 24 | 24Monthly installments effective from the withdrawal date | None | 7/3 -7/5 | 9/75 |
| Jordan Mortgage Refinance Company (loan to a Subsidiary) | 18,000,000 | 4 | 4 | 3/23/2025+1/30/2025+7/1/2024+9/26/2024 | None | 4/75 - 5/2 | 9/75 |
| Local Bank (loan to a Subsidiary) | 177,740 | - | - | 42Monthly installments effective from the withdrawal date | None | 6/5 | 15 - 18 |
| Local Bank (loan to a Subsidiary) | 2,896,629 | - | - | 36Monthly installments effective from the withdrawal date | None | 4/75 | 15 - 18 |
| Local Bank (loan to a Subsidiary) | 281,660 | - | - | 60Monthly installments effective from the withdrawal date | None | 6/7 | 15 - 18 |
| Local Bank (loan to a Subsidiary) | 5,400,000 | - | - | 60Monthly installments effective from the withdrawal date | None | 4/75 | 15 - 18 |
| Central Bank of Jordan (loan to a Subsidiary) | 1,739,837 | - | - | Semi- annually | None | - | 9 |
| Total | 164,166,542 | | | | | | |

| | No. of Installments | | | Payment frequency | Collaterals | Interest Rate | Relending interest rate |
|--|---------------------|-------|-------------|---|-------------------------|---------------|-------------------------|
| | Amount | Total | Outstanding | | | | |
| | JD | | | | | % | % |
| December 31, 2022 | | | | | | | |
| Central Bank of Jordan | 2,000,000 | 20 | 9 | Semi- annually | None | 5/65 | 9/81 |
| Central Bank of Jordan | 1,479,928 | 34 | 33 | Semi- annually | None | 3 | 8/85 |
| Central Bank of Jordan | 621,000 | 15 | 2 | Semi- annually | None | 2/5 | 9/89 |
| Central Bank of Jordan | 1,728,750 | 20 | 14 | Semi- annually | None | 5/69 | 9/93 |
| Central Bank of Jordan | 1,216,370 | 26 | 23 | Semi- annually | None | 3/42 | 4/07 |
| Central Bank of Jordan | 35,181,396 | - | - | Renewed monthly | None | - | 3/8 |
| Central Bank of Jordan (Repurchase treasury bills agreement) | 37,202,381 | - | - | Depends on the maturity of each agreement | treasury bills mortgage | 2 | - |
| Jordan Mortgage Refinance Company | 35,000,000 | 1 | 1 | one payment | None | 4/5 | 4/5 -8/5 |
| Local Bank (loan to a Subsidiary) | 5,833,333 | 24 | 19 | 24Monthly installments effective from the withdrawal date | None | 6/5 | 9/75 |
| Local Bank (loan to a Subsidiary) | 4,375,001 | 24 | 22 | 24Monthly installments effective from the withdrawal date | None | 6/25 | 9/75 |
| Local Bank (loan to a Subsidiary) | 4,734,006 | 24 | 16 | 24Monthly installments effective from the withdrawal date | None | 5/9 | 9/75 |
| Jordan Mortgage Refinance Company (loan to a Subsidiary) | 30,500,000 | 7 | 7 | 5/3/2023+3/23/2025+1/30/2025+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) | 2,516,134 | - | - | 36Monthly installments effective from the withdrawal date | None | 5/75 | 15 - 18 |
| Local Bank (loan to a Subsidiary) | 486,112 | - | - | 36Monthly installments effective from the withdrawal date | None | 6 | 15 - 18 |
| Local Bank (loan to a Subsidiary) | 244,822 | - | - | 36Monthly installments effective from the withdrawal date | None | 3/75 | 15 - 18 |
| Central Bank of Jordan (loan to a Subsidiary) | 1,508,942 | - | - | Semi- annually | None | - | 9 |
| Total | 164,628,175 | | | | | | |

• Loans with fixed-interest rates amounted to JD 164,166,542 as at December 31, 2023 (December 31, 2022 JD 164,628,175).

• The loans that were regranting to the clients (except the repurchase agreements) JD 163,003,620 as at December 31, 2023 (December 31, 2022: JD 120,195,235)

17/B.Subordinated Loan

The details of the following item are as follows:

| | No. of issued bonds | | Maturity Date | Collaterals | Interest Rate | |
|---|---------------------|-------|---------------|-------------------|---------------|--------|
| | Amount | Total | | | | |
| | JD | | | | | |
| 2023 | | | | | | |
| Inconvertible subordinated bond to shares | 20,000,000 | 200 | - | November 13, 2029 | - | 10.25% |
| 2022 | | | | | | |
| Inconvertible subordinated bond to shares | 20,000,000 | 200 | - | November 13, 2029 | - | 7.5% |

- During the year 2022, the Bank issued subordinated bond with inconvertible nominal amount to stocks for 7 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 1,75% paid semi-annually and matured in 13 November 2029, and 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, during the year 2022 this bond was closed and replaced with new bonds issued during the year 2022.

18. 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 |
| 2023 | | | | |
| Provision for end of service indemnity | 3,635,759 | 415,276 | (467,617) | 3,583,418 |
| Provision for legal claims against the Bank | 253,424 | 126,791 | (64,666) | 315,549 |
| Other provisions | 1,252,587 | 135,000 | (634,552) | 753,035 |
| Total | 5,141,770 | 677,067 | (1,166,835) | 4,652,002 |
| 2022 | | | | |
| Provision for end of service indemnity | 3,183,799 | 522,533 | (70,573) | 3,635,759 |
| Provision for legal claims against the Bank | 290,601 | - | (37,177) | 253,424 |
| Other provisions | 211,282 | 1,315,500 | (274,195) | 1,252,587 |
| Total | 3,685,682 | 1,838,033 | (381,945) | 5,141,770 |

19. Income Tax

a. Income Tax Provision

The details for this item during the year are as follows:

| | 2023 | 2022 |
|--------------------------------------|--------------|--------------|
| | JD | JD |
| Balance at the beginning of the year | 10,871,837 | 10,398,470 |
| Income tax paid | (11,954,352) | (11,449,421) |
| Income tax for the year | 14,304,520 | 11,922,788 |
| Balance at the end of the year | 13,222,005 | 10,871,837 |

Income tax in the consolidated statement of profit or loss represents the following:

| | 2023 | 2022 |
|--|-------------|------------|
| | JD | JD |
| Accrued income tax on the year's profit | 14,304,520 | 11,922,788 |
| Deferred tax assets for the year | (3,238,658) | (675,796) |
| Amortization of deferred tax assets for the year | 2,513,770 | 202,597 |
| | 13,579,632 | 11,449,589 |

b. Deferred Tax Assets

Details of the following item are as follows:

| | December 31, 2023 | | | | | December 31, 2022 |
|--|-------------------|------------------|-----------|------------------|--------------|-------------------|
| | Beginning Balance | Amounts released | Additions | Year-end balance | Deferred Tax | Deferred Tax |
| Accounts included | JD | JD | JD | JD | JD | JD |
| Prior years' provision for non-performing loans | 1,657,698 | 205,463 | - | 1,452,235 | 388,098 | 443,006 |
| Interest in suspense | 1,797,727 | 29,688 | - | 1,768,039 | 472,493 | 480,428 |
| Provision for impairment in real estate and land | 11,449,641 | 5,596,985 | 542,000 | 6,394,656 | 2,429,968 | 4,350,864 |
| Fair value reserve | 8,585,096 | 2,564,071 | 1,224,711 | 7,245,736 | 2,376,356 | 2,713,807 |
| Provision for lawsuits | 253,424 | 64,666 | 126,791 | 315,549 | 110,241 | 91,458 |
| Provision for end-of-service indemnity | 3,480,177 | 467,617 | 415,277 | 3,427,837 | 944,196 | 987,768 |
| IFRS (9) provision stage (1 and 2) | 18,280,377 | 365,000 | 7,558,193 | 25,473,570 | 9,679,956 | 6,946,542 |
| Total | 45,504,140 | 9,293,490 | 9,866,972 | 46,077,622 | 16,401,308 | 16,013,873 |

The movement on the deferred tax assets accounts is as follows:

| | Deferred tax assets | |
|---------------------------|---------------------|------------|
| | 2023 | 2022 |
| | JD | JD |
| Balance Beginning of Year | 16,013,873 | 15,268,775 |
| Additions | 3,535,298 | 995,799 |
| Amortized | (3,147,863) | (250,701) |
| Total | 16,401,308 | 16,013,873 |

c. Summary of the reconciliation of accounting income to taxable income:

| | December 31 | |
|---------------------------|--------------|-------------|
| | 2023 | 2022 |
| | JD | JD |
| Accounting profit | 32,172,116 | 28,349,431 |
| Non-taxable profit | (13,491,575) | (4,320,924) |
| Non-deductible expenses | 13,863,785 | 8,117,606 |
| Taxable profit | 32,544,326 | 32,146,113 |
| Effective income tax rate | 44.00% | 37.10% |

- 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 2020 for Jordan Branches.
- Financial years 2021 and 2022 : Tax return was submitted However, the Income and Sales Tax Department did not review the records yet.
- A final tax settlement has been reached with the income tax and value-added tax for Palestine branches up to the year 2020, years 2021 and 2022 are still under the review of the tax department.
- 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 2021, tax return was submitted for the year 2022. 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 2022.
- Ahli Microfinance Company (subsidiary) – reached to a final settlement with the Income and Sales Tax Department for the year 2020 and 2022, tax return was submitted for the years 2021 . 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 2022.

Income tax rates are as follows:

| | December 31 | |
|---|-------------|---------|
| | 2023 | 2022 |
| Income tax and national Contribution tax rate | | |
| Jordan Branches | 38% | 38% |
| Palestine Branches | 28.79% | 28.79% |
| Cyprus Branch | 12.5% | 12.5% |
| Subsidiaries | 24%-28% | 24%-28% |

20. Other Liabilities**The details of this item are as follows:**

| | December 31 | |
|---|-------------------|-------------------|
| | 2023 | 2022 |
| | JD | JD |
| Deferred checks and transfer | 5,063,150 | 6,081,458 |
| Accounts payable to financial brokerage customers | 570,819 | 729,696 |
| Accrued interests | 15,376,579 | 10,256,858 |
| Temporary deposits | 7,457,661 | 7,994,442 |
| Various creditors | 1,821,897 | 2,099,160 |
| Accrued expenses | 7,478,068 | 9,537,726 |
| Interest and commissions received in advance | 2,759,336 | 2,492,008 |
| Dividends checks - delayed in payment | 1,270,493 | 1,251,118 |
| Board of directors' remuneration | 73,834 | 68,834 |
| Provision for expected credit losses on indirect credit facilities and unutilized facilities limits * | 6,270,446 | 6,110,541 |
| Others | 343,344 | 13,589 |
| Total | 48,485,627 | 46,635,430 |

*The classification of gross balance for indirect facilities according to the Group's internal credit rating is as follows:

| | December 31 | | | | |
|--------------------------------|-------------------------|-------------------------|-----------|-------------|-------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| From 1 to 6 | 819,330,251 | 5,820,740 | - | 825,150,991 | 768,058,277 |
| 7 | - | 5,319,796 | - | 5,319,796 | 2,813,627 |
| From 8 to 10 | - | - | 1,535,085 | 1,535,085 | 1,571,077 |
| Un-rated | 32,206,861 | 1,630,232 | 1,026,569 | 34,863,662 | 38,765,184 |
| Balance at the End of the year | 851,537,112 | 12,770,768 | 2,561,654 | 866,869,534 | 811,208,165 |

* The movement on gross indirect facilities is as follows:

| | December 31 | | | | |
|---------------------------------|-------------------------|-------------------------|-----------|---------------|---------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance - beginning of the year | 790,717,211 | 17,737,863 | 2,753,091 | 811,208,165 | 770,650,635 |
| New facilities for the year | 267,331,009 | 2,328,056 | 16,246 | 269,675,311 | 275,894,593 |
| Settled facilities | (204,802,478) | (9,057,134) | (154,330) | (214,013,942) | (235,337,063) |
| Transferred to stage (1) | 844,556 | (784,556) | (60,000) | - | - |
| Transferred to stage (2) | (2,551,139) | 2,576,139 | (25,000) | - | - |
| Transferred to stage (3) | (2,047) | (29,600) | 31,647 | - | - |
| Balance at the End of the year | 851,537,112 | 12,770,768 | 2,561,654 | 866,869,534 | 811,208,165 |

* The movement on the provision for expected credit losses for the indirect credit facilities during the year is as follows:

| | December 31 | | | | |
|---|-------------------------|-------------------------|-----------|-------------|-------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance - beginning of the year | 3,765,519 | 1,286,832 | 1,058,190 | 6,110,541 | 6,185,918 |
| Expected credit losses on new exposures | 1,661,043 | 34,086 | 12,347 | 1,707,476 | 1,234,230 |
| Recovered from the impairment loss on the paid facilities | (23,908) | (3,858) | - | (27,766) | (1,446,825) |
| Transferred to stage (1) | 15,696 | (15,696) | - | - | - |
| Transferred to stage (2) | (7,562) | 7,562 | - | - | - |
| Transferred to stage (3) | (5) | (2,198) | 2,203 | - | - |
| Effect on provision-resulting from reclassification among Three stages for the year | (6,931) | 17,859 | 19,893 | 30,821 | 162,238 |
| Changes resulted from adjustments | (1,483,854) | (32,329) | (34,443) | (1,550,626) | (25,020) |
| Balance at the End of the year | 3,919,998 | 1,292,258 | 1,058,190 | 6,270,446 | 6,110,541 |

* The classification of gross balance for letters of guarantees according to the Group's internal credit rating is as follows:

| | December 31 | | | | |
|--------------|-------------------------|-------------------------|-----------|-------------|-------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| From 1 to 6 | 310,766,395 | 3,772,178 | - | 314,538,573 | 266,690,346 |
| 7 | - | 5,089,570 | - | 5,089,570 | 2,451,169 |
| From 8 to 10 | - | - | 1,535,085 | 1,535,085 | 1,571,077 |
| Un-rated | 1,031,145 | 633,090 | 1,026,569 | 2,690,804 | 9,514,036 |
| Total | 311,797,540 | 9,494,838 | 2,561,654 | 323,854,032 | 280,226,628 |

*The movement on letters of guarantees is as follows:

| | December 31 | | | | |
|---------------------------------|-------------------------|-------------------------|-----------|--------------|--------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance - beginning of the year | 267,740,249 | 9,733,288 | 2,753,091 | 280,226,628 | 240,856,363 |
| New facilities during the year | 82,255,795 | 274,803 | 16,246 | 82,546,844 | 74,612,349 |
| Settled facilities | (37,108,147) | (1,659,010) | (152,283) | (38,919,440) | (35,242,084) |
| Transferred to stage 1 | 657,504 | (597,504) | (60,000) | - | - |
| Transferred to stage 2 | (1,747,861) | 1,772,861 | (25,000) | - | - |
| Transferred to stage 3 | - | (29,600) | 29,600 | - | - |
| Balance at the end of the year | 311,797,540 | 9,494,838 | 2,561,654 | 323,854,032 | 280,226,628 |

* The movement on the provision for expected credit losses for letters of guarantees is as follows:

| | December 31 | | | | |
|--|-------------------------|-------------------------|-----------|-----------|-----------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance - beginning of the year | 1,704,286 | 1,086,359 | 1,058,190 | 3,848,835 | 3,901,294 |
| ECL for new facilities during the year | 703,762 | 4,080 | 12,347 | 720,189 | 537,902 |
| Recoveries from ECL related to settled facilities | (1,643) | - | - | (1,643) | (389,701) |
| Transferred to stage 1 | 14,282 | (14,282) | - | - | - |
| Transferred to stage 2 | (6,513) | 6,513 | - | - | - |
| Transferred to stage 3 | - | (2,198) | 2,198 | - | - |
| Effect on provision-resulting from reclassification among three stages during the year | (11,429) | 22,248 | 19,898 | 30,717 | 171,930 |
| Changes resulting from adjustments | (845,427) | (44,623) | (34,443) | (924,493) | (372,590) |
| Balance at the end of the year | 1,557,318 | 1,058,097 | 1,058,190 | 3,673,605 | 3,848,835 |

*The classification of gross balance for letters of credits according to the Group's internal credit rating is as follows:

| | December 31 | | | | |
|--------------|-------------------------|-------------------------|----------|--------------------|-------------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| From 1 to 6 | 100,080,113 | 25,795 | - | 100,105,908 | 89,442,354 |
| 7 | - | 70,900 | - | 70,900 | 135,589 |
| From 8 to 10 | - | - | - | - | - |
| Un-rated | - | 606,287 | - | 606,287 | 6,852,480 |
| Total | 100,080,113 | 702,982 | - | 100,783,095 | 96,430,423 |

** The movement on letters of credits is as follows:"

| | December 31 | | | | |
|---------------------------------------|-------------------------|-------------------------|----------|--------------------|-------------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance - beginning of the year | 90,586,383 | 5,844,040 | - | 96,430,423 | 87,692,004 |
| New facilities during the year | 46,013,732 | 603,279 | - | 46,617,011 | 42,580,586 |
| Settled facilities | (36,520,002) | (5,744,337) | - | (42,264,339) | (33,842,167) |
| Transferred to stage 1 | - | - | - | - | - |
| Transferred to stage 2 | - | - | - | - | - |
| Transferred to stage 3 | - | - | - | - | - |
| Balance at the end of the year | 100,080,113 | 702,982 | - | 100,783,095 | 96,430,423 |

*The movement on the provision for expected credit losses for letters of credits is as follows:

| | December 31 | | | | |
|--|-------------------------|-------------------------|---------|----------|-----------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance - beginning of the year | 403,207 | 34,604 | - | 437,811 | 436,591 |
| ECL for new facilities during the year | 218,200 | 274 | - | 218,474 | 172,151 |
| Recoveries from ECL related to settled facilities | (954) | - | - | (954) | (178,451) |
| Transferred to stage 1 | - | - | - | - | - |
| Transferred to stage 2 | - | - | - | - | - |
| Transferred to stage 3 | - | - | - | - | - |
| "Effect on provision-resulting from reclassification among three stages during the year" | 4,464 | (7,826) | - | (3,362) | 27 |
| Changes resulting from adjustments | (10,259) | - | - | (10,259) | 7,493 |
| Balance at the end of the year | 614,658 | 27,052 | - | 641,710 | 437,811 |

* The classification of gross balance for unutilized facilities limits according to the Group's internal credit rating is as follows:

| | December 31 | | | | |
|--------------|-------------------------|-------------------------|---------|-------------|-------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| From 1 to 6 | 408,483,743 | 2,022,767 | - | 410,506,510 | 411,925,577 |
| 7 | - | 159,326 | - | 159,326 | 226,869 |
| From 8 to 10 | - | - | - | - | - |
| Un-rated | 31,175,716 | 390,855 | - | 31,566,571 | 22,398,668 |
| Total | 439,659,459 | 2,572,948 | - | 442,232,407 | 434,551,114 |

* The movement on unutilized facilities limits is as follows:

| | December 31 | | | | |
|---------------------------------|-------------------------|-------------------------|---------|---------------|---------------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance - beginning of the year | 432,390,579 | 2,160,535 | - | 434,551,114 | 442,102,268 |
| New exposures during the year | 139,061,482 | 1,449,974 | - | 140,511,456 | 158,701,658 |
| Re-paid/derecognized facilities | (131,174,329) | (1,653,787) | (2,047) | (132,830,163) | (166,252,812) |
| Transferred to stage 1 | 187,052 | (187,052) | - | - | - |
| Transferred to stage 2 | (803,278) | 803,278 | - | - | - |
| Transferred to stage 3 | (2,047) | - | 2,047 | - | - |
| Balance at the end of the year | 439,659,459 | 2,572,948 | - | 442,232,407 | 434,551,114 |

* The movement on the provision for expected credit losses for unutilized limits is as follows:

| | December 31 | | | | |
|--|-------------------------|-------------------------|---------|-----------|-----------|
| | 2023 | | | | 2022 |
| | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | JD | JD | JD | JD | JD |
| Balance - beginning of the year | 1,658,026 | 165,869 | - | 1,823,895 | 1,848,033 |
| ECL for new facilities during the year | 739,081 | 29,732 | - | 768,813 | 524,177 |
| Recoveries from ECL related to settled facilities | (21,311) | (3,858) | - | (25,169) | (878,673) |
| Transferred to stage 1 | 1,414 | (1,414) | - | - | - |
| Transferred to stage 2 | (1,049) | 1,049 | - | - | - |
| Transferred to stage 3 | (5) | - | 5 | - | - |
| Effect on provision-resulting from reclassification among three stages during the year | 34 | 3,437 | (5) | 3,466 | (9,719) |
| Changes resulting from adjustments | (628,168) | 12,294 | - | (615,874) | 340,077 |
| Balance at the end of the year | 1,748,022 | 207,109 | - | 1,955,131 | 1,823,895 |

21. Paid-up Capital

The bank's authorized and paid in capital amounted to JD 200,655,000 divided into 200,655,000 shares of one Jordanian Dinar each as at 31 December 2023 and 31 December 2022.

22. Reserves

The details of the reserves as of December 31, 2023 and 2022 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 |
|-------------------------------|-------------|-------------|---|
| | 2023 | 2022 | |
| | JD | JD | |
| Statutory Reserve | 70,592,981 | 67,779,725 | Banking law and corporate law. |
| Fair Value Reserve | (4,869,383) | (5,871,290) | Central bank of Jordan and Securities Commission. |
| Periodic Fluctuations Reserve | 3,678,559 | 3,678,559 | Palestinian Monetary Authority instructions. |

23. Fair Value Reserve - Net

Details of this item are as follows:

| | December 31 | |
|---|-------------|-------------|
| | 2023 | 2022 |
| | JD | JD |
| Balance at the beginning of the year | (5,871,290) | (5,645,628) |
| Shares sold | 27,998 | - |
| Net realized profit transferred to the OCI statement | 297,780 | 311,428 |
| Net unrealized profit (losses) transferred to the OCI statement | 1,013,580 | (808,988) |
| Deferred tax assets | (337,451) | 271,898 |
| Balance at the end of the period/ year | (4,869,383) | (5,871,290) |

24. Retained Earning and Distributed Dividends and Recommended for Distribution

Details of this item are as follows:

| | December 31 | |
|---|--------------|--------------|
| | 2023 | 2022 |
| | JD | JD |
| Balance at the beginning of the year | 48,344,197 | 48,061,337 |
| Profit for the year | 18,592,484 | 16,899,842 |
| Loss from sale of financial assets at fair value through other comprehensive income | (42,633) | - |
| Distributed Dividends | (16,052,400) | (14,045,850) |
| (Transferred) to reserves | (2,813,256) | (2,571,132) |
| Balance at the end of the year | 48,028,392 | 48,344,197 |

The use of an amount of JD 14,024,952 as of December 31, 2023 (JD 13,300,066 as of December 31, 2022) is restricted and constitute of deffered tax assets, 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 8% of the paid in capital as cash dividends equivalent of JD 16,052 million of the retained earnings to the shareholders as profits for the year 2023, the dividends is subject to Central Bank of Jordan and General Assembly approval, the dividends for the year 2022 was 8% amounted to JD 16,052 Million.

25. Interest Income

Details of this item are as follows:

| | 2023 | 2022 |
|---|-------------|-------------|
| | JD | JD |
| Direct Credit Facilities: | | |
| Individuals (Retail) | | |
| Overdrafts | 172,132 | 204,486 |
| Loans and bills | 39,294,211 | 28,304,172 |
| Credit cards | 1,931,767 | 1,706,118 |
| Real estate mortgages | 24,119,647 | 18,413,831 |
| Corporate | | |
| Overdrafts | 15,791,913 | 9,529,227 |
| Loans and bills | 49,084,697 | 39,878,293 |
| Small and medium enterprises lending | | |
| Overdrafts | 3,337,156 | 2,879,064 |
| Loans and bills | 15,775,617 | 13,825,689 |
| Public and governmental sectors | 2,210,435 | 1,683,114 |
| Balances at Central Banks | 727,960 | 512,263 |
| Balances and deposits at banks and financial institutions | 6,448,573 | 1,553,329 |
| Financial assets at amortized cost | 41,611,903 | 38,220,911 |
| | 200,506,011 | 156,710,497 |

26. Interest Expense

Details of this item are as follows:

| | 2023 | 2022 |
|--|-------------|------------|
| | JD | JD |
| Banks and financial institution deposits | 11,965,570 | 5,667,833 |
| Customers' deposits: | | |
| Current and demand accounts | 962,159 | 510,166 |
| Saving accounts | 709,389 | 1,544,603 |
| Time and notice placements | 69,831,632 | 44,141,547 |
| Lease liability interest | 637,141 | 564,308 |
| Cash margins | 11,694,537 | 4,504,505 |
| Borrowed funds | 5,834,727 | 6,291,716 |
| Subordinated bonds | 1,825,891 | 1,302,568 |
| Deposit insurance fees | 2,138,019 | 3,077,022 |
| | 105,599,065 | 67,604,268 |

27. Net Commission Income

The details of this item are as follows:

| | 2023 | 2022 |
|---------------------------------------|------------|------------|
| | JD | JD |
| Commission income: | | |
| Direct credit facilities commission | 2,884,242 | 2,974,599 |
| Indirect credit facilities commission | 6,115,149 | 5,348,201 |
| Other commissions | 6,438,241 | 6,405,985 |
| Less: commission expense | (895,290) | (877,516) |
| Total Net Commission | 14,542,342 | 13,851,269 |

28. Foreign Currencies Income

The details of this item are as follows:

| | 2023 | 2022 |
|--|-----------|-----------|
| | JD | JD |
| Trading / operations in foreign currencies | 2,840,910 | 2,436,575 |
| Revaluation of foreign currencies | (443,989) | (297,594) |
| | 2,396,921 | 2,138,981 |

29. Expected Credit Losses Expense -Net

The details of this item are as follows:

| | Note | 2023 | | | | 2022 |
|--|------|-------------------------|-------------------------|-----------|------------|-----------|
| | | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total | Total |
| | | JD | JD | JD | JD | JD |
| Balances at banks and financial institutions | 6,7 | (4,001) | - | - | (4,001) | 153,920 |
| Financial assets at amortized cost | 10 | (360,477) | - | - | (360,477) | (50,271) |
| Direct credit facilities | 8 | 526,024 | 6,769,127 | 5,791,392 | 13,086,543 | 7,490,612 |
| Indirect credit facilities | 20 | 154,479 | 5,426 | - | 159,905 | (75,377) |
| | | 316,025 | 6,774,553 | 5,791,392 | 12,881,970 | 7,518,884 |

30. Dividends Income from Financial Assets at Fair Value through Other Comprehensive Income

Details of this item are as follows:

| | 2023 | 2022 |
|---------------------------------------|---------|---------|
| | JD | JD |
| Dividend income from companies shares | 793,726 | 367,687 |
| Total | 793,726 | 367,687 |

31. Other Income - Net

Details of this item are as follows:

| | 2023 | 2022 |
|---|-----------|-----------|
| | JD | JD |
| Recovery from written-off debts | 3,239,129 | 2,892,747 |
| Interest in suspense recoveries | 776,899 | 1,110,940 |
| Buildings rent revenue | 128,606 | 121,824 |
| Rental income of safe deposit boxes | 162,613 | 173,702 |
| Recoverd Impairment loss | 600,000 | - |
| (Loss) gain from sale of seized assets | (114,426) | 713,198 |
| Gain (Loss) from sale of equipment and property | 425,292 | (120,713) |
| Income from check books | 187,220 | 151,179 |
| Brokerage commission income | 119,441 | 187,831 |
| Other income | 2,303,172 | 856,153 |
| Total | 7,827,946 | 6,086,861 |

