



بنك القاهرة عمّان  
CairoAmmanBank

التقرير

السنوي

ANNUAL  
REPORT

20  
23



His Majesty  
**King Abdullah II Ben Al-Hussein**





His Royal Highness  
**Prince Hussein Ben Abdullah II, the Crown Prince**

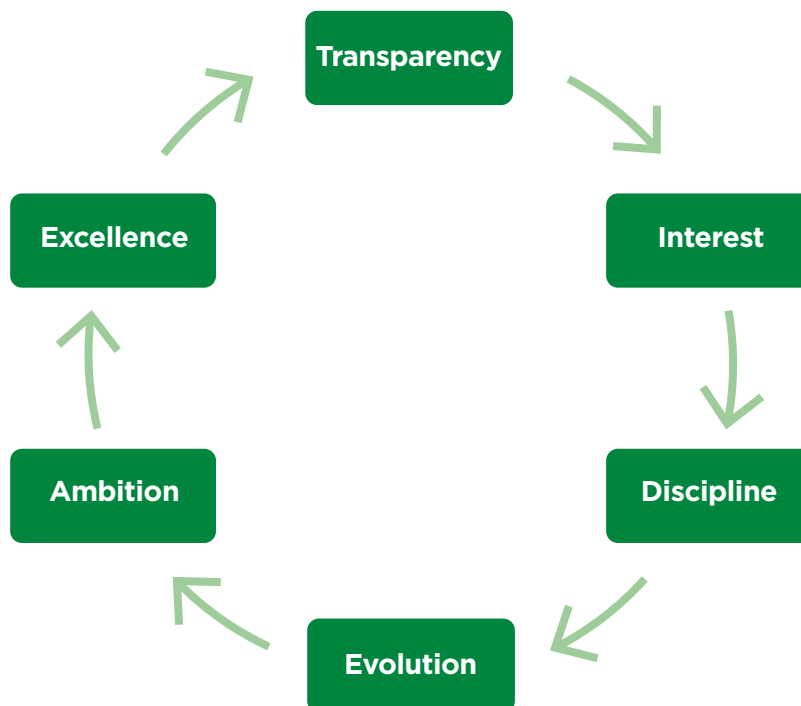
## Vision

“To be the first banking choice”

## Message

“Providing financial and banking solutions to all segments of society, through a distinguished network of branches, distinguished staff, creative executive management, and advanced technical tools that make the customer experience at the bank distinct”

## Corporate Values



- I. We deal transparently with all customers and the local community.
- II. We care about our customers and employees and fulfill our obligations.
- III. We do our work in the best ways and practices.
- IV. We keep pace with development and change in all our work.
- V. We aspire to be the first financial partner for individuals and companies.
- VI. We are distinguished by services and products that meet the needs of our customers.

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**BOD Chairman**

Mr. Yazeed Adnan Mustafa Al-Mufti / BOD Chairman / non-independent.

**BOD Vice-Chairman**

Mr. Akef Abdullatif Mohammad Al-Mughrabi / (Representative of Banquemisr) / non-independent (as of 12/10/2023)

Mr. Hosameddin Abdulwahab Ali Mohammad (Representative of Banquemisr) / Non-independent (until 12/10/2023)

**Members**

Mr. Ghassan Ibrahim Fares Aqeel / (Representative of Arab Trading and Food Supply Company) / Member - non-independent

Mr. Mazen Hamdi Mohammad Al-Sahsah / (Representative of Social Security Corporation) Member Non independent

Mr. Yaseen Khalil "Mohammad Yaseen" Al-Talhouni / Member - Non-independent

Mr. Hasan Ali Hussein Abu Al-Ragheb / Member - non-Independent

Mr. Hisham Zafer Taher Al-Masri / Member - Non-independent

Mr. Sami Issa Eid Smairat / Member - Independent

Mr. Esam "Mohammad Farooq" Rushdi Al-Muhtadi / Member - Independent

Mr. "Clema Mary" Farajallah Me'mar Bashi / Member - independent

Mrs. Simona Auguste Jacob Sabella / Member - independent (as of 13/04/2023)

Mrs. Suha Baseel Andrawos Ennab / Member - Independent (until 12/04/2023)

**CEO**

Mr. Kamal Ghareeb Abdul Raheem Al-Bakri

**Auditors**

Messrs. Ernst and Young

# BOD Chairman Word



## Ladies and Gentlemen, Shareholders of Cairo Amman Bank,,

In my name and on behalf of the members of the Board of Directors, I am pleased to present to you the annual report for the year 2023 of Cairo Amman Bank, in which we review the results of the business and the most prominent achievements of the bank during the year.

The year 2023 was an exceptional year for most major economies, in light of the rapid transformations witnessed by the global economy, as a result of central banks completing their tightening in the fight against record inflation and geopolitical developments in the region, and the state of uncertainty thereon. This prompted monetary policy makers to take strict decisions to try to contain inflation and prevent it from getting out of control, and so that it does not become entrenched in the economy. The most prominent of these decisions was the US Federal Reserve raising interest rates by 100 basis points, to reach their highest levels in 22 years at (5.25% - 5.5%).

As soon as the global economy began to recover from the repercussions of the Corona virus pandemic, the problem of war between Russia and Ukraine came, leading to the continuation of the problem of supply chains and putting additional pressure on rising prices and inflation again, so that some of the world's largest economies fell into the claws of technical recession after recording a decline in GDP for two consecutive quarters.

In the second half of 2023, the US Federal Reserve made significant progress in controlling inflation, represented by a decline in price levels and the economy growth in the third quarter by 4.9%, bringing it closer to achieving the concept of a soft landing for the economy, by controlling inflation rates without need to achieve a recession for the largest economy in the world.

Locally, the Central Bank of Jordan resorted to raising interest rates, as part of its keenness to stabilize monetary policy and maintaining a positive margin for the dinar exchange rate against foreign currencies; and also, to maintain inflation rates at acceptable levels, which were the lowest in the region. This is in addition to the Central Bank of Jordan's record in dealing with crises and the ability to build and stabilize the Kingdom's economy, as certified by international institutions, because Jordan has a strong, solid, and stable banking system capable of withstanding shocks and leading the wheel of economic growth. Whereas Jordanian banks have been an important partner in the local development process through the financing they provide to various economic sectors, in addition to their responsibility towards the local community, represented by participating in responsible investments for investment fund initiatives and supporting small and medium-sized companies, the most prominent engine of the economy.

As part of the efforts to enrich integrated banking services and enhance their comprehensiveness, Cairo Amman Bank, through all its brands (Cairo Amman Bank, SIGNATURE, LINC), was able to deal with these challenges and focus on its essential role to be a partner in providing financing channels to various economic sectors and achieving growth rates in the portfolio of credit facilities and their quality. Credit facilities increased by 7.85% to reach 2.294 billion dinars by 2023. The bank was also keen to expand its customer base by strengthening the deposit system with a growth rate of 5.91%, bringing the bank's total deposits to 2.599 billion dinars. As a result, the bank achieved profits before income tax amounting to 51.5 million dinars, compared to 52.7 million dinars in 2022, a decrease of 2.3%, mainly as a result of increased allocations. While the profit attributable to the bank's shareholders after taxes amounted to 35.3 million dinars, compared to 34.6 million dinars in 2022, mainly as a result of an increase in operating revenues.

The bank was also able to maintain the strength of its financial position, by reaching the ratio of net non-performing facilities to 5.24% of net credit facilities, which is one of the lowest rates in the banking sector, with the Capital Adequacy Ratio (CAR%) reaching 15.85%. The weighted ratio of shareholders' equity to total assets reached (Leverage Ratio) 9.65%, which places the bank in the first category (good capital) according to the degree of solvency.

In 2024, the bank will continue to work hard to implement its policies and strategic plans in implementing its business. This is done by maintaining high liquidity ratios, growth in its customer base, the quality of the credit portfolio, and the ability to deal with political changes and conflicts in the region, where uncertainty prevails about economic growth prospects and future conditions. In addition to keeping pace with technological development and harnessing it to serve and automate the internal operations of the bank, and developing systems and channels of communication with customers and the local community.

In conclusion, I can only extend my sincere thanks and great gratitude to each of our esteemed customers and shareholders, for their trust and belief in the capabilities and aspirations of this national edifice, and the keenness of the bank family, including employees and executive management, in the interest of their institution. I also extend my sincere thanks to the Central Bank of Jordan and all the regulatory authorities, that are keen on the strength and resilience of the banking system and the progress of our dear Jordan as desired by His Majesty King Abdullah II bin Al Hussein, may God protect and preserve him.

**Yazeed Adnan Al-Mufti**  
BOD Chairman



بنك القاهرة عمّان  
CairoAmmanBank





## About Cairo Amman Bank

Since its establishment in 1960, as a public joint stock company, the Bank has been keen to promote social and economic development at the local and regional levels, by serving individuals, small and medium-sized companies, and large companies across various sectors. The bank serves its customers through a wide network of branches that provide innovative banking solutions, offering a full range of products, services and solutions designed to meet the needs of customers.

The Bank's prudent credit policy and risk management practices have contributed to achieving excellent growth rates over the past years, maintaining the quality of the credit portfolio and non-performing loan rates below the market average, in addition to sustaining a high provision coverage ratio.

**Cairo Amman Bank** operates 103 branches in Jordan, 22 branches in Palestine, and one branch in Bahrain. Cairo Amman Bank's advanced banking solutions can be accessed through the ATM network of 256 machines, and through digital platform services that include online banking, mobile banking, the "Labib" chatbot, and others

**Cairo Amman Bank** aims to provide ease and convenience to customers by constantly keeping pace with their financial needs through a wide range of innovative banking solutions. This is due to Cairo Amman Bank retaining a large share of the individual retail sector in Jordan.

The Bank currently has two brands, with the aim of meeting the financial needs of all target segments in the Jordanian market:

**LINC Bank:** Providing banking products and services to Jordanian youth (between the ages of 18 and 40). LINC Bank operates through 7 digital branches in Jordanian universities and other "frequented" places such as shopping centers.

**SIGNATURE Bank:** Providing banking solutions focusing on the needs of elite individual customers, as well as medium and large companies. Signature Bank currently has 3 branches, with other plans to expand in the coming years.

Moreover, Awraq Investments, the investment arm of **Cairo Amman Bank**, is considered one of the leading Jordanian companies since its establishment in 1992, effectively providing investment solutions and brokerage services to its diversified client base. Awraq Investments brings together local and regional expertise to create solid investment opportunities for its clients.

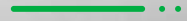
**Cairo Amman Bank** has a financial leasing arm, Tamalak Company for financial leasing in 2014, which was established as an independent company to provide financial leasing services as an alternative financing option for individuals and companies, covering all economic sectors.



# SIGNATURE

BY CAIRO AMMAN BANK

Premium  
Banking  
Experience



 **SIGNATURE**  
BY CAIRO AMMAN BANK **Overview**

**SIGNATURE** is a brand owned by Cairo Amman Bank, concerned with providing pioneering and customized banking products and solutions, through distinguished customer service, innovative electronic channels, and an advanced branch network that meets the needs of distinguished customers, both individuals and companies. **SIGNATURE**'s strategic framework is to create a quality and distinctive banking experience through the creation of dynamic banking products and solutions in addition to targeted programs and benefits designed according to customer behaviors, and in a manner that suits their lifestyles.

**SIGNATURE** branches operate within strategic locations targeting the whereabouts of distinguished customers. These branches include places dedicated to serving both individual and corporate customers.

Services will also be offered to clients through e-channels such as the bank smart phone application and internet for individuals and companies, in order to raise the level of service quality, facilitate financial procedures and provide digital solutions for the investment products including currency and stock exchange, securities and investment funds

**SIGNATURE** trademark aims to be the first banking option of the elite clients, based on Cairo Amman Bank strengths in order to enhance expansion and growth in sustainable definition.



**LINC**  
BY CAIRO AMMAN BANK

A BANK  
FOR  
YOUTH



## About **LINC** A BANK FOR YOUTH BY CAIRO AMMAN BANK

**LINC** is the first digital bank in Jordan dedicated to serving the youth between the ages of 18-40 years from the youth and technology lovers category, and it is a subsidiary brand of Cairo Amman Bank established in 2019 to serve customers as a distinctive business unit whose goal is to provide comprehensive digital banking solutions to qualify customers, mainly in the retail sector.

**LINC** will allow clients of accessing a wide scope of products, services and banking solutions at competitive prices and prominent offers that are appropriate for the youth and technology lovers.

**LINC** will be serving clients through smart electronic applications and platforms; including bank application and upgraded internet banking services for individuals and companies, in addition to branches of contemporary designs and high-end technologies for serving clients.

**LINC** will be the pioneer in offering digital banking services in the Jordanian Banking Sector.

**LINC** will work as partner to the clients and build its own community; as since creation; LINC purpose was sharing with customers. Meaning of LINC is:

L: Learn, as **LINC** will be the first assistant to clients for taking the right options from educational, occupational and training aspects.

I: Inspire, as **LINC** will be the first assistant to clients for unleashing their imagination and build self-confidence.

N: Network, **LINC** will be helping clients expand their own communication network and keep contact with the important persons through the digital pillars and meeting facilities along with the functional communication platforms and meetings.

C: Create, **LINC** will help clients establish their own bank and create their own experience through guaranteeing that they have the full control over all aspects of their lives.





## Subsidiaries of the Bank

Below is an overview of the Bank's subsidiaries:

	<p>Al-Safa Bank was established as a public joint stock company in Palestine in 2016 and started its business on 22/9/2016 as a banking institution that operates in accordance with the provisions of Islamic Sharia through its branches, and bank owns 51% of the bank's capital, amounting to \$75 million.</p> <p>Al-Safa Bank seeks to meet the needs of the Palestinian market for Islamic banking services and products, as well as to practice financing and investment businesses and develop means of attracting money and savings towards participating in the investment of the product by banking methods and means that do not conflict with the provisions of Islamic law. The bank operates through 9 branches and offices spread in most governorates of Palestine.</p>
	<p>The National Company for Financial Services "Awraq Investments" was established as a limited liability company in the Hashemite Kingdom of Jordan during 1992. The Bank owns 100% of the paid-up capital of the company, amounting to 6.5 million dinars. The company provides local, regional and international brokerage services, in addition to asset management services and clients' portfolios for investment, and it also establishes and manages investment funds and provides financial and investment consultations.</p> <p>Despite the hard competition, the company managed to achieve a distinguished position in the market, whether in terms of trading volume or in terms of customer base, where the company maintained a good rank among the operating companies in the Amman Stock Exchange.</p>
	<p>Al-Wataniyah Securities Company was established as a private limited liability joint stock company in Ramallah in Palestine in 1995. The company works as an intermediary in the Palestine Stock Exchange.</p> <p>The company started its work with the beginning of the work of the Muhtasib Souq, and it is a member of the Palestine Stock Exchange and is licensed by the Palestinian Capital Market Authority to provide local, regional and international brokerage services. The bank owns the entire paid-up capital of the company, amounting to 1.6 million dinars, and the head office is located in Ramallah.</p>
	<p>Tamalak Leasing Company was established on 12/11/2013 and registered as a limited liability company with a capital of 5 million Jordanian dinars, and wholly owned by Cairo Amman Bank by 100%. To act as an investment arm in the field of providing a service for financial leasing.</p> <p>The company provides a full range of financial leasing services commensurate with the nature of the lessee's activity and cash flows, and for all economic sectors. The company also seeks to raise a level of interest in the services provided to the target markets to meet their financing needs through the deployment of a financial leasing scheme because of its economic and financial advantages for the targeted sectors, and the company works to serve its customers in the management of the company in Amman and in Irbid.</p>



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## The Jordanian Economy:

Jordan is recorded as the only oil-importing country in the Middle East that maintained its credit rating in 2023. It has also succeeded in achieving significant financial and monetary stability in light of global developments because of its resilience that enables it to deal with challenges, in addition to the strong role of the “Jordanian Dinar” in protecting the national economy. The Kingdom’s credibility in reform and the success of the review process with the International Monetary Fund were also taken into account, which enabled it to access global markets and obtain financing at costs and benefits lower than global rates and with a greater demand from investors than the level required when offering dollar bonds (Eurobond) in light of an environment of constantly rising interest rates.

The banking sector represents a relative importance in the Kingdom’s GDP by about 8% due to its size and close interdependence with other economic sectors, as it represents about 97% of the financial sector in Jordan. It is considered one of the highest economic sectors with an increase in added value by more than 84% of its production and operations, as the volume of financing provided to small and medium-sized companies increased to 3,182 million dinars, compared to 1,984 million dinars in 2016. Banks also contribute 51% of the outstanding balance of government bonds and bills worth 9.0 billion Jordanian dinars. The taxes it pays amount to 20% of the total taxes collected for the state treasury, and the market value of banks represents 41% of the market value of stocks listed on the Amman Stock Exchange. It is considered an attractive sector for indirect foreign investment, with an ownership rate of 49.7%.

The dollarization rate also witnessed a decline to 21.3% thanks to the credibility of the Central Bank and its commitment to maintaining harmony between the structure of local interest rates and its regional and international structure. The Central Bank’s foreign currency reserves exceeded the level of \$17 billion, covering the Kingdom’s needs of imports for more than the international standard for 7.6 months. Tourism income witnessed an increase in the Kingdom to historical levels, and its revenues exceeded what was recorded before the Corona pandemic (4.11 billion dinars in 2019), reaching 4.89 billion Jordanian dinars at the end of November 2023, compared to the record level for the year 2022, which amounted to 4.12 billion dinars.

### **Jordanian Economic Forecasts for 2024:**

The World Bank expects the Jordanian economy to grow by 2.4% during the year 2023, noting an improvement in the tourism sector.

On the other hand, expectations indicate that public debt levels will rise to 115.2% of GDP in 2023, coinciding with continued reliance on external debt, with continuing pressures on the current account and balance of payments due to the rise in the value of imports and the oil import bill.

As for monetary policy, interest rates are expected to rise in the coming years, as the Central Bank of Jordan will continue to follow the approach of the US Federal Reserve in raising interest rates. It is likely to raise interest rates by 0.5% during the first quarter of 2023 to combat the rise in inflation rates in the United States.

### **Economies of the Region:**

The shocks witnessed by the global economy, geopolitical developments in the region, and the ongoing war in the Gaza Strip since October 2023, have led to a decline in growth and a significant accumulation of government debt, which increases the challenges of controlling public financial conditions. The government deficit is expected to reach 2.4% in 2024 due to low revenue growth and high interest payments to reach 3.6% of GDP, up from 3.3 in 2023, before declining to 2.3% of GDP in 2025.

Jordan also successfully completed the seventh review under the Extended Fund Facility (EFF), which will help anchoring the government’s fiscal consolidation strategy, target government debt at 80% of GDP in 2028, support investor confidence, and maintain reform momentum to improve competitiveness and job creation potential of the economy.

In terms of economic indicators, the inflation is expected to reach 3.3% at the end of 2024 from its current level of 3.9%, and the economy will achieve a growth in real GDP of 3% in 2024. On the public finance side, it is expected that the ratio of the current account deficit to GDP will reach 7% in 2024, down from 8% in 2023, until it reaches 5.7% in 2025.

### Economies of the Region:

The Arab Monetary Fund predicted that the Arab economies would achieve growth of about 3.4% - 4% in 2023 and 2024, respectively, as the Fund estimated that the Arab countries together would record an inflation level during 2023 and 2024 of about 6.8% and 6.3% respectively, in light of the continuation of current international developments. However, the economic challenges facing the Arab countries at this stage are represented by the high inflation rates and the unemployment rate, which recorded about 10.7% (equivalent to twice the global rate), in addition to the challenge related to the increasing rates of indebtedness in light of the rise in public debt levels in light of the current international developments and the high costs resulting from successive rises in interest rates.

International institutions also expected a jump in the growth of non-oil activities in the region and the Arab Gulf countries, including the Kingdom of Saudi Arabia. These countries still maintain strong growth momentum in non-oil sectors (such as tourism and hotels) to contribute to the growth of the economy based on them, in light of the IMF's expectations, the fair price of oil for the Kingdom of Saudi Arabia's budget in 2024 will be \$75.1 per barrel, and it will maintain a facilitative financial policy between 2024 and 2026.

As for the Egyptian economy, it is expected that its growth rate will reach 3.8% in 2023 and 4.1 in 2024, compared to 6.6% in 2022, due to global economic conditions and the state of uncertainty resulting from economic and geopolitical variables and high inflation rates that hinder business activity and affects the purchasing power of individuals. In addition to the decline in the credit situation towards debts sustainability and the continued shortage in the balance of foreign currencies to face the increase in external debt payments over the next two years, according to the global rating agency "Moody's" when it reduced Egypt's credit rating to "Caal" instead of "B3".

### Global Economic Forecasts:

Expectations prevail in 2024 that central banks around the world will succeed in achieving a smooth landing, despite their certainty that the risks related to employment and economic growth outweigh the positives. It is also expected that inflation rates around the world will decline due to the consequences of the tightening policy in 2023, allowing central banks to reduce interest rates during the second half of 2024. Aside from the financial and monetary policies followed by central banks and decision makers, global geopolitical developments will weigh heavily on these economies to become a major and influential player in the course of events.

The global economy is expected to slow down without entering a recession during 2024. The International Monetary Fund indicated the possibility of global GDP growth will slow to 2.9% in 2024. It is also expected that real income in Europe will decline due to high inflation, as well as a decline in growth in emerging and developed economies to 4.8% in 2024 due to the slowdown in the Chinese recovery.

In the USA, the US Federal Reserve predicted that the growth rate in real GDP will reach 1.4% in 2024, reaching 1.8% in the medium and long term. It is also expected that unemployment levels in 2024 will reach 4.1%, supported by a decline in consumer spending to 2.4% instead of 2023 levels of 2.8%. Regarding interest rates, expectations indicate that the US Federal Reserve will target a 75-point reduction in the second half of 2024, and that its decisions will be based on the economic data issued instead of pre-determined policies.

In the UK, GDP growth is expected to improve modestly in 2024, while the Bank of England expects inflation to reach 3.1% in the last quarter of 2024 before it declines again in the following year to 1.9%, as a result of historical interest levels that reached their peak in 2023, which constitutes the greatest challenges to real economic growth.

In the European Union countries, the average annual real GDP growth will slow down in 2024 to 1% after expecting to record 0.7% in 2023, before growth prospects improve in 2025 and achieve growth of 1.5%. This is thanks to the high gas reserves that contributed to keeping gas prices low, with the European Union achieving a goal of storing 90% of winter needs, after those countries suffered from the repercussions of the Russian-Ukrainian war and the shadow it cast on the rise in fuel prices and inflation resulting from high costs of living as a result.





# Financial Position

and  
Bank's Business Results

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## Financial Position of the Bank

Total assets amounted to 3,883 million dinars, with an increase of 208.5 million dinars over the end of the previous year, by an increase of 5.67%, while the total credit facilities portfolio witnessed an increase of 194.7 million dinars to reach 2,438.9 million dinars, with an increase of 8.68%. The Bank has maintained the quality of the credit facilities portfolio, as the ratio of net non-performing facilities reached 5.24% from the balance of direct credit facilities, compared to 4.75% for the previous year, which is one of the lowest rates in the banking sector. The net credit facilities portfolio amounted to 2,294.2 million dinars, compared to 2,127.2 million dinars in the previous year, by an increase of 7.85%. The Bank also maintains sufficient provisions against non-performing credit facilities in accordance with the instructions of the Central Bank of Jordan and the financial reporting standard IFRS9, with a balance of JD 94.9 million, bringing the coverage ratio of provisions for net non-performing facilities to 74.74%.