32. Employees' Expenses

The details of this item are as follows:

| | 2023 | 2022 |
|--|------------|------------|
| | JD | JD |
| Employees' salaries, benefits and remuneration | 30,663,617 | 31,278,582 |
| Bank's contribution to social security | 2,889,432 | 2,715,129 |
| Bank's contribution to employees savings fund | 1,276,548 | 1,372,896 |
| Medical expenses | 1,530,185 | 1,556,506 |
| Employees' training | 277,464 | 308,421 |
| Travel expenses | 222,114 | 139,233 |
| Employees' life insurance | 114,373 | 130,816 |
| Employees' activities | 175,614 | 162,470 |
| | 37,149,347 | 37,664,053 |

33. Other Expenses

Details of this item are as follows:

| | 2023 | 2022 |
|--|------------|------------|
| | JD | JD |
| Fees and subscriptions | 3,067,619 | 3,489,705 |
| Information Technology licenses | 4,970,328 | 4,636,917 |
| Maintenance, repair and cleaning | 2,060,028 | 1,978,280 |
| Donations | 1,532,608 | 446,584 |
| Legal fees | 1,224,052 | 1,519,671 |
| Insurance fees | 3,443,766 | 4,103,978 |
| Advertisement | 2,988,313 | 2,026,606 |
| Board of Directors' expenses | 1,590,470 | 1,278,989 |
| Water, electricity and heating | 887,426 | 941,773 |
| Telecommunication | 898,278 | 800,231 |
| Printing and stationery | 523,103 | 495,617 |
| Other operating expenses | 441,701 | 172,984 |
| Rent and key money | 458,335 | 604,960 |
| Studies, research and consulting expenses | 364,439 | 1,027,296 |
| Transportation | 687,539 | 681,420 |
| Security | 507,318 | 515,700 |
| Professional fees | 251,873 | 294,067 |
| Hospitality | 72,344 | 76,022 |
| Expenses of land and real estate evaluations | 26,537 | 28,329 |
| Board of Director's remunerations | 65,000 | 65,000 |
| | 26,061,077 | 25,184,129 |

34. Earnings per Share

Details of this item are as follows:

| | 2023 | 2022 |
|--|-------------|-------------|
| | JD | JD |
| Profit for the year | 18,592,484 | 16,899,842 |
| Weighted average number of shares (share) | 200,655,000 | 200,655,000 |
| | Fils/JD | Fils/JD |
| Basic and diluted earnings per share (Bank's Shareholders) | 0/093 | 0/084 |

35. Cash and Cash Equivalents

The details of this item are as follows:

| | 2023 | 2022 |
|--|---------------|---------------|
| | JD | JD |
| Cash and balances with Central Banks maturing within 3 months | 263,246,931 | 208,440,151 |
| Balances at banks and financial institutions' maturing within 3 months | 123,493,099 | 110,803,850 |
| Banks and financial institutions' deposits maturing within 3 months | (122,352,893) | (115,894,382) |
| Restricted cash balances | (10,635,000) | (10,635,000) |
| | 253,752,137 | 192,714,619 |

36. 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 | |
|--------------------------------|-----------|-----------------|------------|
| | | 2023 | 2022 |
| | % | 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 | 1,500,000 | 1,500,000 |

- 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 | |
|--|--------------------|----------------------|--------------|------------|--------------------|-------------|
| | Board of Directors | Executive Management | Subsidiaries | Other * | 2023 | 2022 |
| | JD | JD | JD | JD | JD | JD |
| Statement of Financial Position Items: | | | | | | |
| Credit facilities | 3,778,719 | 5,277,156 | 989,719 | 82,804,037 | 92,849,631 | 87,904,971 |
| Related Parties' deposits at the bank | 65,997,621 | 1,760,467 | 4,562,839 | 17,220,199 | 89,541,126 | 95,725,182 |
| Cash margins | 76,589 | 237,271 | - | 10,502,369 | 10,816,229 | 9,727,039 |
| Assets at amortized cost | - | - | - | 2,344,833 | 2,344,833 | 2,358,790 |
| Off Statement of Financial Position Items: | | | | | | |
| Indirect facilities | 50,000 | - | 1,254,000 | 4,557,600 | 5,861,600 | 5,894,689 |
| | | | | | December 31 | |
| | | | | | 2023 | 2022 |
| Consolidated Statement of Profit or loss Items: | | | | | | |
| Interest and commission income | 356,807 | 291,640 | 100,855 | 5,038,665 | 5,787,967 | 5,074,178 |
| Interest and commission expense | 4,410,733 | 58,967 | 141,544 | 750,987 | 5,362,231 | 3,566,278 |

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 1,437,978 belonging to a related party as at 31 December 2023. 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% - 6.9%
- Debit interest rates on deposits in foreign currency range between 2% - 13%

b. The following is a summary of the benefits (salaries and remunerations plus other benefits) of the executive management of the Bank:

| | 2023 | 2022 |
|-----------------------------|-----------|-----------|
| | JD | JD |
| Salaries and other benefits | 3,401,049 | 3,671,987 |
| Travel and transportation | 20,577 | 24,554 |
| Per diems | 9,774 | 5,724 |
| Total | 3,431,400 | 3,702,265 |

37. 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 | |
|---------------------------------|-------------|-------------|
| | 2023 | 2022 |
| | JD | JD |
| Beginning balance | 10,582,187 | 10,031,598 |
| Add: additions during the year | 2,085,183 | 3,082,164 |
| less: Cancelled contracts | (988,120) | (785,047) |
| less: Depreciation for the year | (1,822,187) | (1,746,528) |
| Balance – End of the Year | 9,857,063 | 10,582,187 |

Amounts that were recorded in the statement of profits or losses:

| | December 31 | |
|-------------------------------|-------------|-----------|
| | 2023 | 2022 |
| | JD | JD |
| Depreciation for the year | 1,822,187 | 1,746,528 |
| Interest for the year | 637,141 | 564,308 |
| Lease expense during the year | 458,335 | 604,960 |

b. Lease liabilities

| | December 31 | |
|---|-------------|-------------|
| | 2023 | 2022 |
| | JD | JD |
| Beginning balance | 10,477,672 | 9,663,597 |
| Add: Additions during the year | 2,085,183 | 3,107,831 |
| Interest during the year | 637,141 | 564,308 |
| Less: Cancelled contracts during the year | (495,635) | (321,996) |
| Less: paid during the year | (2,785,771) | (2,536,068) |
| Balance – End of the Year | 9,918,590 | 10,477,672 |

Maturity of lease liabilities analysis:

| | December 31 | |
|------------------------|-------------|------------|
| | 2023 | 2022 |
| | JD | JD |
| Up to a year | 15,997 | 650,465 |
| From one to five years | 3,348,862 | 3,853,474 |
| More than five years | 6,553,731 | 5,973,733 |
| | 9,918,590 | 10,477,672 |

38. 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. Board of Directors is responsible on reviewing and approving risk management strategies, policies, and procedures at the Bank on annual basis, which illustrates the general risk management framework. Board of Directors authorize Risk Management Committee established under the board of directors' decision to control all risk management.

Many economic and commercial sectors in the West Bank as a result of repeated restrictions and closures, which led to an increase in the potential risks of the Group's operations in Palestine, and while There are no significant credit exposures in the Gaza Strip for the group, but it remains difficult to predict the full impact of the status quo. Management is closely monitoring the situation and actively managing potential impacts in accordance with best practices and regulatory requirements. Expected credit losses were estimated based on a range of expected economic conditions by assessing impairment indicators for exposures in potentially affected sectors, including reflecting the Bank's management estimates in assessing the impact on specific sectors or specific customers. Management believes that there are no fundamental doubts about the group's ability to continue its business in Palestine in the future.

2. Risk Management Culture

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 expected losses, setting plans and procedures to face such risks in case occurred which contributes to reducing expected 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. This policy serves as a general framework for managing the main risks along with several separate policies for every type of risk, including:

- Credit risks, market risks and operational risks policies
- Liquidity risks and interest rates risk policies for all bank's portfolio.
- Internal capital adequacy assessment process methodology (ICAAP).
- Stress testing framework & policy.
- Business continuity Plan policy.
- General framework and policy of Expected Credit Loss in line with International Financial Reporting Standard (IFRS 9) and directives of the CBJ.
- 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 best internationally practices for managing risks as they consider as a framework for enhancing the bank's ability to improve the regulatory environment and facing all risks (operational, market and credit). All practical steps were taken for implementation by establishing units to manage all risks where it will be responsible on 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 entities 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. In addition, 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 Internal capital adequacy assessment process methodology to be comprehensive, effective, and capable of identifying the risks which the Bank may face, taking into consideration the Bank's strategic and capital management plan.
- Developing the general framework and recovery plan.
- Developing Bank's Risk Appetite.
- Monitoring the commitment of the bank's executive departments to the bank's risk appetite
- Ensure the existence of a business continuity plan and review 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 ability to withstanding shocks and encountering high risks and to be approved by the Board of Directors.

- Submit regular reports to Risk Management Committee containing information on actual risk management system (Profile Risk) for all activities of the Bank compared to Risk Appetite with corrective actions to breaches and activate early warning and recovery plan.
- Verify the integration of risk measurement mechanisms with the used management information systems.
- Raise the awareness on risk management in the Bank units to enhance the regulatory environment, monitoring and disseminating the culture of risk awareness and obtaining a well understanding from all administrative levels of the risks faced by the bank.
- Review strategic decisions and making recommendations to avoid risks and optimally utilizing the capital.
- Coordinate with all control departments of the Bank to verify the existence of regulatory controls on risks or delegating the management of these risks to external parties or insuring them.

3. Risk Appetite

- The process of identifying bank's risk appetite is performed according to the quantitative measurement methods, nature, and the distinctiveness of various risks. This process aims to identify the risk levels accepted by the Bank in order to achieve its strategic objectives. Such limits are reflected in risk appetite document approved by the bank and to be monitor on a regular basis, as well as any remediation for breaches and corrective actions, if any.
- Risk appetite framework is developed in line with on the Bank's strategic plan, issued by regulatory entities regarding credit liquidity risks, as well as capital management in a manner that supports growth and development in Bank's operations. In addition to ensuring activation for information security systems and business continuity plans.

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 conducted at the levels of sensitive and analytical scenarios and their impact is reflected on capital adequacy ratio, profits, and losses through 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 impactful to the most impactful, 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 adjusted according to developments that occur at the bank level in particular and at the level of the banking sector and the economy in general.

- Stress tests are conducted annually to meet the requirements of the regulatory authorities, and these tests can be conducted more often based on the recommendation of the Risk Management Committee or Executive Management in accordance with the data and conditions of the banking sector and the economy in general.

✓ A set of scenarios has been prepared to measure the impact of climate change risks, which is one of the most important risks and challenges facing the world at this time and it's divided into two main types:

✓ Risks summarized in the impact of financial losses resulting from climate change and environmental events.

✓ Risks as a result of the transition to a low-carbon economy through granting the renewable energy companies and their impact on some companies that have high carbon emissions companies and their impact on some companies that have high carbon emissions

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 a dormant overdraft account 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 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 corporate and SME clients, identify credit risks and evaluate probability of default for 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 process of preparing the credit rating, which is part of the credit process in the bank, is subject to procedures and policies that control and ensure the quality of the entered data and its review, the classification of all credit facilities customers and the determination of the degree of customer risks to be in line with changes and any negative indicators due to the importance of the outputs of the rating system in supporting the credit decision-making process.

The outputs of the credit rating system are translated into various risk grades that distinguish between customers on the basis of their credit risks. The number of risk grades is 10 main credit grades, so that the credit risks increase exponentially for each higher risk grade and there is a definition for each credit rating grade according to what is approved internally at 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) 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-stages 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 stages according to the changes in the credit risks and based on these stages the change in ECL is 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)%.

- The impact of economic scenarios was employed on the result of the expected credit loss, so that it was divided according to the management's best estimate of the probability of its occurrence into three scenarios: Base scenario 40%, Best scenario (upturn) 30%, Worst scenario (downturn) 30%.

It should be noted that the weights of the scenarios for the Palestine branches have been modified based on the instructions of the Palestine Monetary Authority to reflect the impact of the repercussions of the current situation, as follows:

Base scenario 40%, worst case scenario 60% (Downturn).

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 (Corporate and SME) 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 entities 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 higher for direct or indirect exposures whereas the amounts that may be withdrawn by the debtor in future are considered. In addition, 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.

Secured Part

- 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.

Unsecured Part

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 5-6 years cut-off time from default date are used to study and analyze recovery rate for all banking sectors (Corporate, SME and Retail) 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 entities, 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 between the three stages, the Bank has adopted the following methodology within the model of calculating expected credit losses, which are considered as key indicators:

| Variable | Stage 2 | Stage 3 |
|--|---|--|
| Change in credit rating of the debit instrument/ credit exposure | <ul style="list-style-type: none"> - Customers that 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 | <ul style="list-style-type: none"> - 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/debit instrument | Lack of Credit Rating of credit exposure/ debt instrument | |
| Day past Dues (DPD) | Dues for 30 days and more and less than 90 days | |
| Internal Risk Rating | Risk Rating is (7) | |
| Account Status | 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. to predict expected future events, which are summarized in the impact of the change in growth rates in the Gross Domestic Product (GDP) and the annual rates of variation in unemployment rates for the previous 10-15 years and linking them With the future expectations of the economic variable for the next 5 years to reflect the impact of changes on the expected future ratios of annual default probabilities, as it was relied on the growth rate in the gross domestic product for each of the following sectors / geographical regions:

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.

The annual rates of change in unemployment rates were also relied upon for each of the following sectors/ geographical regions:

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 that 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 8,844,909 during the year ended December 31, 2023 (JD 63,349,325 as of December 31, 2022).

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 146,966,079 during the year 2023 (JD 184,890,163 during the year 2022).

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 | |
|--------------|--|-------------|-------------|
| | | 2023 | 2022 |
| | | JD | JD |
| Governmental | Government bonds and government guaranteed | 810,222,305 | 768,028,106 |
| Un-rated | - | 82,503,117 | 103,854,936 |
| Total | | 892,725,422 | 871,883,042 |

b. 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.

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.

2. Allocation of exposures according to industrial sectors:

A- Allocation of exposures according to financial instruments - net

| | 2023 | | | | | | | | | | |
|--|----------------------|--------------------|--------------------|--------------------|-------------------|--------------------|------------------|--------------------|------------------------------|----------|----------------------|
| | Financial | Industrial | Trading | Construction | Agricultural | Public Services | Shares | Individual | Government and Public Sector | Other | Total |
| | JD | JD | JD | JD | JD | JD | JD | JD | JD | JD | JD |
| Balances at central banks | - | - | - | - | - | - | - | - | 178,227,693 | - | 178,227,693 |
| Balances at banks and financial institutions | 123,493,099 | - | - | - | - | - | - | - | - | - | 123,493,099 |
| Deposits at banks and financial institutions | 34,818,367 | - | - | - | - | - | - | - | - | - | 34,818,367 |
| Direct credit facilities | 48,374,890 | 122,691,716 | 428,764,594 | 490,247,903 | 66,851,904 | 171,334,087 | 2,639,034 | 305,575,411 | 44,303,198 | - | 1,680,782,737 |
| Financial assets at amortized cost | 81,981,887 | - | - | - | - | - | - | - | 810,217,902 | - | 892,199,789 |
| Other assets | 25,477,173 | - | - | - | - | - | - | - | - | - | 25,477,173 |
| Total | 314,145,416 | 122,691,716 | 428,764,594 | 490,247,903 | 66,851,904 | 171,334,087 | 2,639,034 | 305,575,411 | 1,032,748,793 | - | 2,934,998,858 |
| Financial guarantees | 320,180,427 | - | - | - | - | - | - | - | - | - | 320,180,427 |
| Letters of credit | 100,141,385 | - | - | - | - | - | - | - | - | - | 100,141,385 |
| Other liabilities | 440,277,276 | - | - | - | - | - | - | - | - | - | 440,277,276 |
| Total | 1,174,744,504 | 122,691,716 | 428,764,594 | 490,247,903 | 66,851,904 | 171,334,087 | 2,639,034 | 305,575,411 | 1,032,748,793 | - | 3,795,597,946 |

b. Allocation of exposures according stage categories of IFRS (9) December 31, 2023:

| Item | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total |
|------------------------------|----------------------|----------------------|-------------------|----------------------|
| | JD | JD | JD | JD |
| Financial | 1,161,522,845 | 11,715,979 | 1,505,680 | 1,174,744,504 |
| Industrial and mining | 103,038,805 | 15,247,928 | 4,404,983 | 122,691,716 |
| Trading | 390,745,393 | 34,789,706 | 3,229,495 | 428,764,594 |
| Constructions | 468,636,898 | 15,386,475 | 6,224,530 | 490,247,903 |
| Agricultural | 24,046,134 | 42,528,669 | 277,101 | 66,851,904 |
| Public Services | 154,936,529 | 15,949,956 | 447,602 | 171,334,087 |
| Shares | 2,639,034 | - | - | 2,639,034 |
| Individual | 299,654,223 | 5,154,703 | 766,485 | 305,575,411 |
| Government and Public Sector | 1,032,748,793 | - | - | 1,032,748,793 |
| Total | 3,637,968,654 | 140,773,416 | 16,855,876 | 3,795,597,946 |

3. Allocation of exposures according to geographical locations:

a. Allocation of exposures according to geographical regions - net

| | 2023 | | | | | | | |
|--|----------------------|--------------------|--------------------|----------|----------|-------------------|-------------------|----------------------|
| | Inside Jordan | Middle East | Europe | Asia * | Africa | Americas | Other Countries | Total |
| | JD | JD | JD | JD | JD | JD | JD | JD |
| Balances at central banks | 138,235,363 | 39,242,048 | 750,282 | - | - | - | - | 178,227,693 |
| Balances at banks and financial institutions | 199,201 | 18,749,320 | 64,017,004 | - | - | 30,251,038 | 10,276,536 | 123,493,099 |
| Deposits at banks and financial institutions | 34,818,367 | - | - | - | - | - | - | 34,818,367 |
| Direct credit facilities | 1,429,604,262 | 228,260,563 | 22,917,912 | - | - | - | - | 1,680,782,737 |
| Financial assets at amortized cost | 842,513,795 | 31,960,994 | 17,725,000 | - | - | - | - | 892,199,789 |
| Other assets | 23,983,538 | 1,253,050 | 240,585 | - | - | - | - | 25,477,173 |
| Total | 2,469,354,526 | 319,465,975 | 105,650,783 | - | - | 30,251,038 | 10,276,536 | 2,934,998,858 |
| Financial guarantees | 309,295,423 | 10,259,105 | 625,899 | - | - | - | - | 320,180,427 |
| Letters of credit | 96,840,265 | 3,301,120 | - | - | - | - | - | 100,141,385 |
| Other liabilities | 400,783,175 | 37,749,663 | 1,744,438 | - | - | - | - | 440,277,276 |
| Total | 3,276,273,389 | 370,775,863 | 108,021,120 | - | - | 30,251,038 | 10,276,536 | 3,795,597,946 |

b. Allocation of exposures according stage categories of IFRS (9) December 31, 2023:

| Item | Stage 1 (Individual) | Stage 2 (Individual) | Stage 3 | Total |
|-----------------|----------------------|----------------------|-------------------|----------------------|
| | JD | JD | JD | JD |
| Inside Jordan | 3,130,133,027 | 130,490,924 | 15,649,438 | 3,276,273,389 |
| Middle East | 359,286,933 | 10,282,492 | 1,206,438 | 370,775,863 |
| Europe | 108,021,120 | - | - | 108,021,120 |
| Asia | - | - | - | - |
| Africa | - | - | - | - |
| Americas | 30,251,038 | - | - | 30,251,038 |
| Other Countries | 10,276,536 | - | - | 10,276,536 |
| Total | 3,637,968,654 | 140,773,416 | 16,855,876 | 3,795,597,946 |

* Except for the Middle East countries

4. Allocation of reclassified exposures:

a. Gross of reclassified exposures

| Item | December 31, 2023 | | | | Total Reclassified Exposures | Percentage of Reclassified Exposures |
|--|----------------------------|---------------------------|----------------------------|---------------------------|------------------------------------|---|
| | Stage 2 | | Stage 3 | | | |
| | 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 | 148,251,438 | 7,357,657 | 106,753,999 | 10,023,306 | 17,380,963 | 6.82% |
| Financial assets at amortized cost | - | - | - | - | - | |
| Other assets | - | - | - | - | - | |
| Total statement of financial position exposure | 148,251,438 | 7,357,657 | 106,753,999 | 10,023,306 | 17,380,963 | |
| Total off-statement of financial position exposure | 12,770,768 | 1,761,983 | 2,561,654 | (53,353) | 1,708,630 | 11.14% |
| Total | 161,022,206 | 9,119,640 | 109,315,653 | 9,969,953 | 19,089,593 | |

b. Expected credit losses of reclassified exposures:

| Item | December 31, 2023 | | | | | | |
|--|---|---|------------------------------|--|----------------------|-----------|---|
| | 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 (Individual) | Total | Percentage of Loss for Reclassified Exposures |
| | JD | JD | JD | JD | JD | JD | % |
| Balances at central banks | - | - | - | - | - | - | |
| Balances at banks and financial institutions | - | - | - | - | - | - | |
| Deposits at banks and financial institutions | - | - | - | - | - | - | |
| Direct credit facilities | 7,357,657 | 10,023,306 | 17,380,963 | (473,208) | 314,241 | (158,967) | (0.91)% |
| Financial assets at amortized cost | - | - | - | - | - | - | |
| Other assets | - | - | - | - | - | - | |
| Total statement of financial position exposure | 7,357,657 | 10,023,306 | 17,380,963 | (473,208) | 314,241 | (158,967) | |
| Total off - statement of financial position exposure | 1,761,983 | (53,353) | 1,708,630 | (10,332) | 2,203 | (8,129) | (0.476)% |
| Total | 9,119,640 | 9,969,953 | 19,089,593 | (483,540) | 316,444 | (167,096) | |

5. Exposure to credit risk (after net of allowances for impairment and suspended interest and before the effect of risk mitigates and collaterals):

| | December 31 | |
|--|----------------------|----------------------|
| | 2023 | 2022 |
| | JD | JD |
| On-Consolidated Statement of Financial Position Items | | |
| Balances at Central Banks | 178,227,693 | 142,302,225 |
| Balances at banks and financial institutions | 123,493,099 | 110,803,850 |
| Deposits at banks and financial institutions | 34,818,367 | - |
| Direct credit facilities: | | |
| Retail | 402,404,842 | 372,438,800 |
| Real-estate loans | 320,855,282 | 319,402,770 |
| Large corporations | 748,410,795 | 719,174,668 |
| Small and medium enterprises | 164,808,620 | 154,141,943 |
| Lending to governmental and public sectors | 44,303,198 | 30,114,465 |
| Bills and Notes: | | |
| Financial assets held at amortized cost, net | 892,199,789 | 870,996,932 |
| Other assets | 25,477,173 | 19,780,154 |
| Total on-Consolidated Statement of Financial Position Items | 2,934,998,858 | 2,739,155,807 |
| Off-Consolidated Statement of Financial Position Items: | | |
| Letters of guarantee | 320,180,427 | 276,377,793 |
| Letters of credit & Acceptances | 100,141,385 | 95,992,612 |
| Un-utilized credit facilities limits | 440,277,276 | 432,727,219 |
| Total off-Consolidated Statement of Financial Position Items | 860,599,088 | 805,097,624 |
| Total on & off-Consolidated Statement of Financial Position Items | 3,795,597,946 | 3,544,253,431 |

- The above table represents the maximum credit risk for the bank as of December 31, 2023 and 2022 without taking the collaterals or effect of mitigation into consideration.

39- 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.

| | Retail | Small and Medium entities | Corporate | Treasury | Other | Total | |
|--------------------------------------|------------|---------------------------|--------------|-----------|-----------|-------------------------------------|-------------------------------------|
| | | | | | | For the Year Ended December 31,2023 | For the Year Ended December 31,2022 |
| | JD | JD | JD | JD | JD | JD | JD |
| Total revenue | 48,292,618 | 26,868,912 | 41,757,053 | 2,084,320 | 1,464,978 | 120,467,881 | 111,551,027 |
| Provision for expected credit losses | 915,998 | (2,227,559) | (11,774,982) | 204,573 | - | (12,881,970) | (7,518,884) |
| Segment results | 49,208,616 | 24,641,353 | 29,982,071 | 2,288,893 | 1,464,978 | 107,585,911 | 104,032,143 |
| Unallocated expenses | - | - | - | - | - | (73,279,728) | (73,481,607) |
| Provision on seized assets | - | - | - | - | - | (1,457,000) | (363,072) |
| Other Provisions | - | - | - | - | - | (677,067) | (1,838,033) |
| Profit before tax | 49,208,616 | 24,641,353 | 29,982,071 | 2,288,893 | 1,464,978 | 32,172,116 | 28,349,431 |
| Income tax | - | - | - | - | - | (13,579,632) | (11,449,589) |
| Net profit | | | | | | 18,592,484 | 16,899,842 |
| Capital expenditures | | | | | | 16,649,614 | 7,499,000 |
| Depreciation and amortization | | | | | | 10,069,304 | 10,633,425 |

Other Information:

| | Retail | Small and Medium entities | Corporate banking | Treasury | Other | Total | |
|---|----------------------|---------------------------|--------------------|----------------------|--------------------|-------------------------------------|-------------------------------------|
| | | | | | | For the Year Ended December 31,2023 | For the Year Ended December 31,2022 |
| | JD | JD | JD | JD | JD | JD | JD |
| Segment assets | 710,781,639 | 178,866,632 | 829,199,631 | 1,318,177,654 | 116,882,262 | 3,153,907,818 | 2,936,349,619 |
| Assets not distributed over sector | - | - | - | - | 128,500,445 | 128,500,445 | 126,163,674 |
| Total assets | 710,781,639 | 178,866,632 | 829,199,631 | 1,318,177,654 | 245,382,707 | 3,282,408,263 | 3,062,513,293 |
| Segment liabilities | 1,259,065,296 | 450,544,752 | 767,153,123 | 280,736,953 | 142,575,326 | 2,900,075,450 | 2,685,530,035 |
| Liabilities not distributed over sector | - | - | - | - | 48,485,627 | 48,485,627 | 46,635,430 |
| Total liabilities | 1,259,065,296 | 450,544,752 | 767,153,123 | 280,736,953 | 191,060,953 | 2,948,561,077 | 2,732,165,465 |

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 | |
|----------------------|----------------------|----------------------|--------------------|--------------------|----------------------|----------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| | JD | JD | JD | JD | JD | JD |
| Total revenue | 103,484,751 | 98,640,266 | 16,983,130 | 12,910,761 | 120,467,881 | 111,551,027 |
| Capital expenditures | 14,929,503 | 6,926,507 | 1,720,111 | 572,493 | 16,649,614 | 7,499,000 |
| Total assets | 2,795,791,668 | 2,627,878,967 | 486,616,595 | 434,634,326 | 3,282,408,263 | 3,062,513,293 |

Fair value of collaterals obtained against total credit exposures as of 31 December 2023:

| 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 | 178,227,693 | - | - | - | - | - | - | - | 178,227,693 | - |
| Balances at banks and financial institutions | 123,512,215 | - | - | - | - | - | - | - | 123,512,215 | 19,116 |
| Deposits at banks and financial institutions | 35,000,000 | - | - | - | - | - | - | - | 35,000,000 | 181,633 |
| Credit Facilities: | 1,798,655,875 | 211,288,926 | 6,526,455 | 5,475,224 | 934,494,535 | 38,608,692 | 56,237,724 | 1,252,631,556 | 546,024,319 | 91,007,603 |
| Retail | 422,454,360 | 35,581,976 | 294,086 | 40,731 | 4,271,551 | 6,940,791 | 11,449 | 47,140,584 | 375,313,776 | 16,724,504 |
| Real estate loans | 328,992,495 | 4,353,796 | - | - | 408,979,808 | 25,500 | 35,431,272 | 448,790,376 | (119,797,881) | 5,577,717 |
| Corporate | 821,957,753 | 129,790,496 | 5,959,315 | 2,691,873 | 427,386,187 | 24,746,978 | 8,066,859 | 598,641,708 | 223,316,045 | 57,783,673 |
| SMEs | 180,936,485 | 41,562,658 | 273,054 | 2,742,620 | 93,856,989 | 6,895,423 | 12,728,144 | 158,058,888 | 22,877,597 | 10,910,125 |
| Government and public sectors | 44,314,782 | - | - | - | - | - | - | - | 44,314,782 | 11,584 |
| Financial assets at amortized cost | 892,725,422 | - | - | - | - | - | - | - | 892,725,422 | 525,633 |
| Other assets | 25,477,173 | - | - | - | - | - | - | - | 25,477,173 | - |
| Total statement of financial position items | 3,053,598,378 | 211,288,926 | 6,526,455 | 5,475,224 | 934,494,535 | 38,608,692 | 56,237,724 | 1,252,631,556 | 1,800,966,822 | 91,733,985 |
| Total off statement of financial position items | 866,869,534 | 76,672,789 | 336,595 | 1,000,000 | 71,766,396 | 332,666 | - | 150,108,446 | 716,761,088 | 6,270,446 |
| Total | 3,920,467,912 | 287,961,715 | 6,863,050 | 6,475,224 | 1,006,260,931 | 38,941,358 | 56,237,724 | 1,402,740,002 | 2,517,727,910 | 98,004,431 |