The balance of the Bank's investments in stocks and bonds amounted to 911.5 million dinars, compared to 877.2 million dinars for the previous year.

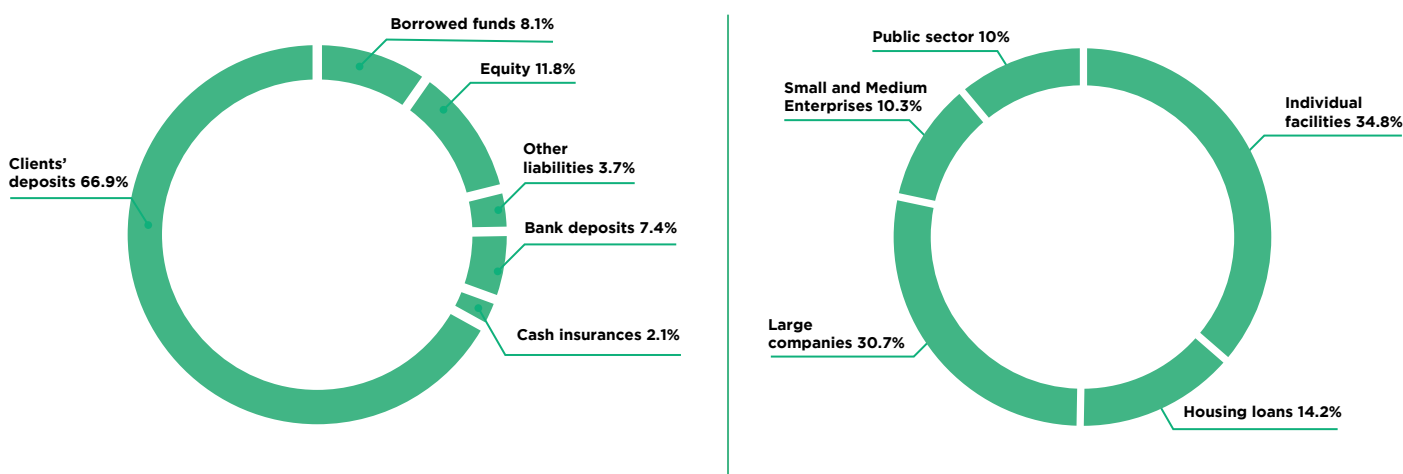
From its investments in financial assets, the Bank aims to achieve a balance in investing funds in instruments with low risks, and higher returns, in a manner that preserves the Bank's liquidity.

On the other hand, balances and deposits with banks decreased by 4.81% to reach 187.5 million dinars compared to 197 million dinars for the previous year, while cash and balances with central banks amounted to 337.3 million dinars compared to 320.7 million dinars for the previous year, by a decrease of 5.16%.

The Bank maintains liquidity ratios that are in line with international standards and the requirements of regulatory authorities and represent a source of reassurance for all categories that deal with the Bank, as credit facilities constitute 88.3% of customer deposits. Customers' deposits constitute the main source of funding for the Bank, which represents 66.9% of the total sources of funds.

The Bank's total shareholders' equity amounted to 437.9 million dinars at the end of 2023, compared to 401.4 million dinars at the end of the previous year. The capital adequacy ratio reached 15.85% for the year 2023 compared to 15.59% for the previous year, which is higher than the minimum set by the Central Bank of Jordan of 14.5%. The core capital ratio for risk-weighted assets was 14.87%, compared to 14.20 % for the previous year, and the weighted shareholder's equity to total assets ratio (Leverage Ratio) was 9.65%, which puts the bank in the first category (good capital) according to the degree of solvency.

Please note that there are no significant, material events that occurred through in the bank during the fiscal year 2023.



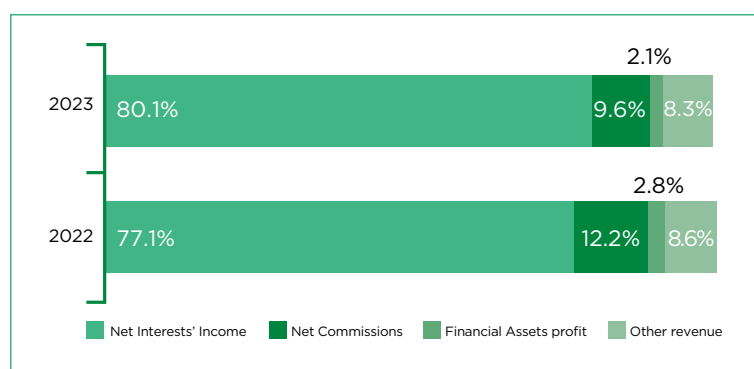
## Bank's Business Results

Operationally, the net interest income increased by 16.2% to reach 141.5 million dinars, compared to 121.7 million dinars for the previous year. The net income from commissions amounted to 17.2 million dinars compared to 19.4 million dinars for the previous year, by an increase of 11.4%, while the Bank's investment income amounted to 3.6 million dinars, compared to 3.3 million dinars for the previous year, and other revenues and foreign currency return increased by 60% to reach 14.5 million dinars. As a result, the total income amounted to 176.5 million dinars, compared to 157.9 million dinars for the previous year, by an increase of 11.8. The Bank's operating income from interests and commissions still constitutes the largest part of the total income, at a rate of 89.8% compared to 89.2% for the previous year.

On the other hand, total expenses, including provision for impairment of credit facilities and other provisions, decreased by 18.8% to reach 125.1 million dinars, as employee expenses increased by 2.1% over the previous year to reach 64.9 million dinars, while other operating expenses increased by 4.1 million dinars, with a percentage of 11.1%. Moreover, the Bank has reinforced the provisions, as the expected credit loss allowance for credit exposures, which was taken out during the year, amounted to 29.8 million dinars, compared to 15.5 million dinars for the previous year.

The profit before tax amounted to 51.5 million dinars, compared to 52.7 million dinars for the previous year, with decrease of 2.3%, while the net profit after income tax attributable to the Bank's shareholders was 35.3 million dinars, compared with 34.6 million dinars for the previous year, at a rate of 1.9% and the portion of one share of the net profit amounted to 0.186 dinars, compared to 0.182 dinars for the previous year.

The comprehensive income for the year attributable to the Bank's shareholders amounted to 55.4 million dinars, compared to 40 million dinars for the previous year, with an increase of 38.7%.



## Dividends

On February 8, 2024, the Board of Directors decided to recommend to the General Assembly of the Bank to approve the distribution of dividends to shareholders for the current year at a rate of 7% or the equivalent of 13,300, 000 dinars (0,070 dinars per share). This recommendation is subject to the approval of the Central Bank of Jordan and the General Assembly of Shareholders, in addition to increasing the capital by 10,000,000 dinars by 5.263% of the subscribed and paid-up capital by distributing free shares to shareholders, where an extraordinary meeting of the General Assembly will be called. This recommendation is subject to the approval of the General Assembly of Shareholders and the Central Bank of Jordan.

## The most important indicators and financial ratios

Thousand Dinars	2023	2022	Change
The most important items in the statement of financial position			
Total Assets	3,883,453	3,674,974	5.67%
Credit facilities at net	2,294,235	2,127,194	7.85%
Customer Deposits	2,599,284	2,454,183	5.91%
Total Shareholders' Equity	437,883	401,434	9.08%
<b>Transactions' Results</b>			
Net interest and commission income	158,485	140,938	12.45%
Income from operation (excluding profits from the sale and valuation of financial assets)	175,971	157,387	11.81%
Total income	176,503	157,920	11.77%
Profit before taxes	51,451	52,651	(2.28%)
Profit attributed to shareholders of the bank after tax	35,285	34,614	1.94%
Share of Net Profit (Dinars)	0.186	0.182	1.94%
<b>The most important financial ratios</b>			
Return on Asset Ratio	0.93%	0.95%	
Return on Equity Ratio	8.41%	8.78%	
Net interest and commission income to asset ratio	4.19%	3.87%	
Capital adequacy	15.87%	15.59%	
Net facilities to customer deposits	88.26%	86.68%	
Net Non-Operating Facilities to Facilities	5.24%	4.75%	
Provision coverage to net non-performing facilities	74.74%	73.63%	

## Financial Indicators of the Last Five Years

	2019	2020	2021	2022	2023
Net profit attributed to the Bank's shareholders	28,095	18,161	32,800	34,614	35,285
Dividends	-	22,800	*17,100	**19,000	**13,300
Distributed Shares	-	-	-	-	**10,000
Shareholders' Equity	349,875	366,623	387,038	401,434	437,883
Issued Stock	190,000	190,000	190,000	190,000	190,000
Stock Price in the Financial Market (dinars)	1.03	1.05	1.39	1.34	1.36

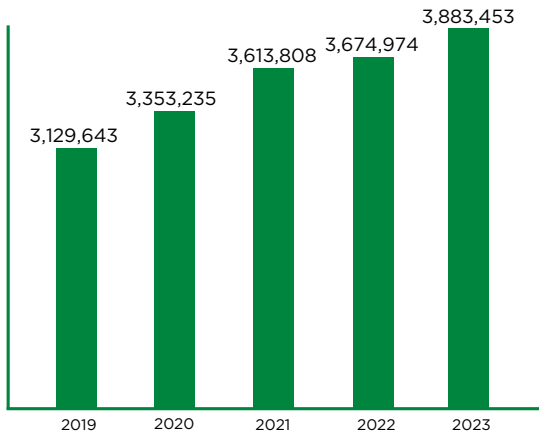
\* 16,078,984 shares of Al Safa Bank/ owned by Cairo Amman Bank were distributed to its shareholders in proportion to the shareholders' ownership of the capital of Cairo Amman Bank.

\*\* Recommendation of the Board of Directors to the General Assembly for the year 2023.

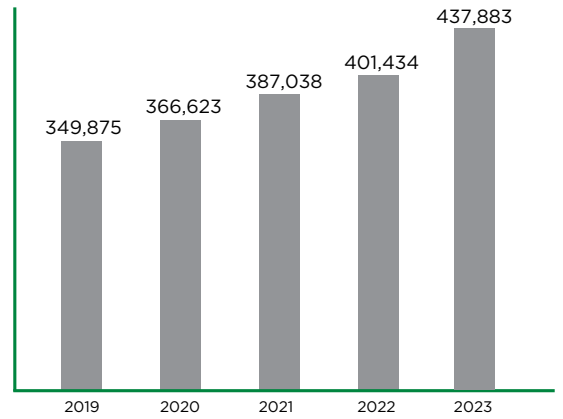


(Thousand Dinars)

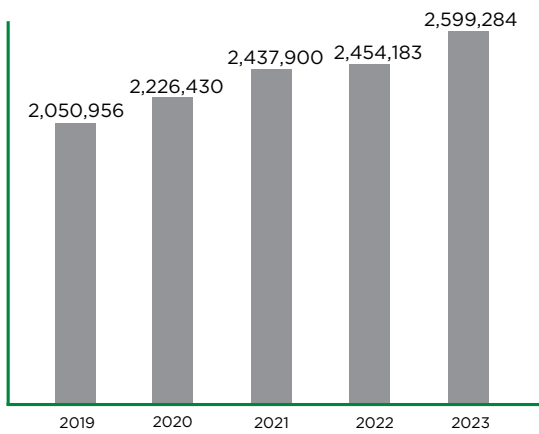
Total Assets



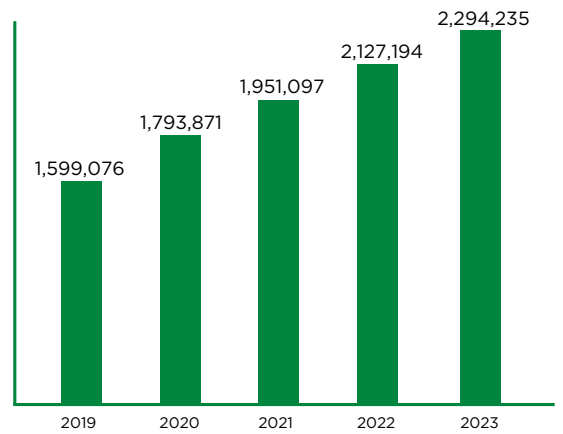
Total Shareholders' Equity



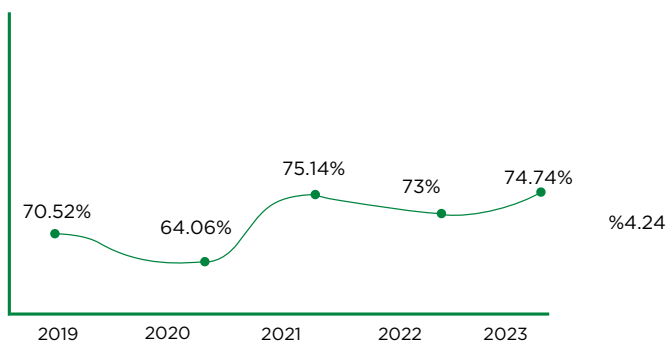
Total Customer Deposits



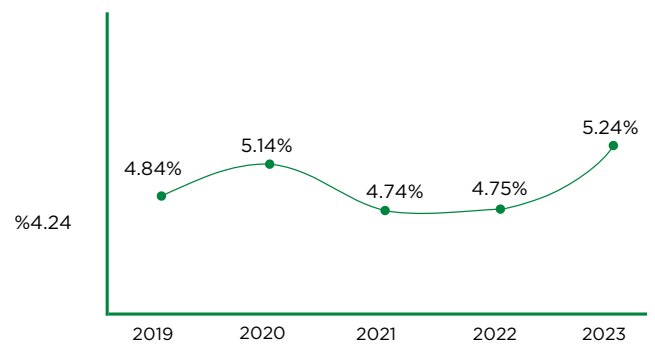
Net Credit Facilities



Provision Coverage Ratio



Percentage of Net Bad Debts



# Activities and Achievements of the Bank

## Individual Services

Cairo Amman Bank continued its path of growth and development during 2023, in maintaining its leading position and competition in the banking market in light of the rise in interest rates. During the year, a number of products and services were introduced that keep pace with banking growth and development, with the aim of meeting customer behaviors and needs, and contributing to enhancing the position of the three brands.

In the retail field, the Bank maintained the pace of growth in its facilities portfolio, and provided competitive advantages to various sectors, with the aim of attracting new customers and retaining existing customers. The bank also reduced the interest rate and introduced new policies to suit customer needs, and special programs for financing real estate in partnership with many real estate developers. In addition, the bank launched a product dedicated to all customers to finance cars with our partners in the automobile sector without interest. The bank also presented many offers to encourage the purchase process in the local market, through bank or credit cards, or through the easy installment product. The bank has issued a new credit card under the name Leaders, offering its holder special benefits and services. The bank has also focused on the discount program through campaigns in partnership with its local partners from various sectors.

In the corporate field, the Signature brand continued to provide the best benefits and services to its customers, as many products and services were developed according to the requirements of the financial category, most notably the development of a special financing program for clinics and health centers for the category of doctors, and special programs for financing real estate in partnership with many real estate developers. While the Central Bank and the brand worked to develop the mobile application and internet banking services.

In the youth sector, the LINC brand continued to advance and compete in the market by retaining customers and attracting new ones. It has also launched many offers and campaigns dedicated to the youth category with its partners from various sectors. Interest rates have also been reduced for most products to encourage the youth segment, and interest rates for environmentally friendly car loans have been developed and reduced with unique advantages. The youth category was also included in the interest-free car financing agreement with the Bank's partners. With the aim of enhancing the Bank's digital identity and electronic development, work was done to add new electronic services to customers at the level of the mobile application.

The Bank also continued to expand the university card project, where 4 new agreements were concluded involving public and private universities, bringing the total number of participating universities to 20 universities in the Kingdom. Students, faculty and university staff are provided with prepaid cards under the LINC brand, while the card control service still available through the phone application. Campaigns and benefits dedicated to the card are also being launched both on-campus and off-campus.

In the field of environmentally friendly projects, an agreement was concluded with the European Bank for Reconstruction and Development (EBRD). Special and varied programs have been launched for environmentally friendly products that contribute to meeting the desires and needs of retail and corporate customers of all segments, with multiple and competitive advantages. In addition to offering cashback of up to 10% to customers who obtain the products.

In the field of development of electronic channels, an update was added to the mobile application and website to include many solutions that improve the journey of customers and companies on the one hand, and contribute to raising the level of business efficiency and enhancing competitiveness on the other hand. Work was also done on horizontal integration with the financial and non-financial sectors, adding new services to meet diverse needs, improving the performance of banking transactions, and keeping pace with technical development.

Cairo Amman Bank affirms its commitment to meeting its customers' financial needs and improving their banking journey by providing new pioneering and innovative services and solutions, in order to ensure achieving sustainability goals and supporting all segments of society.

**LINC** A BANK FOR YOUTH  
BY CAIRO AMMAN BANK

### Finance your Electric or Hybrid Car

Financing of up to 80% of the cost of the vehicle

No salary transfer required and minimal required documentation

Repayment period of up to 8 years

\*Subject to the bank's terms and conditions

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**SIGNATURE**  
Medical Care

Finance your medical project with exceptional features from SIGNATURE

- Clinics
- Medical Centers
- Pharmacies

\*Subject to the bank's terms and conditions

بنك القاهرة عمان  
CairoAmmanBank

**LEADERS**  
CENTER

All the features you need in one card!  
from Cairo Amman Bank & LEADERS Center

Cashback

Loyalty Points

Exclusive discounts or an interest-free repayment period with one card from Cairo Amman Bank & Leaders Center

\*Subject to the bank's terms and conditions

## Private/Corporate Banking Department

The Bank is keen to provide banking solutions to the corporate sector through a comprehensive set of products and services that suit the requirements of corporate customers and meet their needs. The Private Banking Services Department aims to increase the Bank's market share and achieve the required growth while taking into account studied risks that are commensurate with the expected return. In addition to providing banking services to multinational companies through the Bahrain branch. In addition to providing banking services to the government and semi-government sectors and public joint stock companies. The Private Banking Services Department has undertaken the responsibility of providing high-quality banking services, through the expertise and skills of the banking staff who meet the needs of customers with great ability, by providing a wide and comprehensive range of solutions and innovative banking financing that suit their needs. The Department's work strategy includes building a solid base of distinguished customers that complement the Bank's customer base as a whole, through the optimal use of effective marketing tools and mechanisms and create a banking experience characterized by quality and excellence, through providing dynamic, pioneering products and solutions that meet customer needs.

The Bank does not neglect the various electronic channels that provide banking solutions in line with the latest developments, by following a flexible approach to carry out business with high skill and continue innovation through continuous review of the work method to develop business. The bank has worked to develop electronic services provided to companies that are characterized by ease of use and high reliability. Opening credits and issuing guarantees through electronic services for companies has been added, and providing insurance consulting services have been added through the electronic services for companies.

The year 2023 witnessed a significant rise in interest rates, which negatively affected the cost of funds to companies and institutions and the Bank's keenness of the interest of companies, the Bank did not reverse all of the increases on them, and the Bank borne a portion of them as a contribution to mitigate the effects of these increases. On the other hand, the Bank directed lending to companies and institutions, through financing from low-cost sources, the most notably the medium-term advances granted through the Central Bank, which support the economic sectors (industry, renewable energy, tourism, agriculture, information technology, engineering consulting, health, methodical and technical education, transportation, and export activity.)

During the year 2023, the Bank continued its approach of opening channels of communication with new customers through field visits to various sectors, especially the industrial sector, and reaching them in all industrial cities throughout the Kingdom, whether to finance the expansion of their activities or to finance their purchases of raw materials, in addition to financing the agricultural sector, because of its great importance. It has been expanded by granting them the required facilities, based on the Bank's belief that they are one of the important sectors that need to provide financing at low costs, to help them compete to advance our local industries and develop the agricultural sector.

Due to the importance of the environment to be clean and free of pollution, the Bank is keen to grant loans (green financing) to finance buildings, devices, and machines that are environmentally friendly. In addition to generating energy through solar energy, to serve all sectors, whether industrial, agricultural, or other sectors. In addition to the household sector, by re-lending them at appropriate interest rates, to reduce carbon dioxide emissions.

In addition, the Bank signed a loan agreement by the Arab Fund for Economic and Social Development, for the purposes of supporting small, medium and micro enterprises in Jordan, and a loan agreement by the European Investment Bank, to support small, medium and large companies in Jordan.

To mitigate the risks of grants, dealings with the Jordanian Loan Guarantee Company have been expanded by obtaining their guarantees on the facilities granted to them.

In order to meet the needs of customers and respond to their requirements by providing distinguished services, the Aqaba Branch and the Mecca Street Branch were opened, in addition to the current branches (Zara Branch, Umm Al-Summaq Branch, and Al-Khalidi Branch).

## Treasury and Funds Development Resources

The Bank was able to manage its assets and liabilities efficiently within the best standards, by meeting all liquidity requirements as a main priority and enabling the Bank to meet all its obligations, in addition to adapting to the most prominent challenges represented by an environment of continuous rise in interest rates locally and globally, which has presented the most significant challenges to match the opportunities and achieve profitability by focusing on maintaining the quality and type of assets. As well as improving returns and diversifying sources of funds in the light of consistent monitoring of developments in the structure of interest rates and the costs of the Bank's sources of funds. The Bank also maintained its approach to applying a prudent investment policy in managing its investments and focusing on balanced diversification, to achieve stable returns within acceptable levels of risk, in light of an investment environment dominated by a state of great uncertainty.

During the year 2023, the Bank continued to strengthen its existing relationships, harness all its efforts and network of relationships with correspondent banks, and establish new relationships despite the surrounding economic and geopolitical conditions. In addition to maintaining existing relationships with banks and financial institutions inside and outside the Hashemite Kingdom of Jordan.

Cairo Amman Bank also maintained providing its customers with innovative investment options, through the electronic trading platform launched by the Bank, which provides customers with options to trade stocks, bonds, and investment funds available for trading in various global markets.

## Financial Leasing

The Bank, through Tamallak Financial Leasing Company, offers a full range of financial leasing services commensurate with the nature of the lessee's activity and cash flows, and for all economic sectors. The company also seeks to raise the level of interest in the services provided to the target markets to meet their financing needs by spreading the concept of financial leasing because of its economic and financial advantages for the target sectors.

## Investment Services

The Bank, through its investment arms, Awraq Investment Company in Jordan and the National Securities Company in Palestine, provides brokerage services in the local, regional and international markets. In addition to asset management services, such as managing investment portfolios for clients, establishing and managing investment funds with different purposes, providing financial and investment advice, and preparing studies and research.

## Network of Branch and Distribution Outlets

In order to achieve the objectives of the corporate identity and the plans of the geographical spread of the Bank, during the year 2023, two new branches were opened under the institutional identity of SIGNATURE, while four new branches under the institutional identity of CAB. Also, a branches was updated and transferred to into an independent branch operating under the "comprehensive employee" system; in addition to updating an existing branch into the comprehensive employee system and moving its location to a more vital location establishing and equipping a new branch under the institutional identity SIGNATURE in Dabouq area (without commencement of work).

Below are the details:

1. Opening two new Signature branches: Aqaba SIGNATURE Branch and Makkah Street Signature Branch.
2. Opening 4 new branches under the institutional identity of CAB:
  - Al Nafoura Branch in Aqaba
  - Anjarah Branch in Ajloun

- Madinat Al-Sharq Branch in Zarqa
  - Marj Alhamam Branch - Aljundi Roundabout
3. Advancing and converting Jerash office to a separate branch (Jerash - Al-Qayrawan Roundabout)
  4. Upgrading Abu-Nusair Branch, converting it to a comprehensive employee system, and moving it to a new, more vibrant location.
  5. Completion of the preparation of a new branch under the institutional identity SIGNATURE in the Dabouq area, and will be officially launched during the first quarter of 2024.