Fair value of collaterals obtained against total credit exposures as of 31 December 2022:

| 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 | 142,302,225 | - | - | - | - | - | - | - | 142,302,225 | - |
| Balances at banks and financial institutions | 111,008,600 | - | - | - | - | - | - | - | 111,008,600 | 204,750 |
| Credit Facilities: | 1,699,710,784 | 189,987,825 | 7,215,174 | 5,609,502 | 924,879,676 | 40,372,753 | 46,425,398 | 1,214,490,328 | 485,220,456 | 80,278,936 |
| Retail | 391,228,643 | 36,992,006 | 307,989 | 53,134 | 4,144,019 | 5,510,882 | 48,018 | 47,056,048 | 344,172,595 | 15,926,747 |
| Real estate loans | 329,799,397 | 2,358,560 | - | - | 568,172,037 | 110,556 | 35,637,627 | 606,278,780 | (276,479,383) | 7,787,058 |
| Corporate | 780,766,651 | 110,961,945 | 6,698,197 | 2,758,508 | 255,444,818 | 24,393,240 | 2,580,257 | 402,836,965 | 377,929,686 | 47,156,879 |
| SMEs | 167,798,688 | 39,675,314 | 208,988 | 2,797,860 | 97,118,802 | 10,358,075 | 8,159,496 | 158,318,535 | 9,480,153 | 9,405,312 |
| Government and public sectors | 30,117,405 | - | - | - | - | - | - | - | 30,117,405 | 2,940 |
| Financial assets at amortized cost | 871,883,042 | - | - | - | - | - | - | - | 871,883,042 | 886,110 |
| Other assets | 19,780,154 | - | - | - | - | - | - | - | 19,780,154 | - |
| Total statement of financial position items | 2,844,684,805 | 189,987,825 | 7,215,174 | 5,609,502 | 924,879,676 | 40,372,753 | 46,425,398 | 1,214,490,328 | 1,630,194,477 | 81,369,796 |
| Total off statement of financial position items | 811,208,165 | 62,544,704 | 286,783 | 1,000,000 | 62,463,717 | 429,876 | - | 126,725,080 | 684,483,085 | 6,110,541 |
| Total | 3,655,892,970 | 252,532,529 | 7,501,957 | 6,609,502 | 987,343,393 | 40,802,629 | 46,425,398 | 1,341,215,408 | 2,314,677,562 | 87,480,337 |

Fair value of collaterals obtained against stage 3 credit exposures as at 31 December 2023:

| 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: | 106,753,999 | 2,946,514 | - | 883,250 | 33,914,886 | 21,255,170 | 368,373 | 59,368,193 | 47,385,806 | 66,545,908 |
| Retail | 18,871,077 | 19,595 | - | 40,731 | 313,254 | 428,482 | 11,449 | 813,511 | 18,057,566 | 14,875,422 |
| Real estate loans | 11,138,825 | 8,414 | - | - | 9,512,830 | 13,500 | 55,814 | 9,590,558 | 1,548,267 | 4,841,036 |
| Corporate | 60,926,750 | 2,764,058 | - | 18,011 | 14,416,031 | 20,201,514 | 249,557 | 37,649,171 | 23,277,579 | 38,127,310 |
| SMEs | 15,817,347 | 154,447 | - | 824,508 | 9,672,771 | 611,674 | 51,553 | 11,314,953 | 4,502,394 | 8,702,140 |
| Government and public sectors | - | - | - | - | - | - | - | - | - | - |
| Financial assets at amortized cost | - | - | - | - | - | - | - | - | - | - |
| Other assets | - | - | - | - | - | - | - | - | - | - |
| Total statement of financial position items | 106,753,999 | 2,946,514 | - | 883,250 | 33,914,886 | 21,255,170 | 368,373 | 59,368,193 | 47,385,806 | 66,545,908 |
| Total off statement of financial position items | 2,561,654 | 1,657,535 | - | - | 1,332,556 | 124,020 | - | 3,114,111 | (552,457) | 1,058,190 |
| Total | 109,315,653 | 4,604,049 | - | 883,250 | 35,247,442 | 21,379,190 | 368,373 | 62,482,304 | 46,833,349 | 67,604,098 |

Fair value of collaterals obtained against stage 3 credit exposures as at 31 December 2022:

| 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: | 109,309,465 | 2,983,150 | 831,411 | 750,770 | 41,863,214 | 21,507,113 | 362,860 | 68,298,518 | 41,010,947 | 63,112,391 |
| Retail | 16,641,481 | 74,171 | - | 52,614 | 750,219 | 486,257 | 48,018 | 1,411,279 | 15,230,202 | 13,681,093 |
| Real estate loans | 14,574,109 | 37,796 | - | - | 12,868,280 | 12,842 | 30,035 | 12,948,953 | 1,625,156 | 6,998,908 |
| Corporate | 64,409,126 | 2,661,426 | 831,411 | 25,898 | 19,399,173 | 20,159,161 | 248,601 | 43,325,670 | 21,083,456 | 35,534,712 |
| SMEs | 13,684,749 | 209,757 | - | 672,258 | 8,845,542 | 848,853 | 36,206 | 10,612,616 | 3,072,133 | 6,897,678 |
| Government and public sectors | - | - | - | - | - | - | - | - | - | - |
| Financial assets at amortized cost | - | - | - | - | - | - | - | - | - | - |
| Other assets | - | - | - | - | - | - | - | - | - | - |
| Total statement of financial position items | 109,309,465 | 2,983,150 | 831,411 | 750,770 | 41,863,214 | 21,507,113 | 362,860 | 68,298,518 | 41,010,947 | 63,112,391 |
| Total off statement of financial position items | 2,753,091 | 1,677,711 | - | - | 1,683,580 | 253,020 | - | 3,614,311 | (861,220) | 1,058,190 |
| Total | 112,062,556 | 4,660,861 | 831,411 | 750,770 | 43,546,794 | 21,760,133 | 362,860 | 71,912,829 | 40,149,727 | 64,170,581 |

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 2023 | | | |
|------------------|--|--|-------------------------------------|
| Currency | Change (increase) in interest rate (%) | Sensitivity of interest revenue (profit or loss) | Sensitivity of shareholders' equity |
| | % | JD | JD |
| US Dollar | 1% | 31,226 | - |
| Euro | 1% | 6,398 | - |
| Sterling Pound | 1% | 1,045 | - |
| Japanese Yen | 1% | 95 | - |
| Other Currencies | 1% | (33,334) | - |
| Currency | Change (decrease) in interest rate (%) | Sensitivity of interest revenue (profit or loss) | Sensitivity of shareholders' equity |
| | % | JD | JD |
| US Dollar | 1% | (31,226) | - |
| Euro | 1% | (6,398) | - |
| Sterling Pound | 1% | (1,045) | - |
| Japanese Yen | 1% | (95) | - |
| Other Currencies | 1% | 33,334 | - |
| For year 2022 | | | |
| Currency | Change (increase) in interest rate (%) | Sensitivity of interest revenue (profit or loss) | Sensitivity of shareholders' equity |
| | % | JD | JD |
| US Dollar | 1% | 114,141 | - |
| Euro | 1% | 310 | - |
| Sterling Pound | 1% | 663 | - |
| Japanese Yen | 1% | (14) | - |
| Other Currencies | 1% | (13,770) | - |
| Currency | Change (decrease) in interest rate (%) | Sensitivity of interest revenue (profit or loss) | Sensitivity of shareholders' equity |
| | % | JD | JD |
| US Dollar | 1% | (114,141) | - |
| Euro | 1% | (310) | - |
| Sterling Pound | 1% | (663) | - |
| Japanese Yen | 1% | 14 | - |
| Other Currencies | 1% | 13,770 | - |

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.

| Currency | Change (increase) in interest rate (%) | Effect on profits or losses | Sensitivity of shareholders' equity |
|-------------------------|--|-----------------------------|-------------------------------------|
| | % | JD | JD |
| December 31,2023 | | | |
| US Dollar | - | - | - |
| Euro | 5% | 40,966 | - |
| Sterling Pound | 5% | (572) | - |
| Japanese Yen | 5% | 397 | - |
| Other Currencies | 5% | (24,424) | - |
| Currency | Change (increase) in interest rate (%) | Effect on profits or losses | Sensitivity of shareholders' equity |
| | % | JD | JD |
| December 31,2022 | | | |
| US Dollar | - | - | - |
| Euro | 5% | 1,836 | - |
| Sterling Pound | 5% | (48) | - |
| Japanese Yen | 5% | (29) | - |
| Other Currencies | 5% | 5,760 | - |

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 31,2023 | | | |
|-------------------------|---------------------------------|------------------------------------|-------------------------------|
| Indicator | Change equity prices (%) | Effect on profits or losses | Effect on shareholders |
| | ٪ | JD | JD |
| Financial markets | 5% | - | 506,432 |
| December 31,2022 | | | |
| Indicator | Change equity prices (%) | Effect on profits or losses | Effect on shareholders |
| | ٪ | JD | JD |
| Financial markets | 5% | - | 522,496 |

• 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.

39/c. Liquidity risk

The table below summarizes the distribution of liabilities on the basis of the remainder undiscounted contractual maturity at December 31, 2023 and 2022:

| | 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, 2023 | | | | | | | | |
| Liabilities | | | | | | | | |
| Banks and financial institutions' deposits | 123,138,704 | - | - | - | 12,682,042 | - | - | 135,820,746 |
| Customers' deposits | 326,696,410 | 1,206,731,973 | 329,178,651 | 224,925,744 | 134,839,793 | - | - | 2,222,372,571 |
| Margin accounts | 3,983,390 | 9,521,417 | 12,656,742 | 21,259,770 | 297,060,945 | - | - | 344,482,264 |
| Borrowed funds | 5,053,742 | 1,052,860 | 1,869,531 | 49,483,562 | 48,460,148 | 58,417,360 | - | 164,337,203 |
| Subordinated Loans | - | - | - | - | - | 20,275,205 | - | 20,275,205 |
| Other provisions | - | - | - | - | - | - | 4,652,002 | 4,652,002 |
| Income tax provision | 2,996,580 | - | 7,344,772 | - | - | - | 2,880,653 | 13,222,005 |
| Lease Liabilities | - | - | - | - | - | - | 9,919,590 | 9,919,590 |
| Other liabilities | - | - | - | - | - | - | 33,479,491 | 33,479,491 |
| Total Liabilities | 461,868,826 | 1,217,306,250 | 351,049,696 | 295,669,076 | 493,042,928 | 78,692,565 | 50,931,736 | 2,948,561,077 |
| Total Assets | 480,982,135 | 133,047,118 | 140,420,076 | 339,505,022 | 753,467,173 | 1,171,907,167 | 263,079,572 | 3,282,408,263 |

| | 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, 2022 | | | | | | | | |
| Liabilities | | | | | | | | |
| Banks and financial institutions' deposits | 85,203,615 | 30,737,667 | 309,877 | - | 984,377 | - | - | 117,235,536 |
| Customers' deposits | 270,380,843 | 992,187,988 | 313,025,337 | 301,452,105 | 158,398,739 | - | - | 2,035,445,012 |
| Margin accounts | 7,593,407 | 18,229,509 | 17,171,260 | 25,219,895 | 247,613,600 | 14,045,711 | - | 329,873,382 |
| Borrowed funds | 16,691,077 | 16,049,355 | 11,336,009 | 15,068,988 | 62,678,857 | 43,197,149 | - | 165,021,435 |
| Subordinated Bonds | - | - | - | - | - | 20,402,226 | - | 20,402,226 |
| Other provisions | - | - | - | - | - | - | 5,141,770 | 5,141,770 |
| Income tax provision | 2,372,907 | - | 6,734,539 | - | - | - | 1,764,391 | 10,871,837 |
| Lease Liabilities | - | - | - | - | - | - | 10,477,672 | 10,477,672 |
| Other liabilities | - | - | - | - | - | - | 37,696,595 | 37,696,595 |
| Total Liabilities | 382,241,849 | 1,057,204,519 | 348,577,022 | 341,740,988 | 469,675,573 | 77,645,086 | 55,080,428 | 2,732,165,465 |
| Total Assets | 349,936,600 | 155,196,182 | 121,867,707 | 358,411,433 | 677,689,333 | 1,138,918,613 | 260,493,425 | 3,062,513,293 |

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 |
| 2023 | | | | | | | | |
| Assets | | | | | | | | |
| Cash and balances at Central Banks | 55,000,000 | - | - | - | - | 10,635,000 | 197,611,931 | 263,246,931 |
| Balances at banks and financial institutions | 62,494,381 | 109,639 | - | - | - | - | 60,889,079 | 123,493,099 |
| Deposits at banks and financial institutions | - | - | - | 17,926,227 | 16,892,140 | - | - | 34,818,367 |
| Direct credit facilities - Net | 19,742,486 | 93,254,476 | 115,282,778 | 213,952,063 | 263,734,708 | 960,639,932 | 14,176,294 | 1,680,782,737 |
| Financial assets at fair value through OCI | - | - | - | - | - | - | 39,753,290 | 39,753,290 |
| Financial assets at amortized cost | 64,667,096 | 33,000,470 | 22,838,074 | 106,897,440 | 464,371,890 | 200,424,819 | - | 892,199,789 |
| Right of use | - | - | - | - | - | - | 9,857,063 | 9,857,063 |
| Property and equipment | - | - | - | - | - | - | 90,842,701 | 90,842,701 |
| Intangible assets | - | - | - | - | - | - | 2,512,533 | 2,512,533 |
| Deferred tax assets | - | - | - | - | - | - | 16,401,308 | 16,401,308 |
| Other assets | - | - | - | - | - | - | 128,500,445 | 128,500,445 |
| Total Assets | 201,903,963 | 126,364,585 | 138,120,852 | 338,775,730 | 744,998,738 | 1,171,699,751 | 560,544,644 | 3,282,408,263 |
| Liabilities | | | | | | | | |
| Banks and financial institutions' deposits | 122,352,893 | - | - | - | 12,682,042 | - | - | 135,034,935 |
| Customers' deposits | 325,223,141 | 605,686,654 | 327,180,330 | 222,433,790 | 133,762,228 | - | 594,315,740 | 2,208,601,883 |
| Margin accounts | 3,983,390 | 9,521,417 | 12,656,742 | 21,256,025 | 297,060,919 | - | - | 344,478,493 |
| Borrowed funds | 5,053,742 | 1,052,860 | 1,869,531 | 49,483,562 | 48,460,148 | 58,246,699 | - | 164,166,542 |
| Subordinated Bonds | - | - | - | - | - | 20,000,000 | - | 20,000,000 |
| Other provisions | - | - | - | - | - | - | 4,652,002 | 4,652,002 |
| Income tax provision | - | - | - | - | - | - | 13,222,005 | 13,222,005 |
| Lease liability | - | - | - | - | - | - | 9,919,590 | 9,919,590 |
| Other liabilities | - | - | - | - | - | - | 48,485,627 | 48,485,627 |
| Total Liabilities | 456,613,166 | 616,260,931 | 341,706,603 | 293,173,377 | 491,965,337 | 78,246,699 | 670,594,964 | 2,948,561,077 |
| Interest Rate Re-Pricing Gap | (254,709,203) | (489,896,346) | (203,585,751) | 45,602,353 | 253,033,401 | 1,093,453,052 | (110,050,320) | 333,847,186 |
| 2022 | | | | | | | | |
| Total Assets | 130,532,863 | 154,615,109 | 121,194,178 | 356,788,116 | 673,724,950 | 1,129,760,164 | 495,897,913 | 3,062,513,293 |
| Total Liabilities | 376,135,591 | 545,578,342 | 340,048,965 | 341,299,423 | 467,367,552 | 77,242,860 | 584,492,732 | 2,732,165,465 |
| Interest Rate Re-Pricing Gap | (245,602,728) | (390,963,233) | (218,854,787) | 15,488,693 | 206,357,398 | 1,052,517,304 | (88,594,819) | 330,347,828 |

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, 2023 | | | | | | |
| Assets | | | | | | |
| Cash and balances at Central Banks | 39,381,344 | 3,521,191 | 447,747 | - | 56,649,377 | 99,999,659 |
| Balances at banks and financial institutions | 50,495,835 | 31,382,678 | 15,375,524 | 2,559,291 | 23,417,865 | 123,231,193 |
| Direct credit facilities - net | 280,404,594 | 3,258,325 | (22,596) | - | 90,302,838 | 373,943,161 |
| Financial assets at fair value through OCI | 65,909 | 327,380 | - | - | - | 393,289 |
| Financial assets at amortized cost | 126,548,523 | 3,868,141 | - | - | - | 130,416,664 |
| Right of use | 13,555 | - | - | - | - | 13,555 |
| Property and equipment | 597,021 | - | - | - | - | 597,021 |
| Intangible assets | 7,625 | - | - | - | - | 7,625 |
| Other assets | 2,620,029 | 133,025 | 2,090 | (1,863) | 4,356,440 | 7,109,721 |
| Total Assets | 500,134,435 | 42,490,740 | 15,802,765 | 2,557,428 | 174,726,520 | 735,711,888 |
| Liabilities | | | | | | |
| Banks and financial institution deposits | 24,926,112 | 557,981 | 3,280,244 | - | 6,890,085 | 35,654,422 |
| Customers' deposits | 403,411,011 | 37,967,528 | 12,230,180 | 485,733 | 152,366,693 | 606,461,145 |
| Cash margins | 65,358,182 | 2,865,050 | 185,750 | 2,064,030 | 13,296,952 | 83,769,964 |
| Other provisions | 75,190 | - | - | - | - | 75,190 |
| Income tax provision | - | - | - | - | 1,149,714 | 1,149,714 |
| Lease liability | 12,405 | - | - | - | - | 12,405 |
| Other liabilities | 3,194,230 | 280,855 | 118,021 | (278) | 1,511,562 | 5,104,390 |
| Total Liabilities | 496,977,130 | 41,671,414 | 15,814,195 | 2,549,485 | 175,215,006 | 732,227,230 |
| Net concentration on consolidated statement of financial position | 3,157,305 | 819,326 | (11,430) | 7,943 | (488,486) | 3,484,658 |
| Contingent liabilities off consolidated statement of financial position | 189,172,395 | 29,532,234 | 1,477,597 | 9,086,572 | 19,481,002 | 248,749,800 |
| As of December 31, 2022 | | | | | | |
| Total Assets | 481,169,935 | 52,964,239 | 14,963,521 | 611,578 | 127,925,892 | 677,635,165 |
| Total Liabilities | 469,850,777 | 52,927,529 | 14,964,475 | 612,158 | 127,810,701 | 666,165,640 |
| Net concentration on consolidated statement of financial position | 11,319,158 | 36,710 | (954) | (580) | 115,191 | 11,469,525 |
| Contingent liabilities off the consolidated statement of financial position | 237,924,336 | 22,334,695 | 1,580,380 | 3,534,450 | 124,842,645 | 390,216,506 |

Second: off-consolidated statement of financial position items:

| | Up to 1 Year | 1 - 5 Years | Total |
|------------------------------------|--------------------|-------------------|--------------------|
| | JD | JD | JD |
| As of December 31, 2023 | | | |
| Acceptances and letters of credit* | 144,744,299 | 11,244,776 | 155,989,075 |
| Unutilized limits | 442,232,407 | - | 442,232,407 |
| Letters of guarantee | 252,328,238 | 71,525,794 | 323,854,032 |
| Total | 839,304,944 | 82,770,570 | 922,075,514 |
| As of December 31, 2022 | | | |
| Acceptances and letters of credit* | 126,856,377 | 1,863,790 | 128,720,167 |
| Unutilized limits | 434,551,114 | - | 434,551,114 |
| Letters of guarantee | 230,676,779 | 49,549,849 | 280,226,628 |
| Total | 792,084,270 | 51,413,639 | 843,497,909 |

* Includes Inward Letter of credit JD 55 million as at 31 December 2023 (JD 32 million as at December 31, 2022).

40. Capital Management

a. The capital adequacy ratio as of December 31, 2023 and 2022 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 | |
|--|-------------------|-----------|
| | 2023 | 2022 |
| | JD (In Thousands) | |
| Common Equity Shareholders Rights | | |
| Authorized capital - (Paid) | 200,655 | 200,655 |
| Retained earnings | 48,028 | 48,344 |
| The cumulative change in fair value | (4,869) | (5,871) |
| Statutory reserve | 70,593 | 67,780 |
| Voluntary reserve | 15,762 | 15,762 |
| other reserve | 3,678 | 3,678 |
| Total Common Equity Tire 1 before regulatory adjustments | 333,847 | 330,348 |
| Regulatory Adjustments (deductions from Capital) | | |
| Goodwill and intangible assets | (2,513) | (4,928) |
| Proposed dividends | (16,052) | (16,052) |
| Postponed provisions with the approval of the Central Bank | (4,550) | (4,790) |
| Investment in Bank's capital, financial institutions and insurance companies | (2,425) | (3,100) |
| Investments where the bank owns more than 10% | - | - |
| Deferred tax assets | (16,401) | (16,014) |
| Net Common Equity Shareholders Rights | 291,906 | 285,464 |
| Additional capital | - | - |
| Net Primary Capital (Tier 1) | 291,906 | 285,464 |
| Tier 2 capital | | |
| Provision for debts tools listed in Stage 1 | 12,161 | 11,845 |
| Subordinated bonds* | 20,000 | 20,000 |
| Total Supporting Capital | 32,161 | 31,845 |
| Total Regulatory Capital | 324,067 | 317,309 |
| Total Risk Weighted Assets | 2,144,863 | 2,031,800 |
| Capital percentage from regular shares (CET 1) (%) | 13.61% | 14.05% |
| Regulatory capital percentage (%) | 15.11% | 15.62% |

* During the year 2022, the bank issued subordinated bonds in the amount of JD 20 million for a period of 7 years at discounted interest rate to the Central Bank of Jordan in addition to 1.75% margin in order to improve the capital adequacy percentage.

* During October 2017, the bank issued subordinated bonds in the amount of JD 25 million for a period of 6 years at discounted interest rate to the Central Bank of Jordan in addition to 2% margin in order to improve the capital adequacy percentage. During the year 2022 this bond was closed.

Liquidity Coverage Ratio (LCR):

| | December 31, 2023 | December 31, 2022 |
|--|-------------------|-------------------|
| | JD (In Thousands) | JD (In Thousands) |
| Total high-quality liquid assets after adjustments | 1,048,905 | 936,511 |
| Total net cash outflow | 544,865 | 441,130 |
| Liquidity coverage ratio (LCR) (%) | 192.50% | 212.20% |
| The Liquidity Coverage Ratio/ based on the average of all working days | 189.50% | 198.80% |

41. 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, 2023 | | | |
| Assets | | | |
| Cash and balances at Central Banks | 252,611,931 | 10,635,000 | 263,246,931 |
| Balances at banks and financial institutions | 123,493,099 | - | 123,493,099 |
| Deposits at banks and financial institutions | 17,926,227 | 16,892,140 | 34,818,367 |
| Direct credit facilities - Net | 456,408,097 | 1,224,374,640 | 1,680,782,737 |
| Financial assets at fair value through OCI | - | 39,753,290 | 39,753,290 |
| Financial assets at amortized cost | 830,246,966 | 61,952,823 | 892,199,789 |
| Right of use | - | 9,857,063 | 9,857,063 |
| Property and equipment | - | 90,842,701 | 90,842,701 |
| Intangible assets | - | 2,512,533 | 2,512,533 |
| Deferred tax assets | - | 16,401,308 | 16,401,308 |
| Other assets | - | 128,500,445 | 128,500,445 |
| Total Assets | 1,680,686,320 | 1,601,721,943 | 3,282,408,263 |
| Liabilities | | | |
| Banks and financial institution deposits | 122,352,893 | 12,682,042 | 135,034,935 |
| Customers' deposits | 2,074,839,655 | 133,762,228 | 2,208,601,883 |
| Cash margins | 47,417,574 | 297,060,919 | 344,478,493 |
| Borrowed funds | 57,459,695 | 106,706,847 | 164,166,542 |
| Subordinated Bonds | - | 20,000,000 | 20,000,000 |
| Other provisions | - | 4,652,002 | 4,652,002 |
| Income tax provision | 2,996,580 | 10,225,425 | 13,222,005 |
| Lease liability | - | 9,919,590 | 9,919,590 |
| Other liabilities | - | 48,485,627 | 48,485,627 |
| Total Liabilities | 2,305,066,397 | 643,494,680 | 2,948,561,077 |
| Net | (624,380,077) | 958,227,263 | 333,847,186 |

| | Up to 1 Year | More than 1 Year | Total |
|--|----------------------|----------------------|----------------------|
| | JD | JD | JD |
| December 31, 2022 | | | |
| Assets | | | |
| Cash and balances at Central Banks | 197,805,151 | 10,635,000 | 208,440,151 |
| Balances at banks and financial institutions | 110,803,850 | - | 110,803,850 |
| Direct credit facilities - Net | 408,154,939 | 1,187,117,707 | 1,595,272,646 |
| Financial assets at fair value through OCI | - | 37,735,650 | 37,735,650 |
| Financial assets at amortized cost | 738,720,197 | 132,276,735 | 870,996,932 |
| Right of use | - | 10,582,187 | 10,582,187 |
| Property and equipment | - | 81,575,718 | 81,575,718 |
| Intangible assets | - | 4,928,612 | 4,928,612 |
| Deferred tax assets | - | 16,013,873 | 16,013,873 |
| Other assets | - | 126,163,674 | 126,163,674 |
| Total Assets | 1,455,484,137 | 1,607,029,156 | 3,062,513,293 |
| Liabilities | | | |
| Banks and financial institution deposits | 115,894,382 | 984,377 | 116,878,759 |
| Customers' deposits | 1,871,174,462 | 156,484,004 | 2,027,658,466 |
| Cash margins | 65,148,291 | 264,725,065 | 329,873,356 |
| Borrowed funds | 59,145,429 | 105,482,746 | 164,628,175 |
| Subordinated Bonds | - | 20,000,000 | 20,000,000 |
| Other provisions | - | 5,141,770 | 5,141,770 |
| Income tax provision | 2,372,907 | 8,498,930 | 10,871,837 |
| Lease liability | - | 10,477,672 | 10,477,672 |
| Other liabilities | - | 46,635,430 | 46,635,430 |
| Total Liabilities | 2,113,735,471 | 618,429,994 | 2,732,165,465 |
| Net | (658,251,334) | 988,599,162 | 330,347,828 |

42. Commitments and Contingent Liabilities

Details of this item are as follows:

| | December 31, 2023 | December 31, 2022 |
|-------------------------------------|--------------------------|--------------------------|
| | JD | JD |
| Letter of credit: | | |
| Letter of credit-outgoing | 64,157,083 | 65,501,271 |
| Letter of credit-incoming | 55,205,980 | 32,289,744 |
| Acceptances | 36,626,012 | 30,929,152 |
| Letter of guarantees: | | |
| Payment | 148,461,621 | 132,196,322 |
| Performance bonds | 128,018,290 | 113,101,666 |
| Others | 47,374,121 | 34,928,640 |
| Unutilized credit facilities Limits | 442,232,407 | 434,551,114 |
| | 922,075,514 | 843,497,909 |

The estimated cost of completing the project under construction for the new administration building about JD 28 million, and it is expected to be completed by the end of year 2025, the total cost about JD 32 million.

43. Accounts Managed on Behalf of Customers

Details of this item are as follows:

| | December 31, 2023 | December 31, 2022 |
|---|-------------------|-------------------|
| | JD | JD |
| Accounts managed on behalf of customers | 9,976,007 | 8,556,962 |

44. Lawsuits Against the Bank

Lawsuits raised against the Bank amounted to JD 2,975,514 as at 31 December 2023 (31 December 2022: JD 2,463,894). In the opinion of the Bank's management and the legal advisor, no further liabilities exceeding the provision amounted to JD 315,549 is required as at December 31, 2023 (December 31, 2022: JD 253,424).

Lawsuits raised by the bank against others amounted around JD 310 million, those lawsuits are still pending at the specialized court and they have no financial impact on the Bank.

45. 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 | | | | | |
| | 2023 | 2022 | | | | |
| | JD | JD | | | | |
| Financial Assets at Fair Value in Income Statement | | | | | | |
| Financial Assets at Fair Value in Other Comprehensive Income | | | | | | |
| Quoted shares | 10,128,630 | 10,449,929 | Level I | Prices listed in stock exchanges | Not Applicable | Not Applicable |
| Unquoted shares | 29,624,660 | 27,285,721 | Level III | Through using equity method based on the latest financial information available | Not Applicable | Not Applicable |
| Total | 39,753,290 | 37,735,650 | | | | |
| Financial Assets at Fair Value | 39,753,290 | 37,735,650 | | | | |

* There were no transfers between the first level and second level during 2023 and 2022.

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.

| | December 31, 2023 | | December 31, 2022 | | 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 | 65,635,000 | 65,545,925 | 32,762,000 | 32,774,670 | Level II |
| Balances and deposits at banks and other financial institutes | 123,493,099 | 124,181,292 | 110,803,850 | 110,834,515 | Level II |
| Direct credit facilities - net | 1,680,782,737 | 1,691,577,568 | 1,595,272,646 | 1,603,388,258 | Level II |
| Financial assets at amortized costs | 892,199,789 | 905,283,571 | 870,996,932 | 881,653,247 | Level I and II |
| Seized assets against debts | 71,853,453 | 82,561,273 | 81,285,040 | 98,269,749 | |
| Total Financial Assets with an Unspecified Fair Value | 2,833,964,078 | 2,869,149,629 | 2,691,120,468 | 2,726,920,439 | |
| Financial Liabilities with an Unspecified Fair Value | | | | | |
| Banks and financial institutions' deposits | 135,034,935 | 135,820,746 | 116,878,759 | 117,092,382 | Level II |
| Customers deposits | 2,208,601,883 | 2,222,372,571 | 2,027,658,466 | 2,036,689,676 | Level II |
| Cash margins | 344,478,493 | 344,482,264 | 329,873,356 | 329,877,693 | Level II |
| Borrowed funds | 164,166,542 | 164,337,203 | 164,628,175 | 164,805,999 | Level II |
| Total Financial Liabilities with an Unspecified Fair Value | 2,852,281,853 | 2,867,012,784 | 2,639,038,756 | 2,648,465,750 | |

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.

46. Comparative Figures

Some Comparative Figures for the year 2022 have been reclassified to match the year 2023 Figures, and have no impact on the Consolidated statement of profit or loss for the year 2022.

ATTESTATION STATEMENT ON COMPLETENESS OF FINANCIAL INFORMATION

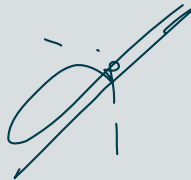
We, the undersigned, hereby attest to the accuracy and completeness of the financial statements and the financial information of this report as of 2023



**Dr. Ahmad Awad Abd
Al Halim Al- Hussein**
CEO / General Manager



Saad Nabil Yousef Mouasher
Chairman of the Board



Dirar Shebli Khalaf 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 2024.
- The Board of Directors confirms its responsibility for the preparation of the financial statements and for implementing an effective internal control system.
- 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 2023.



Saad Nabil Yousef Mouasher
Chairman of the Board



Moh'd Mousa Dawood (Moh'd Issa)
Vice Chairman



Nadim Yousef Issa Muasher
Board Member



**H.E. Mrs. Majd Mohammad
Abdulkareem Shwaikeh**
Representing Jordan Investor Center
/ Board Member



Imad Yousef Issa Mouasher
Representing Mouasher Investment
& Trading Co / Board Member



Rafik Saleh Issa Muasher
Representing Rajai Muasher &
Brothers Co / Board Member



**H.E Dr. Tareq
Mohammad Khaleel Hammouri**
Board Member



Alan Fouad Tanios Wanna
Representing Byblos
Bank / Board Member



Moanes Omar Saleem Abdel All
Representing Social Security
Corporation / Board Member



Yazan Munther Jeries Haddadin
Board Member



Khalil Safwan Khalil Saket
Board Member



Karim Tawfiq Amin Kawar
Board Member



Basim Mahmoud Zuhdi Malhas
Board Member



Corporate Governance

You are among family at ahli...

Customer Centricity is one of Ahli Bank core values and it can't be accomplished without supporting our own people and create best atmosphere for them to live with and nourish and that is why we believe in a better corporate culture



Corporate Governance Guidelines

Introduction

Jordan Ahli Bank strives to establish a cohesive approach that fosters a productive work environment within a strong governance structure characterized by transparency. This is achieved through the Shared Prosperity Framework, which includes key stakeholders such as customers, shareholders, suppliers, partners, society, employees, and supervisory authorities. Jordan Ahli Bank firmly believes that adhering to good governance practices upholds principles of fairness and transparency, maintaining responsibility, accountability, and clear segregation of duties within a comprehensive governance framework. Good governance practices also enable the Bank to develop and execute a sustainable long-term strategy focused on delivering value to all stakeholders, rather than solely concentrating on short-term objectives. Because the Board of Directors acts on behalf of all shareholders, the significance of corporate governance within the Bank lies in its ability to establish a foundation and set of regulations for future institutional growth and success. This, in turn, fosters trust in the Bank as a reliable investment platform for both depositors and shareholders. Additionally, effective corporate governance enables the Bank to efficiently and effectively contribute to the development of the banking system, which plays a crucial role in overall economic and social progress. In light of the Bank's focus on sustainability and its responsibility towards the environment, society, and governance (ESG), the primary goal is to cultivate a comprehensive understanding of governance. This involves a strong commitment by us to promoting and implementing best practices, in addition to complying with relevant legislation.

Consequently, the Board of Directors of Jordan Ahli Bank has made the decision to adhere to the corporate governance guidelines outlined in the Corporate Governance Guide (Hereinafter referred to as the "Guide"). This Guide has been developed in alignment with the corporate governance directives specified in the banking instructions No. (2/2023) and the instructions set by the Central Bank of Jordan, which adopted the recommendations of the Basel Committee on Corporate Governance. Furthermore, the Bank is committed to complying with the requirements and instructions of regulatory authorities in Jordan, both at a group level and in the countries where the Bank operates. The Board of Directors is dedicated to implementing the Corporate Governance Guide in accordance with the

banking industry's conditions and the legislative and legal frameworks that govern the operations of the Bank and its Group. This Manual/Guidelines is regularly reviewed and updated as needed.

Scope of Application

This Guide is designed to be applied throughout the Group in accordance with the corporate governance directives for banks and the Group's organizational structure. It also aims to identify and understand the connections and relationships between the various units and the Bank (the parent company), ensuring that corporate governance practices are adequate and effective across the Group. The Guide also emphasizes the need for appropriate policies and mechanisms to address the Group's activities and risks, in accordance with the instructions issued by central banks, regulatory authorities, and the relevant countries where subsidiaries and foreign branches are located. The specific relationship matrix between the units within the Group, as approved by the Bank, is an integral part of this Guide. In case of any conflicts or discrepancies, the Board of Directors will be informed, and the approval of the Central Bank will be sought to address and resolve such issues.

The introduction and the following parts shall be considered an integral part of the Guide and shall be read with it as one unit:

- Part One: The provisions and clauses of the Guide and the implications and consequences that arise from these provisions.
- Part Two: The relationship matrix between the supervisory departments of Jordan Ahli Bank and the Group members (foreign branches and subsidiaries)

Legal Framework and Guide Sources

This Guide has been developed by aligning it with the corporate governance instructions for banks issued by the Central Bank of Jordan (No. 2/2023) and relevant circulars. It also takes into account the provisions of the current Jordanian banks and companies laws, as well as the Bank's Memorandum of Association and Articles of Association. The overall framework of the Guide is influenced by the instructions provided by the Basel Committee on Governance, the law of Jordan Securities Commission and its associated instructions, the law of Amman Stock Exchange, and the regulations issued under it. Additionally, the Guide considers the International Financial Reporting Standards (IFRS).

Definitions

Phrases and words mentioned in the Guide shall have the meanings assigned to them below unless the presumption or context indicates otherwise

| Term | Description |
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| Central Bank | Central Bank of Jordan |
| Supervisory Authorities | Regulatory and legislative authorities supervising the Group's work, such as the Central Bank of Jordan, the Central Bank of Cyprus, the Palestinian Monetary Authority, Jordan Securities Commission, the Corporate Control Department and the like. |
| The Bank | Jordan Ahli Bank |
| The Bank's Group / Group | Jordan Ahli Bank Group represented by the General Administration, Jordan branches, foreign branches (Cyprus Branch and Palestine Branches) and affiliated companies/ wholly owned companies by the Bank. |
| The Board / Board of Directors | Jordan Ahli Bank Board of Directors. |
| Corporate Governance | The system by which the Bank is directed and managed, which aims to define and achieve the Bank's institutional objectives, safely manage the Bank's operations, protect the interests of depositors, adhere to due responsibility towards shareholders and other stakeholders, and adhere to the Bank's legislation in force and the Bank's internal policies. |
| Suitability | It provides specific requirements related to honesty, integrity, reputation, competence and qualifications in accordance with the requirements contained in this Guide in persons nominated for membership of the Bank's Board of Directors and senior executive management. |
| Board of Director | Member of the Board of Directors elected by the General Assembly, whether natural or legal, and who meets the conditions of suitability. |
| Representative of Board of Director | The Board of Director representative who is appointed by a Board of Director and meets the conditions of suitability. |
| Independent Board Member | A member of the Board of Directors who does not hold significant shares and is not controlled by any major shareholders. They possess financial or banking expertise and qualifications and fulfill the requirements outlined in Clause 4 of Chapter Four of this Guidelines. |
| Senior Executive Management | It includes the Bank's General Manager or Regional Manager, Deputy General Manager or Deputy Regional Manager, Assistant General Manager or Assistant Regional Manager, Finance Manager, Operations Manager, Facilities/Credit Manager, Risk Manager, Internal Audit Manager, Treasury (Investment) Manager and Compliance Manager, as well as any Bank employee who holds executive powers equivalent to powers of the persons mentioned above and reports directly to the General Manager. |
| Major Shareholder | The person controlling not less than (5%) or more of the Bank's capital, directly or indirectly. |

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| Consultant Position | It is a position where there exists a contractual agreement between the vacant seat and the bank for the provision of temporary consultancy services or under an annual contract. |
| Shared Prosperity Model/Framework: | The framework that is developed within the Bank's stakeholder-focused strategy, in order to deliver long-term value to all stakeholders in a responsible, balanced and sustainable manner that achieves prosperity for all and paves the way for a new type of conscious capitalism, which is seen as a moral imperative for humanity in the twenty-first century. |
| Stakeholders | Any person with an interest in the Bank, such as depositors, shareholders, employees, creditors, customers or the concerned regulatory authorities. For the purposes of this Guide and the policies of the Bank and the Group, it means the categories that have been identified according to the Bank's sustainable institutional Shared Prosperity Model / Framework. These categories are shareholders, customers, employees, society, regulatory authorities, suppliers and partners. |
| External Auditor | It includes the audit office, partners in the audit office, and members of the audit team. |
| Audit Office | The place where the audit team operates and conducts their professional activities. This office is officially registered with the Companies Control Department, which falls under the Ministry of Industry, Trade, and Supply. The registration signifies that the office is recognized as a civil company authorized to practice the auditing profession in accordance with the prevailing legislation. |
| Audit Managing Partner | The certified partner within the audit office who is responsible for conducting the audit and issuing the audit report on behalf of the office. This audit partner possesses the necessary experience, academic qualifications, and professional certification that qualify them to sign the audit report. |
| Internal Capital Adequacy Assessment Process (ICAAP) | A future process to assess the capital adequacy of all quantitative risk elements that include the risks of the first pillar (credit, market, operating), the risks of the second pillar (liquidity, interest in the bank portfolio, credit concentrations, strategy, reputation and business cycle) and qualitative risk elements (Corporate Governance, Board of Directors, Executive Management, risk management, Internal Audit and Internal Control Procedures) that the bank may be exposed to, whether within the expected or unexpected risks. |
| Stress Testing | A set of hypothetical scenarios covering all types of risks (credit, market, operation, concentrations, liquidity) aimed at evaluating the Bank's ability to continue under normal and stressful conditions by evaluating the size of unexpected losses that the Bank can be exposed to and their impact on profits and losses, the financial situation of the Bank, the strategic plan, and contingency plans. |
| Acceptable Risk Document | The document specifying the acceptable levels of risk to which the Bank may be exposed at the level of all banking activities. |
| Compliance Risks | Risks of legal or regulatory sanctions, material losses, or reputational risks that the Bank may be exposed to as a result of non-compliance with laws, regulations, instructions, orders, codes of conduct, standards and sound banking practices. |
| Corporate Governance Instructions | Corporate Governance Instructions for Banks No. (2/2023). |

Chapter 1: The Corporate Shared Prosperity Framework within the Governance Framework

Ahli Bank of Jordan's "Shared Prosperity Framework" was adopted within a governance framework in order to deliver long-term value to all stakeholders in a responsible, balanced and sustainable manner that achieves prosperity for all, and paves the way for a new type of conscious capitalism that we believe has become a moral imperative for humanity in the twenty-first century. Ahli Bank has developed a framework known as the "Corporate Shared Prosperity Framework," which has been established within the Bank's strategy and in line with the principles of good governance. This concept aims to involve all relevant parties, such as shareholders, customers, employees, regulators, partners, suppliers, the environment, and the local community, in actively working towards a common objective of creating value. The primary goal is to encourage sustainable economic growth, while also focusing on promoting knowledge accessibility and social equality according to a sustainable approach. To reach the desired goals, Ahli Bank believes that corporate governance is based on the key principles of justice, transparency, responsibility, accountability and oversight.

The Shared Prosperity Framework identifies stakeholders as follows:

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| Shareholders |
| Customers |
| Employees |
| Community and Environment |
| Regulatory Bodies |
| Suppliers and Partners |

Chapter 2: Board of Directors and committees

1. Composition of the Board of Directors:

The composition of the Board of Directors shall take into account the following:

- A. The Board of Directors shall consist of no fewer than eleven members, who are elected by the Bank's General Assembly for a four-year term. It is important to consider the requirements for obtaining the non-objection of the Central Bank of Jordan, as well as the provisions regarding proportional voting and its determinants, which ultimately result in a total of thirteen members.
- B. The Chairman and any member of the Board are prohibited from holding both their position on the Board and any executive or management role within the Bank. Additionally, they are not permitted to hold any advisory positions within the Bank. Furthermore, a minimum of four members on the Board of Directors, which constitutes one-third of the total members, must be independent members.
- C. The Board shall be elected by the General Assembly by secret ballot in accordance with the provisions of the Companies Law. The elected Board of Directors is responsible for managing the Bank's operations for a four-year term, starting from the date of their election. The Board of Directors Charter and Suitability Criteria are considered when selecting members in accordance with the Bank's approved policy for assessing their suitability. The selection process also considers the conditions mentioned in Chapter Four/1 (Suitability) of the Guide, as well as the Capabilities and Qualifications Matrix maintained by the Board's Secretariat. This matrix is regularly updated to facilitate proactive succession planning. In the event of a vacancy in the position of a Board member, the provisions of the current Companies Law are applied. The appointment of the new member shall adhere to the Central Bank's non-objection and be presented at the first meeting of the General Assembly. The Board of Directors is responsible for electing both the Chairman and the Vice-Chairman from among its members. Additionally, the Board appoints authorized signatories, the Board Secretary, and other relevant positions as outlined in the Guide.
- D. The current Board of Directors is entrusted with managing the Bank's affairs until a new board is elected. It is important to ensure that the new board is elected within three months before the conclusion of the term of the previous board.
- E. The diversity and complementarity of skills and experiences among the members of the Board shall be taken into account so as to provide a wide range of visions and views in line with the size of the Bank and the nature of its activity and strategy.
- F. The positions of Chairman of the Board and General Manager shall be separate from each other.

2. Composition of Committees:

The composition of the committees shall take into account the following:

- A. The Board is responsible for forming committees composed of its members. Each committee is required to have a charter that outlines its composition, tasks, powers, meeting frequency, and quorum. Additionally, the committee appoints a committee secretary who is responsible for documenting all discussions, proposals, objections, reservations, and accurately recording the voting on draft resolutions. These committees are accountable for submitting periodic reports to the Board. It's important to note that the existence of these committees does not relieve the Board as a whole from fulfilling its overall responsibilities.
- B. The Board shall form the following committees as a minimum: Corporate Governance Committee, Risk Management Committee, Compliance Committee, Audit Committee, and Nomination and Remuneration Committee)
- C. It is prohibited for any member of the Board to be the chairman of more than one of the committees mentioned in paragraph B /the provisions of this Clause.
- D. It is prohibited for any member to be the chairman of more than two committees of all the committees emanating from the Board. The committees emanating from the Board of Directors are:
 - Corporate Governance Committee.
 - Audit Committee.
 - Nomination and Remuneration Committee.
 - Risk Management Committee.
 - Compliance Committee.
 - Board Credit Committee
 - Strategy and IT Governance Committee.
- E. The formation of committees with executive powers, except for the Board Credit Committee specified in the Guide, is strictly prohibited. Furthermore, the delegation of any powers held by the committees, which are established by the Board, to any other authority is also prohibited.
- F. The number of members comprising a committee and the quorum required for its meetings shall not be fewer than three members, including the committee chairman. It is not allowed to appoint an alternative member during a committee meeting in the absence of the principal member.
- G. It shall be taken into account that the Board has members who are eligible for membership of the Audit Committee, whose majority of members are required to have academic qualifications in accounting or finance or holders of professional certificates in these two fields, and have appropriate practical experience in the fields of accounting, finance, external audit, internal audit or banking

3. Organization of the work of the Board, committees and meetings:

- A. Board meetings shall be held at least six times per year.
- B. The Board of Directors will convene upon the invitation of the Chairman. In the absence of the Chairman, the Vice-Chairman can call for a meeting. Alternatively, if at least a quarter of the board members submit a written request stating the reasons for holding a meeting, the Board shall meet. If the Chairman or Vice-Chairman fails to invite the Board to convene within seven days of receiving the request, the members who submitted the request have the authority to call for the meeting themselves.
- C. The quorum for any committee derived from the Board, with the exception of the Board Credit Committee mentioned in clause (3/e) of this Chapter, shall consist of at least three members, including the Chairman of the committee. It is not permissible to nominate alternative members during committee meetings in the absence of the principal member.
- D. Decisions made by the Board and its committees shall be reached through an absolute majority vote of the members present who have the right to vote on the agenda items being discussed. In the event of a tie vote on a particular agenda item, the opinion supported by the chairman of the session shall prevail.
- E. The quorum required for meetings of the Board Credit Committee is the presence of at least four members. The decisions of this committee will be made by a majority vote of its members, regardless of the number of members present at the meeting.
- F. Subject to the conditions specified in Clause 5 of Chapter Two (Functions of the Board Secretary) of this Guide, Board members have the option to attend meetings in person or through virtual means such as video telephony. For virtual attendance, the Chairman of the Board and the Board Secretary shall ratify the minutes of the Board meeting, including the determination of its quorum. Similarly, in the case of committee meetings, the chairman of the committee and the Board Secretary of the committee are responsible for ratifying the minutes of the meeting and determining the quorum if any members attend virtually.
- G. The agenda for any meeting shall be provided to all Board members as specified in the Board or committee charter and within the designated timeframe and in accordance with the approved meeting procedures. The agenda shall contain comprehensive written information about the topics to be discussed during the meeting, as well as updates on the implementation of previous Board decisions. The responsibility for delivering the agenda lies with the Board Secretary.

4. Board Secretary:

The Board is responsible for appointing and terminating the services of a board secretary, as well as determining his/her remuneration. The board secretary serves, among other responsibilities, as a link between the Board of Directors and the Executive Management, handling various matters related to corporate governance affairs as a corporate governance liaison officer. The Board Secretary shall have the necessary experience and knowledge to fulfill his/her assigned tasks. Furthermore, the Board Secretary also holds the position of secretary for the Audit Committee and other committees emanating from the Board.

His/her responsibilities also include the following:

- A. The Board Secretary's duties include coordinating with the Chairman of the Board or relevant committees to organize, plan, and schedule meetings for the Board and its committees. Additionally, the Board Secretary deals closely with the committees that emanates from the Board.
- B. The Board Secretary /committees shall attend all meetings of the Board and the committees, record the minutes of the meetings accurately and completely, any reservations raised by any member, record all deliberations, recommendations, objections and reservations, and how to vote on the draft decisions of the Board and the recommendations or decisions of the committees, as the case may be. All records and minutes of meetings and decisions shall be kept under the custody of the Board Secretary.
- C. The Board Secretary shall ensure Board/ committee members sign the minutes and decisions of the meetings.
- D. The Board Secretary shall follow up on the implementation of the decisions taken and the discussion of any topics that have been postponed at a previous meeting.
- E. The Board Secretary shall keep records and documents of the meetings of the Board of Directors and the committees in a written or electronic form and in an appropriate manner.
- F. The Board Secretary shall take the necessary measures to ensure that the draft decisions to be issued comply with the legislation, including those issued by the Central Bank.
- G. The Board Secretary shall communicate and follow up the implementation of the decisions taken by the Board of Directors and the committees and the discussion of any topics that have been postponed at a previous meeting.
- H. The Board Secretary shall ensure that members of the Board and committees follow the procedures of the Board and the relevant committee
- I. The Board Secretary shall prepare for the meetings of the General Assembly and all matters related to it and attend the meeting
- J. The Board Secretary shall supervise the work of the Secretariat of the Board and the organizational units within it, especially with regard to the affairs of the Board, committees and corporate governance affairs. He shall also carry out all matters related to the Board and committees in accordance with the manuals and procedures of the Secretariat.
- K. The Board Secretary shall ratify the directors' declarations and provide the Central Bank with the declarations of suitability that are signed by the directors.
- L. The members of the Board and its committees shall be allowed to communicate directly with the Executive Management and the Board Secretary, and they shall be provided with all means to facilitate their performance of the tasks entrusted to them. It shall be ensured that none of the members of the Board influences the decisions of the Senior Executive Management except through the deliberations that take place in the meetings of the Board or the committees emanating from it.
- M. The Board Secretary shall deliver to the members the agenda of any meeting well in advance, provided that the agenda includes sufficient written information on the topics to be discussed at the meeting.
- N. The Chairman of the Board, in collaboration with the Bank's Board Secretary and the Legal Advisor or Director of the Department, is responsible for conducting discussions with any new member regarding the responsibilities of the Board, particularly in relation to legal and regulatory obligations. The purpose of these deliberations is to provide clarity on the member's roles, authorities, and other aspects of their membership, such as the duration of their term, meeting schedules, committee responsibilities, remuneration, and the potential availability of independent specialized technical advice when required.
- O. The Board Secretary shall cooperate with the Chairman of the Board to ensure that each newly elected member receives relevant legal texts, including laws pertaining to banking operations and instructions issued by the Central Bank related to the Board's work. This includes governance instructions. Additionally, the Board Secretary provides a booklet that explains the rights and functions of the Board member and the responsibilities of the Board Secretary. These materials can be provided in either paper or electronic format. Furthermore, the Board Secretary shall work with the Chairman to supply each member with a comprehensive summary of the bank's operations upon appointment or upon request.

- P. The Board Secretary, in collaboration with the Chairman of the Board, shall ensure that the needs of Board members are met in terms of professional development and continuous learning. This includes coordinating their participation in orientation programs, specialized courses, and workshops. The Board Secretary works in cooperation with the relevant authority or organization to facilitate these learning opportunities.
- Q. Subject to the provisions of Clause (4/c) of this Chapter, the Board Secretary shall ratify the minutes of the meeting of the Board/ committees and its legal quorum with the Chairman of the Board/head of meeting/chairman of committee.
- R. The Board Secretary shall provide the Central Bank with relevant information concerning the members of the Board and its committees, as well as the members of the Senior Executive Management team. This information shall be communicated to the Central Bank using the approved forms when any updates or amendments are made. Furthermore, the Board Secretary is also required to provide the Central Bank with information regarding the members of the Boards of Directors, as well as the Senior Executive Management of subsidiaries, both within and outside the Kingdom. Similar to the aforementioned information, this data must be provided using the approved forms, and any changes or updates should be communicated to the Central Bank.

5. Tasks of the Board of Directors:

The member of the Board of Directors shall perform the tasks in accordance with the principle of duty of care, duty of loyalty, duty of candor and disclosure at all times and within the approved governance framework.

I. At minimum, each member of the Board shall:

- A. Possess adequate knowledge of the legislation and principles related to banking and the operational environment of the Bank and keep abreast of developments in it as well as external developments related to its business.
- B. Attend meetings of the Board, meetings of its committees and meetings of the General Assembly as appropriate.
- C. Allocate sufficient time to carry out their duties as a member of the Board of Directors. The Nomination and Remuneration Committee shall find a clear methodology to verify these duties through, for example, the extent to which the member is linked to the membership of other boards of directors/ bodies/ forums, etc..

II. At minimum, the Chairman of the Board shall:

- A. Ensure a constructive relationship between the Board and the Bank's Senior Executive Management.
- B. Encourage the expression of opinions, particularly on matters that are being discussed and where there may be differing views among the Board members, and promote discussions and voting on those issues.
- C. Extensively discuss strategic and important issues in the meetings of the Boards.
- D. Ensure that all members of the Board receive and sign the minutes of previous meetings, and receive the agenda of any meeting sufficiently in advance, provided that the agenda includes sufficient written information on the topics to be discussed at the meeting. The agenda shall be delivered by the Board Secretary.
- E. Ensure that there is a charter that regulates and defines the work of the Board and the members in the form of a guide and an integrated booklet that includes all the matters stipulated in the Memorandum of Association, the Articles of Association and the Companies Law in addition to this Guide.
- F. Guarantee that every newly elected Board member receives copies of the relevant banking laws, Central Bank instructions pertaining to the Board's work (including governance instructions), as well as a booklet outlining the member's rights, responsibilities, and the role of the Board Secretary .
- G. Ensure that the Central Bank is informed of any material information that could adversely affect the suitability of any of its members as well as the suitability of the representative of any legal person.
- H. Ensure that each member is provided with a sufficient summary of the Bank's business upon appointment or upon request.
- I. Engage in discussions, with the aid of the Legal Advisor or Director of the Legal Department and the Board Secretary , with any newly appointed member to clarify the Board's responsibilities, particularly in relation to legal and regulatory obligations. These discussions aim to provide clarity regarding the member's duties, authorities, and other membership-related matters, such as the duration of their term, meeting agendas, committee responsibilities, remuneration, and the availability of independent specialized technical advice when required.

J. Address the educational requirements of the Board members, ensuring their continuous learning and professional development. This includes facilitating the participation of new members in an orientation program tailored to their banking background. The orientation program should cover essential topics at a minimum, which are as follows:

- The Bank's organizational structure, corporate governance, and code of conduct.
- Institutional objectives, strategic plan and approved policies of the Bank.
- The financial conditions of the Bank.
- The Bank's risk structure and risk management framework.