The new and upgraded sites mentioned above are characterized by modern designs that keep pace with modernity, and are also characterized by a calm atmosphere and electronic networks equipped with the latest computers that ensure the easy provision of banking services to customers and achieve confidentiality and privacy. It aims to accommodate the steady increase in the number of branch customers, in addition to enhancing the presence in vital areas in Jordan, as the total number of branches and offices operating in Jordan (LINC, CAB, Signature) until the end of 2023 reached (103) branches and offices). The Bank serves its customers through a wide ATM network, as 12 new ATMs were installed in various locations during the current year, bringing the total number of ATMs to 208 ATMs spread throughout all areas of the Kingdom (inside branches and external locations), including 33 ATMs that provide cash deposit services.

### Cairo Amman Bank branches that were opened in 2023



Alnafoura Branch - Aqaba



Anjarah Branch - Ajloun



Jerash Branch  
Al-Qayrawan Roundabout



Madinat Al-Sharq Branch - Zarqa



Marj Alhamam Branch - Al-Jundi Roundabout

### SIGNATURE Branches opened in 2023



Aqaba Branch



Makka Street Branch



## Accomplishments of the Information Technology and Projects Department

In line with the objectives and strategic plan of Cairo Amman Bank, and as continuation of improvement in the quality of services, lifting up the efficiency of operations, and developing the equipment and general systems in the Bank during the previous years, the Information Technology and Project Management Department has implemented and applied many programs and systems, to keep pace with modern technology, the most important of which are:

### At the level of developing the efficiency of the operational environment:

1. The disaster recovery site has been prepared and operated to ensure business continuity in the event of a failure of the main computer center and the High Availability (HA) replacement.
2. Highly efficient storage units have been purchased and operated, with the capacity to accommodate a large amount of information, specialized in managing and organizing huge amounts of information that are characterized by speed and high efficiency, in line with the requirements of digital transformation.
3. Purchased and operated Hyper Converged Infrastructure (HCI) devices that combine computer networking, storage, and computing power into a single device. This device simplifies the process of managing data centers by restructuring them, instead of having a network of processors and storage units connected to them, in addition to a virtual environment management system.
4. New storage devices were also purchased that operate efficiently and at high speed to avoid any slowdowns in the systems.
5. Applying the "Patch Management" feature, a system for managing updates and patches for programs and systems, which distributes and applies updates to applications, computers, and servers centrally and at regular times, without the need to go to each device and update it manually.
6. Within the framework of enhancing the security and protection levels of the Bank's systems, a project was implemented to upgrade the ATM system and electronic card management to the latest version, to comply with the requirements of information security, cybersecurity and systems support. Which has an impact on strengthening the security and protection system and reducing cyber risks, in light of the development of electronic attack methods. In addition to improving the performance and operation of the system to facilitate the process of developing services, to meet business requirements and serve the Bank's customers at the best levels.
7. Upgrading the electronic clearing system to the latest version, and automatic linking with the Central Bank through JOPACC, in accordance with the requirements of the Central Bank to serve the Bank's customers.

As for the systems development program to improve the customer experience, many improvements and programs have been implemented that enable customers to use all banking services:

1. Automating trade finance services in line with the Bank's vision of providing an innovative and distinctive digital banking experience to customers, in line with the requirements of digital transformation, which will enable customers to obtain trade finance services through electronic channels, without the need to visit branches.
2. Enables the customer to book travel tickets or hotels directly from the banking application, and pay through his/her account directly or through a credit or prepaid card.
3. Implementing the bank transfer service for exchange companies through Cairo Amman Bank, which allows the Bank's customers (local exchange companies) to issue bank transfers to their customers through online banking services.
4. Upgrading the system for issuing and sending customer account and credit card statements, so that the customer can review the monthly account statements electronically.
5. Implementing an Interactive Voice Response (IVR) system, which provides several automated services to customers through the phone, which reflects positively on improving customer satisfaction and saving their time and effort. An instant chat interface has also been launched on the WhatsApp application, enabling the customer to inquire about his/her account and cards and transfer between them, in addition to many advantages.

6. Applying several services to credit cards through electronic channels, including unblocking the password, re-sending the password when you forget it, and implementing debit transactions from credit cards (for example: transferring from accounts and paying bills).
7. A number of services have also been implemented to improve the customer experience on electronic channels, including:
  - Debit the credit card: It is a service that allows the customer to carry out debit transactions from the credit card on electronic channels, such as cash transactions. For example, the customer can make transactions on eFAWATEERcom and pay them from the credit card.
  - PIN OTP: When issuing debit and prepaid cards through the branch immediately, an OTP card PIN is sent and the new PIN is reset through the ATM, instead of visiting the branch to receive the PIN.
8. Cliq Corporate: Implementing the Cliq service for corporate customers through corporate internet banking.
9. Applying the feature of withdrawing counterfeit cash when depositing in ATMs that accept cash deposits and handing them over to the Central Bank, to reduce the process of dealing with counterfeit money in the markets.
10. Adding a new features to ATM to provide cash withdrawal services using contactless technology, by installing a Near Field Communication (NFC) piece on the ATM. This piece reads the card's encryption remotely without touching it, as the customer swipes the card over it, enters his/her PIN, and continues with the services withdrawals provided by the ATM, in order to keep pace with the global trend and digital transformation of electronic services and solutions.
11. Licenses were purchased to monitor and control networks of self-service machines, and they were installed and operated on ATMs in order to monitor the ATMs directly instead of visiting the teller to find out, diagnose and report the problem on site, and reduce the number of downtime hours.

The Bank's approach also focused on university students, as it installed and operated (20) self-service devices (kiosks) in universities, where these devices provide banking services to students using the university's digital card.

Information Security and Compliance Upgrade Program: Cairo Amman Bank has successfully implemented a number of technical projects, which aim to keep pace with the development of information security and cybersecurity protection and expand protection on the Bank's servers, networks and e-mail, from threats, attacks, vulnerabilities, and compliance with requirements. A number of initiatives and services have been implemented, including:

- Upgrading and updating the Trend Micro system, which provides protection by protecting the data on the servers from malware that may threaten the security of the information operating in the Bank. It aims to protect against unknown advanced threats that regular protection systems cannot detect, as well as to help identify the type of malicious programs and reveal ways to remove them.
- Application of the "Intrusion Prevention Detection" IPS system, which is a number of network security applications. This system monitors the network, identifies malicious activities, records information about the activity, attempts to stop/prevent it, and reports it. It also has the ability to prevent detected intrusions or obstruct traffic from the attacker's address.
- Implementing the "Web Application Firewall" (WAF) system, which is a firewall that protects the Bank's web applications and websites from attacks and violations arising from the Internet and external networks. It also receives all requests to enter the website, then filters them based on pre-prepared policies, then passes the requests to the website after making sure they are safe.



- Updating the methodology of the Foreign Account Tax Compliance Act "FATCA" system, which works to combat tax evasion by American citizens investing in "offshore" accounts abroad in both Jordan and Palestine. The anti-money laundering and counter-terrorism financing (AML/CFT) system has also been upgraded to an integrated and effective system that meets the requirements of official and regulatory authorities. It keeps pace with the latest developments related to AML/CFT, and requirements for combating terrorist financing, the proliferation of armaments, and weapons of mass destruction.
- Obtaining a certificate of compliance with PCI DSS card security standards.
- Obtaining the ISO27001 certificate related to the procedures and organization of the work environment in the Department of Information Systems and Information Security Operations. It is worth noting that work is underway to upgrade the banking system operating in the Bank to the latest version. The Bank is also currently preparing a dynamic digital banking services platform that provides all banking services to meet the needs of ATM customers.

The Information Technology and Project Management plan for the year 2024 also focused on strategic projects that improve customer experience and satisfaction, as well as improving the Bank's electronic channels and providing new services through them. In addition to investing in information technology and providing devices with high capacity.

## Human Resources and Training

### Talent Management and Performance Appraisal Department

#### Bank's Recruitment Policy

Bank continued in its policy of giving priority to filling vacancies internally through a fair competition mechanism that gives employees the right to compete for vacant positions, especially administrative and leadership positions, in order to ensure the employees' progress in their career path and to maintain qualified staff. On the other hand, this ensures Bank continuing to provide opportunities for cognitive development and promotion of practical experience for employees through programs of temporary replacement, training and education. Bank also considers the need to provide its staff with external expertise that promotes innovative and renewable intellect with internal competition among employees by attracting the best personnel who are suitable for the values and environment of the institution and for job requirements.

Total employment turnaround rate reached 12.31% of the year 2023, and the employment turnaround rate is considered within the normal rate.

#### Remunerations policy

In line with the corporate governance instructions issued by the Central Bank of Jordan, a policy has been developed for distributing financial rewards to Bank employees based on the main principles of institutional governance in applying the principles of fairness and transparency in granting financial rewards to Bank employees.

The remuneration policy aims to set objective, fair and transparent principles and criteria for granting financial rewards to the senior executive management and all Bank employees, whereas the Bank was able to attract, develop and maintain its qualified, skilled and experienced employees and motivate them and improve their performance, while encouraging and motivating employees to achieve Bank goals.

The policy includes the adoption of a reward system that links the profitability and Bank performance in general with the extent of achieving its strategic goals. It also includes principles and standards for the performance of administrations, different departments, and employee performance.

The total number of employees of the Bank and its subsidiaries is 2,291, classified according to educational qualifications:

	Bank	Awraq Investment	Al-Safa Bank	Tamallak Lease Finance	National Securities	Total
<b>PhD</b>	5	-	-	-	-	5
<b>Master</b>	122	4	19	1	1	147
<b>Bachelor</b>	1499	13	143	11	8	1674
<b>Diploma</b>	186	1	2	1	0	190
<b>Secondary and lower</b>	250	1	18	4	2	275
<b>Total</b>	2062	19	182	17	11	2291

## **Most important achievements of the HR Department**

Stemming from the Bank vision and its strategic goals to develop and support investment in the human resources and institutional culture, and its belief in the importance of the human resources, which it considers the key element of its success; the Bank conducted training and development programs during the year 2023 according to the best practices and available and possible options, in an effort to enhance a professional work environment and raise the level of functional satisfaction through continuous training and development, with the aim of raising work efficiency and productivity, to serve internal and external clients with high professionalism in a manner consistent with the Bank's mission, vision and strategic objectives.

The percentage of employees holding professional certificates in various fields and sectors of the Bank has also been raised, which has an impact on raising the level of service provided and work for employees, which is positively reflected in the productivity and profits of the Bank.

In order to motivate its employees and encourage them to be creative, innovative, develop performance, and make more efforts aimed at creating and enhancing a professional work environment, the Bank has applied the Employee of the Month Award System, the Distinguished Achievement Award, and the worthy initiative. This is for the purposes of creating an empowered human capital capable of performing the tasks entrusted to it efficiently and effectively in pursuit of excellence, creativity and giving.

In order to achieve optimal investment in individuals (employees) and to develop the career path of the Bank's employees, during the year 2023, 48 employees were promoted to higher job grades, whether by promotion to higher job tasks and advanced job titles or by promoting them to higher grades with the same job tasks assigned to them. This was reinforced by motivating employees and appreciating their efforts during the previous period, which has the greatest impact on job stability and belonging, encouraging them to continue their outstanding performance, working in a positive environment, and working to develop their work to the ideal level.

One of the most important values of the Bank is to work in a team spirit, and to promote building harmonious work teams, some employees have been sent to (Team Building) courses through workshops and social activities.

Because physical and sporting activities focus on physical health and renewed interaction, indoor football matches were held. As a result of these competitions, a football team was established to represent the Bank in its participation with the bodies organizing the tournaments, whether the Central Bank Football Championship, the Association of Banks, or the General Union of Workers in the Banking Sector. This had a clear impact on improving the physical fitness and health of employees and improving communication and interaction between them.

In order to achieve social responsibility, many employment fairs organized by Jordanian universities (public and private), as well as those organized by recruitment companies, were participated in order to provide opportunities for direct communication with job seekers and those interested in joining the Bank. This contributed to highlighting the institutional identity and introducing the attendees - especially recent graduates from these universities and job seekers - to the work of the banking sector and all job requirements and their suitability for vacancies, and explaining all the details about them.

## **Human Resources Training and Development Plans**

The Human Resources Department also had a role in contributing to social responsibility by continuing to train students and university graduates in practical training on the Bank's business aimed at qualifying them and enabling them to engage in the labor market. The Human Resources Department was also keen to continue participating in job events at various Jordanian universities with the aim of attracting qualified young fresh graduates.

During 2023, the Bank also promoted the culture of learning through technology, E-Learning. In 2023, technology was relied heavily on training programs and the provision of knowledge. Specialized training courses were prepared and held through electronic platforms, as it provided the opportunity to train the

largest possible number of employees, which had an impact on developing the skills of the participating employees and creating qualified leaders for the stages. In the same year, more reliance was placed on the use of information technology means in implementing training and development programs. Various training courses have been prepared and implemented through electronic platforms, which raised training and development opportunities for employees, and provided the opportunity to train the largest possible number of employees in their various fields of work in a way that serves the goals of training and development of the human cadre to achieve institutional goals.

In the field of manpower planning and employment, and based on the Bank's vision and strategic objectives to develop and support investment in human resources and promote the concept of inclusion and diversity; 215 male and female employees were appointed, with a focus on the youth category, as the percentage of females among new employees in 2023 reached 30% of the total appointments, and the percentage of women constituted 37% of our total work team in the Bank, while the percentage of women in senior management positions constituted 27% in the year 2023.

We believe in our team and they are the basis of our success. Therefore, we select our work team who share values and culture with us to be an integral part of our journey towards growth and success. Our positive energy, harmony in work, and our team spirit, in addition to our distinctive work environment, is the source of our success and the strength of our attraction to distinguished employees.

### **Future Bankers Program**

It is a program that aims to prepare new employees before distributing them to the Bank's various departments, qualifying them and preparing them to be ready to engage in the live work environment and giving them a general and detailed idea of the work of all departments; through training programs within a well-thought-out and comprehensive plan for all work in the Bank, including all sectors, and through work papers, practical applications, and carefully studied programs to expand the employee's perceptions and expand his/her experience before integrating into the live and practical environment in the Bank's departments. Also, so that the employee is aware of the basic things that he/she will do once he/she begins work, and that he/she is aware and familiar with the work of other departments in the Bank and how to communicate with them for the purposes of saving time and effort and reducing errors to improve the quality of work, and develop a comprehensive picture of all banking concepts that the employee may be exposed to in his/her professional life before starting work. This information comes from those with experience and expertise and not from the employee who supervises employee training, whether in the branch or in the various departments.

It also aims to attract talent from new graduates according to the stipulated requirements, which improves the quality of the Bank's employment outcomes and enhances the job environment.

Through intensive training, there will be a high quality of the work outputs that will be assigned to the employee involved in the program and reduce cost of training in the future, as the program is comprehensive in terms of practical and psychological aspects and employees attraction methods. It is an opportunity to fill vacancies through department managers meeting with program employees and interacting directly with them, and ensuring that any of them is suitable for the vacant position.

What previously happened in the recruitment/training process is that the employee is the one looking for information and a way to work, and the pattern is to work in the traditional way. In this program, the strategy is different, as the trainer is the first person in the administration, meaning what is given is the summary of practical and theoretical experience, which leads to the training being according to what is required by the administration and modern strategies that give the correct information in the shortest way and in a scientific and professional form.

Strengthening team spirit through practical training, through groups before distributing the program employees. Creating a new generation of unconventional leaders in the Bank, equipped with work and practical experience, by going beyond traditional thinking and focusing on strategic thinking, creative analysis, depth, and distance from the uncreative style.

Promoting the holistic idea of creative thinking, analysis, problem solving, looking at the problem and not thinking that it is part of the problem, and finding quick solutions in a smart way to contain the problems.

### Table of Training Courses

Field of training	Number of training programs	Number of participants	Number of training hours
AML/CFT	63	916	330,842
Information technology	28	265	62,947
Customer service	14	183	23,189
Behavioral skills	13	190	20,169
Banking systems	20	342	19,779
Risk	14	153	13,732
Administration	7	47	6,777
English language	2	41	2,624
Credit facilities	9	74	2,557
Behavioral Skills/ Marketing and Sales	4	22	1,936
English language	2	39	1,872
Legal aspects of work	3	52	1,560
Accounting, Finance and Financial Analysis	6	11	1,539
Awareness workshops	2	39	206
Trade Finance	1	23	46
Excel Skills	1	3	42
Occupational safety and health	2	16	23
Basic Banking Skills and Knowledge	1	7	7
US Tax Compliance Act (FATCA)	1	1	3

### Bank Competitive Position

The Bank managed to enhance its position among the other Jordanian banks through the achievements during the current and previous years; whereas Bank share of the total deposits and facilities in Jordan reached 3.89% and 4.66% respectively, while 5.24% and 5.37% in Palestine and a non-impact share in Bahrain.

The Bank maintained its credit classification by the international classification agencies as follows:

	Financial position rigidity	Foreign currencies (short/long term)	Future insight
Moody's	B1	B1/NP	Positive
Capital Intelligence	BB	B+/B	Positive

## Bank's Contribution to Serving Local Community and Environment

Despite the slow economic recession for years, Cairo Amman Bank has continued its approach of giving local community service a top priority. This is based on its comprehensive vision and within its plans, programs and policies to achieve multiple goals. The Bank has continued to emphasize the sustainability and support of its activities and initiatives, by providing various services to serve the local community, which is one of its primary goals, and which has made a positive difference for its beneficiaries, participants, and society in general. Since Cairo Amman Bank has been one of the main financiers of the RUWWAD organization in Jordan since 2006, as it is a non-profit organization. Through this organization, the Bank seeks to empower communities to overcome marginalization through youth participation in community service and education, the forefront of which is providing more equal opportunities for youth, strengthening civil societies and encouraging comprehensive, essential solutions.

Because the right to life is the highest human right, Cairo Amman Bank focused its efforts during the year 2023 on supporting people with cancer, by sponsoring many activities and events. For the seventeenth year in a row, the Bank renewed its agreement with the King Hussein Cancer Foundation, with the aim of providing the necessary support to launch the annual summer camp for pediatric patients. The camp activities continue for an entire month with the participation of one hundred and fifty patients daily and include entertainment games, theatrical scenes, clown performances, singing shows, face painting, and other entertaining and useful activities for children. These activities develop children's abilities and talents, and give them happiness and hope so that they can continue their treatment journey.



Through its constructive contribution in the field of environmental responsibility, the Bank won the gold award in the Buildings Accessible for Persons with Disabilities Competition for the 2023 session, which was organized by the Supreme Council for the Rights of Persons with Disabilities. Cairo Amman Bank achieved its deserved victory for the Cairo Amman Bank building/Wadi Saqra Branch, which is considered an ideal model and achieved the concept of service design for people with disabilities. This

includes the typical standards of safe ramps, elevators, restrooms, wide entrances and exits, signs and floor markings, websites, data and information in easy formats - Braille - large and clear letters - controlling colors and backgrounds on websites. In addition to facilitating arrangements such as signs in Braille and sign language to communicate with the public with disabilities, assistive technology as needed.

Cairo Amman Bank continued the Leaf a Mark initiative, which was launched by the Bank in 2019 and is based on increasing the area of green spaces. For example, Bank employees planted olive trees for a farming family in the village of Netal in the Giza region. These trees were chosen to suit the nature of the place, which provided them with a sustainable income in addition to local oil and olives throughout the year. This initiative comes within Cairo Amman Bank's vision of sustainable development to provide for the personal needs of families and increase the green area in Jordan.



In the field of social responsibility, Cairo Amman Bank, in cooperation with the Founder King Abdullah University Hospital in Ramtha, sponsored the entertainment day activities for children, in cooperation with the Basmet Amal Charitable Association. The Bank distributed gifts to children suffering from cancer, in a step aimed at encouraging them and raising their morale. The activities also included entertainment activities to bring joy to their souls to overcome this stage that cancer patients are experiencing. In order to ensure the safety of the Bank's employees and workers, the Bank conducted a mock evacuation exercise with the presence of the relevant emergency teams, in accordance with the instructions of the Central Bank to conduct annual fictitious evacuation exercises. An announced evacuation was conducted for all the 15-storey public administration buildings, as well as the employees of the Wadi Saqra building and the garages building.

The operation aimed to ensure the extent of compliance with special instructions during evacuation operations in particular, and to follow general safety conditions that prevent any consequences during the experiment in general, and in order to train employees on how to deal with the evacuation process when accidents occur, God forbid.

On the basis of its cultural and artistic responsibility and the Bank's keenness to support the artistic movement in Jordan, Cairo Amman Bank organized the seventh session 2023 Cairo Amman Bank International Symposium in the Bank's courtyards in Wadi Saqra, with the participation of international artists from Morocco, Serbia, Egypt, Jordan, Russia, India, Palestine, Algeria, Syria and Qatar, as well as a number of young artists from Jordan.

The Symposium, represented by the Bank's management, honored in its session, and as in every session, a number of artists who have a long artistic career, imprint, renewal, and artistic presence in the artistic arenas.

In order to introduce Jordan, the Symposium allowed the participating artists to get to know Jordanian places through a program that relies on artistic and cultural tourism. This confirms the Bank's vision that it is not only a leading and successful banking and economic institution, but that its contribution enhances the strength of its relationship with various sectors and indicates the importance of initiative, participation, and building the future.

In a related context, the Cairo Amman Bank Gallery presented to the art audience in Jordan seven new young painters as part of 77's experiences, namely Jumana Al-Shafi'i, Joud Zawaydeh, Joud Samman, Rasha Al-Jaafari, Mohammad Subuh, Maha Abu Maalish, and Mayar Al-Amleh.

This comes within the gallery's approach, which is to highlight the creative experiences of young people and present them to the art audience, and to diversify the artistic movement and present generations of young artists, as every year since the Gallery was founded in 2008.

As part of its presentation of new artistic experiences, Cairo Amman Bank Gallery presented to the public the exhibition "Amman - Jerusalem 70 km" by the Jordanian artist Hani Hourani. The exhibition bore the name of the two cities dearest to the hearts of Jordanians and Palestinians, Amman and Jerusalem.

In addition, Cairo Amman Bank Gallery continued to organize the Children's Drawings Competition for the year 2022-2023, where it organized a celebration for the winning children and their families that included the distribution of prizes and activities that brought joy to their souls. The Bank, represented by the Gallery, allocates cash and in-kind prizes for the competition, as it does every year, to reward their creativity and motivate them to continue their achievements in the field they love. Cairo Amman Bank had issued its second sustainability





report for the year 2023, in accordance with the Bank's commitment to issuing annual sustainability reports, and in compliance with the rules and guidelines of sustainability reports issued by the Amman Stock Exchange.

The report included all the initiatives and events undertaken by the Bank during 2023 or those that it supports or as a partner in it, and the Bank's contributions in terms of environmental and social sustainability, arts and governance, and within the main axes of the Bank's strategy and in accordance with the optimal global models in this field, in addition to the sustainability directives of the Amman Stock Exchange (ASE) and in line with the economic modernization vision 2025 and 2030

## Donations and Sponsorship

The total number of donations and sponsorships made by the Bank during the year amounted to various events within the following areas:

Description	Amount
Health field	60,000
Educational field	377,657
Social services	33,000
Cultural and artistic field	106,000
National foundations	464,438
<b>Total</b>	<b>1,041,095</b>

## Strategic Plans

Cairo Amman Bank is always intends to enhance its reputation and market position by adopting strategies, initiatives and action plans aimed at achieving growth in its comprehensive and sustainable concept. This contributes to enhancing the interests of all key components, improving the banking ecology, to keep pace with emerging developments in the banking business environment, and advancing a strong institution with a high-level reputation, financial solidity, and institutional values that will achieve excellence for the Bank's customers, shareholders, employees, and the local community as a whole.

Cairo Amman Bank seeks to create institutional excellence to build an institutional culture characterized by quality, excellence, leadership and creativity, aiming at expansion and growth in its comprehensive and sustainable concept. This would contribute to enhancing economic activity and maintaining monetary stability for our beloved Jordan, in accordance with frameworks and best practices and in harmony with the institutional ecology and governance frameworks at various levels, which in turn are based on environmental, social, economic and governance standards.

### Important developments and the future plan for the coming year

- Ensure that fair corporate governance processes are built and predicated to safeguard the interests of the Bank's key components and their respective independence.
- Protect the rights of depositors and maintain a comfortable capital adequacy level in line with expansion and growth plans.
- Strengthening the principle of disclosure and transparency and achieving added value from information resources and accompanying technology.
- Improving and raising the level of efficiency and effectiveness in providing banking services and automating typical customer service processes.
- Strengthening and developing the sales outlet network through establishing new branches, optimizing the distribution of ATMs, and enhancing their geographical spread. In addition to innovating and developing digital banking services through the phone banking application and various payment systems.
- Targeting VIP and corporate customer segment through the SIGNATURE brand and providing banking services and products with complementary solutions to build a unique and personalized banking experience.
- Attracting customers from all groups and segments of society, with a focus on the youth segment within the age group 18-40 years in particular, to receive various types of banking services according to their needs.
- Enhancing data analysis capabilities, extracting valuable knowledge, and understanding customer behaviors by exploiting different data sources.
- Enhancing the advanced technological capabilities and expanding the scope of artificial intelligence and knowledge engineering tasks through automating processes and reaching customers through various digital channels characterized by development and innovation.
- Improving and developing the customer experience and creating a distinctive banking journey through leadership and innovation in providing dynamic banking services, products and solutions that meet the

customer's desires and needs through digital channels and various branch networks that keep pace with development and change.

- Enabling the Bank to enter various markets and sectors, diversify its credit and investment exposures, and participate in their growth prospects.
- Manage risks, control and compliance efficiently and effectively, develop tools, mechanisms and preventive protection systems related to cybersecurity, information security, combating financial crimes and compliance, and enhance their capabilities.

## Banking risk management:

The Bank manages its various banking risks through comprehensive risk management policies through which the roles of all parties concerned with the application of these policies are determined, namely the Board of Directors and its committees such as the Risk Management Committee, Compliance Committee, Audit Committee, Corporate Governance Committee, Information Technology Governance Committee, Nomination and Remuneration Committee, Strategies Committee and Facilities Committee. In addition to the executive management and the committees emanating from it, such as the Assets and Liabilities Committee, the Procurement and Tenders Committee, the Internal Control and Monitoring Systems Development Committee, the Strategy and Branching Committee, the Information Technology Steering Committee and the Facilities Committees, in addition to other specialized departments such as Risk Management, Compliance Department, Internal Audit Department, Financial Crimes and Cybersecurity Department.

All departments and branches of the Bank are responsible for identifying the risks related to banking operations, adhering to the appropriate monitoring controls, and monitoring the continuity of their effectiveness in line with the internal control system.

The Bank's risk management process includes the activities of identifying, measuring, evaluating and managing risks, whether financial or non-financial, that may adversely affect the Bank's performance and reputation or its objectives in a manner that ensures achieving the optimum return against acceptable risks.

### **The Bank is exposed to a number of risks during the fiscal year covered by the annual and subsequent report:**

#### **Credit Risk**

These are the risks that arise from the failure or inability of the other party to fulfill its obligations towards the Bank on time, which leads to losses.

The Bank works to manage credit risks by applying and updating various policies that define and address all aspects of credit granting and maintenance, in addition to setting limits on the amounts of credit facilities granted to customers and the total credit facilities for each sector and each geographical region.

The Bank follows several methods to mitigate risks, including identifying acceptable guarantees and their conditions, and taking into account the absence of correlation between the value of the guarantee and the customer's activity. The Bank also follows the insurance policy on some portfolios and builds additional provisions as one of the methods of risk mitigation.

The Bank has designated several supervisory departments to monitor and follow up on credit and submit reports for any early warning indicators with the aim of follow-up and correction.

#### **Market Risk**

These are the risks that the Bank may be exposed to as a result of maintaining any financial positions inside or outside the balance sheet as a result of any changes in market prices, such as movements in interest rates, currency exchange rates and stock price fluctuations.

These risks are monitored in accordance with specific policies and procedures and through specialized committees and departments.

Market risk is measured and controlled by several methods, including maturity/re-pricing schedule, Stress Testing, in addition to Stop Loss Limits.

### **Liquidity Risk**

Liquidity risk is represented in the Bank's inability to provide the necessary funding to perform its obligations on their due dates or finance its activities without incurring high costs or incurring losses.

To prevent these risks, the Bank's management and the Assets and Liabilities Committee manage liquidity risks by diversifying funding sources and not focusing on funding sources. Administrative procedures are also put in place to provide liquidity in emergency cases, including in the Recovery Plan.

### **Operational Risk**

It is the risk of loss resulting from the inadequacy or failure of internal procedures, personnel, internal systems, or those that may arise as a result of external events.

Since internal control is one of the most important tools used in managing this type of risk, the Bank's management has paid great attention to the continuous development of the control environment over all of the Bank's activities and operations, as an operational risk policy has been adopted to cover all the Bank's departments, internal and external branches, and its subsidiaries.

### **General framework of risk management**

The general framework of risk management at the Bank is proceeding according to a methodology and basic foundations consistent with the size and concentration of its activities, the nature of its operations and the instructions of the regulatory authorities, in addition to observing the best international practices in this regard. The set of principles are:

#### **- BOD Responsibility:**

- Adopting the policies, strategies and general framework for risk management, including the limits of the acceptable degree of risk.
- Ensuring the existence of an effective framework for Stress Tests, in addition to adopting their own hypotheses.
- Adopting the Bank policies.
- Adopting the internal assessment methodology for the Bank's capital adequacy, so that this methodology is comprehensive, effective, and able to identify all the risks that the Bank may face and take into account the Bank's strategic plan and capital plan, and review this methodology periodically and verify its application and ensure that the Bank maintains sufficient capital to meet all the risks it faces.

#### **- Responsibility of the Risk Management Committee Emanating from BOD:**

- Periodic review of the Bank's risk management policies, strategies and procedures, including the acceptable risk limits.
- Keeping abreast of developments affecting the Bank's risk management.
- Developing the internal assessment process for capital adequacy, analyzing current and future capital requirements, in line with the Bank's risk structure and strategic objectives, and taking related actions.

- Ensuring the existence of good systems to assess the types of risks faced by the Bank and developing systems to link these risks to the level of capital required to cover them.
- Reviewing the policies of Stress Tests and placement for the Board of Directors for approval, including:
  - Hypotheses and scenarios used for Stress Tests.
  - Actions to be taken based on these findings.
  - View the reports and results issued by the Central Bank of Jordan.
  - Ensure that stress tests are prepared periodically, and the results are reviewed and evaluated.

#### **- Risk Management Responsibility:**

- Submitting reports and the risk system to the Risk Management Committee.
- Monitoring compliance of the various departments of the Bank with the limits of acceptable risks to ensure that these risks are within the acceptable limits, Risk Appetite and Risk Tolerance.
- Analyzing all types of risks in addition to developing measurement and control methodologies for each type of risk.
- Applying systems related to evaluating the types of risks faced by the Bank and developing related work procedures.
- Manage and apply the Bank's ICAAP methodology in an adequate and comprehensive manner that is commensurate with the risk profile of the Bank.
- Executing Stress Tests within the policies and methodologies approved by the Board of Directors.
- Participation in calculating expected credit losses within the International Financial Reporting Standard 9 (IFRS9), using specialized systems by an international company.
- Coordination with the concerned authorities to carry out inspections of business continuity plans and update them periodically.
- Orienting, training and guiding the Bank's employees regarding the culture of risk management in the Bank.
- Implementation and execution of the Central Bank of Jordan's instructions related to risk management.
- Preparing, implementing and reviewing the recovery plan.

## **Risk Management Tools and Methodologies**

### **Acceptable Risk Limits**

The Bank manages its risks by setting acceptable risk limits according to quantitative measurement methods and specifying them in a separate document that includes the most important indicators of risks to which the Bank is exposed, where they are monitored to ensure that the Bank's performance does not deviate from the acceptable limits, in order to ensure that the Bank continues to achieve its strategic objectives and contribute to achieving institutional governance based on the corporate governance instructions issued by the Central Bank of Jordan. The performance reports associated with these limits are a tool to verify that there is no discrepancy between the actual risks taken by the Bank and the acceptable level of risks approved by the Board.

## **Stress Testing**

Stress tests are an essential part of the Bank's risk management process at various levels and an important tool used to measure the bank's ability to withstand shocks and the high risks that it may face, and to assess the Bank's financial position under severe but possible scenarios.

Scenarios and tests with a future dimension are assumed in evaluating various risks based on historical data, statistical relationships, and the size and nature of the risks to which the Bank is exposed. It is applied to the Bank's financial statements and its impact on the capital adequacy ratio, profits and losses and liquidity is reflected through a set of levels that fall within (moderate, medium and severe).

The stress tests constitute an essential part of the corporate governance system and the culture of risk management by assisting the Board of Directors and the senior executive management in understanding the conditions of the Bank in times of crisis and contributing to making administrative and strategic decisions and using the results of these tests in setting and determining the degree of risk tolerance of the Bank and in capital and liquidity planning process.

## **Internal Capital Adequacy Assessment Process (ICAAP)**

This process represents a set of procedures through which the Bank's capital planning is carried out in order to maintain target and acceptable capital adequacy ratios based on expansion and growth plans, in addition to the various risks expected to face it. Thus, this process brings together the Bank's risks and capital in a way that supports the bank's management decisions.

The internal capital adequacy assessment process aims to:

- Identifying the risks that the Bank may be exposed to in order to ensure sufficient capital in proportion to the Bank's risk structure.
- Assessing the Bank's ability within its strategic plans and future expansions to adequately hedge these risks so that the organizational capital sufficiency ratio does not fall below the percentages specified in the instructions of the Central Bank of Jordan.
- It takes into account the requirements of the Central Bank of Jordan to assess the adequacy of capital to the risks facing the Bank within the criteria of the Basel Committee, especially the first and second pillars.

## **Recovery Plan**

The recovery plan includes the most important early warning indicators for the main risks and the most important procedures to be followed in the event that any of these indicators are occurred, which may require activating the recovery plan to ensure that the Bank continues to achieve its strategic goals.

The recovery plan aims to:

- Determining the risks, internal and external threats that the Bank may face, and the measures to be taken if they are occurred.
- Determining the main risk indicators that require activating the recovery plan and defining and clarifying the roles and responsibilities of the various relevant organizational units if these indicators are occurred.
- Ensure that the main frameworks for the implementation of the recovery and salvage plan are available and that it achieves the greatest degree of communication between internal and external parties in the event of crises.
- Preserving the rights of stakeholders including depositors, creditors, shareholders and others.



## Business Continuity Management

The Bank is committed to continuously update, develop and check business continuity plans to ensure that the Bank's business continues to serve the interests of customers in emergency situations.

## Compliance Management

### Risk of non-compliance:

It is represented by the risks of legal or regulatory penalties, material losses or reputational risks that the Bank may be exposed to as a result of non-compliance with the laws, regulations, instructions, orders, codes of conduct, standards and sound banking practices issued by the local and international supervisory authorities.

The Bank realizes the importance of monitoring compliance, as the Bank applies policies and work procedures approved by the Board of Directors that comply with the Compliance Control Instructions No. 33/2006 issued by the Central Bank of Jordan, and international best practices in this field to manage the compliance risk with which the Bank is exposed. The department also has a monitoring program to monitor compliance with the laws and instructions issued by the regulatory and official authorities that govern the nature of the Bank's work and activity in accordance with the compliance control policy approved by the Bank's BOD, as well as an automated compliance management system so that all the department's operations are implemented through it.

The Department, based on the instructions of the internal procedures for dealing with complaints from customers of financial and banking service providers issued by the Central Bank of Jordan and the customer complaints policy approved by the Board of Directors, receives and handles all customer complaints in an effective manner, including communicating with customers and informing them of the efforts and results of follow-up, treatment and documentation of those complaints on the automated system for customer complaints, in a way that is easy to refer to when needed.

The number of complaints received during 2023 reached 874 complaints that were dealt with in accordance with the approved policies and procedures based on the relevant laws and instructions.

The department also monitors and follows up the implementation of the US Tax Compliance Law for Foreign Accounts, or what is known as FATCA, through approved internal policies and procedures to identify the American customer, perform due diligence, and identify and classify American customers and report them in accordance with the requirements of the law and in accordance with the approved FATCA policy and procedures in this regard.

In addition, the department has been provided with trained and qualified compliance staff, and a comprehensive and continuous training program has been implemented on compliance control issues to raise and improve the Bank's employees' competencies in protecting the Bank from the risks of non-compliance.

The department also continued to contribute to the development and review of the corporate governance framework in the Bank, which is based on the instructions issued by the regulatory authorities and the best banking practices in this field.

On the other hand, in order to protect the Bank from the risks of non-compliance, the Bank, during the year 2023, in general, did the following:

- Implementation of compliance control policy and plan.
- Implementing the supervisory program followed by the Department at the Bank level and supervising the counterpart units in the foreign branches and subsidiaries.
- Follow up on the latest regulatory and official developments
- Assisting the executive management of the Bank in managing the non-compliance risks it faces.
- Compliance Risk Documentation.
- Training Bank employees on regulatory compliance requirements.

### **Anti-Money Laundering and Terrorist Financing (AML/CFT) Department:**

With regard to the Bank's work in combating money laundering and terrorist financing operations, the Bank follows policies and work procedures approved by the Board of Directors that comply with the Anti-Money Laundering and Terrorist Financing Law No. 20 of 2021 and the Anti-Money Laundering and Terrorist Financing Instructions No. 14 of 2018 issued by the Central Bank of Jordan and the best International practices issued in this regard, in order to reduce the risks associated with these operations, with the aim of determining the procedures for dealing with financial operations, taking due diligence or special measures to know the customers dealing or intending to deal with them, and to ensure their personal and legal identity, their legal status and the real beneficiary, and to continue to be aware of the operations banking customers throughout their dealings with the Bank.

During the year 2022, the Bank has done the following in this regard:

- In compliance with the instructions of the Central Bank of Jordan to combat money laundering and terrorist financing No. 14/2018 and in accordance with what is contained in the risk assessment methodology and the policy of combating money laundering and terrorist financing approved for Cairo Amman Bank, the AML/CFT Department has conducted a comprehensive assessment of the risk of money laundering, terrorist financing, and arms proliferation for the purposes of identifying, evaluating and understanding the risks associated with customers, countries, geographic regions, services, products and service delivery channels, so as the evaluation included all branches of the Bank operating in the Kingdom, foreign branches and subsidiaries.
- The AML/CFT Department has continued to update and develop all work policies and procedures in line with all instructions and circulars issued by the Central Bank of Jordan related to combating money laundering, terrorist financing, mass destruction weapons and arms proliferation and making the necessary amendments to banking systems and forms related to these amendments.
- Developing the automated system to combat money laundering and terrorist financing (FCM) in accordance with the instructions of the Central Bank of Jordan to combat money laundering and terrorist financing 14/2018 and the approved risk assessment methodology (Risk Based Approach). In addition to preparing the system to update and develop alerts rules that study the behavior and patterns of financial operations executed on customer accounts.
- Continuing to hold training programs through workshops on combating money laundering, terrorist financing, mass destruction weapons and arms proliferation operations to include members of the Board of Directors and senior executive management, in addition to all new employees, employees of branches and work centers and paying attention to specialized training. This is due to the job title, tasks and responsibilities assigned to each employee and the extent to which they relate to the task of combating Money laundering and terrorist financing at the Bank level as a whole, and the updated and issued instructions in this regard.
- Continuing to submit reports on the go AML electronic notification and financial analysis system in accordance with the requirements of the Anti-Money Laundering and Terrorist Financing Unit related to operations suspected of being linked to money laundering or terrorist financing operations that are sent through the go AML system.

### **Department of Information Security and Combating Financial Crimes**

#### **• Unifying control regarding information security and cybersecurity for the Bank, foreign branches and subsidiaries**

The technical subordination of information security and cybersecurity operations to foreign branches and subsidiaries has been included in the tasks of managing information security and combating financial crimes in the General Administration of Cairo Amman Bank.

- **Measuring the efficiency and adequacy of the information security and cybersecurity policy and program**

The Bank implemented and reviewed information security and cyber-security controls in several areas within the Information Technology Department and evaluated them, in order to determine the efficiency and adequacy of the information security and cybersecurity policy and program.

- **Information security and cybersecurity strategy**

The Bank has developed a strategy that includes initiatives and objectives for information security and cybersecurity, by comparing the current level and the level to be reached, while ensuring monitoring of key performance indicators.

- **Compliance with international and local standards control**

For the purpose of covering regulatory aspects and modern international standards, the Bank has updated the Information Security and Cybersecurity Policy Manual, based on best local and international practices and standards.

- **Efficiency of Cairo Amman Bank's environment in terms of security aspects**

For the purpose of raising the level of efficiency of the technical security environment, the Bank has employed modern systems specialized in information security and cybersecurity operations, which have contributed to achieving the automation of supervisory and proactive procedures, to secure the Bank's environment from electronic attacks or leakage of any data.

- **Assessing information security and cybersecurity gaps**

The Bank implemented an assessment of information security and cybersecurity gaps, with an emphasis on examining security gaps, implementing penetration checks, and working to close all identified gaps, in order to ensure that global best practices are followed in this regard.

- **Enhancing the exchange of cyber-attack information**

In compliance with the instructions issued by the Central Bank of Jordan, the bank is enhancing the exchange of information on electronic attacks between financial and banking sector institutions, with the Cyber Incident Response Unit for the financial and banking sector (FinCERT) for the purposes of protecting the financial and banking sector in general from electronic attacks, especially the new ones (Zero-Day-Attacks).

- **Working to raise the level of information security**

In order to raise the level of information security related to the systems developed in the Bank's environment, the Information Security and Combating Financial Crimes Department carried out a specialized study for each system independently to ensure that the systems are applied securely.

- **Raising employees' awareness of information security and cybersecurity**

To ensure raising the level and awareness of information security and cybersecurity among the Bank's employees and to ensure the information that is dealt with, training courses on information security and cybersecurity were implemented for all Bank employees and at various administrative levels.

- **Employing systems concerned with information security and cybersecurity**

Many projects have been developed and implemented to enhance and raise the level of information security and cybersecurity at the Bank level.

- **Combating financial crimes**

The Bank has a policy to combat financial crimes duly approved by the Board of Directors, which defines roles, responsibilities and tasks in accordance with the best practices followed in the banking sector.

## Corporate Governance and Disclosure Statements

The Bank is concerned with working on the promotion and development of corporate governance based on the principles of justice, transparency, accountability and responsibility in order to strengthen the confidence of depositors, shareholders and other parties related to the Bank in a manner that ensures continuous monitoring of the Bank's adherence to the approved policies and limits and their compatibility with its objectives in general. The Bank is also committed to applying the highest professional performance standards to all its activities, which are in line with the instructions of the Central Bank of Jordan and the regulatory authorities in the countries in which the Bank is present and international best practices. Accordingly, the Board of Directors decided to adopt the Corporate Governance Guide.

The existence of an effective, professional and independent board of directors is one of the most important requirements for effective corporate governance, as the board of directors is responsible for supervising and monitoring all the work and activities of the Bank and its executive management, and to ensure that activities are aligned with the requirements of the Central Bank of Jordan and all other regulatory authorities, in the interest of shareholders, depositors and all related parties.

The Board of Directors consists of 11 members elected by the General Assembly of the Bank, and the members of the Board have different and varied experiences and skills that increase the effectiveness and efficiency of the Board. Also, all members of the Board of Directors are non-executive members.

The Bank is committed to implementing what is stated in the Corporate Governance Guide approved by the Bank and published on the Bank's website.

The Bank has a guide for governance, information management and associated technology approved by the Board of Directors and published on the Bank's website.

Several specialized committees emerge from the Board of Directors, each with its own objectives and powers, which work in an integrated manner with the Board of Directors to achieve the Bank's objectives. These committees are:

### 1. Audit Committee

- **Mr. Sami Smeirat / Chairman of the Committee - Independent**
- **Mrs. Simona Sabella / Vice Chairman - Independent**
- **Mr. Ghassan Aqeel - Member**

The majority of the members of the committee, including the chairman of the committee, shall be independent members, and the Chairman of the Board shall not be the chairman or member of the committee. The Chairman of the Committee may not be the Chairman of any other committee emanating from the Council, and the majority of the Committee members must have academic qualifications in accounting or finance or hold professional certificates in these two fields. They must have appropriate practical experience in the areas of accounting, finance, external auditing, internal auditing or banking.

- The majority of the members of the committee, including the chairman of the committee, shall be independent members, and the Chairman of the Board shall not be the chairman or member of the committee. The Chairman of the Committee may not be the Chairman of any other committee emanating from the Council, and the majority of the Committee members must have academic qualifications in accounting or finance or hold professional certificates in these two fields. They must have appropriate practical experience in the areas of accounting, finance, external auditing, internal auditing or banking.

- The committee is responsible for reviewing the following matters:
  - Scope, results and adequacy of the Bank's internal and external audit.
  - Accounting issues that have a material impact on the Bank's financial statements.
  - Internal control and monitoring systems in the Bank.
- The Committee submits recommendations to the Board regarding appointment of the external auditor, termination of their work, their fees, and any conditions related to contracting with them, including any other work that the committee intends to assign to them, in addition to evaluating their independence.
- The Committee charter must include the following:
  - The authority to obtain any information from the executive management directly or through the Executive Director of the Internal Audit Department.
  - The right to summon any administrator to attend any of its meetings.
- The Committee shall meet (separate meetings) with the External Auditor, the Executive Director of the Internal Audit Department, and the Executive Director of the Compliance Department at least once a year without the presence of any other members of senior executive management.
- The Committee reviews and monitors the procedures that enable the employee to confidentially report any error in the financial reports or any other matters. The Committee ensures that the necessary arrangements are in place for an independent investigation and ensures that the results of the investigation are followed up and treated objectively.
- The Committee must verify the Internal Audit Department's compliance with the international standards for the professional practice of internal auditing issued by the Institute 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 this evaluation.
- The Committee must verify the availability of sufficient resources and a sufficient number of qualified personnel to manage internal audit and subject them to specialized training programs, including in the field of corporate governance.
- The Committee must ensure that internal audit staff are rotated to audit the Bank's activities every three years as a maximum. In the event that it is not possible to achieve this in certain areas, the Committee's approval will be taken on the justifications for non-compliance, especially in specialized cases, such as information technology and cybersecurity auditing.
- The Committee must verify that internal audit employees are not assigned to perform any executive tasks.
- The Committee must verify that all of the Bank's activities are subject to audit - in accordance with the risk-based approach - including those assigned to external parties.
- The Committee must evaluate the performance of the Executive Director of the Internal Audit Department and determine his/her remuneration in a manner consistent with the performance evaluation policy approved by the Board.
- Establishing appropriate mechanisms to ensure that the Bank provides a sufficient number of qualified personnel to fill internal control tasks so that they are trained and compensated appropriately.
- Study and evaluate any additional work outside the scope of the audit carried out by the external auditor, such as providing administrative and technical consultations, ensuring that they do not affect their independence, and recommending them to the BOD to take a decision therein.