III. The Board shall perform the following functions:

- A. The Board shall supervise the executive management and adopt a policy to monitor and review its performance to achieve the institutional objectives and ensure the safety of all the Bank's operations.
- B. The Board shall establish the strategic goals of the Bank and instruct the Executive Management to develop a strategy to accomplish these objectives. The Board also approves and adopts both the strategy and corresponding action plans that align with the established goals. At the Group level, strategies are presented to the Board at the end of the year according to the applicable procedures.
- C. The Board shall ensure that the Bank has comprehensive policies, plans and work procedures for all its activities in line with the relevant legislation, and that such policies and plans are circulated at all administrative levels and reviewed regularly.
- D. The Board shall define the Bank's corporate values, draw clear lines of responsibility and accountability for all the Bank's activities and establish a high culture of ethical standards, integrity and professional conduct for the Bank's staff.
- E. The Board shall be accountable for adhering to the directives and regulations set forth by the Central Bank and other supervisory and regulatory entities concerning its operations. This responsibility is carried out while considering the interests of stakeholders. The Board also shall guarantee that the Bank is managed in accordance with its internal legislation and policies, ensuring that effective control is consistently maintained over all activities, including those delegated to third parties.
- F. Subject to the provisions of Clause (II/11) of Chapter Four, the Board shall, upon the recommendation of the competent committee, approve the appointment of the General Director, the Manager of Internal Audit, the Manager of Risk Management and the Manager of Compliance and accept their resignations or terminate their services.
- G. The Board shall implement a risk management strategy and oversee its execution, including determining acceptable risk levels and safeguarding the bank against excessive risks. The Board shall also possess adequate understanding of the Bank's operational work environment and associated risks. Additionally, it shall ensure the presence of risk management tools and infrastructure within the Bank that can identify, measure, analyze, evaluate, and monitor all types of risks to which the Bank is exposed.
- H. The Board shall ensure that adequate and reliable management information systems are in place covering all activities of the Bank.
- I. The Board shall verify that the Bank's credit policy includes evaluating the quality of corporate governance for its public shareholding company customers, so that the customer's risks are evaluated with weaknesses and strengths according to the level of its corporate governance.
 - As stated in Clause (8) of Chapter Eight of this Guide, the Board shall develop a policy that includes the Bank's responsibility towards environment, society and governance (ESG Policy), provided that the Bank's disclosures in its annual report and/or within the sustainability report include the Bank's initiatives in this regard. The following shall be included at a minimum:
 - Social initiatives in environmental protection, health and education.
 - Social initiatives to fight poverty and unemployment.
 - Promoting medium finance and microfinance.
 - Participating in initiatives with economic added value to the community.

- K. The Board shall implement measures to establish a distinct separation between the powers of the major shareholders and the Executive Management, while also developing suitable mechanisms to mitigate the impact of the main shareholders. The Board shall also ensure that the authority of the Senior Executive Management is solely derived from the Board and operates within the confines of the mandate granted to it by the Board.
- L. The Board shall adopt the general organizational structure of the Bank, so that the Central Bank is provided with the general organizational structure when any amendment is made to it, with an explanation of that amendment, taking into account that the general organizational structure includes, at a minimum, the following:
- The Board and its committees.
 - Executive Management and its committees.
 - Separate departments for risk management, compliance, and internal audit, ensuring that they operate with full independence and without engaging in executive functions. These departments shall have a reporting line directly connected to the relevant committee, while maintaining a dotted line reporting relationship with the General Manager.
 - Units that are not involved in executive business such as Credit Review and Middle Office staff.
 - Subsidiaries and foreign branches.

The Board shall also, in accordance with the recommendation of the competent committee, approve the sub-organizational structures of the control departments.

- M. As per the scope outlined in this Guide, the Board is responsible for adopting the overall strategy and general policies of the Group. It is also required to establish a corporate governance framework for the Group in accordance with the Corporate Governance Instructions for banks and the Group's structure. This framework shall be implemented across the entire Group, ensuring alignment of subsidiary policies with Corporate Governance Instructions to the fullest extent possible. The Board shall consider any regulatory instructions from the relevant authorities in the countries where subsidiaries and external branches operate. Furthermore, the Board should have a comprehensive understanding of the Group's structure, particularly those with complex arrangements, by identifying the connections and relationships between units and the parent company. The Board shall assess the adequacy of corporate governance within the Group and align the corporate governance strategies and policies of the parent company with any instructions issued by the Central Bank or other regulatory authorities. These relationships shall be defined within an approved matrix that is considered an integral part of this Guide for the Bank Group. In the event of a conflict, the Bank shall obtain the prior approval of the Central Bank to address any conflict.
- N. The Board shall identify banking activities that necessitate the approval of the Board, ensuring that this designation does not exceed limits that undermine the supervisory function of the Board. Moreover, the Board shall refrain from granting executive authorities, including the authority to grant credit to individual Board members, including the Chairman of the Board.
- O. The Board shall appoint a Secretary of the Board of Directors, terminate his services and determine his remuneration. His/her duties shall include what is stated in Clause 4 of Chapter Two.
- P. The members of the Board and its committees shall be allowed to communicate directly with the Executive Management and the Board Secretary, and they shall be provided with all means to facilitate their performance of the tasks entrusted to them. It shall be ensured that none of the members of the Board influences the decisions of the Senior Executive Management except through the deliberations that take place in the meetings of the Board or the committees emanating from it.
- Q. The Board shall take due diligence measures when deciding on any of the issues related to the Bank's business and taking into account the sound foundations to reach the decision taken in this regard and in order to ensure that its tasks are carried out at the highest professional levels.
- R. The Board shall adhere to the tasks of the Board with regard to disclosure and transparency in accordance with what is stated in Chapter Eight of this Guide.
- S. The Board shall form committees from among its members and adopt a charter for each committee in accordance with what is stated in Clause (3) of Chapter Two of this Guide. It shall be noted that the existence of committees does not exempt the Board as a whole from assuming its responsibilities.
- T. The Board shall approve the Corporate Governance Guidelines.
- U. The Board shall provide recommendations to the General Assembly concerning the appointment of the external auditor. This recommendation takes into consideration the responsibilities of the audit committee and aligns with the guidelines outlined in this Guide, specifically the section dedicated to the external auditor.
- V. The Board shall adopt a policy of evaluating the performance and granting financial rewards to the Bank's administrators.

- W. The Board shall endorse the annual budget that is prepared by the Executive Management. Additionally, it reviews periodic performance reports that are submitted to it, which highlight any discrepancies between actual performance and the projected amounts, along with the reasons for such deviations.
- X. The Board shall approved the Code of Conduct prepared by the Executive Management, taking into account the provisions of Clause (4) of Chapter Seven of this Guide. The Board shall also verify that this Code of Conduct has been circulated at all administrative levels in the Bank
- Y. The Board shall implement a policy to ensure the suitability of Senior Executive Management members within the Bank. This policy shall encompass minimum standards, prerequisites, and conditions that must be fulfilled by these individuals. The Board periodically reviews this policy and establishes appropriate procedures and systems to ensure that all members of the Senior Executive Management adhere to the suitability criteria and maintain their eligibility.
- Z. The Board shall ensure that the General Manager has integrity, technical competence and banking experience. The Board shall also ensure that the executive management has high integrity in conducting its business, avoids conflicts of interest and implements the approved policies and procedures objectively.
- AA. The Board is responsible for granting approval in various personnel matters related to the Senior Executive Management of the Bank. This includes appointing, transferring, promoting, assigning, accepting resignations, or terminating the services of any member within this management level. These decisions are subject to the provisions outlined in Chapter Four/II of this Guide.
- BB. In accordance with the guidelines provided in Chapter Seven, the Board shall establish a policy that addresses the prevention of conflicts of interest in all forms, including those that may arise from the Bank's association with companies within the Group. The Board will also adopt the necessary procedures to ensure the sufficiency of internal controls and monitoring mechanisms to enforce compliance with this policy and prevent any misuse. This policy will encompass the fundamental principles governing conflict of interest policies and their definitions as outlined in Chapter Seven. Additionally, it will include controls for the transfer of information across different departments to prevent any exploitation for personal gain. This policy shall be approved by the Bank in addition to the main rules and principles specified in Chapter Seven, which shall be read with the policy as a single unit.
- CC. The Board is responsible for establishing an evaluation system to assess its own performance, as well as the work of its committees and individual members. Additionally, the Board will develop procedures for determining the remuneration of its members, which will be based on the approved evaluation system and in accordance with the guidelines outlined in Chapter Five of this Guide.
- DD. The Board shall evaluate the performance of the General Manager annually according to a system prepared by the Nomination and Remuneration Committee and approved by the Board and according to what is stated in Chapter Five of this Guide.
- EE. The Board shall implement a performance measurement system for administrators within the Bank other than the Board members and the General Manager. This system will consider the specific details outlined in Clause (2/b) of Chapter Five.
- FF. The Board shall implement necessary actions to strengthen the effectiveness of internal audit within the Bank. This includes emphasizing the significance of the internal audit function and integrating it into the Bank's operations. Measures shall be taken to ensure and enhance the independence of internal auditors, granting them a suitable position within the Bank's career progression. Internal auditors shall possess the requisite knowledge, skills, and competence to carry out their tasks effectively. Furthermore, the Board shall ensure their unrestricted access to all records and information, as well as the ability to communicate with any administrator within the Bank. This enables internal auditors to fulfill their assigned responsibilities and prepare their reports without any interference.
- GG. The Board shall verify that the Internal Audit Department is under the direct supervision of the Audit Committee, and that it submits its reports directly to the Audit Committee and a copy thereof to the General Manager. The General Manager may, with the approval of the Chairman of the Audit Committee, assign the Internal Audit Department with assurance or advisory tasks, provided that this assignment does not affect the independence of the Internal Audit Department.
- HH. The Board shall approve the Internal Audit Charter of the Board of Directors based on the recommendation of the Audit Committee, which includes the tasks, powers and work methodology of the Internal Audit Department.
- II. The Board has the responsibility of granting approval for the internal assessment document concerning the Bank's capital adequacy. This document shall be comprehensive and effective, allowing for the identification of all potential risks the Bank may encounter. Furthermore, it shall align with the Bank's strategic plan and capital plan.

- KK. The Board shall ensure the independence of the Risk Management Department, and grant the department the necessary powers to enable it to obtain information from other bank departments and cooperate with other committees to carry out its tasks.
- LL. The Board is responsible for ensuring that overrides, which involve surpassing acceptable risk levels, are appropriately addressed. This includes holding the concerned Senior Executive Management accountable for such overrides.
- MM. The Board is responsible for overseeing that the Risk Management Department conducts regular stress tests to assess the Bank's resilience against shocks and high-risk situations. The Board shall play a significant role in approving the assumptions and scenarios used in these tests, engaging in discussions regarding the test results, and determining the necessary actions based on those results.
- NN. The Board shall approve a comprehensive document for all risks acceptable to the Bank.
- OO. The Board shall approve the Bank's Risk Management Framework.
- QQ. The Board shall approve the Business Continuity Plan.
- RR. The Board shall ensure the independence of the Compliance Department.
- SS. The Board shall approve the tasks of the Compliance Department in accordance with what is stated in Clause 4 of Chapter Six.
- TT. The Board shall approve a compliance policy to ensure that the Bank complies with all relevant legislation.
- UU. The Board is required to establish a policy for external auditing, which shall encompass the minimum conditions specified in Clause (2/a) of Chapter Six. Additionally, this policy shall outline the initial and ongoing requirements for ensuring the independence of the external auditor.

6. Committees of the Board of Directors:

1. Corporate Governance Committee.

The committee mentioned shall consist of a minimum of three members. The majority of committee members shall be independent, and it shall include the Chairman of the Board. The Committee's Chairman may invite any member of the Senior Executive Management to attend its meetings, although they do not possess voting rights. The committee is responsible for performing the following tasks:

- A. The committee shall operate in accordance with the charter approved by the Board of Directors, adhering to the specified frequency of meetings and tasks outlined in the charter.
- B. The committee is responsible for overseeing the development of the Corporate Governance Guide and its subsequent approval by the Board. The purpose of this guide is to reflect the Bank's perspective on corporate governance, including its concept, significance, and fundamental principles. It shall align with the applicable legislation and ensure the adoption of best practices in the field of corporate governance. Furthermore, the guide shall be regularly updated as needed.
- C. The committee shall provide the Central Bank with a letter signed by all members of the committee confirming the compliance of the guide with the Corporate Governance Instructions within two months from the date of any amendment.
- D. The committee shall verify the correction of the observations contained in the report of the Internal Audit Department – or any other relevant entity – regarding the Bank's compliance with the Corporate Governance Guidelines.
- E. The committee shall inform the Central Bank immediately after verifying any violations of the provisions and requirements of the Corporate Governance Instructions.
- F. The committee shall submit periodic reports to the Board.
- G. The committee shall fulfill any additional tasks outlined in the approved charter that align with the committee's responsibilities as mandated by the current legislation.

2. Audit Committee.

The committee shall operate within the overall framework established for the banking Group at the Jordan Ahli Bank. It shall carry out its tasks in accordance with the approved relationship matrix between the Bank and its Group members, including foreign branches and subsidiaries. The primary objective is to ensure the implementation of necessary measures to harmonize the governance, risk, and compliance (GRC) framework across the Group and comply with regulatory authorities' requirements.

Taking into consideration the provisions of the Banking Law, the majority of the committee members shall be independent members, including the committee chairman. The chairman of the committee shall not hold the position of chairman in any other committee established by the Board, nor shall he be a member of the Board Credit Committee. The Chairman of the Board shall not be a member of this committee. The Manager of the Internal Audit Department of the Bank shall be invited to attend committee meetings, and they may invite individuals to provide their opinions on specific matters and attend discussions related to those matters (without voting rights). The committee is responsible for carrying out the following tasks as outlined in the approved committee charter:

- A. The Committee shall work in accordance with its charter approved by the Board of Directors and the periodicity of the meeting stipulated in the charter. The frequency of meetings will be determined by the charter, requiring a minimum of one meeting every three months, and additional meetings as deemed necessary by the committee chairman. The committee is authorized to directly obtain any information required from the Executive Management or through the Manager of Internal Audit. Additionally, the committee has the right to summon any administrator to attend its meetings when necessary.
- B. Subject to the provisions of the Banking Law regarding the functions and powers of the committee, it shall review the following matters:
 - Scope, results and adequacy of internal and external audit in the Bank and the Group
 - Accounting issues having a material impact on the Bank's financial statements.
 - Control and internal control systems in the Bank Group.
- C. In accordance with the provisions outlined in Clause (2/f) of Chapter Six of this Guide, the committee is responsible for providing the Board with recommendations regarding the selection and appointment of the external auditor. This includes recommendations on terminating their services, determining their fees, and establishing contractual conditions. Furthermore, the committee is entrusted with evaluating the independence of the external auditor and may propose additional tasks or responsibilities to be assigned to them.
- D. The committee shall meet (separate meetings) with the external auditor, the Manager of Internal Audit and the Manager of Compliance at least once a year without the presence of any other members of the Senior Executive Management.
- E. The committee shall review and monitor the procedures that enable employees to confidentially report any error in the financial reports or any other matters. The committee ensures that the necessary arrangements are in place for independent investigation and that the results of the investigation are followed up and addressed objectively.
- F. The committee shall verify the Internal Audit Department's compliance with the International Standards for the Professional Practice of Internal Auditing issued by the Association of Internal Auditors, including conducting an independent external evaluation of the internal audit activity at least once every five years and providing the Central Bank with a copy of such evaluation.
- G. The committee shall be responsible for ensuring that the Internal Audit Department has adequate resources and a qualified workforce. This includes verifying the availability of sufficient resources and an appropriate number of skilled personnel within the department. Additionally, the committee should oversee specialized training programs for the internal audit team, including training in the area of corporate governance.
- H. The committee shall monitor the rotation of internal audit staff to conduct audits of the Bank's activities, with a maximum duration of three years. In cases where it is not possible to achieve this rotation within certain areas, the committee's approval shall be sought for the justifications for non-compliance, especially in specialized areas such as information technology and cybersecurity audits.
- I. The committee shall ensure that the internal audit staff is not assigned any executive tasks.
- J. The committee shall verify that all activities of the Bank are subject to audit – according to the risk-based approach – including those assigned to external parties.
- K. As stated in Clause (2/c) of Chapter Five of this Guide, the committee shall evaluate the performance of the Manager of the Internal Audit Department and determine his remuneration in line with the performance evaluation policy approved by the Board.

- L. In accordance with the provisions of Clause 6 of Chapter Seven, the Audit Committee shall inform the Central Bank immediately upon verifying any violation of any of the legislation in force and internal policies regarding transactions with related parties in accordance with the internal audit reports.
- M. The committee shall approve the adoption of the Internal Audit Charter of the Board of Directors, which includes the tasks of the Internal Audit Department, its powers and its work methodology.
- N. The committee shall adopt an audit plan that encompasses the Bank's activities, including those conducted by other supervisory departments and outsourced to external parties. This audit plan is developed by the Audit Department, taking into account the risk level associated with each activity.
- O. As stated in Clause (2/d) and (2/e) of Chapter Six of this Guide, the Audit Committee shall verify the independence of the external auditor during the contracting period initially and continuously and in a manner that ensures that there is no conflict of interest between the Bank and the external auditor. The Board shall ensure this, and verify that the conditions of contracting with the external auditor are included. The Audit Committee shall also verify the qualifications and effectiveness of the external auditor and ensure that the engagement letter clearly includes the scope of the audit, the fees, and the contracting period. Any other conditions shall be commensurate with the nature of the bank, the size of its business, the complexity of its operations and its risks.
- P. The committee shall approve the work procedures of the Internal Audit Department in line with the legislation in force and the strategies/ policies approved by the Board, and ensure the application of those procedures.
- Q. The committee shall recommend to the Board of Directors the implementation of well-defined sub-organizational structures within the Internal Audit Department. These structures shall accurately represent the administrative hierarchy and establish clear lines of responsibility and authority. The objective is to enable the department to fulfill its tasks with complete independence, emphasizing that its role shall not involve executive functions.
- R. The committee shall approve a detailed description of the tasks of the Internal Audit Department. The committee shall submit periodic reports to the Board.
- S. The committee shall fulfill any additional tasks outlined in the approved charter that align with the committee's responsibilities as mandated by the current legislation.

3. Nomination and Remuneration Committee.

The committee shall consist of a minimum of three members, with the majority, including the committee chairman, being independent members. The committee will be responsible for carrying out the following tasks:

- A. The committee shall operate in accordance with the charter approved by the Board of Directors, adhering to the specified frequency of meetings and tasks outlined in the charter.
- B. As stated in Clause (First/2) of Chapter Four of this Guide, the committee shall undertake the tasks of studying the suitability of the persons nominated to join the Board, taking into account the capabilities and qualifications of the nominated persons and making the appropriate recommendation to the Board. In the event of re-nomination of the member, the number of times he attends and the effectiveness of his participation in the meetings of the Board and its committees shall also be taken into account.
- C. In accordance with Clause (First/2) of Chapter Four of this Guide, the committee is required to notify individuals, including representatives of legal entities, who have applied for membership on the Board in writing about the Board's decision when the provisions outlined in this Guide and the governance instructions are not applied to them.
- D. In accordance with Clause (II/2) of Chapter Four of this Guide, the committee shall be responsible for recommending qualified individuals to the Board for consideration as candidates to join the Senior Executive Management.
- E. The committee shall ensure that Board members attend workshops or seminars on banking topics, including corporate governance, risk management and the latest developments in banking.
- F. As per the provisions mentioned in Clause (I/4) of Chapter Four, the Committee shall be responsible for assessing whether a member qualifies as an independent member, considering the minimum requirements outlined in Paragraph (5/e) of the Corporate Governance Instructions. The committee shall conduct this assessment annually and inform the Central Bank of any updates regarding the independence status of any of the independent members.

- G. As per the provisions outlined in Clause (1/b) of Chapter Five, the committee is responsible for conducting an annual evaluation of the overall performance of the Board, its committees, and individual members. The committee follows established and approved criteria during the evaluation process to ensure objectivity. The results of this evaluation are communicated to the Central Bank. Additionally, excluding the members of the Nomination and Remuneration Committee, the Board members themselves are also responsible for evaluating the performance of the Nomination and Remuneration Committee and its individual members on an annual basis.
- H. The committee shall provide information and summaries about the background of some important topics about the Bank to the Board members upon request, and ensure that they are kept informed about the latest topics related to banking.
- I. In accordance with what is stated in Clause (3) of Chapter Five of this Guide, the Nomination and Remuneration Committee shall develop a policy to evaluate the performance and grant financial remuneration to the Bank's administrators and review it periodically, so that it includes a mechanism for determining the salaries, remuneration and privileges of the General Manager and the rest of the members of the Executive Management. The committee may not delegate this task to the Executive Management, and this policy shall be approved by the Board.
- J. The committee shall make recommendations to the Board of Directors regarding the appointment of the Manager of Internal Audit. Additionally, the committee is authorized to accept the resignation of the Manager of Internal Audit.
- K. The committee shall submit periodic reports to the Board.
- L. The committee shall fulfill any additional tasks outlined in the approved charter that align with the committee's responsibilities as mandated by the current legislation.

4. Risk Management Committee.

The committee shall operate within the overall framework established for the banking Group at the Jordan Ahli Bank. It shall carry out its tasks in accordance with the approved relationship matrix between the Bank and its Group members, including foreign branches and subsidiaries. The primary objective is to ensure the implementation of necessary measures to harmonize the governance, risk, and compliance (GRC) framework across the Group and comply with regulatory authorities' requirements.

This committee consists of at least three members. The majority of the members of the committee, including the chairman of the committee, shall be independent members, and it shall meet at least once every three months and whenever the need arises. It is responsible for the following tasks:

- A. The committee shall operate in accordance with the charter approved by the Board of Directors, adhering to the specified frequency of meetings and tasks outlined in the charter.
- B. The committee is tasked with ensuring the implementation of a comprehensive risk management strategy for the Bank. This strategy encompasses defining the type and level of acceptable risk for all activities undertaken by the Bank. The committee is responsible for recommending to the Board the adoption of the Risk Appetite Framework, which outlines the acceptable risk levels, and the Risk Appetite Statement across the Bank's activities at the group level.
- C. The committee is responsible for verifying the presence of policies and tools that enable the identification, measurement, analysis, evaluation, and monitoring of risks. These policies and tools are reviewed by the committee and recommended to the Board for approval. The committee shall review these policies and tool at least an annual review to ensure their effectiveness and shall modify them when necessary.
- D. The committee shall ensure the presence of a robust risk management system that guarantees the accuracy and sufficiency of the data used for identifying, measuring, analyzing, evaluating, and monitoring risks. This system should also encompass the ability to assess potential losses resulting from these risks and maintain the required capital to effectively manage and mitigate them.
- E. The committee shall verify the effectiveness of the work procedures of the Risk Management Department and assess the extent to which the Executive Management adheres to the approved policies and procedures.
- F. The committee shall provide the Board with periodic reports on the risks to which the Bank is exposed, including overrides of acceptable risk levels and procedures for addressing them. The committee shall keep abreast of developments affecting the risk management of the Bank and the Group and submit periodic reports thereon to the Board.
- G. The committee shall keep abreast of developments affecting the risk management of the Bank and the Group and submit periodic reports thereon to the Board.

- H. The committee shall verify the existence of means that help in risk management, including but not limited to: Risk self-assessment and development of risk indicators.
 - Risk self-assessment and development of risk indicators.
 - Preparing a historical database of losses and identifying the sources of those losses and classifying them according to the type of risk.
 - Providing the necessary equipment, appropriate automated systems and quantitative means.
- I. The committee shall ensure that the Risk Management Department has adequate resources and a suitable number of qualified staff members. Furthermore, it should arrange specialized training programs for these personnel.
- J. As per Clause (2/d) of Chapter Five in this Guide, the Risk Management Committee is responsible for assessing the performance of the Manager of the Risk Management Department. Additionally, the committee is tasked with determining the director's remuneration in accordance with the performance evaluation policy approved by the Board after obtaining the input of the General Manager.
- K. The committee shall adopt the work procedures of the Internal Audit Department in line with the legislation in force and the strategies/ policies approved by the Board and ensure the application of those procedures.
- L. The committee is responsible for recommending to the Board of Directors the implementation of subsidiary organizational structures for the Risk Management Department. These structures shall clearly outline the administrative hierarchy, lines of responsibility, and authority in a comprehensive manner. They shall facilitate the department's ability to carry out its tasks with complete independence, while ensuring that executive work is not performed within the department.
- M. The committee shall approve a detailed description of the tasks of the Risk Management Department
- N. The committee shall ensure the independence of the Risk Management Department, and grant the department the necessary powers to enable it to obtain information from other bank departments and cooperate with other committees to carry out its tasks.
- O. The committee shall recommend to the Board the adoption of the stress testing policy and ensuring that the Risk Department conducts stress testing periodically to measure the bank's ability to withstand shocks and face high risks.
- P. The committee shall recommend to the Board the implementation of methodologies for the identification, measurement, and monitoring of various types of risks.
- Q. The committee shall ensure the existence of a business continuity plan at the Group level and approve the results of the business continuity plan examination and ensure the readiness of the alternative site and the disaster recovery site.
- R. The committee shall recommend to the Board the adoption of the hypotheses and scenarios used, discuss the results of the tests, and adopt the procedures to be taken based on these results.
- S. The committee shall recommend to the Board the adoption of an internal evaluation document regarding the Bank's capital adequacy. It shall also periodically review this methodology and ensure its proper application. The document shall be comprehensive, effective and capable of identifying all potential risks that the Bank may encounter, while considering the bank's strategic plan and capital plan.
- T. The committee shall propose to the Board of Directors the appointment of the Manager of Risk Management and also approve his resignation.
- U. The committee shall oversee the development of the database necessary for risk management.
- V. The committee shall ensure the adoption of local and global best practices in the risk management process.
- W. The committee shall submit periodic reports to the Board on the risks to which the Bank is exposed, including violations of acceptable risk levels and procedures for addressing them
- X. The committee shall fulfill any additional tasks outlined in the approved charter that align with the committee's responsibilities as mandated by the current legislation.

5. **Compliance Committee.**

The committee shall operate within the overall framework established for the banking Group at the Jordan Ahli Bank. It shall carry out its tasks in accordance with the approved relationship matrix between the Bank and its Group members, including foreign branches and subsidiaries. The primary objective is to ensure the implementation of necessary measures to harmonize the governance, risk, and compliance (GRC) framework across the Group and comply with regulatory authorities' requirements.

This committee shall be composed of at least three members, including an independent member. The committee shall meet at least once every three months and whenever the need arises. It shall undertake the following tasks:

- A. The committee shall operate in accordance with the charter approved by the Board of Directors, adhering to the specified frequency of meetings and tasks outlined in the charter.

- B. The committee shall endorse the annual compliance plan throughout the Group and review the regular reports prepared by the Compliance Department. These reports encompass assessing the risks associated with non-compliance, identifying irregularities and deficiencies, and evaluating the corrective actions implemented.
 - C. The committee shall recommend to the Board the adoption of compliance monitoring and anti-money laundering and counter-terrorism financing (AML/CFT) policies.
 - D. The committee shall supervise the implementation of the Bank's compliance policy and ensure that the Bank's Executive Management resolves all compliance issues promptly and effectively.
 - E. The committee shall supervise the work of the Compliance Department, and ensure that appropriate mechanisms are in place to monitor the compliance of all administrative levels in the Bank with all regulatory requirements, legislation in force and international standards, including the recommendations of the Financial Action Task Force.
 - F. The committee shall ensure that the Compliance Department has adequate resources and a suitable number of qualified staff members. Furthermore, it should arrange specialized training programs for these personnel.
 - G. As per Clause (2/d) of Chapter Five in this Guide, the Compliance Committee is responsible for assessing the performance of the Manager of the Compliance Department. Additionally, the committee is tasked with determining the director's remuneration in accordance with the performance evaluation policy approved by the Board after obtaining the input of the General Manager.
 - H. The committee shall approve the work procedures of the Compliance Department so that they are in line with the legislation in force and the strategies/ policies approved by the Board. It shall also ensure that those procedures are applied.
 - I. The committee is responsible for recommending to the Board of Directors the implementation of subsidiary organizational structures for the Compliance Department. These structures shall clearly outline the administrative hierarchy, lines of responsibility, and authority in a comprehensive manner. They shall facilitate the department's ability to carry out its tasks with complete independence, while ensuring that executive work is not performed within the department.
 - J. The committee shall create channels of communication between the Compliance Department and Anti-Money Laundering Department and the Board of Directors to ensure the achievement of its objectives. The committee shall provide the Compliance Department and Anti-Money Laundering Department with the requisite authority to obtain information from other departments within the bank. It shall also foster collaboration with other committees to fulfill their responsibilities and implement necessary measures to uphold the values of integrity and ethical professional conduct within the Bank.
 - K. The committee shall review the reports of the Compliance Department and AML / CFT and adopt recommendations and corrective actions to be taken to reduce the Bank's exposure to legal and regulatory risks or financial or reputational losses.
 - L. The committee shall adopt a detailed description of the tasks of the Compliance Department.
 - M. The committee shall recommend to the Board of Directors the appointment of the Compliance Manager and accept his resignation.
5. The committee shall submit periodic reports to the Board.
- F. The committee shall fulfill any additional tasks outlined in the approved charter that align with the committee's responsibilities as mandated by the current legislation.

6. Board Credit Committee

This committee consists of at least five members, and one of its members may be independent, provided that none of its members is on the Audit Committee. The quorum for the meetings of the committee shall be at least four members and its decisions shall be taken by a majority of its members regardless of the number of those present. It shall undertake the following tasks:

- A. The committee shall operate in accordance with the charter approved by the Board of Directors, adhering to the specified frequency of meetings and tasks outlined in the charter.
- B. The committee shall consider exclusively the facilities that exceed the authority of the highest committee in the Executive Management. It is important to note that the Board, among its tasks, determines the banking operations that require its approval in any matter that is outside the authority of the Board Credit Committee
- C. The powers of the committee shall be limited to taking the appropriate decision regarding the facilities that have been recommended for approval by the Executive Management Committee referred to above.
- D. The committee shall determine maximum limits for the powers entrusted to it related to granting, modifying, renewing, structuring, scheduling or settling credit facilities, so that there are clear powers for the Board in this regard
- E. The committee shall submit to the Board the details of the facilities approved by it.

7. Strategy and IT Governance Committee.

This committee shall be composed of at least three members. The committee meets at least quarterly and undertakes the following tasks:

- A. The committee shall operate in accordance with the charter approved by the Board of Directors, adhering to the specified frequency of meetings and tasks outlined in the charter.
- B. The committee shall propose to the Board of Directors the overall strategic goals of the Bank, which encompass the objectives related to information technology. It shall instruct the Executive Management to develop a strategy to accomplish these objectives. The committee shall also submit this strategy to the Board for approval and adopt action plans aligned with this strategy. This includes establishing a comprehensive and efficient framework to implement the strategy effectively.
- C. The committee shall review the strategic, financial, quantitative and qualitative performance indicators proposed by the CEO/ General Manager and make recommendations to raise the efficiency of the Bank's strategic plans and alignment to implement those plans within an effective methodological framework in preparation for approval by the Board of Directors.
- D. The committee shall follow up and support the establishment and development of the corporate identity and reflect the strategy on the corporate identity.
- E. The committee shall adopt the strategic objectives for information technology and establish appropriate organizational structures, including steering committees at the Senior Executive Management level, especially the Information Technology Steering Committee. The aim is to ensure that these structures support the accomplishment of the Bank's strategic objectives and maximize the value derived from information technology projects and investments. The committee shall also implement necessary tools and standards to monitor and ensure the achievement of these objectives. Examples of such tools include utilizing the balanced scorecard system for information technology (IT Balanced Scorecards), calculating the return on investment (ROI), and measuring the impact on enhancing financial and operational efficiency.
- F. The committee shall implement a comprehensive framework for managing, controlling, and overseeing information technology resources and projects. This framework shall align with internationally recognized best practices, particularly the Control Objectives for Information and Related Technology (COBIT). It shall also adhere to the objectives and requirements outlined in the Central Bank of Jordan Instructions No. (65/2016). This is done by achieving sustainable institutional objectives while fulfilling the information and technology objectives matrix associated with it. The framework shall encompass the information technology governance processes outlined in the aforementioned instructions.
- G. The committee shall endorse the matrix of institutional objectives and the corresponding information and technology objectives outlined in the Central Bank Instructions No. (65/2016). It shall consider this data as the minimum requirement and further define the sub-goals that are necessary to achieve them.
- H. The committee shall adopt Enterprise Goals and Alignment Goals contained in the instructions of the Central Bank No. (65/2016) and the amendments contained in Circular No. (10-6-984), consider their data as the minimum requirement and further describe the sub-goals necessary to achieve them.
- I. The committee shall implement a matrix of responsibilities, known as a RACI Chart, for the key operations of information technology governance outlined in the Central Bank Instructions No. (65/2016), as well as the amendments specified in Circular No. (10-6-984). The matrix shall define the entities or parties primarily responsible (Responsible), those ultimately responsible (Accountable), and those to be consulted (Informed) for each operation mentioned in the instructions. The committee shall be guided by the COBIT 2019 standard while developing and implementing this matrix.
- J. The committee shall determine the significance and priority of Enterprise Goals, considering their alignment with Alignment Goals, Governance and Management Objectives, and other relevant Enablers/Components. This assessment shall be based on a qualitative and/or quantitative study conducted at least once a year. The study shall take into account factors that influence the formation of the IT Governance Framework (COBIT 2019 - Design Factors). The committee shall ensure that the framework aligns with the specific needs and strategies of the Bank.
- K. The committee shall oversee the establishment of a comprehensive framework for IT risk management that aligns with and integrates into the overall risk management framework of the Bank, as prepared by the Risk Department. This framework shall take into consideration and address the Bank's strategy for risk control, aiming to minimize risks and safeguard the security and interests of customers. It shall encompass all IT governance processes outlined in the Central Bank Instructions No. (65/2016) and its subsequent amendments, specifically Circular No. (10-6-984).
- L. The committee shall approve the budget of IT resources and projects in line with the strategic objectives of the Bank.
- M. The committee shall oversee and assess the advancement of IT operations, resources, and projects. It shall also review their sufficiency and evaluate their effective contribution towards fulfilling the needs and objectives of the Bank.
- N. The committee shall review IT audit reports, take the necessary measures to address deviations and recommend them to the Board.

- O. The committee shall site the minutes of the meetings of the Information Technology Steering Committee and take appropriate decisions according to the recommendations made by the Information Technology Steering Committee regarding:
 - Any unacceptable risks related to information technology, security and protection.
 - Performance reports and compliance with the requirements of the general framework for the management, control and control of IT resources and projects.
 - Allocating the necessary resources and mechanisms to achieve the tasks of the IT Governance Committee.
 - Any deviations that may adversely affect the achievement of strategic objectives
- P. The committee shall fulfill any additional tasks outlined in the approved charter that align with the committee's responsibilities as mandated by the current legislation.

Chapter 3: Tasks of the Executive Management

I. Tasks of the Executive Management

- A. The Executive Management is responsible for executing and overseeing the Bank's operations in alignment with the strategies and policies approved by the Board. It shall also establish and manage systems, risk management practices, processes, and controls necessary to effectively handle various types of risks faced by the Bank, to ensure that the approved risk levels set by the Board are not surpassed and to adhere to all relevant laws and internal policies of the Bank.
- B. The Executive Management is responsible for ensuring the presence of comprehensive operational procedures for all activities conducted by the Bank. These procedures shall be in compliance with current legislation and the strategies/policies approved by the Board. The General Manager or the Regional Manager of the Foreign Bank branch (excluding control departments) must approve these procedures, while the competent committee is responsible for approving procedures specific to control departments. Additionally, the Executive Management is tasked with guaranteeing the implementation and adherence to these approved procedures.
- C. The Executive Management shall prepare financial statements.
- D. The Executive Management shall develop the overall organizational structure of the Bank and submit it to the Board for approval. It is also tasked with creating the sub-organizational structures for all units within the Bank and obtaining approval from the General Manager. However, for the sub-organizational structures of control departments of local banks, the Board approves them based on the recommendation of the competent committee as outlined in this Guide. These structures shall clearly outline the administrative hierarchy and provide a detailed representation of lines of responsibility and authority. The general organizational structure, at a minimum, shall include the elements specified in Clause (III/6/L) of Chapter Two, as follows:
 - The Board and its committees.
 - Executive Management and its committees.
 - Separate departments for risk management, compliance, and internal audit, ensuring that they operate with full independence and without engaging in executive functions. These departments shall have a reporting line directly connected to the relevant committee, while maintaining a dotted line reporting relationship with the General Manager.
 - Units that are not involved in executive business such as Credit Review and Middle Office staff.
 - Subsidiaries and foreign branches.
- E. The Executive Management shall prepare an annual budget, submit it to the Board for approval, and submit periodic performance reports to the Board showing the deviation between actual performance and the budgeted amounts, along with an explanation of the reasons behind such deviations.
- F. The Executive Management is prohibited from engaging in any actions that could compromise the independence and impartiality of the control departments. The cooperation between these departments, the various units of the Bank, and the Executive Management is vital for carrying out their respective duties effectively. The Senior Executive Management shall be promptly informed of any significant matters that require immediate attention as soon as they are identified by any of the control departments. Furthermore, the control departments are allowed to report these issues to the competent committee as necessary.
- G. The Executive Management shall provide the supervisory authority, external audit, internal audit and any competent authorities, at the time specified by those authorities, with the required information and disclosures necessary to carry out their tasks in an optimal manner.
- H. The Executive Management shall prepare the Bank's Code of Conduct, submit it to the Board for approval and circulate it to all the Bank's administrators.
- I. The Executive Management shall Develop the skills and professional conduct of the Bank's employees to comply with the latest standards of ethics and professional work conduct.
- J. The Executive Management shall ensure that appropriate controls are in place for each activity or process and separate procedures administratively and practically into approval and implementation tasks.

II. Tasks of the CEO/ General Manager

In addition to what is stated in the legislation in force, the General Manager shall perform the following:

- A. The General Manager shall Develop the strategic direction of the Bank.
- B. The General Manager shall implement the Bank's strategies and policies.
- C. The General Manager shall implement the decisions of the Board.
- D. The General Manager shall provide guidance for the implementation of short- and long-term action plans.
- E. The General Manager shall develop mechanisms to communicate the Bank's vision, mission and strategy to employees.
- F. The General Manager shall inform the Board of all important aspects of the Bank's operations.
- G. The General Manager shall manage the day-to-day operations of the Bank.
- H. The General Manager shall endorse a comprehensive delineation of responsibilities for each organizational unit within the Bank (excluding control departments whose description is to be made by competent committees) and make the description accessible to all employees of the Bank, each according to their specialization.
- I. The General Manager may, with the approval of the chairman of the Audit Committee, assign the Internal Audit Department with confirmatory or advisory tasks, provided that this assignment does not affect the independence of the Internal Audit Department.

Chapter 4: Suitability

I. Suitability of the members of the Board of Directors

1. The Board shall adopt a policy to ensure the suitability of its members, provided that this policy includes the minimum standards, requirements and conditions that must be met by the nominated member, and that this policy is reviewed whenever necessary, and adequate procedures and systems are established to ensure that all members meet the criteria of suitability and continue to enjoy them.
2. The Nomination and Remuneration Committee shall undertake the task of studying the suitability of the persons nominated to join the membership of the Board, taking into account the capabilities and qualifications of the nominated persons, and making the appropriate recommendation to the Board. In the event of re-nomination of the member, the number of times he attends and the effectiveness of his participation in the meetings of the Board and its committees shall be taken into account. The Committee shall inform any person (including the representative of the legal person) applying for membership of the Board in writing of the Board's decision that the provisions of the Corporate Governance Instructions of Banks do not apply to him.
3. Membership conditions and suitability criteria.

Whoever holds the chairmanship (or membership) of the Board shall meet the following conditions:

- A. They shall be at least twenty-five years old.
- B. They shall not hold a position as a board member, general manager, regional manager, or employee of any other bank in Jordan, unless the other bank is affiliated with the Bank.
- C. They shall not be a lawyer, legal advisor, bank auditor, or advisor to any other bank in Jordan.
- D. They shall have a first university degree as a minimum in economics, finance, accounting, business administration or any of the similar disciplines. The Nomination and Remuneration Committee may consider other disciplines (including law and information technology) if combined with sufficient experience related to the business of banks or related activities in line with Clause (1/e) of Chapter Two of the provisions of this Guide.
- E. They shall not be an employee of the government or any public official institution unless they are representatives of such institutions.
- F. They shall have experience in banking, finance, economics or other fields related to banking-related activities for at least five years.
- G. They shall not have any familial relationship, including relatives up to the third degree, with the CEO/ General Manager of the Bank. Additionally, they shall not have any immediate family members (first-degree relatives) who are part of the Senior Executive Management team.
- H. They shall not be a member of the boards of directors of more than five public joint stock companies in Jordan, whether in their personal capacity and their representation of a legal entity on these boards.
- I. The member is required to possess a minimum of two thousand qualifying shares of the Bank. These shares shall not be seized, pledged, or subject to any other restrictions that hinder their complete disposal. It is necessary for these shares to be held throughout the membership term and for an additional six months after the termination of membership. During this period, trading or selling these shares is prohibited.

4. Independent Board Member Terms and Conditions

The Nomination and Remuneration Committee shall establish the essential criteria to guarantee the independence of members. It shall assess whether a member meets the qualifications to be considered an independent member and review this status annually. Additionally, any changes to the independence status of independent members shall be reported to the Central Bank. The Nomination and Remuneration Committee shall consider the following minimum conditions when evaluating independence requirements. An independent member shall be a natural person.

- A. An independent member shall be a natural person.
 - B. An independent member must not have worked as an employee of the Bank or any of its subsidiaries or as an advisor to the Bank or any of its subsidiaries during the three years preceding his nomination
 - C. An independent member shall not have any connections or affiliations with other members of the Board or with individuals serving on the boards of directors of the Bank's subsidiaries. Furthermore, such a member shall not have any relationships with significant shareholders of the Bank up to the second degree of kinship.
 - D. An independent member shall not have any connections with any of the members of the Senior Executive Management of the Bank or any of the members of the Senior Executive Management of any of the Bank's subsidiaries up to the second degree and with the CEO/General Manager of the Bank up to the third degree.
 - E. An independent member shall not be a partner or employee of the external auditor of the bank and have been a partner or employee during the three years preceding his nomination.
 - F. An independent member shall not hold a significant ownership stake in the Bank, nor be associated with a major shareholder of the Bank or their allies in a manner where their combined ownership matches that of a major shareholder. Additionally, they shall not be a major shareholder in any of the Bank's subsidiaries or in the larger Group that owns the Bank.
 - G. An independent member shall not have served on the Board of Directors of the Bank or any of its subsidiaries for a total period exceeding eight years. If a member no longer meets the criteria for independence as specified in this clause, the Bank has the option to seek approval from the Central Bank for the member to continue as an independent member after a minimum cooling-off period of four consecutive years. This request will be made if there are valid justifications for the member to retain their independence.
 - H. An independent member, their spouse, immediate family members, or any company where they hold a position as a board member, owner, or significant shareholder, or hold a senior executive management role, shall not have a credit from the Bank that exceeds 5% of the Bank's regulatory capital. Additionally, they shall not act as a guarantor for a credit from the Bank that exceeds the same percentage.
5. The non-objection of the Central Bank shall be obtained on the nomination of any person (as well as on the nomination of the representative of the legal person, including the temporary representative of any government agency or public or official legal institution) for membership of the Board, provided that the request for non-objection is accompanied by the decision of the Board, the recommendation of the Nomination and Remuneration Committee, which includes its perception of the added value to be provided by the nominated member of the Board, the declaration and its attachment, the declaration of the independent member, the curriculum vitae, scientific certificates, certificates of experience, a certificate of non-conviction, and a copy of the civil status card (passport for non-Jordanians). The Board Secretary shall provide the Central Bank with declarations of suitability of the members of the Board, and the Central Bank may, in the cases it deems necessary, summon any member/candidate of the Board of Directors of any bank for an interview.
 6. The Bank shall obtain the non-objection of the Central Bank to the nomination of any member of the Board before the date of the meeting of the General Assembly of the Bank by a sufficient period of not less than one month. Those who wish to be nominated shall be informed of the need for the non-objection of the Central Bank.
 7. It is known that in the cases it deems necessary, the Central Bank may summon any member/candidate of the Board of Directors of any bank to conduct an interview with them. The Central Bank may also consider any member non-independent according to certain data, despite the fact that all the conditions mentioned in Clause (2) of this Article apply to him.
 8. The Chairman of the Board shall ensure that the Central Bank is informed of any material information that could adversely affect the suitability of any of the members of the Board as well as the suitability of the representative to legal persons.
 9. The Bank shall take into account the representation of women in the membership of the Board.
 10. It shall be taken into account that the Board has members who are eligible for membership of the Audit Committee, whose majority of members are required to have academic qualifications in accounting or finance or holders of professional certificates in these two fields and appropriate practical experience in the fields of accounting, finance, external audit, internal audit or banking.
 11. If the Board finds it necessary and has clear and specific reasons, it has the authority to appoint an advisor. However, this appointment shall align with the nature of the advisor's work and shall not involve any supervisory or executive responsibilities. The appointment shall also be for a specific period of time and shall not interfere with the Board's task of overseeing its work in accordance with the regulations, including the Banking Law. It is important to note that the appointment is subject to the Central Bank's approval.

II. Suitability of the members of the Senior Executive Management

1. The Board shall adopt a policy to ensure the suitability of the members of the Senior Executive Management of the Bank, provided that this policy includes the minimum standards, requirements and conditions that must be met by the member of the senior executive management. The Board shall review this policy from time to time and establish sufficient procedures and systems to ensure that all members of the Senior Executive Management meet and continue to meet the criteria of suitability.
2. The Nomination and Remuneration Committee nominates qualified persons to the Board to join the Senior Executive Management.
3. The Board shall verify that the General Manager has integrity, technical competence and banking experience.
4. The Bank shall obtain the approval of the Board upon the appointment/ transfer/ promotion/ assignment, acceptance of resignation or termination of the services of any of the members of the Bank's Senior Executive Management.
5. Subject to the provisions of Clause (II/11) of this Chapter, the Board shall, upon the recommendation of the competent committee, approve the appointment of the General Manager, the Manager of Internal Audit, the Manager of Risk Management and the Manager of Compliance and accept their resignations or terminate their services.
6. The Board shall approve a replacement plan for the members of the Senior Executive Management of the Bank, and the Board shall review this plan at least once a year.
7. The Bank shall verify that any major shareholder of the Bank has no relationship, including kinship up to the third degree with the General Manager and the first degree with any other member of the Senior Executive Management.
8. The Bank shall verify that any major shareholder of the Bank has no relationship, including kinship up to the third degree with the General Manager and the first degree with any other member of the Senior Executive Management.
9. Membership conditions and suitability criteria

Whoever is appointed to the Senior Executive Management of the Bank shall meet the following conditions:

- A. They shall not be a member of the board of directors of any other bank, unless the other bank is affiliated with the Bank.
- B. They shall be full-time individuals dedicated to overseeing the Bank's operations.
- C. They shall hold a first university degree as a minimum in economics, finance, accounting, business administration or any of the disciplines related to the work of the Bank.
- D. They shall have experience in the field of banking business (mostly in the field of the job for which they are nominated) or related work of not less than five years, with the exception of the General Manager or the Regional Manager whose experience in the field of banking business shall not be less than ten years.
- E. They shall not hold significant shares in the bank and shall have no affiliation with the Chairman of the Board, any other board member, or any major shareholder of the Bank. This includes familial relationships up to the third degree in the case of the General Manager and up to the first degree for any other member of the Senior Executive Management.
10. The Bank shall take into account the representation of women in the membership of the Senior Executive Management.
11. The Bank shall obtain the non-objection of the Central Bank before appointing/ transferring/ promoting/ assigning any member of the Senior Executive Management, provided that the non-objection request is accompanied by the decision of the Board, the recommendation of the competent committee, the approved general organizational structure, the member's declaration (and its attachment), CV, academic certificates, experience certificates, non-conviction certificate, and a copy of the civil status card (non-Jordanian passport). The Central Bank may summon any person nominated for a position in the senior executive management of any bank for a personal interview before appointment.
12. The Bank shall obtain the non-objection of the Central Bank to the resignation or termination of the services of any of the General Manager / Regional Manager, the Manager of Internal Audit, the Manager of Risk Department and the Manager of Compliance Department, and the Central Bank may call any administrator of the Bank to verify the reasons for resignation or termination of services.

Chapter 5: Evaluating the performance of administrators and financial rewards

1. The Board and committees

- A. The Board shall ensure that there is a system for evaluating its work and the work of its committees and members, provided that this system includes, as a minimum, the following:
 - Key Performance Indicators (KPIs) that can be extracted from strategic plans and objectives to be used to measure the performance of the Board and its committees

- Communication between the Board and the shareholders and the periodicity of this communication.
 - Periodicity of the Board's meetings with the Senior Executive Management.
 - Member attendance of and participation in meetings of the Board and its committees, as well as comparing their performance with the performance of other members. Feedback shall be obtained from the concerned member in order to improve the evaluation process.
 - The extent to which the member develops their knowledge in the business of banks through participation in training programs.
- B. Since the process of evaluating the performance of the members of the Board of Directors is an important tool to ensure the effective performance of the Board and the subordinate committees, it is necessary to follow specific and approved principles in evaluating performance in order for the performance evaluation criterion to be objective. The following aspects shall be taken into account:
- The members of the Board should acquire the skills, knowledge and experience that effectively regulate the functioning of the Bank.
 - The Board should communicate with internal and external stakeholders at specific times.
 - The structure of the committees established by the Board should be clear, ensuring that committee members have access to the necessary information and tools required to carry out their responsibilities effectively.
 - The members should focus on important aspects at the right time.
 - Board members should foster a sense of teamwork, aiming to establish a suitable balance between trust and constructive challenges.
 - The Chairman of the Board should play a crucial role as a capable leader of the Board of Directors.
 - The level of progress and ongoing enhancement of the Board of Directors and its members, both collectively and individually, in terms of their performance, should be considered.
- C. The Nomination and Remuneration Committee shall evaluate the work of the Board as a whole and its committees and members separately annually. This committee shall follow specific and approved bases in the evaluation process so that the performance evaluation criterion is objective, and that it informs the Central Bank of the result of this evaluation. The members of the Board (other than the members of the Nomination and Remuneration Committee) shall also evaluate the performance of the Nomination and Remuneration Committee and its members separately annually.
2. Senior Executive Management and the rest of the Bank's administrators, other than the Board's members
- A. The Board is responsible for conducting an annual performance evaluation of the General Manager using a framework developed by the Nomination and Remuneration Committee and approved by the Board. This evaluation system includes the establishment of key performance indicators. The criteria used to assess the General Manager's performance shall, at a minimum, consider the financial and administrative performance of the Bank relative to the associated risks, as well as the extent to which the General Manager has achieved the Bank's medium- and long-term plans and strategies. Each evaluation component will be assigned a specific weight. The Nomination and Remuneration Committee shall communicate the evaluation results to the Central Bank.
- B. The Board shall establish a performance evaluation system for the Bank's administrators who are not members of the Board, as well as the General Manager. This system shall consider performance indicators that are tailored to the specific nature of each department's work and their ability to meet their objectives. The minimum requirements for this system include the following:
- The performance evaluation system shall assign appropriate weighting to assess compliance performance based on the Risk Management Department and Compliance Department frameworks, as well as the implementation of internal controls and regulatory obligations.
 - The evaluation of administrators' performance shall not solely rely on gross income or profit. Other factors should also be considered, such as the risks associated with core operations, the accomplishment of departmental objectives and annual plans, and, when applicable, measuring customer satisfaction.
- C. The Audit Committee shall evaluate the performance of the Manager of the Internal Audit Department and determine his remuneration in line with the performance evaluation policy approved by the Board
- D. The Risk Management Committee shall evaluate the performance of the Manager of the Risk Management Department and determine his remuneration in line with the performance evaluation policy approved by the Board, after consulting the opinion of the General Manager.
- E. The Compliance Committee shall evaluate the performance of the Manager of the Compliance Department and determine his remuneration in accordance with the performance evaluation policy approved by the Board, after consulting the opinion of the General Manager.
- F. The performance of the employees of the Internal Audit Department shall be evaluated by the Manager of Internal Audit in line with the performance evaluation policy approved by the Board.
3. The Nomination and Remuneration Committee shall, in accordance with its tasks, develop a policy for evaluating the performance and granting financial remuneration to the Bank's administrators and review it periodically. Such a policy shall include a mechanism for determining the salaries, remuneration, and privileges of the General Manager and the rest of the members of the Executive Management. The committee may not delegate this task to the Executive Management, and this policy shall be approved by the Board.

4. The policy for granting financial remuneration shall have the following elements as a minimum:
 - It shall be prepared to attract and maintain administrators with competencies, skills and experience, motivate them and improve their performance.
 - It shall include provisions regarding the remuneration of the Chairman, Board members, and committee members, in accordance with the responsibilities outlined in the Corporate Governance Instructions. The remuneration may vary based on the performance evaluation of the Board, its committees and its members, as well as based on the solvency and performance of the Bank.
 - The remunerations shall not be based only on the performance of the current year, but also on the performance in the medium and long term (3-5) years.
 - It shall incorporate a mechanism for deferring payment of a reasonable portion of the remuneration (excluding salaries). The specific percentage and duration of the deferral will be determined based on factors such as the nature of the work, associated risks, and the activities of the respective administrator.
 - It shall determine the form of remunerations, such as fees, salaries, allowances, bonuses, stock options, or any other benefits. However, it is essential to consider instructions regarding the ownership of influential interests in this context.
 - The policy will include a mechanism to revoke the deferred remuneration granted to an administrator if it is discovered later that there were performance issues or if the Bank faces significant risks resulting from decisions made by that administrator within their authority that could have been avoided.
 - Financial rewards shall not be granted to the administrators of the control departments depending on the results of the work of the departments under their control.

Chapter 6: Control Environment

The Board of Directors assumes its responsibilities by relying on a general internal and external control framework based on the foundations, tasks and responsibilities assigned to each of the following:

1. Internal audit

- A. The Board shall implement necessary measures to strengthen the effectiveness of internal audit by prioritizing the internal audit function and establishing its importance within the Bank. This includes safeguarding and enhancing the independence of internal auditors and providing them with a suitable position within the Bank's job hierarchy. These auditors shall possess the necessary knowledge, skills, and competency to fulfill their responsibilities. The Board will ensure their unrestricted access to all records and information, allowing them to communicate with any administrator in the Bank without interference, enabling them to carry out their assigned tasks and prepare reports effectively.
- B. The Board shall verify that the Internal Audit Department is under the direct supervision of the Audit Committee, and that it submits its reports directly to the Audit Committee and a copy thereof to the Director General. The General Manager may, with the approval of the Chairman of the Audit Committee, assign the Internal Audit Department with confirmatory or advisory tasks, provided that this assignment does not affect the independence of the Internal Audit Department.
- C. The Internal Audit Department shall undertake the following tasks at the Group level as a minimum:
 - It shall verify the sufficiency of internal control and control systems pertaining to the Bank's operations, as well as at the Group level, which includes its subsidiaries. Additionally, it shall review and document any modifications made to the structure of these systems.
 - It shall develop the Internal Audit Charter to be approved by the Board upon the recommendation of the Audit Committee. Such charter shall include the tasks, powers and work methodology of the Internal Audit Department.
 - It shall prepare an audit plan that includes the activities of the Bank, including the activities of other supervisory departments and activities assigned to external parties, according to the degree of risk of those activities, provided that it is approved by the Audit Committee.
 - It shall review the compliance with the Corporate Governance Guide and the policies and charters related thereto annually, prepare a detailed report thereon and submit it to the Audit Committee and a copy thereof to the Corporate Governance Committee.
 - It shall review the validity and comprehensiveness of Stress Testing, in accordance with the methodology approved by the Board.
 - It shall guarantee the precision of the procedures employed in the internal audit process to determine the sufficiency of the Bank's capital, also known as the Internal Capital Adequacy Assessment Process (ICAAP).
 - It shall audit financial and administrative matters.
 - It shall monitor and address any violations and observations outlined in the reports of the supervisory authority and the external auditor. It shall ensure that these issues are appropriately resolved and that the executive management implements suitable controls to prevent their recurrence.
 - It shall ensure the availability of necessary procedures for receiving, processing, and managing customer complaints, as well as observations regarding the accounting system, control and internal control, audits, and the submission of regular reports on these matters.
 - It shall securely and systematically maintain audit reports and working papers for a period specified in the relevant legislation. These documents shall be readily available for review by both the supervisory authority and the external auditor.