## 2. Risk Management Committee

- **Mrs. Simona Sabella /Chairman - Independent**
- **Mr. Akef Al-Mughrabi / Vice Chairman- Non-independent**
- **Mr. Issam Al-Muhtadi / Member-Independent**
- **Mr. Sami Smeirat / Independent Member**

This Committee is composed of at least three members, with the majority of the committee members, including the committee chairman, being independent members. The Committee also meets at least once every three months and whenever necessary. This committee undertakes the following tasks:

- Ensuring the Bank has a comprehensive risk management strategy that includes the type and level of acceptable risks for all Bank activities.
- Verifying the availability of policies and tools to identify, measure, analyze, evaluate and monitor risks, reviewing them annually at a minimum to ensure their effectiveness and amending them if necessary.
- Verifying the availability of a risk management system that ensures the accuracy and adequacy of the data used to identify, measure, analyze, evaluate and monitor risks and losses that may result from them, and maintain the necessary capital to confront them.
- Verifying the effectiveness of the Risk Management Department's work procedures and evaluating the extent of executive management's commitment to the approved policies and procedures.
- Providing the Board with periodic reports on the risks to which the Bank is exposed, including violations of acceptable risk levels and procedures for addressing them.
- Keeping abreast of developments that affect the Bank's risk management.
- Verify the existence of means that help manage risks, including but not limited to:
  - Self-assessment of risks and development of risk indicators.
  - Preparing a historical database of losses, identifying the sources of those losses, and classifying them according to the type of risks.
  - Providing the necessary equipment, appropriate automated systems, and quantitative methods.
- Verifying the availability of sufficient resources and a sufficient number of qualified personnel to manage risks and subjecting them to specialized training programs.
- Evaluating the performance of the Executive Director for Risk Management and determining his/her compensations in accordance with the performance evaluation policy approved by the Board, after seeking the opinion of the CEO.

### 3. Corporate Governance Committee

- **Mr. Kleman Me'marbashi / Chairman of the Committee - Independent**
- **Mr. Sami Smairat / Vice Chairman - Independent**
- **Mr. Yazid Al-Mufti / Member - Non-independent**
- **Mrs. Simona Sabella / Member - Independent**

This Committee shall be composed of at least three members, with the majority of the Committee members being independent members and including the Chairman of the Board. The Committee Chairman must also be an independent member. This Committee undertakes the following tasks:

- Supervising the preparation of the Corporate Governance Guide and its approval by the Board, so that this Guide expresses the Bank's own view of Corporate Governance in terms of its concept, importance and basic principles, in a manner that is compatible at a minimum with the legislation in force and to ensure the achievement of best practices in this field, and that it is updated whenever the need arises.
- Providing the Central Bank with a letter signed by all members of the Committee confirming the conformity of the Bank's Corporate Governance Guide with the corporate governance instructions for banks issued by the Central Bank of Jordan within two months from the date of making any amendment.
- Verifying the correction of the observations contained in the report of the Internal Audit Department - or any other relevant party - regarding the Bank's commitment to the Corporate Governance Guide.
- Notify the Central Bank immediately upon verifying any violations of the provisions and requirements of these instructions.
- Preparing a governance report and submitting it to the Board of Directors.
- Establish written work procedures to implement the provisions of these instructions, review them, and evaluate the extent of their application on an annual basis.
- Studying the observations of the Securities Commission regarding the application of governance in the Bank and following up on what was done in this regard.



#### **4. Nomination and Remuneration Committee**

- Mr. Esam Al-Muhtadi / Chairman of the Committee - Independent**
- Mr. Hasan Abu Al-Ragheb / Vice Chairman - Non-independent**
- Mr. Hisham Al-Masry / Member - Non-independent**
- Kleman Me'marbashi / Member - Independent**
- Mrs. Simona Sabella / Member - Independent**

This Committee consists of at least three members, so that the majority of the members of the Committee, including the Chairman of the Committee, are independent members. The Committee is responsible for several matters, the most important of which are:

- Study the suitability of the persons nominated to join the Board, taking into account the capabilities and qualifications of the nominated persons, and submit the appropriate recommendation to the Board. In the event of a member being re-nominated, the number of times he/she has attended and the effectiveness of his/ her participation in the meetings of the Board and its committees shall also be taken into consideration.
- Informing any person (including a representative of a legal person) applying for candidacy for Board membership in writing of the Board's decision stating that the provisions of the current Corporate Governance Instructions or any instructions issued by the relevant regulatory authorities do not apply to him/her.
- Nominating qualified persons to the Board to join the senior executive management.
- Ensure that Board members attend workshops and seminars on banking topics, including corporate governance, risk management, and the latest developments in banking.
- Determine whether the member achieves the status of an independent member, taking into account the minimum conditions stated in Paragraph (5/e) related to the conditions for the member's independence of the corporate governance instructions in effect, review this on an annual basis, and provide the Central Bank of Jordan and the Securities Commission with any developments on independence of any the independent members.
- Evaluate the work of the Board as a whole and its committees and members individually on an annual basis, provided that the Committee follows specific and approved principles in the evaluation process so that the criterion for evaluating performance is objective, and that the Committee informs the Central Bank of Jordan and the Securities Commission of the result of this evaluation. The members of the Board (except the members of the Nomination and Remuneration Committee) evaluate the performance of the Nomination and Remuneration Committee and its members separately on an annual basis.
- Providing information and summaries on the background of some important topics about the Bank to Board members upon request, and ensuring that they are constantly informed of the latest topics related to banking.
- Develop a policy for evaluating performance and granting financial rewards to the Bank's administrators and reviewing it periodically, so that it includes a mechanism for determining the salaries, bonuses and privileges of the CEO and the rest of the members of the executive management. The Committee may not delegate this task to the executive management, and this policy must be approved by the Board.

## 5. Compliance Committee

- **Mr. Hassan Abu Ragheb / Chairman of the Committee - Non-independent**
- **Mr. Sami Smeirat / Vice Chairman - Independent**
- **Mrs. Simona Sabella / Member - Independent**

This Committee consists of at least three members, with the majority of its members being independent members. The Committee also meets at least once every three months and whenever necessary. This Committee undertakes the following tasks:

- Ensuring the existence of a compliance policy for the Bank and procedures emanating from it, to ensure establishment of a compliance function capable of performing its tasks effectively and so that the Committee conducts an evaluation of the effectiveness of the Bank's management of non-compliance risks at least once a year.
- Approving the annual plan and reviewing the periodic reports prepared by the Compliance Department, which include assessing the risks of non-compliance, violations, deficiencies, and corrective measures that have been taken.
- Supervising the implementation of the Bank's compliance policy, and ensuring that the Bank's executive management resolves all compliance-related issues quickly and effectively.
- Supervising the work of the Compliance Department, and ensuring that appropriate mechanisms are in place to monitor the compliance of all administrative levels in the Bank with all regulatory requirements, applicable legislation, and international standards, including the recommendations of the Financial Action Task Force.
- Verifying the availability of sufficient resources and a sufficient number of qualified personnel to manage compliance and subjecting them to specialized training programs.
- Evaluating the performance of the Executive Director of Compliance Management and determining his/her compensations in line with the performance evaluation policy approved by the Board, after seeking the opinion of the CEO.

## 6. Facilities Committee

- **Mr. Yazid Al-Mufti / Chairman of the Committee - Non-independent**
- **Mr. Issam Al-Muhtadi / Vice Chairman - Independent**
- **Mr. Yaseen Al-Talhouni / Member - Non-independent**
- **Mr. Mazen Al-Sahsah / Member - Non-independent**
- **Mr. Hasan Abu Al-Ragheb / Member - Non-independent**

This Committee consists of at least five members. One of the members of the Committee may be independent, provided that none of its members are in the Audit Committee.

This Committee is formed to exclusively consider facilities that exceed the authority of the highest committee in the Executive Management according to the following:

- Its powers shall be limited to taking the appropriate decision regarding the facilities that were recommended for approval by the Executive Management Committee referred to above.

- Determine upper limits for the powers entrusted to this Committee related to granting, amending, renewing, structuring, scheduling, or settling credit facilities, so that there are clear powers for the Board in particular.
- The quorum for the Committee's meetings must be attended by at least four members, and its decisions are taken by a majority of its members, regardless of the number of those present.
- The Committee shall submit to the Board the details of the facilities approved by it.

## 7. IT Governance Committee

- **Mr. Kleman Me'marbashi / Chairman of the Committee - Independent**
- **Mr. Hisham Al-Masry / Vice President - Non-independent**
- **Mr. Sami Smeirat / Member - Independent**
- **Mr. Essam Al-Muhtadi / Member - Independent**

This Committee consists of at least three members, and it is preferable that its membership includes persons with experience or strategic knowledge in information technology, so that this Committee assumes the following tasks and responsibilities:

- Adopting the strategic goals of information technology and the appropriate organizational structures, including the steering committees at the level of the senior executive management, and in particular (the Information Technology Steering Committee), in a way that ensures the achievement and meeting of the strategic goals of the Bank and achieving the best added value from projects and investments of information technology resources, and the use of tools and standards necessary to monitor and ensure the extent to which this is achieved, such as using the IT Balanced Scorecards system, calculating the rate of return on investment (ROI), and measuring the impact of contributing to increasing financial and operational efficiency.
- Adoption of the general framework for managing, controlling and monitoring information technology resources and projects that simulates the best accepted international practices in this regard, and specifically (COBIT), which complies with and meets the objectives and requirements of governance instructions and the associated information and technology management by sustainably achieving the institutional objectives set forth in the mentioned instructions, achieving the accompanied matrix of information and technology objectives, and covering information technology governance processes.
- Adoption of the matrix of institutional objectives contained in Annex No. 1 of the accompanied IT management and governance instructions and the update contained therein in the Central Bank Circular 10-6-984, and the objectives of information and associated technology contained in Annex No. 2 and the update contained therein in the Central Bank Circular 10-6-984, considering its data as a minimum, and describing the sub-goals necessary to achieve them.
- Adopting a matrix of responsibilities (RACI Chart) towards the main processes of IT governance in Annex No. (3) and the update to them in the Central Bank Circular 10-6-984 and the sub-processes emanating from it in terms of: the entity, entities, person or parties primarily (Responsible), (Accountable), (Consult), and (Informed) towards all operations in the aforementioned facility, guided by the COBIT 2019 standard in this regard.

- Adopting the importance and prioritization of the Enterprise Goals and their relationship to the Alignment Goals and the Governance and Management Objectives, in addition to their relation to the rest of the enabling components (Enablers/Components). This is based on a qualitative and/or quantitative study prepared for this purpose on an annual basis, at least, that takes into consideration the factors affecting formation of the Information Technology Governance Framework (Design Factors – COBIT 2019) in a way that is commensurate with the privacy and strategies of the Bank, provided that topics of cyber security, risk management, privacy and data protection, compliance, monitoring, audit and strategic alignment are included as the Focus Area and of high priority, so that the level of maturity of activities related to the objectives of governance and management and the rest of the seven enabling elements is directly proportional to the degree of importance and priority according to the results of the above-mentioned study, provided that the level of maturity of the goals of high importance and priority is not less than the level 3 Fully Achieved according to the maturity scale contained in the framework COBIT 2019, and it is allowed to consider no more than 26% of the goals mentioned in the sixth above within the goals of the management (with no more than 9 goals as maximum out of 35 goals) as being of lower importance and priority, depending on the results of the aforementioned study.
- Ensuring the existence of a general framework for information technology risk management that is compatible and integrated with the overall general framework for risk management in the Bank and that takes into account and meets all the information technology governance processes mentioned in Annex No. (3).
- Approving the budget of IT resources and projects in line with the strategic objectives of the Bank.
- General supervision and review of the progress of IT operations, resources and projects to ensure their adequacy and their effective contribution to achieving the requirements and business of the Bank.
- Reviewing IT audit reports and taking the necessary actions to address deviations.
- Recommending to the Board to take the necessary measures to correct any deviations.
- Adoption of a Cyber Security Policy.
- Adoption of the Cyber Security Program.
- Compliance check with cyber security policy and program.
- Submit a semi-annual report to the Board of Directors on the work and activities of the Committee.
- Reviewing the committee's charter every 3 years and/or whenever the need arises, and submitting any amendments thereto to the Board of Directors for approval.
- Studying any topic presented to the committee by the Board of Directors or the committee deems necessary to discuss it and express an opinion and recommendation on it to the Board of Directors.

## **8. Strategies Committee**

- **Mr. Ghassan Aqeel / Chairman of the Committee - Non-independent**
- **Mr. Yazid Al-Mufti / Vice Chairman - Non-independent**
- **Mr. Hisham Al-Masry / Member - Non-independent**
- **Mr. Esam Al-Muhtadi / Member - Independent**

The Committee is formed by a decision of the Board of Directors, so that the Committee assists the Board in setting strategic goals and assists the executive management in designing the strategy and issuing recommendations to the Board for approval. This Committee assumes the following duties and responsibilities:

- Defining strategic objectives in coordination with the executive management and submitting them to the Board of Directors for approval.
- Ensure the preparation of strategic and operational plans and ensure that strategic objectives are included within them.
- Follow up on achieving strategic goals through key performance indicators.
- Submit a semi-annual report to the Board of Directors on the work and activities of the Committee.
- Reviewing the Committee's charter every 3 years and/or whenever the need arises, and submitting any amendments thereto to the Board of Directors for approval.
- Studying any topic presented to the Committee by the Board of Directors or the Committee deems necessary to discuss it and express an opinion and recommendation on it to the Board of Directors.

The table below shows number of meetings of the BOD and its committees, in addition to number of meetings attended by each member during the year 2023

Total Number of Meeting Held in 2023		BOD	Facilities Committee	Audit Committee	Corporate Governance Committee	Nomination & Remuneration Committee	Risk Management Committee	Strategies Committee	IT Governance Committee	Compliance Committee
		6	22	10	2	6	8	2	4	7
1	Mr. Yazeed Adnan Mustafa Al-Mufti	6(6)	22(22)		2(2)			2(2)		
2	Mr. Akef Abdullatif Mohammad Mughrabi (Banque Misr Representative) as of 12/10/2023	2(2)					0(1)			
3	Mr. Hisham Zafer Taher Al-Masri	6(6)				6(6)		1(1)	4(4)	
4	Mr. Yaseen Khalil Mohammad Al-Talhouni	5(6)	12(22)							
5	Mr. Ghassan Ibrahim Fares Aqeel Representative of the Arab Trade and Foodstuff Company	6(6)		10(10)				2(2)		
6	Mr. Mazin Hamdi Mohammad Al-Sahsah (Representative of Social Security Corporation)	6(6)	18(22)							
7	Mr. Hasan Ali Hussein Abu Al-Ragheb	5(6)	20(22)			5(6)				7(7)
8	Mr. Sami Issa Eid Smairat	6(6)		10(10)	2(2)		8(8)		4(4)	7(7)
9	Mr. Esam Mohammad Farouq Rushdi Al-Mutadi	6(6)	21(22)			6(6)	8(8)	2(2)	4(4)	
10	Mr. Kleman Mari Farajallah Me'marbashi (as of 24/04/2022)	6(6)			2(2)	6(6)			4(4)	
11	Mrs. Simona Auguste Jacob Sabella As of 13/04/2023	4(4)		8(8)	2(2)	3(3)	0(0)			4(4)
12	Mr. Husameddin Abudlwahab Ali Mohammad (Banque Misr Representative) Until 12/10/2023	4(4)					0(0)			
13	Mrs. Suha Baseel Andrawos Ennab (Until 12/04/2023)	2(2)		2(2)		3(3)	3(3)	1(1)		3(3)

The numbers in parentheses represent the number of board/committee meetings held during the member's membership term.



## BOD Members of Cairo Amman Bank during the Year 2023

### Mr. Yazid Adnan Mustafa Al-Mufti

#### BOD Chairman

Nature of membership: Non-independent

Nationality	Jordanian
Membership date	1990
Date of birth	27/03/1953
Academic qualifications	Bachelor Degree in BA / American University – Beirut
Practical experience	<p>Mr. Yazid Al-Mufti has a great banking and financial experience, as he started his work in Citi Bank, and in 1989 he joined the family of Cairo Amman Bank, where he held the position of General Manager until October 2004.</p> <p>In 10/2012 Mr. Yazid Al-Mufti was elected as BOD Chairman for Cairo Amman Bank and he is currently the chairman of the facilities committee emanating from the BOD and member in each of the governance committee and strategies committee.</p> <p>In addition to his chairmanship of the Board of Directors of Cairo Amman Bank, Mr. Yazid Al-Mufti holds the presidency of the Board of Directors of Al-Safa Bank in Palestine, and is a member of the boards of directors of Zara Investment Holding Company, the Middle East Insurance Company, the Palestinian Telecommunications Company (Paltel) and the Middle East Holding Company</p>

### Mr. Akef Abdullatif Mohammad Mughrabi (Representative of Banque Misr)

#### BOD Vice-Chairman

Nature of membership: Non-independent

Nationality	Egyptian
Representation date	From 12/10/2023
Date of birth	27/06/1977
Academic qualifications	Master Degree in BA / American University – Cairo
Practical experience	<p>Mr. Akef Al-Maghribi joined Banque Misr in August 2016 in his capacity as Vice-Chairman of the Board of Directors. Prior to that, he spent 16 years at Citibank, where he occupied many positions in the course of his work in the banking sector, including credit analysis, corporate finance and rating consultancy, in addition to banking services for companies and investment.</p> <p>Al-Maghribi gained international professional experience by working in many countries such as Egypt, Bahrain, Saudi Arabia, the United Kingdom and the Netherlands, where he led and implemented many financing operations for companies and the Sovereign Wealth Fund through bank loans and through the issuance of bonds and sukuk.</p> <p>Mr. Akef Al-Maghribi is responsible for the various lines of business at Banque Misr, which include: companies, treasury, investment, small and medium enterprises, banking retail, branches, Islamic finance, international transactions, international business, financial inclusion and digital transformation.</p> <p>He also carried out many mergers and acquisitions and financing operations for companies through bank loans and by issuing bonds, and supervised the offering of companies on the stock exchange and the transactions of derivatives contracts.</p>
Membership in the committees emanating from the Bank's BOD	Deputy Chairman of the Risk Management Committee

Membership in the boards of directors of other companies	<p>Chairman of the Board of Directors of Misr Company for Digital Innovation.</p> <p>Chairman of the Board of Directors of Egypt Capital Investments (LLC)</p> <p>Member of the Board of Directors of Misr Lebanon Bank (Sal)</p> <p>Member of the Board of Directors of the Egyptian Banking Institute.</p> <p>Member of the Board of Directors of Misr Holding Insurance Company (LLC)</p> <p>Member of the Board of Directors of Egypt Air Holding Company.</p> <p>Altera is a board member of 50 Africa</p> <p>Member of the Board of Directors of Abraj Misr.</p> <p>Member of the Board of Directors of Misr Investment and Export Development Company.</p> <p>Member of the Board of Directors of the American Chamber in Egypt.</p> <p>Member of the Board of Directors of IT Industry Development Agency - ITIDA</p> <p>Member of the Board of Directors of CI Capital Holding for Financial Investments.</p> <p>Member of Board of Directors of MCI Capital Healthcare Partners Healthcare Board of Directors.</p>
Jobs currently held outside the Bank	Deputy Chairman of the Board of Directors of Banque Misr /Arab Republic of Egypt.

## Mr. Hisham Zafer Taher Al-Masri

### Member

Nature of Membership: Non-independent

Nationality	Jordanian
Membership date	3/2021
Date of birth	19/2/1981
Academic qualifications	Bachelor in Business Administration / Economy from North Eastern University 2003 Rothman Programs for executive management 2014/2015
Practical experience	Administrative partner in Al-Zafer Co. for Investment - Amman / Jordan (2015 - Present) CEO of Technical Co. for Automotive and Spare Parts - Amman / Jordan (9/2006 - Present)
Membership in the Bank BOD emanating committees	Vice-chairman of the IT Governance Committee Member in the Nominations and Remuneration Committee Member of the Strategies Committee
Membership in the other companies' BODs	Jordan Vegetable Oil Industries Ltd., Palestine. The National Beverage Company (Coca-Cola - Cappy) - Palestine. Jordan Tourist Transportation Company (Jet), Amman - Jordan. Al-Hajj Taher Al Masry Company Limited Shareholding. Palestine Co. for Development & Investment Ltd (PADICO Holding) Palestine Youth Pioneers Organization (YPO) TEMOT International GMBH
Jobs currently occupied outside the Bank	Administrative partner in Al-Zafer Co. for Investment Co CEO of Technical Co. for Automotive and Spare Parts Co-Founder of Choice Software Development Company Co-Founder of Douz IT Company

## Mr. Yaseen Khalil (Mohammad Yaseen) Al-Talhouni

### Member

Nature of membership: Non-independent

Nationality	Jordanian
Membership date	1998
Date of birth	8/5/1973
Academic qualifications	Bachelor degree of economic sciences / George Town University – USA
Practical experience	Businessman
Membership in the Bank BOD emanating committees	Member in the facilities committee
Membership in the other companies' BODs	ZARA Investment Holding Company Jordan Tourism and Hotels' Company Jordan Electricity Company Jordanian Al-Himah Minerals Company
Jobs currently occupied outside the Bank	General Director of ZARA Investment Holding Company BOD vice-chairman / delegate member of Jordan Tourism and Hotels' Co. BOD Chairman of Jordanian Al-Himah Minerals Company

## Mr. Ghassan Ibrahim Fares Aqeel

### (Representative of Arab Trading and Food Supply Company)

Nature of membership: Non-independent

Nationality	Jordanian
Membership date	2002
Date of birth	2/5/1968
Academic qualifications	Master's degree in administration / Thunderbird University Bachelor degree in accounting / Jordan University
Practical experience	CEO of Astra Group Experience in auditing through working as an audit manager at Arthur Anderson Company Certified Auditor (C.P.A.) / Illinois University
Membership in the Bank BOD emanating committees	Chairman of the Strategies' Committee Member in the audit committee
Membership in the other companies' BODs	Astra Industrial Group Company Arab Cooperative Insurance Company Audacia Capital
Jobs currently occupied outside the Bank	CEO of the Saudi Astra Company

## Mr. Mazen Hamdi Al-Sahsah

### Member

#### (Social Security Corporation Representative)

Nature of membership: Non-independent

Nationality	Jordanian
Membership date (Representation date)	1/9/2021
Date of birth	31/12/1975
Academic qualifications	Bachelor degree in Financial and Banking Science from Al-Yarmouk University / 1997
Practical experience	Head of the Department of Studies and Financial Analysis/ Directorate of Project Finance and Tourism Portfolio in the Social Security Investment Fund (2008 - present) FMVA Financial Modelling & Valuation Analyst Certificate Certified Valuation Analyst (CVA) Certificate Certified in Financial Management (CFM) Certificate Certified Management Accounting (CMA) Certificate
Membership in the Bank BOD emanating committees	Member of the facilities committee
Membership in the other companies' BODs	Social security corporation representative in the BOD of the National Co. for Investment in Infrastructure Projects (11/3/2020 - 1/9/2021) Social security corporation representative in the BOD of the Kingdom Electricity Company (12/5/2019 - 11/3/2020) Social security corporation representative in BOD of Jordan Commercial Bank (1/4/2018 - 30/4/2019) Social security corporation representative in BOD of Aqaba Saraya Company (1/5/2013 - 1/4/2017)
Jobs currently occupied outside the Bank	Head of Studies and Financial Analysis Department/ Directorate of Project Finance and Tourism Portfolio in the Social Security Fund Investment Fund