- C. The performance of the employees of the Internal Audit Department shall be evaluated by the Manager of Internal Audit in line with the performance evaluation policy approved by the Board.
- D. The Internal Audit Department shall perform an annual test to verify compliance with the applicable legislation, internal bank policies, and approved procedures in all transactions involving related parties. The department shall submit reports and recommendations regarding these transactions to the Audit Committee. In the event of any violation of legislation or internal policies in this area, the Audit Committee shall promptly inform the Central Bank.

2. External auditing

1. The Bank shall prepare an external audit policy to be approved by the Board and amended whenever necessary. This policy shall include, as a minimum, the following:
 2. A mechanism for nominating and assigning an audit office.
 3. A mechanism for determining the fees of an audit office.
 4. Periodic change of audit office and teams.
 5. The requirements for the independence of the external auditor stipulated in paragraph (d) of this Article as a minimum.
 6. Tasks of the audit office and team.
 7. Relationship of the Audit Committee to the audit office and team.
 8. Additional services outside the scope of audit services that can be assigned to the audit office.
 9. The criteria for selecting the audit office and the responsible partner, taking into account the following requirements as a minimum:

Audit office:

- The number of partners responsible for auditing in the office shall not be less than two.
- The international office or company of which the office is a member shall have the appropriate experience, not less than (10) years in auditing bank accounts.

Managing partner:

- Shall be of good conduct and have a good professional reputation.
 - Must not have been convicted of a felony or misdemeanor involving moral turpitude or dishonesty.
 - Shall have a valid practicing license to practice the profession of auditing and be registered in the register of the Jordanian Association of Certified Public Accountants (JACPA) in accordance with the provisions of the Law Regulating the chartered accountancy profession.
 - Must not have been deprived of practicing the profession during the last five years or a final penal judgment has been issued against this managing partner as a result of committing a professional error or a legal violation related to the practice of the profession.
 - Shall have at least a first university degree in accounting or any of the disciplines related to the business of banks.
 - Shall hold one of the professional certificates in the field of accounting or auditing from one of the internationally recognized professional associations of chartered accountants or auditors recognized by JACPA.
 - Shall be of good conduct and have a good professional reputation.
 - Shall have practical experience in the field of auditing accounts for a period of not less than (10) years, including (7) years at least in the field of auditing bank accounts, and shall be familiar with banking business and risks and related legislation, including those issued by the Central Bank.
- B. The Bank shall guarantee the regular rotation of the external auditor, with a maximum duration of seven years. However, changing the external auditor during the contract period will only be permitted upon obtaining approval from the Central Bank and with substantial reasons.
 - C. An office that has been previously contracted with may not be re-nominated until at least three years have passed since its last nomination by the Bank.
 - D. The Audit Committee is responsible for ensuring the ongoing independence of the external auditor throughout the contract period. The committee shall conduct initial and continuous assessments to prevent any conflicts of interest between the bank and the external auditor. The Board will oversee and guarantee this process. Additionally, the Board will verify that the minimum conditions for contracting with the external auditor include the following:
 - The external auditor shall not be a member of the Board or the board /board of directors of any of the Bank's subsidiaries.
 - The external auditor is prohibited from engaging in any long-term technical, administrative, or advisory tasks for the Bank or any of its subsidiaries while carrying out the audit assignment.
 - The external auditor shall not be a partner with any of the members of the Board /Senior Executive Management of the Bank or any of the members of the board of directors or any of the members of the senior executive management of any of the Bank's subsidiaries.

- There shall be no relationship up to the second degree between the managing partner or any member of the audit team with any member of the Board or any member of the Senior Executive Management of the Bank or any of its subsidiaries.
- The external auditor shall not directly or indirectly own, deal in, or speculate in the shares of the Bank or the shares of any of the Bank's subsidiaries.
- The external auditor shall not combine the audit work on the accounts of the Bank with any additional services outside the scope of the audit services assigned to the audit office.
- E. The Audit Committee shall verify the qualifications and effectiveness of the external auditor and ensure that the engagement letter clearly includes the scope of the audit, fees, contract period and any other conditions commensurate with the nature of the Bank, the size of its business, the complexity of its operations and its risks.
- F. The Audit Committee shall provide the Board with recommendations about appointing an external auditor, ending their services, determining their fees, and setting any terms related to hiring them. The committee shall also review their independence and may assign them additional tasks.
- G. The Bank shall inform the Central Bank of its nomination for the external auditor at least 30 days before the General Assembly meeting for election or re-election.
- H. The Central Bank may meet with the auditor of any bank and, if necessary, coordinate with them regarding reviewing the working papers relating to the task of auditing that bank.

3. The Risk Management Department

- A. The board shall ensure the independence of the Risk Management Department and grant the department the necessary powers to enable it to obtain information from other bank departments and cooperate with other committees to carry out its tasks.
- B. The Board shall verify that breaches of acceptable risk levels are addressed, including the accountability of the Senior Executive Management concerned with such breaches.
- C. The Board shall ensure that the Risk Management Department conducts stress tests periodically to measure the Bank's ability to withstand shocks and face high risks, and that the Board has a key role in adopting the hypotheses and scenarios used, discussing the results of the tests, and adopting the procedures to be taken based on these results.
- D. The Risk Management Department shall undertake the following tasks at the group level as a minimum:
 - It shall implement the risk management strategy in addition to developing policies and work procedures to manage all types of risks.
 - It shall develop one or more risk management policies that encompass all of its operations. These policies shall establish explicit measures and limits for each type of risk. It is essential that all employees, based on their respective positions, receive comprehensive information and awareness about these policies. The Bank will conduct periodic reviews of the risk management policy/policies and submit them to the Board for approval.
 - It shall prepare a comprehensive document for all risks acceptable to the Bank and submit it to the Board for approval.
 - It shall review the Bank's Risk Management Framework and submit it to the Board for approval.
 - It shall create an internal assessment document for evaluating the Bank's capital adequacy. It shall review this document regularly to ensure its comprehensiveness, effectiveness, and alignment with the Bank's strategic plan and capital plan, taking into account all potential risks that the Bank may encounter. This document shall be approved by the Board.
 - It shall develop methodologies for identifying, measuring, analyzing, evaluating and monitoring each type of risk.
 - It shall verify the integration of risk measurement mechanisms with the management information systems used.
 - It shall prepare a business continuity plan and submit it to the Board for approval, provided that it is reviewed periodically.
 - Prior to introducing any new product, service, process, or system, the Risk Management Department shall verify its alignment with the Bank's strategy. It shall identify all associated risks, including operational, information security, and cyber risks, and establish new controls, procedures, or necessary amendments in a manner that aligns with the Bank's acceptable risk limits.
 - It shall provide the necessary information about the Bank's risks, to be used for disclosure purposes.
 - It shall make recommendations to the Risk Management Committee on the Bank's risk exposures and record cases of exceptions to the risk management policy.
 - It shall monitor the compliance of the Bank's executive departments with the specified levels of acceptable risk.
 - It shall submit reports to the Board through the Risk Management Committee and a copy to the General Manager containing information on the actual risk system for all the Bank's activities in comparison with the acceptable risk document. It shall also follow up on the treatment of negative deviations. The Executive Management may request special reports as needed from the Bank's Risk Management Department.

4. The Compliance Department

- A. The Board shall ensure the independence of the Compliance Department.
- B. The Board shall approve the tasks of the Compliance Department. These tasks shall include the following as a minimum at the Group level:
 - The Compliance Department shall prepare a compliance policy to ensure that the Bank complies with all relevant legislation, and ensure that all employees, each according to their administrative level, are fully informed and aware of it. This policy shall be approved by the Board.
 - It shall prepare an annual compliance plan, to be approved by the Compliance Committee.
 - It shall monitor the compliance of all administrative levels in the Bank with all regulatory requirements, legislation in force and international standards, including the recommendations of the Financial Action Task Force.
 - It shall prepare periodic reports that include assessing the risks of non-compliance, irregularities, deficiencies and corrective actions taken, and submit such reports to the Compliance Committee and copies of them to the General Manager.
 - It shall manage compliance risks faced by the Bank Group and ensure compliance with applicable laws, regulations and standards and any amendments thereto.
 - It shall continuously monitor, test and report group-wide compliance by appropriate and adequate methods.
 - It shall adopt plans for training at the Group level, develop and enhance awareness of topics related to the compliance function and professional conduct and answer employees' queries related to compliance.
 - It shall act as a liaison between the Bank and the relevant regulatory authorities.
 - It shall monitor its operations to effectively combat money laundering and the financing of terrorism. This monitoring shall be conducted in accordance with recognized best practices and within the framework of international sanctions regimes.
 - It shall ensure compliance with international laws and sanctions regimes.
 - It shall receive customer complaints and strive to resolve them within the designated timeframe. Additionally, it shall provide recommendations to the relevant authorities to implement measures aimed at preventing the recurrence of such complaints.
- C. The Compliance Committee assigns the Compliance Officer to carry out the following tasks:
 - Assist the executive management and staff of the Bank in managing the compliance risks faced by the Bank.
 - Advise the Executive Management on the applicable laws and legislation and any amendments thereto.
 - Ensure compliance with the compliance monitoring policy and the application of the Group's regulatory compliance program, provide the Committee with the results of compliance checks, indicate any violations of the laws / instructions in force, make the necessary recommendations to address them and reduce their recurrence, and provide the Executive Management with a copy of them and a copy for the company regarding the subsidiaries and according to the approved relationship matrix.
 - Educate staff on compliance topics and conduct training sessions and induction workshops on the role of the Compliance Department.

Chapter 7: Conflicts of Interest

The Board shall adopt a policy governing the avoidance of conflicts of interest in all its forms, including those arising from the Bank's association with companies within the Group, and shall adopt the necessary procedures to ensure the adequacy of internal controls and control to monitor compliance with this policy and prevent abuses. This policy shall include the general principles governing the policy and definitions of conflicts of interest and as described therein. It shall also include, at a minimum, the topics governing the following main rules, which shall be read with the policy as one unit and as follows:

- A. The policy shall prevent activities that result in a conflict between the interest of the Bank and any interest of any administrator in the Bank in any way.
- B. Disclosure shall be immediately upon verification of any matter that has arisen or will give rise to a conflict between the interest of the Bank and any interest of any administrator of the Bank in any way.
- C. The Board member shall not disclose the confidential information of the Bank or use it for their own benefit or for the benefit of others, and the representative of the legal person shall not disclose any confidential information circulated during the meetings of the Board and its committees to any person, including any administrator of this legal person.
- D. Members of the Board are obligated to prioritize the interests of the Bank over their personal interests in any transactions involving companies they have personal stakes in. They are prohibited from leveraging commercial opportunities of the Bank for their personal gain. It is essential to avoid conflicts of interest, and in case of any such conflict, the member shall provide detailed disclosure to the Board, and they are obligated not to attend or participate in the decision-making process related to the matter in question. This disclosure shall be recorded in the minutes of any Board or committee meeting.

- Instances that lead to conflicts of interest can include situations where there is a clash between the personal interests of a board member and the interests of the Bank. Similarly, conflicts of interest can arise between the interests of an Executive Management member and the interests of the Bank. Furthermore, conflicts may arise between the interests of any company within the banking group, subsidiary, or ally of the Bank and the interests of the Bank itself.
 - The policy regarding conflicts of interest shall establish the definition of related parties in accordance with the applicable legislation. It shall also outline the conditions for conducting transactions with these parties, ensuring that they do not receive preferential treatment compared to unrelated customers. This policy encompasses all dealings between the Bank and any companies within its banking group.
 - The policy shall define the scope of transactions involving related parties, encompassing various types of transactions and not solely limited to credit facilities.
 - The policy shall include procedures followed in the Bank when identifying cases of non-compliance with this policy.
2. Furthermore, in order to prevent any conflicts of interest between the Bank and the external auditor, the Audit Committee is responsible for confirming the independence of the external auditor throughout the contracting period. This verification is conducted both initially and on an ongoing basis to ensure the absence of any conflicts of interest. The Board of Directors is also responsible for ensuring this independence and confirming that the contract terms with the external auditor align with the provisions stated in Article Two of Chapter Six.
 3. The Board shall adopt controls for the transfer of information between the various departments, preventing their exploitation for personal benefit.
 4. The Board shall adopt a charter of professional conduct prepared by the Executive Management to ensure that the Bank conducts its business with high integrity. This charter shall include, at a minimum, the cases that may result in a conflict of interest. The Executive Management shall circulate it and the Board verifies that it has been circulated at all administrative levels in the Bank.
 5. The Board shall ensure that the Executive Management has high integrity in conducting its business, avoids conflicts of interest, and implements the approved policies and procedures objectively.
 6. The Internal Audit Department shall conduct an examination at least once a year to ensure that all transactions with related parties with the bank have been carried out in accordance with the legislation in force, the internal policies of the Bank and the approved procedures, and shall submit its reports and recommendations thereon to the Audit Committee. The Audit Committee shall inform the Central Bank immediately upon verifying any violation of any of the legislation in force and internal policies in this field.

Chapter 8: Disclosure and Transparency – (Treatment of Shareholders and Stakeholders)

1. To guarantee the rights of shareholders and all stakeholders and to meet the requirements of disclosure and transparency, the Board shall, as a minimum, provide a mechanism to ensure communication with stakeholders by disclosing and providing meaningful information about the activities of the Bank and providing sufficient information to shareholders through the following:
 - The General Assembly Meetings.
 - Annual report and quarterly and semi-annual reports
 - The Bank's website and the Bank's news published in the newspapers, which include the Bank's achievements.
 - The Shareholders' Affairs Department of the Secretariat of the Board, in which shareholders' inquiries are answered.
 - Newspapers, social sites, communications, email and text messages (by type of information)
 - A section of the Bank's website shall be allocated to providing information about the rights of shareholders. This section shall serve to encourage shareholders to actively participate in and vote during General Assembly meetings. Additionally, the Bank shall publish relevant documents related to these meetings on the website, including the complete text of the meeting invitations and the minutes of the meetings.
2. The Board is responsible for promptly sharing relevant financial and non-financial information that is of importance to stakeholders.
3. The Board shall guarantee that the Bank's annual report incorporates a provision explicitly stating its responsibility for the accuracy and sufficiency of the Bank's financial statements and the information presented within the report. Additionally, the Board will ensure the adequacy of internal control and control systems.

4. The Board shall ensure that the Bank complies with the disclosures set by the International Financial Reporting Standards (IFRS), the International Accounting Standards (IAS), Central Bank instructions and other relevant legislation and that the Executive Management is aware of changes to IFRS.
5. The Board shall oversee the publication of the Corporate Governance Guide on the Bank's website and through other suitable means to inform the public. Furthermore, the Bank is obligated to disclose in its annual report the presence of a corporate governance guide and the level of its dedication to implementing the guidelines outlined within it.
6. The Board shall ensure that the Bank's annual report and quarterly reports include disclosures that allow current or potential shareholders to view the results of operations and the financial position of the Bank.
7. The Board shall ensure that the annual report includes the following as a minimum:
 - A summary of the organizational structure of the Bank.
 - A summary of the functions of the committees of the Board, and any powers that the Board has delegated to those committees.
 - Information of interest to stakeholders outlined in this Guide.
 - Information about each member of the Board in terms of their qualifications and experience, the amount of their contribution to the capital of the Bank, whether they are independent or not, their membership in the committees of the Board, the date of their appointment, and any memberships they hold in the boards of directors of other companies.
 - Information about the Risk Management Department, including its structure, the nature of its operations and any updates made to it.
 - The number of times the Board and its committees meet and the number of times each member attends these meetings.
 - Names of the members of the Board and the Senior Executive Management who resigned during the year.
 - A summary of the Bank's remuneration policy, with the disclosure of all forms of remuneration of the members of the Board separately, and the remuneration in all its forms granted to the Senior Executive Management separately, for the past year.
 - Acknowledge by all members of the Board that they have not received any undisclosed benefits, whether in the form of material or non-material gains, personally or for the benefit of any stakeholders, during the previous year, as a result of their involvement with the Bank.
8. Disclosure by the Bank in its annual report and/or within the sustainability report of the initiatives pursued by the Bank in this regard. This shall include the following as a minimum:
 - Social initiatives in environmental protection, health and education.
 - Social initiatives to fight poverty and unemployment.
 - Promoting medium finance and microfinance.
 - Participating in initiatives with economic added value to the community.
9. Semi-annual reports that are shared through e-mail and are available to those who visit or communicate with the Bank at any time.
10. The Board shall also communicate continuously with the shareholders and in accordance with the mechanism specified above.

Chapter 9: General Provisions

1. The Chairman of the Board will extend an invitation to the Central Bank, allowing them ample time to nominate their representative, to attend the General Assembly meetings.
2. The Chairman of the Board shall provide the Central Bank with the minutes of the General Assembly meetings within a timeframe of no more than five working days from the date of the Companies Controller or their representative's approval of the minutes.
3. The Bank shall inform the Central Bank of its nomination for the external auditor at least 30 days before the General Assembly meeting for election or re-election.
4. The Central Bank may appoint a third party to evaluate the governance of any bank, at the expense of the concerned bank.
5. The Central Bank may invite members of the Audit Committee, the Manager of the Internal Audit Department, members of the Compliance Committee, or the Manager of the Compliance Department to discuss any matters relating to their work.
6. The Central Bank may meet with the auditor of any bank and, if necessary, coordinate with such an auditor regarding reviewing the working papers relating to the task of auditing that bank.

Disclosure Regarding Corporate Governance

Jordan Ahli Bank confirms that it has a corporate governance guide at the group level, which is consistent with corporate governance instructions No. 2/2023, and commits to striving to execute what is mentioned in the guide and published on its website.

Jordan Ahli Bank has authorized and published the Governance, Management of Information and Related Technologies Guide on its website in accordance with the Central Bank of Jordan's instructions, and it underlines its commitment to implementing the guide and its provisions.

Corporate Governance Report

In line with Jordan Ahli Bank Group's belief in the importance of promoting the principles of good governance and with the aim of attaining an effective balance between all stakeholders within the framework of shared prosperity, Jordan Ahli Bank assessed the level of governance maturity for the third time in a row with the assistance of Messrs. Deloitte & Touché, one of the most important companies with experience in this field, aims to enhance the principles and concepts of corporate governance as an essential pillar of success and stability and to ensure the continued optimal application of the principles of corporate governance throughout the bank in a way that ensures the harmony of the work of the bank's executive and supervisory wings and in a way that achieves efficiency, effectiveness, and optimal outcomes in achieving the corporate Shared prosperity goals.

The bank measured its corporate governance maturity index in 2015, 2018, and 2023, respectively. Governance maturity indicators are based on a classification of the bank's degrees of commitment to corporate governance practices, resulting in the extent of the bank's commitment to best practices on a scale of five grades with many sub-indices. As a result of the combined efforts of the Bank's Board of Directors and Executive Management, and based on the evaluation results, the Bank was able to move the index score from (1.9) in the year 2015, which indicated that practices required improvements to be consistent with international best practices, to (3.9) in the year 2018, as it became consistent with international best practices at the time, reaching (4.5) out of (5) in the current year 2023 under the "exceeding intel practices' category.

This evaluation represents the bank's strategic ability to achieve environmental and social sustainability as well as good governance, which reflects its vision and its ongoing eagerness to implement these practices that contribute to achieving impact. The Bank's achievement of this result from the multinational company Deloitte is a distinguished addition to its proven record. favourable for all stakeholders, the financial industry, and society at large.

In terms of evaluating the quality assurance of the control departments (audit, risk and compliance), the bank was able to raise the level of maturity of the departments, which had previously been evaluated by Deloitte & Touché in 2019, and the departments were evaluated in 2023 with a noticeable increase in the maturity rate, reaching 4/5 on the majority of the axes. The findings obtained are the consequence of implementing the GRC framework and attempting to work inside an institutional context.

The bank is also concerned at all times with the balanced application of the provisions of the Companies Law and its amendments for the year 2023, the applicable governance provisions for listed companies issued by the Securities Commission for the year 2017, and the corporate governance instructions for banks No. (2/2023)

The bank is also eager to consistently implement the Companies Law and its amendments for 2023 in a balanced manner, as well as the applicable 2017 Securities Commission governance guidelines for listed companies and the corporate governance instructions for banks No. (2/2023), 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 stakeholders. In general, the bank adheres to the highest standards of disclosure and transparency within the context of good governance, and it is committed to providing comprehensive and accurate substantive information to its shareholders in accordance with regulatory and legislative requirements, whether financial or non-financial disclosures. In addition to the matrix, a group-level governance handbook has been established. The bank's connection with group members is designed to ensure compliance with all applicable legislation at both the bank and group levels. The Governance, Management of Information, and Related Technologies Guide was also implemented in accordance with the Central Bank of Jordan's instructions.

In accordance with the Jordan Securities Commission's Corporate Governance Instructions for Listed Companies for the year 2017, this report was prepared as follows:

Board of Directors of Jordan Ahli Bank

The Board of Directors is formed in accordance with the current Jordanian Companies Law, the Jordanian Banking Law, the Corporate Governance Instructions for Banks, and the Corporate Governance Instructions for Listed Companies where applicable, as well as any related circulars.





The current Board of Directors was elected on April 29, 2021 by the shareholders for a period of four years. The Board of Directors has elected:

- **Mr. Saad Nabil Yousef Al-Mouasher** as Chairman of the Board of Directors (as of 29/04/2021); and
- **Mr. Moh'd Mousa Dawood (Moh'd Issa)** as Vice Chairman (as of 01/02/2023) *

Noting that H.E. Dr. Umayya Toukan has resigned as of 31/1/2023 and the appointment of Mr. Moh'd Mousa Dawood was ratified by the General Assembly in its meeting held on 30/03/2023

Jordan Ahli Bank's elected Board of Directors is comprised of (13) thirteen non-executive members, (5) five 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 Fundamental 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 a function is fulfilled by offering entrepreneurial leadership, effective strategy, and risk management oversight to guarantee that risks are identified and managed properly. The Board of Directors meets at least six times a year to discuss matters that are relevant to all stakeholders.



| | |
|---|---|
|  | Elected/ ratified by the General Assembly |
|  | Non- Executives and Separation between CEO and Chairman roles |
|  | Independent Members** |
|  | Diversity by Gender / women participation |

**As part of our good governance practice, we assess each non-executive board member's independence throughout the year. In 2023, Mr. Karim Kawar was deemed independent due to the cooling off period, as per the corporate governance guidelines for banks and the Central Bank of Jordan's non-objection.

A-1 The names of Jordan Ahli Bank's Board Members and Representatives for the Current Term* as of 31/12/2023

| Name | Non-Executive/ Executive | Independent/ Non-Independent | Position |
|--|-----------------------------|---------------------------------|-----------------------|
| Mr. Saad Nabil Yousef Mouasher  | Non-Executive | Non-Independent | Chairman of the Board |
| Mr. Moh'd Mousa Dawood (Moh'd Issa) As of 01/02/2023  | Non-Executive | Non-Independent | Vice Chairman |
| Mr. Nadim Yousef Issa Muasher  | Non-Executive | Non-Independent | Board Member |
| Mr. Rafik Saleh Issa Muasher Rajai Muasher & Brothers Co. Representative  | Non-Executive | Non-Independent | Board Member |
| Mr. Imad Yousef Issa Mouasher Mouasher Investment & Trading Co. Representative  | Non-Executive | Non-Independent | Board Member |
| H.E Mrs. Majd Mohammad Abdul Kareem Shwaikeh Jordan Investor Center Representative  | Non-Executive | Non-Independent | Board Member |
| Mr. Alan Fouad Tanios Wanna Byblos Bank Representative  | Non-Executive | Non-Independent | Board Member |
| Mr. Mo'nes Omar Saleem Abdel All Social Security Corporation Representative As of 01/08/2023  | Non-Executive | Non-Independent | Board Member |
| H.E. Dr. Tareq Mohammad Khaleel Hammouri  | Non-Executive | Independent | Board Member |
| Mr. Karim Tawfiq Amin Kawar  | Non-Executive | Independent | Board Member |
| Mr. Khalil Safwan Khalil Saket  | Non-Executive | Independent | Board Member |
| Mr. Yazan Munther Jeries Haddadin  | Non-Executive | Independent | Board Member |
| Mr. Basim Mahmoud Zuhdi Malhas  | Non-Executive | Independent | Board Member |

*Jordan Ahli Bank Board of Directors was elected by the General Assembly during its meeting held on April 29, 2021.

A-2 Board members who resigned or Board representatives who were replaced in 2023.

| Name | Non-Executive/ Executive | Independent/ Non-Independent | Position |
|---|-----------------------------|---------------------------------|---|
| H.E Dr. Umayya Salah Ala Uddin Toukan Resigned as of 31/1/2023 | Non-Executive | Independent | Vice Chairman |
| Mrs. Ranya Moosa Fahed Al-Araj Until 1/8/2023 The representative was replaced | Non-Executive | Non-Independent | Board Member Rep- resentative /Social Security Corpora- tion |

B- Board of Directors Secretary

The importance of the decisions made by the Board of Directors and the committees emanating from the board, as well as to following up on matters related to corporate governance, the board and shareholders affairs, necessitates the presence of a procedure to ensure that draft decisions discussed during the sessions comply with current legislation. Therefore, and given the significance of the Board Secretary's role in the Board, its Committees, and corporate governance, in addition to the general tasks assigned at the group level, the elected Board of Directors has appointed **Lawyer/Advocate Maisa' Ziad Moh'd Turk** as the Board Secretary and Legal Advisor, in charge of managing governance, board, and shareholder affairs. She was also named as the rapporteur and secretary of all committees formed by the Board. The tasks and responsibilities have been set in accordance with the applicable regulations under the Corporate Governance Guide and the procedures relating thereto.

C1- Names and positions held by executives of Jordan Ahli Bank in 2023

| Executive Position | Name |
|---|---|
| Chief Executive Officer - General Manager As of 01/02/2023 | 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 |
| Head of Consumer Banking | Mr. Mohammad Nizam Jamil 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 | Mr. Safwan Suhail Ali Asfour |
| Chief of Support and Operations Officer As of 01/01/2023 | Mr. Rami (Moh'd Murshed) Khalaf Da'na |
| Chief Information Officer | Mr. Jwallant Arvindkumar Vasani |
| Chief Human Resources Officer | Mrs. Maha Khaled Fathallah Dado |
| Chief Innovation Officer | Mr. Nidal Jalil Mahmoud Khalifeh |

C2- List of Executive Members' names who Retired or Resigned in 2023

| Executive Position | Name |
|---|-------------------------------------|
| Chief Executive Officer - General Manager Until 31/01/2023 | Mr. Moh'd Mousa Dawood (Moh'd Issa) |

D- The Natural Individuals who Serve as Members of the Boards of Directors of Public Shareholding Companies in Jordan

| Name | Memberships at the Public Shareholding Companies in Jordan |
|--|---|
| Mr. Moh'd Mousa Dawood (Moh'd Issa) | <ul style="list-style-type: none"> • Al Dawliya for Hotels & Malls Plc. (MALL) (Jordan Ahli Bank Representative) • Arab International Hotels Plc. (AIHO) (Jordan Ahli Bank Representative) |
| Mr. Nadim Yousef Issa Muasher | <ul style="list-style-type: none"> • Arab International Hotels Plc. (AIHO) • EL- Zay Ready Wear Manufacturing Company (ELZAY) • Al Dawliya for Hotels & Malls Plc.(MALL) (Jordan Investor Center Representative) • Jordan Worsted Mills Co. (JOWM) (Ranco Holding Company Representative) |
| Mr. Karim Tawfiq Amin Kawar | <ul style="list-style-type: none"> • Al Fares National Investment group (Optimiza) |
| H.E. Dr. Tareq Mohammad Khaleel Hammouri | <ul style="list-style-type: none"> • EL- Zay Ready Wear Manufacturing Company (ELZAY) |
| Mr. Basim Mahmoud Zuhdi Malhas | <ul style="list-style-type: none"> • Jordan Investment and Tourism Transport (ALFA) • Mediterranean Tourism Investments Company (Four Seasons) |

*The remaining natural members of the Board of Directors do not hold any memberships under any Public Shareholding Companies in Jordan.