## Mr. Hasan Ali Hussein Abu Al-Ragheb

### Member

Nature of membership: non-Independent

Nationality	Jordanian
Membership date	2016
Date of birth	24/5/1973
Academic qualifications	Bachelor degree in Economics and Business Administration / Tennessee University / USA
Practical experience	General Director of Al-Yarmouk Insurance Company Vice-chairman of Jordan Insurance Federation
Membership in the Bank BOD emanating committees	Chairman of the Compliance Committee Vice-chairman of the Nominations and Remuneration Committee Vice-chairman of the facilities committee
Membership in the other companies' BODs	Al-Atyaf International Trade Investments Company Al-Eshraq Trade Investments Company First Insurance Company - Solidarity Member in the BOD of Tamallak Financial Lease company
Jobs currently occupied outside the Bank	Businessman

## Mr. Sami Issa Eid Smairat

### Member

Nature of membership: Independent

Nationality	Jordanian
Membership date	2018
Date of birth	13/4/1971
Academic qualifications	Master's degree in Business Administration (NYIT) (MBA) Master's degree of telecommunications engineering - University of Jordan Bachelor degree in electrical engineering - University of Jordan
Practical experience	CEO of Wannado Company Jordan Co-Founder of Siberia Company Jordan Vice CEO and Commercial Manager of Global One Co. Research and Teaching Assistant in University of Jordan
Membership in the Bank BOD emanating committees	Chairman of the Audit Committee Vice-chairman of the Corporate Governance Committee Member in the Compliance Committee Member in the IT Governance Committee Member in the Risk Management Committee
Membership in the other companies' BODs	Chairman of the BOD of Petra Company for Payment Services via Mobile Phones. Chairman of the Board of Directors of the Japan-Jordan Fertilizer Company Member of the BOD of Jordan Phosphate Mines Company Member of the International Data Center Commission Member of the National Cyber Security Council. Member of the Board of Trustees of Princess Sumaya University for Technology Member in BOD of (Sodetel) Company
Jobs currently occupied outside the bank	Deputy CEO of Jordan Telecom Group (Orange) CEO of the Corporate and Institutional Sector

## Mr. Esam “Mohammad Farooq” Rushdi Al-Muhtadi

### Member

Nature of membership: Independent

Nationality	Jordanian
Membership date	2018
Date of birth	18/11/1968
Academic qualifications	Master's degree in Business Administration - USA Bachelor degree in Business Administration - Finance /USA
Practical experience	Co-Founder in Al-Bayan for Administrative Consultations & Commercial Agencies Company Amman Office manager of Huron Consulting Middle East Amman Office manager of Next Move Company Manager of the Foreign Department at Cairo Amman Bank
Membership in the Bank BOD emanating committees	Chairman of the Facilities Committee Vice-chairman of the Remuneration and Nominations Committee Vice-chairman of the IT Governance Committee Chairman of the Risk Management Committee Member in the Strategies' Committee
Membership in the other companies' BODs	Al-Safa Bank - Palestine
Jobs currently occupied outside the bank	Co-Founder of Al-Bayan for Administrative Consultations and Commercial Agencies' Company

## Mr. Kleman Mari Farajallah Me'marbashi

### Member

Nature of membership: independent

Nationality	Lebanese
Membership date	24/04/2022
Date of birth	02/01/1955
Academic qualifications	OPM 26 -Owner President Management (OPM) from Harvard Business school (HBS) Boston USA - 1998 Bachelor's degree in electrical and mechanical engineering from E.S.T.P - Paris - France - 1979
Practical experience	MiDis Group - Board Member and Shareholder 1983-2020 MDS Arabia Ltd - President and Shareholder 1992-2020 MDS - Saudi Arabia Co. / MMR - CEO, Chairman and shareholder - 1991-2016 Jordan Investments and Finance Bank - Board Member 2000-2005
Membership in the Bank BOD emanating committees	Chairman of the IT Governance Committee Chairman of Corporate Governance Committee Member in the Remuneration and Nominations Committee
Membership in the other companies' BODs	_____
Jobs currently occupied outside the Bank	_____



## Simona Auguste Jacob Sabella

### Member

Nature of Membership: Independent

Nationality	Jordanian
Membership date	13/4/2023
Date of birth	17/7/1955
Academic qualifications	Bachelor of English from the University of Jordan
Practical experience	<p>1/2023 - Member of the Board of Directors of the Arab Banking Corporation/ Egypt            7/2023 - Member of the Board of Directors of the National Company for Financial Services (Awraq Investment)            2016 - Member of the Board of Directors of the Royal Equestrian Federation of Jordan            2008 - 10/2019 General Manager of Arab Banking Corporation Bank/Jordan            2008 - 10/2019 Chairman of the BOD of the Arab Cooperation for Financial Investments            2014 - 10/2019 Member of the BOD of the Arab Financial Services Company/ Bahrain            2015 - 10/2019 Member of the Board of Directors of the Institute of Banking Studies            2015 - 3/2018 Member of the Board of Directors of the Association of Banks in Jordan            2009 - 2010 Member of the Board of Directors of Visa Card Services Company (Jordan) 2008 - 2010 Member of the Board of Directors of Amlak Finance Company (Jordan)            2008 - 2009 Member of the Board of Directors of Industrial Development Bank            1/2008 - 8/2008 Deputy General Manager/Cairo Amman Bank            1999 - 2008 Member of the BOD of the Jordan Mortgage Refinance Company (Jordan)            2002 - 2007 Assistant General Manager – Risk Management and Compliance Control/Cairo Amman Bank            2001 - 2002 Assistant General Manager – Internal Audit/Cairo Amman Bank            1995 - 2001 Assistant General Manager – Retail Services Department/Cairo Amman Bank 1986 - 1995 Director of Corporate Facilities Department/ Bank of Jordan            1982 - 1986 Director of Corporate Facilities Department/Chase Manhattan Bank Jordan            1/1982-6/1982 Credit Analyst – Corporate Facility Dept./Chase Manhattan Bank London            1/1981-12/1981 Advanced Training Course in Banking Facilities/Chase Manhattan Bank London            1977-1980 Head of Banking Services/Chase Manhattan Bank Jordan            1/1981- 12/1981 Advanced Training Course in Banking Facilities/Chase Manhattan Bank London            2010 - 2016 Member of the General Assembly of the Royal Equestrian Federation of Jordan            Member of the European Organization for Arabian Horses / Switzerland</p>
Membership in the Bank BOD emanating committees	<p>Chairman of the Risk Management Committee            Vice-Chairman of the Audit Committee            Member of the Nomination and Remuneration Committee            Member of the Corporate Governance Committee            Member of the Compliance Committee</p>
Membership in the other companies' BODs	<p>1/2023 - Until now Member of the BOD of the Arab Banking Corporation/ Egypt            7/2023 - Until now Member of the BOD of the National Company for Financial Services (Awraq Investment)            2016 - Until now Member of the BOD of the Royal Equestrian Federation of Jordan</p>
Jobs currently occupied outside the Bank	_____

## Mrs. Suha Basil Andrews Annab

### Member

Nature of membership: Independent

Nationality	Egyptian
Membership date	From 2015 until 12/4/2023
Date of birth	4/2/1960
Academic qualifications	Bachelor degree in BA / American University - Beirut
Practical experience	<p>Financial and administrative consultant since 2007            Experience in banking business for more than 26 years whereas she occupied several positions, such as:</p> <ul style="list-style-type: none"> <li>- Vice General Manager of Societe General Bank - Jordan from 2003 until 2007</li> <li>- General Manager Assistant of Cairo Amman Bank from 1992 until 2003</li> <li>- Vice-chairman of Citibank Jordan from 1981 until 1992</li> </ul>
Membership in the Bank BOD emanating committees	<p>Chairman of the Nominations and Remuneration Committee            Vice Chairman of the Audit Committee            Vice- Chairman of the Strategies Committee            Member in the Risk Management Committee            Member in the Compliance Committee</p>
Membership in the other companies' BODs	<p>Arab European Insurance Group Company            Partners Microfinance Company            Al-Wataniah Financial Services Company (Awraq for Investments)</p>
Jobs currently occupied outside the Bank	Financial and administrative advisor

## Mr. Husameddin Abdulwahab Ali Mohammad

### BOD Vice-Chairman

#### (Representative of Banque Misr)

Nature of membership: Non-independent

Nationality	Egyptian
Membership date	From 08/05/2022 until 12/10/2023
Date of birth	23/07/1969
Academic qualifications	Bachelor of Commerce from the College of Commerce, Economics and Political Science, Kuwait University.
Practical experience	<p>Mr. Hossam El Din Abdel Wahab started his banking career in 1989 with the Gulf Bank in the State of Kuwait, then moved to Procter &amp; Gamble in 1991 to move in positions throughout his tenure in the company over the course of 9 years, where he held the position of Head of the Investment Department in the company in 2000, then he worked as the Investment Manager in the company Investia Venture Capital from 2000 till 2001.</p> <p>In 2001, he moved to Citibank - Egypt to assume leadership positions in the period from 2001 to 2006, in the areas of risks, branches and operations, and then moved to the regional headquarters of Citibank in London as Vice President of Credit Operations in Europe, the Middle East and Africa during the period from 2006 Until 2008, he worked as General Manager of Retail Banking at Bank Audi - Egypt from 2008 until 2012, after which he moved to the Arab Banking Corporation to hold the position of Executive Board Member, Head of Retail Banking and Branches during the period from 2012 to 2016 and during the period from 2016 Until September 2018, he held the position of Deputy Chief Executive Officer of Al Ahli Bank of Kuwait, responsible for retail banking, branches, and small and medium enterprises.</p>
Membership in committees emanating from the Board of Directors of the Bank	Vice Chairman of the Risk Management Committee
Membership in the other companies' BODs	Misr Capital Investments, Board of Directors of the International Company for Tourism Investments, Banque Misr Foundation for Community Development, Charitable Investment Fund for Education Support, Misr for Digital Innovation, Misr Lebanon Bank, Cleopatra Hospitals Group, Al Ahly Misr for Real Estate Asset Management
Jobs currently occupied outside the Bank	<p>Vice Chairman of the Board of Directors of Banque Misr Mr. Hossam Abdel Wahhab joined as of October 2018 as Vice Chairman of the Board of Directors of Banque Misr responsible for all support sectors in the bank (banking operations</p> <ul style="list-style-type: none"> <li>- information technology - administrative and engineering affairs - information security</li> <li>risks - internal control - office processing)</li> </ul>

## Senior Executive Management as at 2022

### Mr. Kamal Ghareeb Abdulraheem Al-Bakri - CEO

Date of birth	7/6/1969
Appointment date	4/1/2003
Academic qualifications	PhD in Banking Governance from Salford Manchester / UK 2024 Master's degree in International Banks and Finance Management from Salford Manchester / UK 2017 Bachelor Degree in Law from University of Jordan 1991 Holds the title of Professor of Law
Practical experience	Extensive experience in banking, where he occupied the position of CEO of Cairo Amman Bank since 2008 Former Vice General Director of CAB Legal Department Manager and legal advisor of CAB BOD Chairman of the Jordan Express Tourist Transport Company (JET) L.L.C, Vice Chairman of BOD of the Loan Guarantee Company L.L.C, BOD chairman of Tamallak Lease Finance Company W.L.L, BOD member of the Jordanian Insurance Company L.L.C, BOD chairman of the Real Estate Portfolio Company L.L.C, BOD member of Al-Safa Bank - Palestine L.L.C, Vice Chairman of BOD of Network International for Payment Services - Jordan. Member of the Supreme Council of the Economic and Social Foundation for Military Retirees and Veterans, and a member of the Board of Trustees of the University of Jordan Former board member in many public and private joint stock companies working in different sectors such as tourism, education, industry and real estate development. Former member of the Board of Trustees of the University of Science and Technology, the Association of Banks operating in Jordan, the Institute of Banking Studies, the Jordan Economic Dialogue Committee, BOD of the Scientific Research and Innovation Fund.

### Mr. Khaled Mahmoud Abdullah Qasem - Chief of the Joint Services Group

Date of birth	22/02/1963
Appointment date	1/10/2008
Academic qualifications	PhD. Degree in Business Administration 2017 Master's Degree in Business Administration - International Trade 2000 Bachelor Degree in Financing 1999
Practical experience	Chairman of the Joint Services Group since 09/2019 until now Deputy General Manager/for Operations, Information Technology and Support Services (Joint Services Group) from 10/2008 until 9/2019 Assistant General Manager for Operations - Support Group - Bank Al Jazira - Jeddah, KSA from 6/2004 to 9/2008 Principal Program Manager/Operations Department - Arab Bank Limited from 1/2003 to 7/2004 Regional Manager for Banking Operations/Cairo Amman Bank - Palestine from 2000 up to /12/2002 Director of Operations/Cairo Amman Bank from 6/1994 to 6/1997 Director of Operations /National Bank of Jordan from 3/1994 to 6/1997 Controller of the Foreign Department/ Bank of Jordan from 10/1991to 3/1994 Assistant Manager /National Bank of Kuwait - Kuwait 2/1988 until 8/1990 Member of the Founding Committee and Member of the Board of Directors /Safa Islamic Bank - Palestine from 10/2008 until now Member of the Board of Directors /Payments Company for electronic payment from 06/2019 until now Chairman of the Board of Directors /Solutions Co. for Payment Services from 05/ 2017 to 6/2020 Member of the Board of Directors /Tamalek Financial Leasing Company from 11/2013 to 12/2021 Member of the Board of Directors /Jordan Visa Card Services 10/2008 to 01/2013

## Ms. Rana Sami Jadallah Al-Sunna' – Chief of Credit Services Group

Date of birth	12/08/1966
Appointment date	15/8/1995
Academic qualifications	Master's Degree in Administrative Science and Financing Bachelor Degree in Accounting
Practical experience	Head of Credit Services Group since 09/2019 until now Deputy General Manager of Credit and Treasury Services since 12/2009 until 09/2019 Head of Risk Management at Cairo Amman Bank from 01/2008 to 12/2009 Director of Credit Risk Department at Cairo Amman Bank 11/1997 to 01/2008 Controller (A) at Cairo Amman Bank 05/1997 to 11/1997 Observer (B) at Cairo Amman Bank 08/1995 to 05/1997 Employee of the Research Department of the Arab Administrative Development Organization from 10/1993 to 02/1994 Head of the Local Facilities Department at the Banking Control Department/Central Bank of Jordan from 04/1988 to 05/1995. Member of the Board of Directors of the Jordanian Mortgage Refinance Company. Member of the Board of Directors of Tamalak Finance Leasing Company.

## Ms. Reem Younis Mohammad Al-Eses - CEO of Treasury and Investment

Date of birth	18/05/1964
Appointment date	01/03/1990
Academic qualifications	Master's Degree in Economics 1987 Bachelor Degree in Economics 1985
Practical experience	Executive Director/Treasury and Investment Department from 10/2008 until now Director of Treasury Department at Cairo Amman Bank from 3/2002 to 10/2008 Assistant Treasury Manager at Cairo Amman Bank from 1994 to 2002 Trader at Cairo Amman Bank from 1990 to 1994 Economic analyst at the Royal Scientific Society from 1987 to 1990 Member of the Board of Directors of the National Company for Financial Services "Awraq Investment"

## Ms. Jan Shawkat Mahmoud Yadj Zakariya - CEO of Central Operations

Date of birth	20/2/1968
Appointment date	20/10/1990
Academic qualifications	Bachelor degree in English Literature
Practical experience	Executive Director/Central Operations from 12/2013 until now Head of Development and Support of Business Procedures and Operations Department at Cairo Amman Bank from 11/2009 until 12/2013 Director of Systems and Work Procedures Support Department at Cairo Amman Bank from 03/2009 to 2009 Director of Planning and Development Department at Cairo Amman Bank from 10/2007 to 03/2009 Director of Credit Operations and Support Department at Cairo Amman Bank from 02/2007 to 10/2007 Assistant Manager - Branches Department at Cairo Amman Bank from 04/2004 to 01/2007 Assistant Branch Manager at Cairo Amman Bank from 04/2003 to 3/2004 Supervisor - Branches Department at Cairo Amman Bank from 4/2001 to 3/2003 Supervisor - Systems Implementation Team at Cairo Amman Bank from 3/1994 to 3/2001 Customer Service Officer at Cairo Amman Bank from 10/1990 to 02/1994

## Mr. Fouad Younis Abdellatif Saleh – CEO of Finance Administration and Shareholders Affairs

Date of birth	08/01/1960
Appointment date	11/04/1992
Academic qualifications	Bachelor degree in accounting / economy
Practical experience	Executive Director/ Finance and Shareholders Affairs from 04/2015 until now Director of the Central Accounting Department at Cairo Amman Bank 2009/5 up to 4/2015 Head of Central Accounting Department at Cairo Amman Bank from 04/1992 to 05/2009 Tax estimator of the Joint Stock Companies Department at the Income Tax Department from 10/1985 to 04/1992. Member of the Board of Directors of Tamalak Finance Leasing Company.

## Ms. Maha Abdullah Abdulhameed Ababneh – CEO of Special Banking Services

Date of birth	16/11/1973
Appointment date	01/10/1996
Academic qualifications	Bachelor degree in finance and banking sciences 1995
Practical experience	Executive Director/Private Banking Services from 11/2019 until now Branch Manager at Cairo Amman Bank from 2/2007 until 11/2019 Customer Service Officer at Cairo Amman Bank from 10/2002/ to 02/2007 Customer Service Officer at Cairo Amman Bank from 10/1996 to 10/2002 Member of the Board of Directors of the National Company for Financial Services "Awraq Investment"

## Mr. Azmi Mohammad Hasan Awaidah - CEO of Personal Credit Services

Date of birth	17/10/1964
Appointment date	10/09/1996
Academic qualifications	Bachelor degree in Economy and Administrative Science
Practical experience	Executive Director/Personal Credit Services from 9/2006 until now Director of Car Loans and Housing Loans Department at Cairo Amman Bank from 9/1996 to 4/1999 Risk Officer with the rank of observer at Cairo Amman Bank from 9/1996 to 5/1999 Principal Credit Officer from 1988to 1996 with the rank of Head of Department at Jordan Kuwait Bank



## Dr. Mohammad Ali Mahmoud Al-Qaisi - Executive Manager and Legal Advisor / Legal Affairs and Contract Documentation

Date of birth	29/04/1974
Appointment date	16/02/2003
Academic qualifications	PhD in law / Civil Law 2020 Master in Law 2002 Bachelor in Law 1996
Practical experience	Executive Director and Legal Advisor/ Legal and Contract Notarization from 3/2019 until now Director of the Legal Department at Cairo Amman Bank from 5/2009 to 3/2019 Lawyer from 2/2003 until now

## Ms. Margaret Muheeb Issa Makhamreh - CEO of Internal Audit

Date of birth	09/04/1977
Appointment date	27/07/2004
Academic qualifications	Bachelor degree in Business Administration
Practical experience	Executive Director/Internal Audit from 3/2019 until now Head of Internal Audit Department at Cairo Amman Bank from 1/2014 to 3/2014 Director of Internal Audit at Cairo Amman Bank from 5/2012 to 1/2014 Director of Guidance and Project Management Department at Cairo Amman Bank from 9/2007 to 5/2012 Assistant Head of Information Technology Department at Cairo Amman Bank from 7/2004 to 9/2007 Chief Information Technology Officer/Jordan Arab Banking Corporation Bank from 7/2002 to 7/2004

## Mr. Yousef Abdulfattah Suleiman Abu Al-Haija' - CEO / Risk Management

Date of birth	1/1/1976
Appointment date	1/8/2005
Academic qualifications	Bachelor degree in Public Administration
Practical experience	Executive Director/Risk Management from 3/2019 until now Head of Risk Management at Cairo Amman Bank from 4/2013 to 3/2019 Director of Operational Risk Department at Cairo Amman Bank 7/2005 to 4/2013 Financial Manager at Hasad Al-Khair Investment Company 8/2003 to 7/2005 Employee in deposit operations at the Export and Finance Bank 2/2003 to 7/2003

## Mr. Anton Victor Anton Sabella - CEO/ Compliance

Date of birth	02/12/1977
Appointment date	16/10/2005
Academic qualifications	Bachelor degree in accounting
Practical experience	Executive Director/ Compliance from 7/2013 to present Director of the Anti-Money Laundering Department from 10/2010 to 7/2013 Director of the Compliance Control Department from 10/2005 to 4/2010 Audit Supervisor at Ernst & Young from 7/2002 to 9/2005 Assistant Auditor in the Allied Accountants Company from 11/2000 to 6/2002

## Mr. Yazeed Seetan Yousef Ammari - CEO/Commercial Credit Services

Date of birth	09/12/1965
Appointment date	01/06/2006
Academic qualifications	Master's degree in finance and banking sciences Bachelor degree in finance
Practical experience	Executive Director/Commercial Credit Services from 2/2021 until now Head of Major Companies Facilities Department Jordan and Palestine at CAB from 3/2009 to 2/2021 Director of Corporate Facilities Department at CAB from 6/2006 to 3/2009 Credit Manager/Jordan National Bank from 2002 to 2006 Credit Controller/Jordan National Bank from 1997 to 2002 Head of Credit Department/Amman Investment Bank from 1994 to 1997 Credit Officer/Egyptian Land Bank from 1990 to 1994 Member of the Board of Directors of the National Financial Services Company " Awraq Investment " . Member of the Board of Directors of Tamalak Financial Leasing Company. Member of the Board of Directors of the Jordanian Banks Company for Contribution to Companies.

## Mr. Hani Mohammad Rashrash Ahmad Rasheed Khader - CEO / Banking Services & Marketing

Date of birth	12/12/1976
Appointment date	02/07/2006
Academic qualifications	Master's degree in Business Administration Bachelor degree in commerce and management
Practical experience	Executive Director of Banking and Marketing Services from 6/2021 until now Head of Marketing Department at Cairo Amman Bank from 10/2014 to 7/2014 Director of Marketing Department at Cairo Amman Bank from 7/2008 to 10/2008 Head of Product Development Department at Cairo Amman Bank from 7/2006 to 7/2008 Head of Banking Management Department at Arab Banking Corporation Bank from 1999 to 2004 Member of the Board of Directors of Daman Investment Company (representing Cairo Amman Bank) from 6/2019 until now

## Mr. Rami Anton Isa Ma'ayah /Executive Manager of IT and Projects Management

Date of birth	05/03/1977
Appointment date	10/01/2021
Academic qualifications	Bachelor Degree in Computer Engineering 2001
Practical experience	Executive Manager/IT and Project Management Department 4/2022 until now Senior Director/IT Department at Cairo Amman Bank from 1/2021 to 4/2022 Head of IT Department at Abu Dhabi National Bank from 2009 to 2017 Head of Information Office at TBI from 2019 to 2020 Director of IT Group/Capital Bank from 2017 to 2019 Senior PC Support Specialist at HSBC Bank from 2004 to 2009 Computer Engineer at Advanced Digital Systems Company from 2001 to 2003

## Mr. Esam Mamdouh Abed Al-Najdawi / Senior Manager – Human Resources

Date of birth	09/11/1973
Appointment date	27/03/2012
Academic qualifications	Diploma in banking and financial management 1997 Diploma in programming 1994
Practical experience	Senior Manager/Human Resources since 7/2021 until now. Director of Human Resources Excellence Department at Cairo Amman Bank from 9/2017 to 6/2021 Director of Institutional Excellence Department at Cairo Amman Bank from 8/2015 to 9/2017 Director of the Department of Business Process Development and Restructuring of Banking Operations at Cairo Amman Bank from 3/2012 to 6/2015. Assistant General Manager of (Monsters IT Consultancy) / Dubai – UAE from 1/2007 to 12/2009 Computer programmer and systems analyst at the Government of Dubai – Public Prosecution/ Dubai – UAE from 7/1999 to 12/2009 Operations Clerk at Commercial Bank of Dubai/ Dubai – UAE from 9/1997 to 7/1999 Programmer /Jordan Gulf Bank/ Amman – Jordan from 1/1994 to 9/1997.