E- Corporate Governance Liaison Officer

The Corporate Governance Liaison Officer is **Advocate Maisa' Ziad Moh'd Turk – Board Secretary and legal advisor.**

F- Committees emanating from the Board

The Board of Directors has formed seven committees emanating from the Board of Directors and carrying out the tasks and responsibilities outlined in the Corporate Governance Guide and its charters.



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 the Audit Committee Members during the Year 2023, along with an Outline of their Financial, Accounting Qualifications and Expertise.

| Name | Position | An outline of the financial, accounting qualifications and expertise |
|----------------------------------|------------------|--|
| Mr. Karim Tawfiq Amin Kawar | Chairperson | <ul style="list-style-type: none"> • BSc in Management, Finance and Computer Science, 1987, Boston College Massachusetts-US • The President of Kawar Group and a serial entrepreneur mainly the following: <ul style="list-style-type: none"> - The Chairman of (Amin Kawar & Sons Group, Iris Guard ,Nathealth) - Vice Chairman of (Optimiza, Cosco Shipping) • A member at Global Leader for Tomorrow of the World Economic Forum and Global Agenda Council • A former member of the Economic Consultative Council (appointed by a royal decree) • Served as a board audit committee member at Jordan Ahli Bank |
| Mr. Khalil Safwan Khalil Saket | Committee Member | <ul style="list-style-type: none"> • BSc. Civil Engineering, 1998, University of Toledo. • Seasoned professional with 25 years of experience in multiple sectors. • Founder of Privy Advisory LLC. • Strategic Advisor to the President & Chairman of the Board of Directors of Abdali Investment & Development PSC. • Former Board member at KADDB and an audit committee member. • Former business Advisor at Saraya Holding and former CEO of Saraya Abdali. • Applied Corporate Finance certificate, 2023, University of Cambridge - Institute of Continuing Education • A Certified Non-Executive Board Director (certificate), 2023, NEDA / United Kingdom. |
| Mr. Mo'nes Omar Saleem Abdel All | Committee Member | <ul style="list-style-type: none"> • BA in Accounting, 2004, Yarmouk University • Corporate Affairs Section –Section Head (7/2020 -to date) at SSIF. • Former Head of settlement division and CFO deputy at SSIF (5/2006 until 12/2018). • Former Board member and board audit committee member at Jordan Commercial Bank (10/2019 – 7/2023). • Certified Management Accountant (CMA), 2014, Institute of Management Accountant • Certified Public Accountant (CPA), 2018 American institute of certified public accountant – AICPA. • A professional diploma in International Financial Reporting Standards (DiplFR), 2019, Association of Chartered Certified Accountants – ACCA. |

In addition to the following who were Committee Members During the Year 2023 Prior the Most recent Committee Formation:

| Name | Position | An outline of the financial, accounting qualifications and expertise |
|--|---|--|
| H.E Dr. Umayya Salah Ala Uddin Toukan | Chairperson Until 31/01/2023 | <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. • 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. |
| Mrs. Ranya Moosa Fahed Alaraj | Committee Member From 2/3/2023 Until 1/8/2023 | <ul style="list-style-type: none"> • Chartered Financial Analyst ©, 2018 • CFA Institute awarded 2022 • Masters in Banking and Finance, 2003, Arab Academy for Banking & Finance • BA in Banking and Finance, 1999, Yarmouk University • Dealer, Foreign Investments & Operations Dept., The Central Bank of Jordan, 2002 till 2004. • Member at ALCO , Social Security Corporation from 2018 – 2023 . • Treasury Section Head, Social Security Investment Fund 2007 till 2018. |

H- Names of Chairperson and Members of the Committees as of 31/12/2023:



BCG Board Corporate Governance Committee

- H.E. Dr. Tareq Mohammad Khaleel Hammouri | Chairperson | Independent
- Mr. Saad Nabil Yousef Muasher | Member | Non-Independent
- Mr. Nadim Yousef Issa Muasher | Member | Non-Independent
- Mr. Khalil Safwan Khalil Saket | Member | Independent
- Mr. Basim Mahmoud Zuhdi Malhas | Member | Independent

BCG Rapporteur/ Committee Secretary - Advocate – Maisa' Ziad Moh'd Turk



BNRC Board Nomination and Remuneration Committee

- Mr. Khalil Safwan Khalil Saket | Chairperson | Independent
- Mr. Rafik Saleh Issa Muasher | Member | Non-Independent
- Mr. Moh'd Mousa Dawood (Moh'd Issa) | Member | Non-Independent
- H.E. Dr. Tareq Mohammad Khaleel Hammouri | Member | Independent
- Mr. Basim Mahmoud Zuhdi Malhas | Member | Independent

BNRC Rapporteur/ Committee Secretary - Advocate – Maisa' Ziad Moh'd Turk



BRC Board Risk Committee

- Mr. Yazan Munther Jeries Haddadin | Chairperson | Independent
- Mr. Moh'd Mousa Dawood (Moh'd Issa) | Member | Non-Independent
- Mr. Alan Fouad Tanios Wanna | Member | Non-Independent
- H.E. Dr. Tareq Mohammad Khaleel Hammouri | Member | Independent
- Mr. Karim Tawfiq Amin Kwar | Member | Independent

BRC Rapporteur/ Committee Secretary - Advocate – Maisa' Ziad Moh'd Turk

**BCMC
Board Compliance
Committee**

- Mr. Moh'd Mousa Dawood (Moh'd Issa) | Chairperson | Non-Independent
- H.E. Dr. Tareq Mohammad Khaleel Hammouri | Member | Independent
- H.E Mrs. Majd Mohammad Abdul Kareem Shwaikeh | Member | Non-Independent
- Mr. Mo'nes Omar Saleem Abdel All | Member | Non-Independent

BCmC Rapporteur/ Committee Secretary - Advocate – Maisa' Ziad Moh'd Turk

**BAC
Board Audit Committee**

- Mr. Karim Tawfiq Amin Kawar | Chairperson | Independent
- Mr. Khalil Safwan Khalil Saket | Member | Independent
- Mr. Mo'nes Omar Saleem Abdel All | Member | Non-Independent

BAC Rapporteur/ Committee Secretary - Advocate – Maisa' Ziad Moh'd Turk

**BCC
Board Credit Committee**

- Mr. Moh'd Mousa Dawood (Moh'd Issa) | Chairperson | Non-Independent
- Mr. Saad Nabil Yousef Mouasher | Member | Non-Independent
- Mr. Nadim Yousef Issa Muasher | Member | Non-Independent
- Mr. Rafik Saleh Issa Muasher | Member | Non-Independent
- Mr. Imad Yousef Issa Mouasher | Member | Non-Independent
- H.E. Dr. Tareq Mohammad Khaleel Hammouri | Member | Independent

BCC Rapporteur/ Committee Secretary - Advocate – Maisa' Ziad Moh'd Turk

**BSITGC
Board Strategy and
Information Technology
Governance Committee**

- Mr. Saad Nabil Yousef Mouasher | Chairperson | Non-Independent
- Mr. Karim Tawfiq Amin Kawar | Member | Independent
- Mr. Moh'd Mousa Dawood (Moh'd Issa) | Member | Non-Independent
- H.E Mrs. Majd Mohammad Abdul Kareem Shwaikeh | Member | Non Independent
- Mr. Basim Mahmoud Zuhdi Malhas | Member | Independent
- Mr. Yazan Munther Jeries Haddadin | Member | Independent
- Mr. Khalil Safwan Khalil Saket | Member | Independent

BSITGC Rapporteur/ Committee Secretary - Advocate – Maisa' Ziad Moh'd Turk

*Names of Chairpersons and Committee Members in Respect of The Resigned Members or Board Representatives Who Were Replaced:

**H.E Dr. Umayya Salah
Ala Uddin Toukan**
Resigned as of 31/1/2023

- Board Audit Committee (BAC) – Chairperson
- Board Corporate Governance Committee (BCG) - Member
- Board Nomination and Remuneration Committee (BNRC) – Member
- Board Compliance Committee (BCMC) – Member
(all until 31/1/2023)

**Mrs. Ranya Moosa
Fahed Al-Araj**
Until 1/8/2023
The representative was
replaced

- Board Risk Committee (BRC) – Member until 2/3/2023
- Board Audit Committee (BAC) – Member until 1/8/2023
- Board Compliance Committee (BCMC) – Member until 1/8/2023

I- Conflict of Interest.

In order to achieve its interests within the framework of the corporate shared prosperity framework with the stakeholders it describes (customers, shareholders, suppliers and partners, the community, employees, and regulatory authorities), the bank emphasizes a consistent approach that fosters the establishment of an effective work environment characterized by transparency and cooperation, and in this respect, accredited policies and charters were adhered to.

The Board of Directors, elected by all shareholders, protects shareholder rights by carrying out its responsibilities and duties in a way that upholds the values of integrity, loyalty, diligence, and consideration for the bank's interests over personal ones. Additionally, the Board of Directors members' relationship with the bank is objective and professional, with the bank disclosing any material information in compliance with regulations. In particular, since the Board is responsible for considering the rights of shareholders and all stakeholders, and since the bank is run under a supervisory framework with controls that are always in place for the activities of the bank, including those that are delegated to third parties through the governance framework that defines the relationship between the Board of Directors and the Executive Management, the Executive Management and employees with the other stakeholders, as follows:

- Duty of Care
- Duty of Loyalty
- Duty of Candor and Disclosure

J- Number of committee meetings of the board of directors held during the year 2023



Board Audit Committee

The Board Audit Committee held 6 meetings in 2023, both in person and electronically, with the following members assigned to each meeting:

| | 1 | 2 | 3 | 4 | 5 | 6 | Total |
|---|---|---|---|---|---|---|-------|
| Mr. Karim Tawfiq Amin Kawar | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (6/6) |
| Mr. Khalil Safwan Khalil Saket | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (6/6) |
| Mr. Mo'nes Omar Saleem Abdel All | - | - | - | - | ✓ | ✓ | (2/2) |

In addition to the following board members who were members of the committee during the year 2023 before the most recent formation:

| | 1 | 2 | 3 | 4 | 5 | 6 | Total |
|--|---|---|---|---|---|---|-------|
| H.E Dr. Umayya Salah Ala Uddin Toukan | ✓ | ✓ | - | - | - | - | (2/2) |
| Mrs. Ranya Moosa Fahed Alaraj | - | - | ✓ | ✓ | - | - | (2/2) |



Board Nomination and Remuneration Committee

The Board Nomination and Remuneration Committee held 4 meetings in 2023, both in person and electronically, with the following members assigned to each meeting:

| | 1 | 2 | 3 | 4 | Total |
|---|---|---|---|---|-------|
| Mr. Khalil Safwan Khalil Saket | ✓ | ✓ | ✓ | ✓ | (4/4) |
| Mr. Rafik Saleh Issa Muasher | ✓ | X | ✓ | X | (2/4) |
| H.E. Dr. Tareq Mohammad Khaleel Hammouri | ✓ | ✓ | ✓ | ✓ | (4/4) |
| Mr. Basim Mahmoud Zuhdi Malhas | ✓ | X | ✓ | ✓ | (3/4) |
| Mr. Moh'd Mousa Dawood (Moh'd Issa) | - | ✓ | ✓ | ✓ | (3/3) |

In addition to the following board members who were members of the committee during the year 2023 before the most recent formation

| | 1 | 2 | 3 | 4 | Total |
|--|---|---|---|---|-------|
| H.E Dr. Umayya Salah Ala Uddin Toukan | ✓ | - | | | (1/1) |



Board Corporate Governance Committee

The Board Corporate Governance Committee held 3 meetings in 2023, both in person and electronically, with the following members assigned to each meeting:

| | 1 | 2 | 3 | Total |
|---|---|---|---|-------|
| H.E. Dr. Tareq Mohammad Khaleel Hammouri | ✓ | ✓ | ✓ | (3/3) |
| Mr. Saad Nabil Yousef Mouasher | ✓ | ✓ | ✓ | (3/3) |
| Mr. Nadim Yousef Issa Muasher | X | ✓ | ✓ | (2/3) |
| Mr. Khalil Safwan Khalil Saket | ✓ | ✓ | ✓ | (3/3) |
| Mr. Basim Mahmoud Zuhdi Malhas | X | ✓ | ✓ | (2/3) |

In addition to the following board members who were members of the committee during the year 2023 before the most recent formation:

| | 1 | 2 | 3 | Total |
|--|---|---|---|-------|
| H.E Dr. Umayya Salah Ala Uddin Toukan | - | - | - | (0/0) |



Board Risk Committee

The Board Risk Committee held 5 meetings in 2023, both in person and electronically, with the following members assigned to each meeting:

| | 1 | 2 | 3 | 4 | 5 | Total |
|---|---|---|---|---|---|-------|
| Mr. Yazan Munther Jeries Haddadin | ✓ | ✓ | ✓ | ✓ | ✓ | (5/5) |
| Mr. Alan Fouad Tanios Wanna | ✓ | ✓ | ✓ | ✓ | ✓ | (5/5) |
| H.E. Dr. Tareq Mohammad Khaleel Hammouri | - | ✓ | ✓ | ✓ | ✓ | (4/4) |
| Mr. Moh'd Mousa Dawood (Moh'd Issa) | - | ✓ | ✓ | ✓ | ✓ | (4/4) |
| Mr. Karim Tawfiq Amin Kawar | - | ✓ | ✓ | ✓ | ✓ | (4/4) |

In addition to the following board members who were members of the committee during the year 2023 before the most recent formation

| | 1 | 2 | 3 | 4 | 5 | Total |
|---|---|---|---|---|---|-------|
| Mr. Saad Nabil Yousef Mouasher | ✓ | - | - | - | - | (1/1) |
| H.E Mrs. Majd Mohammad Abdul Kareem Shwaikeh | ✓ | - | - | - | - | (1/1) |
| Mrs. Ranya Moosa Fahed Alaraj | ✓ | - | - | - | - | (1/1) |



Board Credit Committee

The Board Credit Committee held 20 meetings in 2023, both in person and electronically, with the following members assigned to each meeting:

| Mr. Moh'd Mousa Dawood (Moh'd Issa) | | | | | | | | | | | | | | | | | | | | | |
|--|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|-------|---------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | |
| - | - | - | - | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (16/16) |
| Mr. Saad Nabil Yousef Mouasher | | | | | | | | | | | | | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | |
| ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | X | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (19/20) |
| Mr. Nadim Yousef Issa Muasher | | | | | | | | | | | | | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | |
| ✓ | ✓ | X | X | X | ✓ | ✓ | ✓ | ✓ | X | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (16/20) |
| Mr. Rafik Saleh Issa Muasher | | | | | | | | | | | | | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | |
| ✓ | ✓ | ✓ | ✓ | X | X | X | ✓ | ✓ | ✓ | ✓ | ✓ | X | ✓ | ✓ | ✓ | X | ✓ | ✓ | ✓ | ✓ | (15/20) |
| Mr. Imad Yousef Issa Mouasher | | | | | | | | | | | | | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | |
| ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | X | ✓ | ✓ | ✓ | X | ✓ | ✓ | ✓ | ✓ | ✓ | (18/20) |
| H.E. Dr. Tareq Mohammad Khaleel Hammouri | | | | | | | | | | | | | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Total | |
| ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | X | ✓ | X | ✓ | X | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | X | ✓ | ✓ | (16/20) |



Board Strategy and Information Technology Governance Committee

The Board Strategy and Information Technology Governance Committee held 4 meetings in 2023, both in person and electronically, with the following members assigned to each meeting:

| | 1 | 2 | 3 | 4 | Total |
|--|---|---|---|---|-------|
| Mr. Saad Nabil Yousef Mouasher | ✓ | ✓ | ✓ | ✓ | (4/4) |
| Mr. Karim Tawfiq Amin Kwar | ✓ | ✓ | ✓ | ✓ | (4/4) |
| Mr. Moh'd Mousa Dawood (Moh'd Issa) | - | ✓ | ✓ | ✓ | (3/3) |
| H.E Mrs. Majd Mohammad Abdul Kareem Shwaikeh | ✓ | ✓ | ✓ | ✓ | (4/4) |
| Mr. Basim Mahmoud Zuhdi Malhas | ✓ | ✓ | ✓ | ✓ | (4/4) |
| Mr. Yazan Munther Jeries Haddadin | ✓ | ✓ | ✓ | ✓ | (4/4) |
| Mr. Khalil Safwan Khalil Saket | ✓ | ✓ | ✓ | ✓ | (4/4) |

In addition to the following board members who were members of the committee during the year 2023 before the most recent formation

| | 1 | 2 | 3 | 4 | Total |
|--|---|---|---|---|-------|
| H.E. Dr. Tareq Mohammad Khaleel Hammouri | ✓ | - | - | - | (1/1) |



Board Compliance Committee

The Board Compliance Committee held 5 meetings in 2023, both in person and electronically, with the following members assigned to each meeting:

| | 1 | 2 | 3 | 4 | 5 | Total |
|--|---|---|---|---|---|-------|
| Mr. Moh'd Mousa Dawood (Moh'd Issa) | - | ✓ | ✓ | ✓ | ✓ | (4/4) |
| H.E. Dr. Tareq Mohammad Khaleel Hammouri | ✓ | ✓ | ✓ | ✓ | ✓ | (5/5) |
| H.E Mrs. Majd Mohammad Abdul Kareem Shwaikeh | - | ✓ | ✓ | ✓ | ✓ | (4/4) |
| Mr. Mo'nes Omar Saleem Abdel All | - | - | - | ✓ | ✓ | (2/2) |

In addition to the following board members who were members of the committee during the year 2023 before the most recent formation

| | 1 | 2 | 3 | 4 | 5 | Total |
|---------------------------------------|---|---|---|---|---|-------|
| Mr. Karim Tawfiq Amin Kwar | ✓ | - | - | - | - | (1/1) |
| H.E Dr. Umayya Salah Ala Uddin Toukan | ✓ | - | - | - | - | (1/1) |
| Mrs. Ranya Moosa Fahed Alaraj | ✓ | ✓ | - | - | - | (2/2) |

K- The numbers of meetings of the Audit Committee with External Auditors throughout the fiscal year 2023

The Audit Committee has held five meetings with the External Auditors throughout the fiscal year 2023 one of which was held without the presence of any management persons.

L- The number of meetings of the Board of the Directors throughout the year 2023

The Board of Directors held 10 meetings in 2023, both in person and electronically, with the following members assigned to each meeting:

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|---|---|---|---|---|---|---|---|---|---|----|---------|
| Mr. Saad Nabil Yousef Mouasher Chairman of the Board | ✓ | ✓ | ✓ | X | ✓ | ✓ | ✓ | ✓ | X | ✓ | (8/10) |
| Mr. Moh'd Mousa Dawood (Moh'd Issa) Vice Chairman As of 1/2/2023 | - | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (9/9) |
| Mr. Nadim Yousef Issa Muasher Board Member | ✓ | ✓ | X | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (9/10) |
| Rajai Muasher & Brothers Co Mr. Rafik Saleh Issa Muasher | ✓ | ✓ | ✓ | X | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (9/10) |
| Mouasher Investment & Trading Co. Mr. Imad Yousef Issa Mouasher | ✓ | ✓ | ✓ | X | X | ✓ | ✓ | ✓ | ✓ | ✓ | (8/10) |
| Jordan Investor Center H.E. Mrs. Majd Mohammad Abdul Kareem Shwaikah Board Member | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (10/10) |
| Byblos Bank Mr. Alan Fouad Tanios Wanna Board Member | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (10/10) |
| Social Security Corporation Mr. Mo'nes Omar Saleem Abdel All Board Member | - | - | - | - | - | ✓ | ✓ | ✓ | ✓ | ✓ | (5/5) |
| H.E. Dr. Tareq Mohammad Khaleel Hammouri Board Member | ✓ | ✓ | ✓ | ✓ | X | ✓ | ✓ | ✓ | ✓ | ✓ | (9/10) |
| Mr. Karim Tawfiq Amin Kawar Board Member | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (10/10) |
| Mr. Yazan Munther Jeries Haddadin Board Member | ✓ | ✓ | ✓ | ✓ | X | ✓ | ✓ | ✓ | ✓ | ✓ | (9/10) |
| Mr. Khalil Safwan Khalil Saket Board Member | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (10/10) |
| Mr. Basim Mahmoud Zuhdi Malhas Board Member | ✓ | ✓ | X | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | (9/10) |

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|--|---|---|---|---|---|---|---|---|---|----|-------|
| H.E Dr. Umayya Salah Ala Uddin Toukan Vice Chairman Until 31/01/2023 | ✓ | - | - | - | - | - | - | - | - | - | (1/1) |
| Mrs. Ranya Moosa Fahed Alaraj Board Member Representative (Social Security Corporation) Until 01/08/2023 | ✓ | ✓ | ✓ | ✓ | ✓ | - | - | - | - | - | (5/5) |



Saad Nabil Mouasher
Chairman of the Board

Agenda of the 68th Ordinary General Assembly:

1. To recite the preceding ordinary general assembly meeting resolutions, which were held on 30/03/2023.

2. To vote on and ratify the Board of Directors report for the fiscal year 2023 and the bank's future business plan.

3. To vote on the bank's auditors report for the fiscal year 2023, the bank's statement and budget for the fiscal year ending 31/12/2023, ratify it, and approve the Board of Directors recommendation to distribute cash dividends to shareholders equal to 8% of the bank's subscribed and paid-up capital from the retained earnings.

4. To read the Board subcommittee summary report by virtue of the provisions of the Corporate Governance Instructions for Banks and Article 6/E of the Corporate Governance Instructions for PLC of the year 2017.

5. To absolve the members of the Board of Directors of liability for the fiscal year 2023.

6. To elect the bank's auditors for the fiscal year 2024 and determine 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) 5354782

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) 5261694

Al Hashmi Al Shamali

Tel. +962 (6) 5807657
Fax +962 065061694

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 065716906

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) 5562134

Mecca Mall

Tel. +962 (6) 4603103
Fax +962 (6) 5825174

Wasfi Al-Tal Street

Tel. +962 (6) 5807664
Fax +962 (6) 5682188

Khilda

Tel. +962 (6) 5807663
Fax +962 (6) 5341263

City Mall

Tel. +962 (6) 5823154
Fax +962 (6) 5825174

Balqa**Deir Alla**

Tel. +962 (5) 3903467
Fax +962 (5) 3573186

Al Salt

Tel. +962 (5) 3903465
Fax +962 (5) 3555774

Al-Balqa Applied University

Tel. +962 (5) 3903470
Fax +962 (5) 3532690

Al Salt Gate

Tel. +962 (5) 3903469
Fax +962 (5) 3551440

Fuheis

Tel. +962 (6) 4603128
Fax +962 (6) 4721702

Jubaiha

Tel. +962 (6) 5807665
Fax +962 (6) 5354782

Zarqa and the North**Zarqa -Main**

Tel. +962 (5) 3961603
Fax +962 (5) 3996555

New Zarqa

Tel. +962 (5) 3903473
Fax +962 (5) 3859110

Bab AL Madina Mall

Tel. +962 (5) 3903450
Fax +962 (5) 3853580

Free Zone

Tel. +962 (5) 3826214
Fax +962 (5) 3826200

Rusaifa

Tel. +962 (5) 3903464
Fax +962 (5) 3746192

Irbid

Tel. +962 (2) 7242201
Fax +962 (2) 7276146

Arabella Mall - Irbid

Tel. +962 (2) 7249252
Fax +962 (2) 7249236

Ramtha

Tel. +962 (2) 7201651
Fax +962 (2) 7382610

Mafraq

Tel. +962 (2) 7201650
Fax +962 (2) 6230303

Jerash

Tel. +962 (2) 7201649
Fax +962 (2) 6351893

South**Tafila**

Tel. +962 (3) 2090998
Fax +962 (3) 32241710

Ma'an

Tel. +962 (3) 2090995
Fax +962 (3) 2132799

Karak

Tel. +962 (3) 2090997
Fax +962 (3) 2351676

Mu'ta

Tel. +962 (3) 2090996
Fax +962 (3) 2360377

Aqaba

Tel. +962 (3) 2022351
Fax +962 (3) 2013520

Corporate

Tel. +962 (6) 4603124
Fax +962 (6) 5699867

Exclusive

Tel. +962 (6) 5638800
Fax +962 (6) 5624806

Outside the Hashemite Kingdom of Jordan

Palestine and Cyprus

Palestine

Nablus

Commercial Center Street,
Aloul Building

Tel. +972 (2) 2948861

Al Shalala

Hebron - Al Shalala Street

Tel. +972 (2) 2948862

Ramallah

City Center - Al Zahraa Street,
Audi Al Shami Building

Tel. +972 (2) 2948863

Bethlehem

AlMahd Street- Katlu Building

Tel. +972 (2) 2948864

AlSalam

Hebron-Al Salam Street opposite
to Al Salam gas station

Tel. +972 (2) 2948865

Jenin

Haifa Street /
AlBareeq Street
Al-Samoudi Building

Tel. +972 (2) 2948866

Tulkarm

University Street,
AlBareeq Building

Tel. +972 (2) 2948868

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

Cyprus

Limassol

Pecora Tower 2nd Floor

Automated Teller Machines Locations (ATM)

Amman

Safeway Airport
 Amman Mall
 Al-Kiswani Station
 Al-Ahlia Building - Ahli Bank
 Al-Ahlia Building - Abu Nsier
 Safeway Shmeisani
 Manaseer station Marka
 Sheraton Hotel
 Al Jameaa Street
 Cosmo 7th 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
 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
 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
 Jopetrol station - Medina Str.
 Corridor Abdoun - Manaseer
 KHBP
 Dabouq District Mall
 IKEA ATM
 Total Gas Station - Muqabalin
 Khuraibet Al Souq 2
 Zakarneh Building
 Ashrafieh
 JoPetrol - Medical City Str.
 JoPetrol - Tabarbour

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
 AMC Deir Alla
 Medical Faculty - Salt

Zarqa and The North

Free Zone Branch / Zarqa
 Zarqa Safeway
 Khaled markets - Zarqa - Army Road
 Zarqa Branch
 New Zarqa Branch
 Bab Al Madina Mall
 Rusaifa Branch
 Ramtha Branch
 Ramtha Souq
 Maфраq Branch
 Jerash Branch
 AMC Jerash
 AMC Ajloun
 ATM of Kafr Asad Irbid
 Manaseer Al-Hosn
 Irbid City Center
 Al-Hashemi Street - Irbid
 Petra Street - Irbid
 Jijeen Village - Irbid
 Arabella Mall Branch
 Irbid Branch
 Irbid Rabyeh Station
 Al Rjoub station - Irbid
 Baghdad Street - JoPetrol / Irbid
 MCC Maфраq

South

Carrefour Madaba
 City Mall 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
 Safeway - Aqaba
 Aqaba Downtown
 Aqaba Branch
 JoPetrol - Al Karak - Wasseh
 Mazar - Al Karak
 Karak City