## Mr. Zaid Jamal Zuhdi Hameed - Executive Director/ Information Security and Combating Financial Crimes Department

Date of birth	18/5/1986
Appointment date	27/12/2011
Academic qualifications	Bachelor Business Administration 2011
Practical experience	Executive Director of Information Security & Combating Financial Crimes Dept. from 4/2023 until now Director of Financial Crimes and Cyber Security at Cairo Amman Bank from 2/2021 to 4/2021 Director of Combating Financial Crimes Department at Cairo Amman Bank from 10/2019 to 2/2021 Head of the Investigations and KYC Department at Cairo Amman Bank from 4/2017 to 10/2019 Head of Information Control and Investigation Department at Cairo Amman Bank from 7/2014 to 4/2017

## Mr. Fouad Nabil Al-Khoury Asbir Fouad Al-Sunna' - Director of Strategic Planning and Business Development Department

Date of birth	10/6/1992
Appointment date	1/11/2015
Academic qualifications	Master's degree in Financial and Banking Science 2015 Bachelor degree in Finance and Business Economics
Practical experience	Director of Strategic Planning and Business Development Department from 08/2023 until now Director of Strategy and Data Purification Department at Cairo Amman Bank from 4/2020 to 8/2023 Principal Economic Analyst at Cairo Amman Bank from 1/2019 to 4/2020 Economic Analyst at Cairo Amman Bank from 11/2015 to 01/2019

There are no contracts, projects or commitments concluded by the issuing company with the subsidiaries, affiliates, associates, BOD members, CEO or any employee in the company or their relatives, which fall within the usual scope of the Bank's knowledge.

Below is a summary of transactions with related parties during the year:

	Related Parties				Total	
	BOD members and related persons	Main shareholder	Senior executive management	Other*	2022	2021
	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar
<b>Items within the Statement of Financial Position</b>						
Direct facilities	28,110,060	15,715,044	3,432,812	22,148,381	69,406,297	42,612,401
Deposits with the bank	33,778,096	5,807,256	3,032,305	19,404,467	62,022,124	118,203,631
Cash deposits	138,348	-	76	192,103	330,527	949,346
<b>Items out of the financial position statement</b>						
Indirect facilities	3,201,017	329,300	7,390	637,703	4,175,410	4,252,715
					<b>For the year ended</b>	
					<b>2022</b>	<b>2021</b>
					<b>Dinar</b>	<b>Dinar</b>
<b>Items of the Statement of Income</b>						
Credit interests and commissions	573,402	257,989	141,624	2,384,624	3,357,639	715,025
Debit interests and commissions	1,215,339	91,745	54,226	294,383	1,655,693	1,269,565

Details of Facilities granted to BOD members and related parties as follows:

	Granted to member			Granted to related parties			Total		
	Direct facilities	Indirect facilities	Total	Direct facilities	Indirect facilities	Total	Direct facilities	Indirect facilities	Total
Mr. Yazeed Adnan Mustafa Al-Mufti	1,133,578	-	1,133,578	3,863	-	3,863	1,137,441	-	1,137,441
Mr. Yaseen Khalil Mohammad Yaseen Al-Talhouni	641,389	-	641,389	12,906,440	1,174,646	14,081,086	13,547,829	1,174,646	14,722,475
Mr. Hesham Zafer Taher Al-Masri	-	-	-	13,420,388	2,026,371	15,446,759	13,420,388	2,026,371	15,446,759
Mr. Sami Issa Eid Smairat	2,172	-	2,172	-	-	-	2,172	-	2,172
Mr. Ghassan Ibrahim Fares Aqeel	528	-	528	-	-	-	528	-	528
Essam Mohammad Farouq Rushdi Al-Muhtadi	1,702	-	1,702	-	-	-	1,702	-	1,702
<b>Total</b>	<b>1,779,369</b>	<b>-</b>	<b>1,779,369</b>	<b>26,330,691</b>	<b>3,201,017</b>	<b>29,531,708</b>	<b>28,110,060</b>	<b>3,201,017</b>	<b>31,311,077</b>

## Shareholdings of BOD Members and Their Relatives

BOD Member's Name	Position	Nationality	# of shares as at 31/12/2023	# of shares as at 31/12/2022	Companies controlled by them
Mr. Yazeed Adnan Mustafa Al-Mufti	Chairman	Jordanian	23,272	23,272	-
Relatives' shareholding			-	-	-
Banque Misr		Egyptian	18,999,000	18,999,000	Cairo Bank Egypt Capital Co. Egypt Investment Co.
Shareholding of Mr. Akef Abdullatif Mohammad Al-Mughrabi	Vice chairman	Egyptian	-	-	-
Relatives' shareholding			-	-	-
Shareholding of Mr. Hesham Zafer Taher Al-Masri	Member	Jordanian	1000	1000	Zafer Investment Company
Shareholding of relatives			-	-	-
Arab Foodstuff and Trading Company	Member	Saudi	14,866,985	14,866,985	-
Shareholding of Mr. Ghassan Ibrahim Aqeel	Member	Jordanian	185,136	97,850	-
Shareholding of relatives			-	-	-
Dima Jamal Zuhdi Hamid (wife)		Jordanian	123,469	18,287	-
Ibrahim Ghasan Ibrahim Aqeel (son)		Jordanian	15,946	15,946	-
Omar Ghassan Ibrahim Aqeel (son)		Jordanian	15,946	15,946	-
Maya Ghasan Ibrahim Aqeel (daughter)		Jordanian	10,555	10,555	-
Social Security Corporation	Member	Jordanian	15,561,429	15,517,910	-
Shareholding of Mazen Al Sahсах		-	-	-	-
Shareholding of relatives			-	-	-
Mr. Yaseen Khalil Al-Talhouni	Member	Jordanian	2,531,758	2,715,128	-
Shareholding of relatives			-	-	-
Shareholding of Mr. Hasan Ali Abu Al-Ragheb	Member	Jordanian	100,000	100,000	-
Shareholding of relatives			-	-	-
Mr. Sami Issa Eid Smairat	Member	Jordanian	1,055	1,055	-
Shareholding of relatives			-	-	-
Mr. Essam Mohammad Farouq Rushdi Al-Muhtadi	Member	Jordanian	5,327	5,327	-
Shareholding of relatives			-	-	-
Mr. Kleman Mari Farajallah Me'marbashi	Member	Lebanese	391,611	391,611	-
Shareholding of relatives			-	-	-
Mr. Ghassan Kleman Mari Me'marbashi			500,000	460,000	-
Mr. Fadi Kleman Mari Me'marbashi			109,928	109,928	-
Mr. Faraj Kleman Mari Me'marbashi			109,928	109,928	-
Mr. Faraj Kleman Mari Me'marbashi			7,528	7,528	-
Ms. Simona Auguste Jacob Sabella	Member	Jordanian	1,000	-	-
Shareholding of relatives			-	-	-

### Shareholdings of Resigned BOD Members and Their Relatives

BOD Member's Name	Position	Nationality	2022	2021	Companies controlled by them
Mrs. Suha Baseel Andraws Ennab	Member	Jordanian	1,520	1,520	-
Shareholding of relatives			-	-	-
Mr. Husameddin Abudlwahab Mohammad	Vice Chairman	Egyptian	-	-	-
Shareholding of relatives			-	-	-

Noting that the BOD membership period is 4 years ending in April 2026

### The number of securities issued by the Bank and owned by companies controlled by members of the Board of Directors are as follows:

BOD member name	Controlled company	Nationality	Number of securities	
			2023	2022
Banque Misr	Cairo Bank	Egyptian	2,527	2,527
	Misr Capital Company	Egyptian	1,478,402	1,478,402
	Misr Investment Company	Egyptian	2,527	2,527
Shareholding of Mr. Hesham Zafer Taher Al-Masri	Al-Zafer Investment Company	Jordanian	8,135,224	8,135,224
<b>Total</b>			<b>9,618,680</b>	<b>9,618,680</b>

There are no contributions to companies controlled by relatives of board members



## Shareholding of Senior Management Members, Insiders and Their Relatives

Shareholder name	Nationality	# of shares As at 31/12/2023		# of shares As at 31/12/2023		Companies controlled by any of them
		Personal	Relatives	Personal	Relatives	
Mr. Kamal Ghareeb Abdulaheem Al-Bakri	Jordanian	105	-	105	-	-
Dr. Khaled Mahmoud Abdullah Qasem	Jordanian	31,666	-	31,666	-	-
Ms. Rana Sami Jadallah Al-Sunna'	Jordanian	7,600	-	7,600	-	-
Ms. Reem Younis Mohammad Al-Eses		-				-
Ms. Jan Shawkat Mahmoud Yadj	Jordanian	-	-	-	-	-
Mr. Fouad Younis Abdellatif Saleh	Jordanian					-
Ms. Margaret Muheeb Issa Makhamreh	Jordanian	-	-	-	-	-
Mr. Anton Victor Anton Sabella	Jordanian	-				-
Mr. Yousef Abdulfattah Suleiman Abu Al-Haija'	Jordanian	-	-	-	-	-
Mr. Yazeed Seetan Yousef Ammari	Jordanian	-	-	-	-	-
Mr. Azmi Mohammad Hasan Awaidah	Jordanian	-	-	-	-	-
Mr. Hani Mohammad Rashrash Ahmad Rasheed Khader	Jordanian	-	-	-	-	-
Ms. Maha Abdullah Abdulhameed Ababneh	Jordanian	-	-	-	-	-
Dr. Mohammad Ali Mahmoud Al-Qaisi	Jordanian	-	-	-	-	-
Mr. Rami Anton Isa Ma'ayah	Jordanian	-	-	-	-	-
Mr. Zaid Jamal Zuhdi Hameed	Jordanian	-	-	-	-	-
Mr. Esam Mamdouh Abed Al-Najdawi	Jordanian	-	-	-	-	-
Mr. Fouad Nabil Al-Khoury Asbir Fouad Al-Sunna'	Jordanian	-	-	-	-	-
<b>Total</b>		<b>39,371</b>	<b>-</b>	<b>39,371</b>	<b>-</b>	<b>-</b>

There are no contributions to companies controlled by relatives of board members

## Names of the Bank's Major Shareholders 5% or more

Shareholder's Name	# of shares as at 31/12/2023	Percentage	# of shares as at 31/12/2023	Percentage
Al-Maseerah International Co	21,636,823	%11.388	21,636,823	%11.388
Banque Misr	18,999,000	9.999%	18,999,000	9.999%
Al-Maseerah International Co.	18,950,000	9.974%	18,950,000	9.974%
Social Security Corporation	15,561,429	8.190%	15,517,910	8.167%
Arab Foodstuff and Trade Company	14,866,985	7.825%	14,866,985	7.825%
Arkadia Company	11,167,017	5.877%	11,167,017	5.877%
Total	101,181,254	53.253%	101,137,735	53.230%
<b>Total</b>	<b>101,137,735</b>	<b>53,230%</b>	<b>100,959,585</b>	<b>53.101%</b>

Shareholdings of major shareholders whose shareholding is equal to or greater than 1% on 31/12/2023

Cairo Amman Bank							Mortgagee	
Shareholder's Name	Nationality	Number of Owned Shares	% of Shareholding in Capital	Ultimate Beneficiary / % of ownership	Number of Mortgaged Shares	% of Mortgaged Shares from Total Shareholding		
Al-Maseerah Investment Co.	Jordanian	21,636,823	11.388%	Sabeeh Taher Darwish Al-Masri 31.25%	-	0.00%	-	-
				Khalid Sabeeh Taher Al-Masri 37.50%				
				Sireen Sabbeh Taher Al-Masri 31.25%				
Banque Misr	Egyptian	18,999,000	9.999%	Itself owned by the Egyptian Government	-	0.00%	-	-
Al-Maseerah International Co.	Bahraini	18,950,000	9.974%	Sabeeh Taher Darwish Al-Masri 40%	-	0.00%	-	-
				Khalid Sabeeh Taher Al-Masri 60%				
Social Security Corporation	Jordanian	15,561,429	8.190%	Itself / public sector	-	0.00%	-	-
Arab Foodstuff and Trade Company	Saudi	14,866,985	7.825%	Sabeeh Taher Darwish Al-Masri 9%	-	0.00%	-	-
				Khalid Sabeeh Taher Al-Masri 90%				
				Gimmat Al-Sahraa Co. for Trade Services 1%				
Arkadia Company	Bahraini	11,167,017	5.877%	100% owned by Arkan Real Estate Company Shareholders of Arkan Real Estate Company Palestine Development and Investment Company Ltd PADICO (major shareholder) 32% - Palestinian Telecommunications (16.91%) - Sobeih Taher Darwish Al-Masri (13.5%) - Siraj Investment Funds Group (6.5%) - Masar International Investment (12.4%) - Muneeb Rashid Al-Masri (4.2%) - Palestinian Investment fund Co. (major shareholder) owned by the Palestinian Authority 6.74%	-	-	-	-
Al-Zafer Investment Co.	Jordanian	8,135,224	4.282%	Hesham Zafer Taher Al-Masri 30%	-	0.00%	-	-
				Hana Zafer Taher Al-Masri 30%				
				Maha Zafer Taher Al-Masri 30%				
				Raghda Zafer Taher Al-Masri 10%				
The Congress Foundation	Liechtenstein	7,604,080	4.002%	Mufidah Abdel Rahman Madi Madi	-	0.00%	-	-
Fatena Ahmad Jamil Malas	Jordanian	3,114,222	1.639%	Herself	-	0.00%	-	-
Abdulkaareem Allawi Saleh Al-Kabariti	Jordanian	2,848,380	1.499%	Himself	-	-	-	-
Yassen Khalil Mohammad Al-Talhouni	Jordanian	2,531,758	1.333%	Himself	947,426	37.42%	Jordan Kuwait Bank	-
Lanjin Muneeb Abdel Rahman Madi	Jordanian	2,510,171	1.321%	Herself	1,583,332	62.54%	Arab Bank	-
Rula Bent Nafith Ben Saleh Mustafa	Saudi	2,111,105	1.111%	Herself	2,510,171	100.00%	Jordan Kuwait Bank	-
Zaina Bent Nafith Ben Salen Mustafa	Saudi	2,111,105	1.111%	Herself	-	0.00%	-	-
Abeer Bent Nafith Ben Salen Mustafa	Saudi	2,111,105	1.111%	Herself	-	0.00%	-	-
Najwa Bent Nafith Ben Salen Mustafa	Saudi	2,111,105	1.111%	Herself	-	0.00%	-	-
Middle East Insurance Co.	Jordanian	2,089,033	1.099%	no ultimate beneficiary	-	0.00%	-	-
Mary Issa Elias Al-Lousi	Jordanian	2,005,549	1.056%	Herself	-	0.00%	-	-

Shareholding of Mr. Sabeeh Taher Al-Masri Group is 29.657% of the Bank's capital

Shareholding of Mr. Yaseen Khalil Al-Talhouni Group is 3.414% of the Bank's capital

## Benefits and Remunerations of the BOD Members during 2023

Name of BOD member	Position	Transportation	Committees Attendance allowance	Remunerations*	Total
Mr. Yazeed Adnan AL-Mufti	chairman	-	-	575,000	575,000
Mr. Akef Abdullatif Al-Mughrabi	Vice chairman	4,365	-	-	4,365
Mr. Hesham Zafer Taher Al-Masri	Member	18,000	11,000	18,084	47,084
Mr. Yaseen Khalil Al-Talhouni	Member	18,000	4,800	18,084	40,884
Mr. Ghassan Ibrahim Fares Aqeel	Member	24,882	15,000	18,084	57,966
Social Security Corporation	Member	18,000	7,200	18,084	43,284
Mr. Hasan Ali Abu Al-Ragheb	Member	18,000	30,500	18,084	66,584
Mr. Sami Issa Eid Smairat	Member	18,000	46,000	18,084	82,084
Mr. Essam Mohammad Farouq Rushdi Al-Muhtadi	Member	18,000	37,400	18,084	73,484
Mr. Kleman Mari Farajallah Memarbashi	Member	18,000	21,000	12,485	51,485
Mrs. Simona Auguste Jacob Sabella	Member	12,900	29,500	-	42,400
Mrs. Suha Baseel Ennab	Member	5,100	16,500	18,084	39,684
Mr. Husameddin Abudlwahab Mohammad	Vice chairman	14,033	5,000	11,792	30,825
Mr. Mohammad Mahmoud Al-Atrabi	Vice chairman	-	-	5,648	5,648
Mr. Shareef Mahdi Al-Saifi	Member	-	-	2,527	2,527
<b>Total</b>		<b>187,279</b>	<b>223,900</b>	<b>752,125</b>	<b>1,163,304</b>

\* The remunerations item includes performance remunerations of 2022 paid in 2023

A car and driver is provided to the BOD Chairman

## Salaries for Senior Executive Management for 2023

Employee's Name	Occupation	Salaries and Allowances	Remunerations	Total
Dr. Kamal Ghareeb Abdelraheem Al-Bakri	CEO	685,312	348,590	1,033,902
Dr. Khaled Mahmoud Abdullah Qasem	Chief of joint services group	298,692	101,400	400,092
Mrs.. Rana Sami Jadallah Al-Sunna'	Chief of credit services group	220,048	41,250	261,298
Mrs. Reem Younis Mohammad Al-Eses	CEO / treasury & investment	150,976	35,400	186,376
Ms. Maha Abdullah Abdulhameed Ababneh	CEO/special banking services	136,176	49,900	186,076
Ms. Jan Shawkat Mahmoud Yadj Zakaria	CEO / Central operations	157,016	25,800	182,816
Mr. Fouad Younis Abdullateef Saleh	CEO/finance & shareholders affairs	77,664	51,500	129,164
Mrs. Margret Muheeb Issa Makhamreh	CEO / Internal Audit	114,240	25,000	139,240
Mr. Yazeed Seetan Yousef Ammari	CEO/Commercial Credit Services	150,832	31,800	182,632
Mr. Azmi Mohammad Hasan Awaidah	CEO /personal credit services	127,168	21,000	148,168
Mr. Yousef Abdelfattah Suleiman Abu Al-Haija'	CEO / Risk Management	90,387	18,900	109,287
Mr. Anton Victor Anton Sabella	CEO / Compliance	103,664	18,600	122,264
MR. Hani Mohammad Rashrash "Ahmad Rasheed" Khader	CEO / Banking & marketing services	115,280	30,100	145,380
Dr. Mohammad Ali Mahmoud Al-Qaisi	CEO & Legal advisor / legal & contract documentation	130,536	16,000	146,536
Mr. Rami Anton Issa Ma'ayah	CEO / IT and projects management	127,392	19,100	146,492
Mr. Esam Mamdouh Abed Al-Najdawi	Senior manager / HR	73,552	11,700	85,252
Mr. Zaid Jamal Zuhdi Hameed	CEO/ Information Security and Combating Financial Crimes Department	70,976	12,700	83,676
Mr. Fouad Nabil Al-Khoury Asbir Fouad Al-Sunna'	Director of Strategic Planning and Business Development Department	49,990	14,000	63,990
<b>Total</b>		<b>2,879,901</b>	<b>872,740</b>	<b>3,752,641</b>

- A car and driver is provided to the CEO
- There is no accreditation with specific suppliers and/or main customers (local and external) who make up 10% or more of the total purchases and/or revenues.
- There is no governmental protection or privileges that the Bank has, nor products under laws and regulations or others.
- There are no patents or franchise obtained by the Bank.
- There are no decisions issued by the government, international organizations or others having tangible impact on Bank work, products or competitive potential.
- The Bank applies quality standards and best international practices for all banking activities.
- There is no financial impact for operations of a non-recurring nature that occurred during the financial year and do not fall within the main activity of the Bank.
- Capital investment of the Bank during 2023 reached the amount of 8,606,482 Dinars.
- The Bank's auditor's contract with subsidiaries for the year 2023 was distributed as follows:

Details	Fees without VAT
Cairo Amman Bank	157,141
Tamallak Financial Leasing Company	6,250
Awraq Company	6,250
National Securities Company Palestine	2,750
Al-Safab Bank	25,000
<b>Total</b>	<b>197,391</b>

- Other consultations' fees were paid to the auditors amounting 56,580 Jordanian dinars.
- There are no contracts concluded with subsidiaries, BOD chairman or members of the Board or the general director, except for the regular banking transactions disclosed in note 40 on the financial statements, which are subject to the related CBJ instructions.

## Acknowledgment

1. The Board of Directors acknowledges, that there are no material matters that may affect the continuity of the Bank during the next year.
2. The Board of Directors acknowledges its responsibility for preparing the financial statements and providing an effective control system in the Bank.
  - Each member of the Board of Directors acknowledges that he/she did not obtain any benefits through his/her work at the Bank and did not disclose them, whether those benefits were material or in-kind, and whether they were for him/her personally or for any of those related to him/her, for the past year.

BOD Chairman  
Yazeed Adnan Mustafa Al-Mufti

BOD Vice chairman  
Akef Abdullatif Al-Mughrabi

Member  
Hesham Taher Al-Masri

Member  
Sami Issa Smairat

Member  
Yaseen Khalil Mohammad Al-Talhouni

Member  
Ghassan Ibrahim Fares Aqeel

Member  
Hasan Ali Abu Al-Ragheb

Member  
Esam Mohammad Farooq Al-Muhtadi

Member  
Mazen Hamdi Al-Sahsah

Member  
Simona Auguste Sabella

Member  
Kleman Mari Farajallah Me'marbashi

3. The Board of Directors acknowledges its responsibility for preparing the financial statements and providing an effective control system in the Bank.

BOD Chairman  
Yazeed Adnan Al-Mufti

CEO  
Kamal Ghareeb Al-Bakri

Fouad Younis Saleh - Executive  
Director of Finance Administration and  
Shareholders Affairs



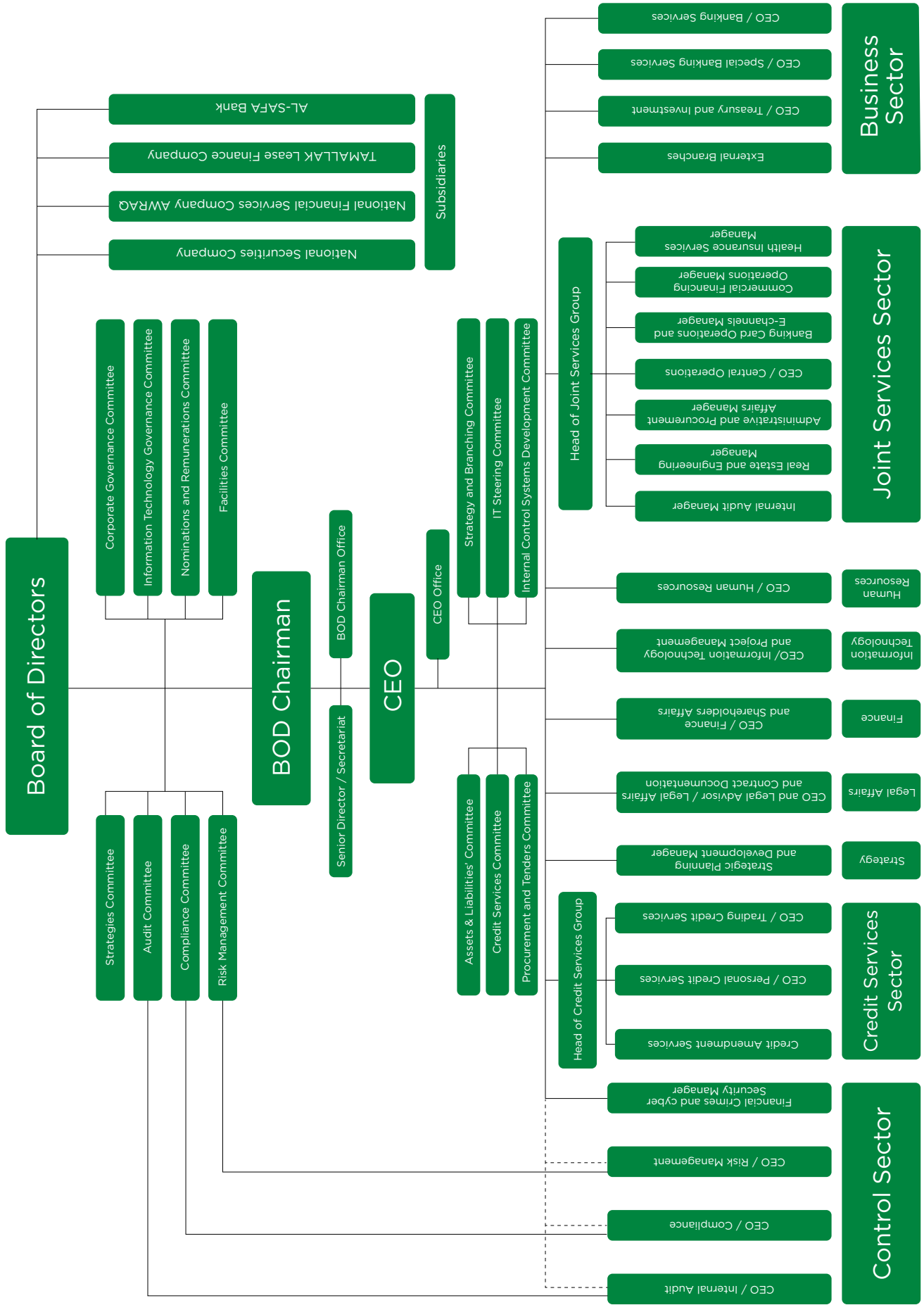
Organizational

# Structures

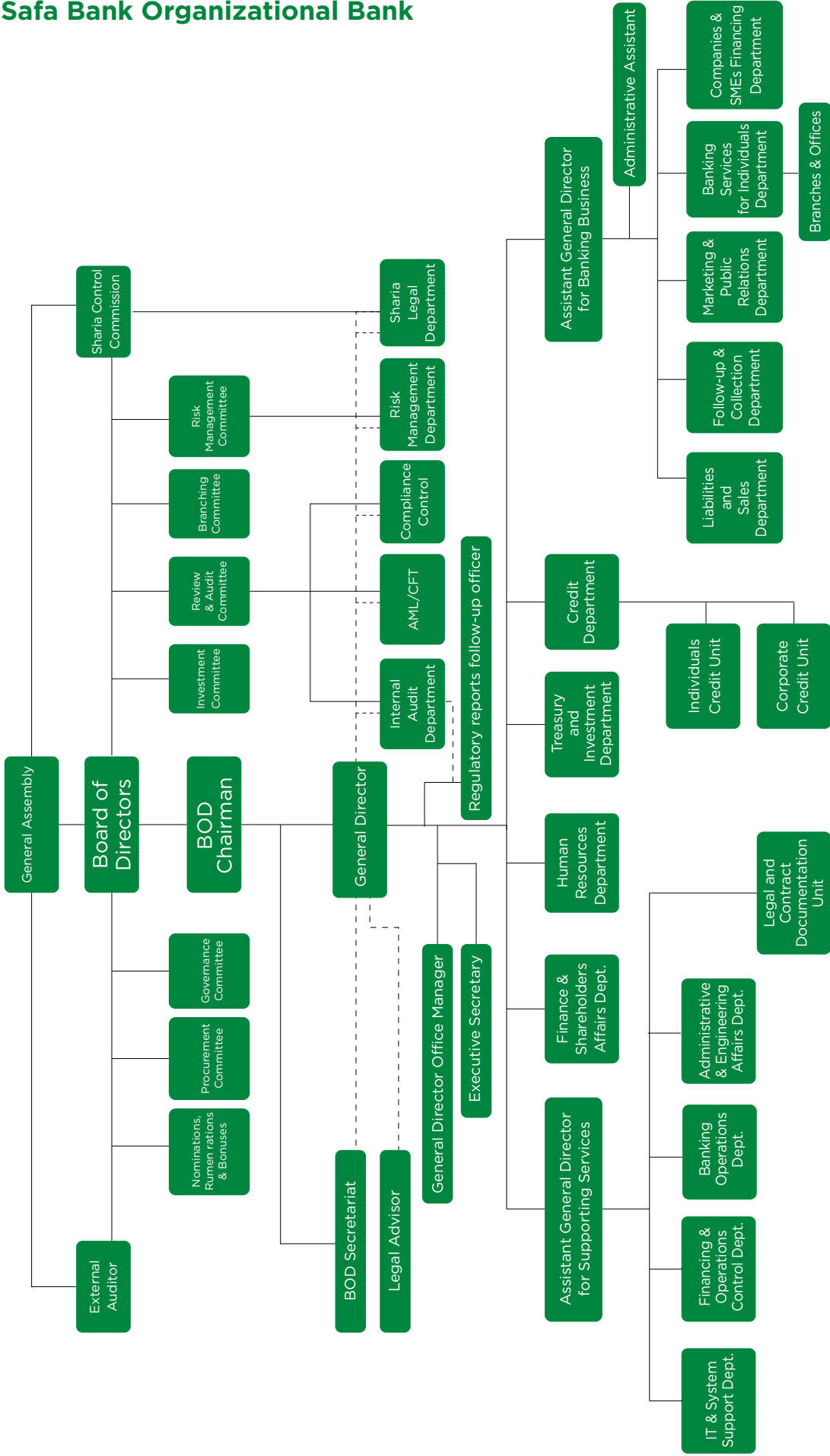
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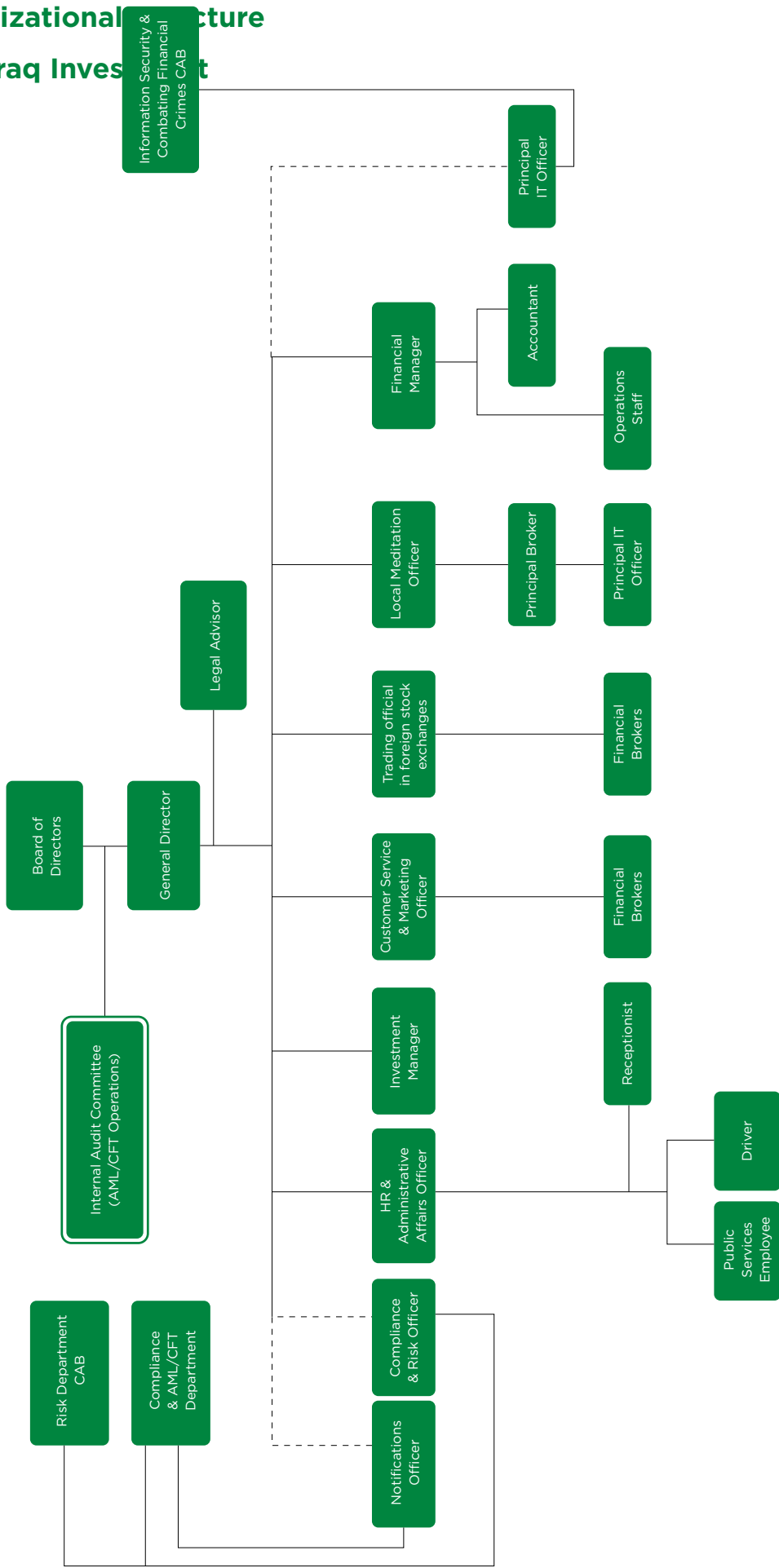
# Organizational Structure of Cairo Amman Bank



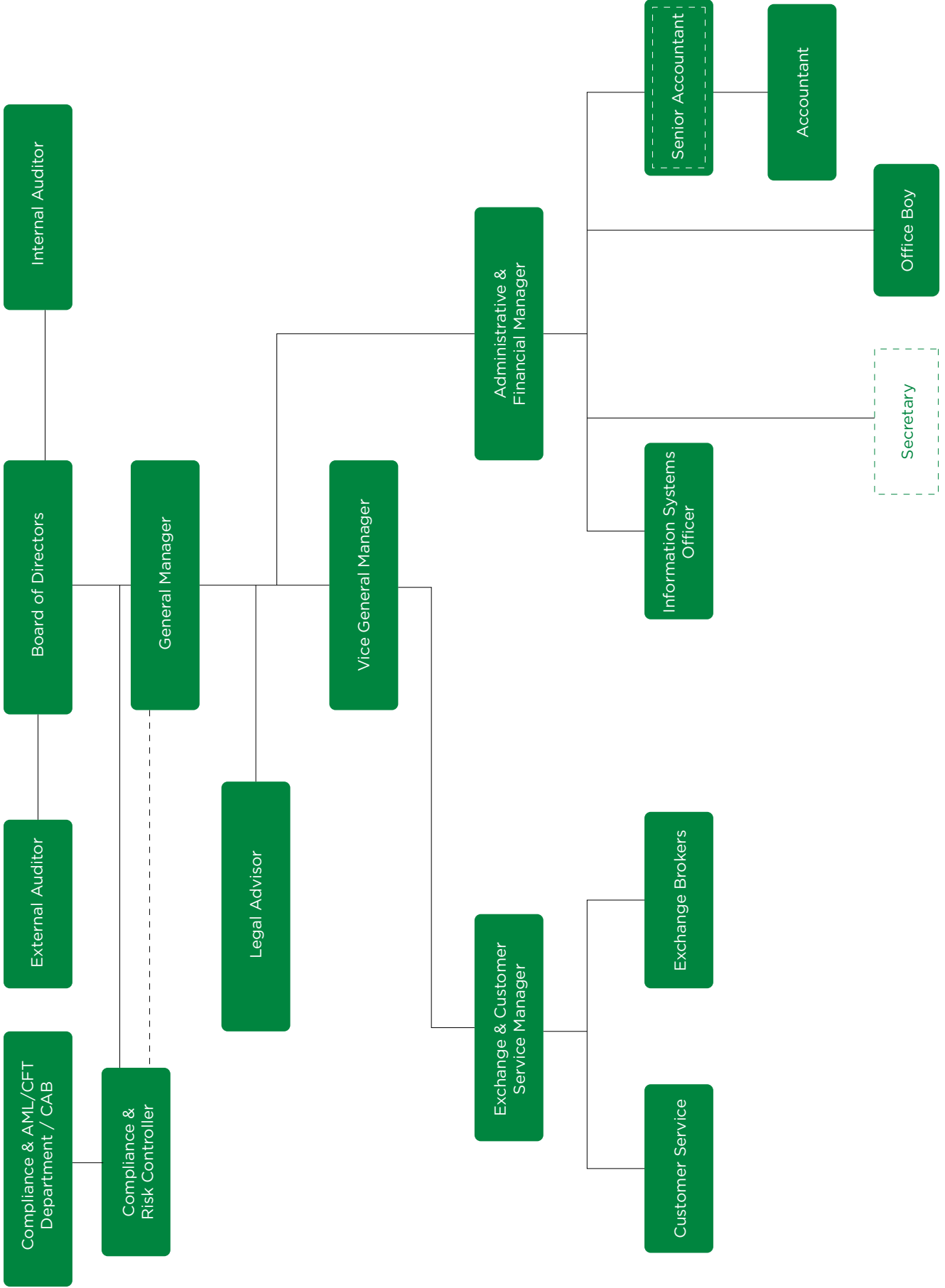
# Al-Safa Bank Organizational Bank



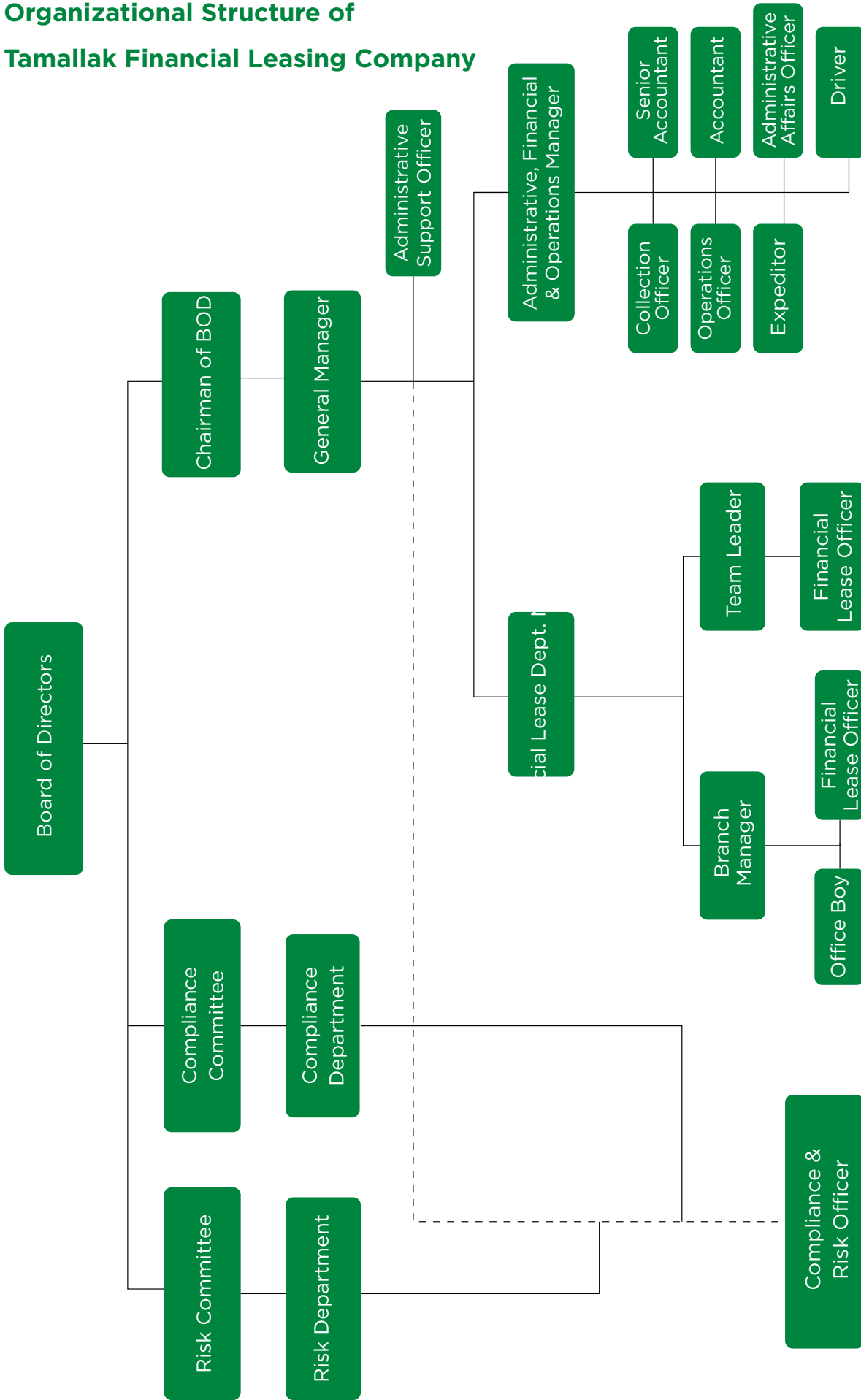
# Organizational Structure of Awraq Investment



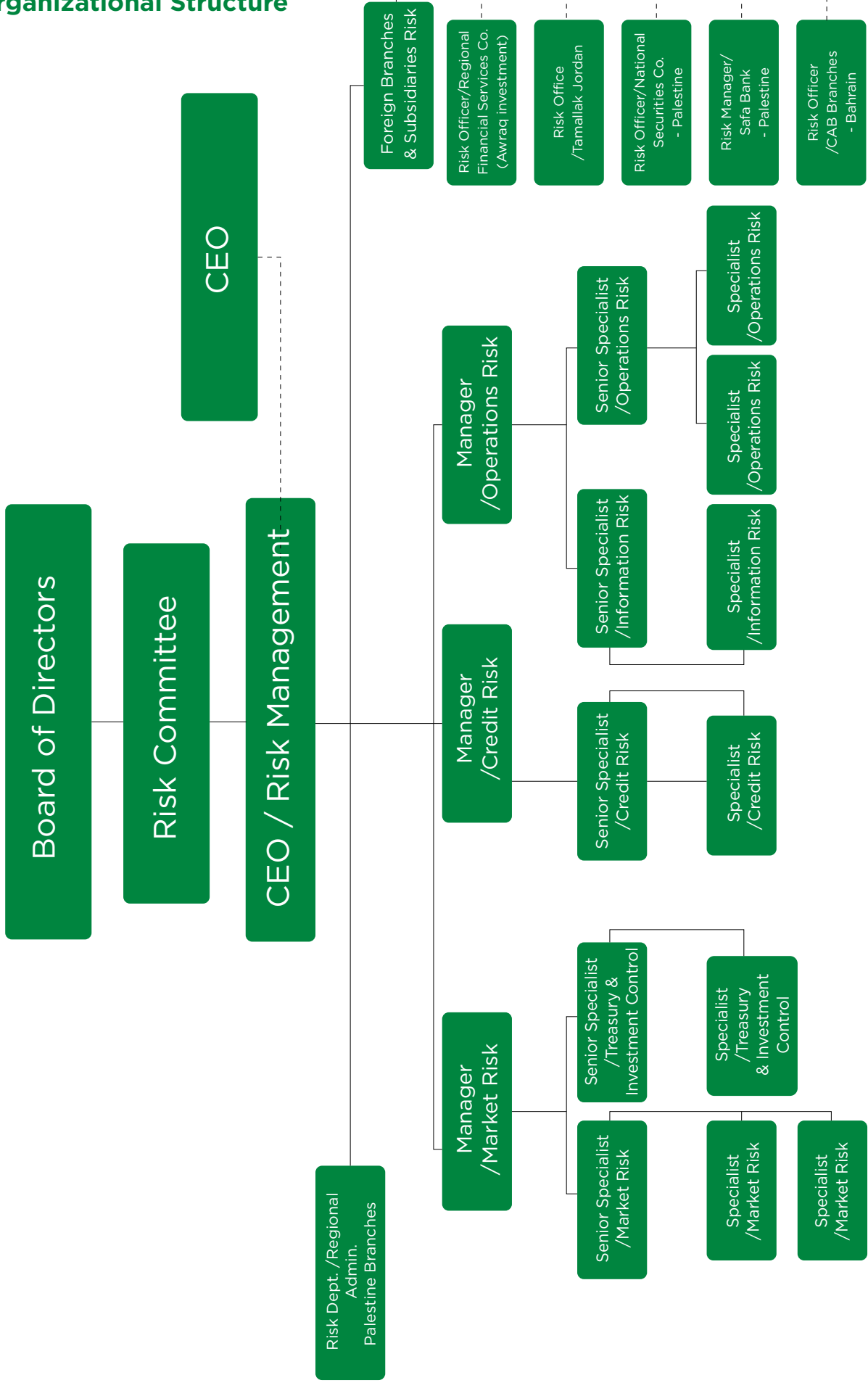
# Organizational Structure of National Securities Company



# Organizational Structure of Tamallak Financial Leasing Company



# Risk Organizational Structure







# Consolidated **Financial Statements**

**31 December 2023**

**04**



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**INDEPENDENT AUDITOR'S REPORT**  
**To the Shareholders of Cairo Amman Bank**  
**Amman – Jordan**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the Consolidated financial statements of Cairo Amman Bank (the Bank), and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of income, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Code of Ethics for Professional Accountants* (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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.

<p>Adequacy of expected credit losses (ECL) for credit facilities.</p> <p>Refer to note 11 to the consolidated financial statements.</p>	
<p><b>Key Audit matter</b> This is considered as a key audit matter as the Group exercises significant judgement to determine when and how much to record as expected credit losses.</p> <p>The expected credit losses provision is recognized based on the Group’s provisioning and impairment policy which complies with the requirements of IFRS 9.</p> <p>Credit facilities form a major portion of the Group’s assets, there is a risk that inappropriate expected credit losses are booked, whether from the use of inaccurate underlying data, or the use of unreasonable assumptions. Due to the significance of the judgments used in classifying credit facilities into various stages stipulated in IFRS 9 and determining related provision requirements, this audit area is considered a key audit risk.</p>	<ul style="list-style-type: none"> <li>• How the key audit matter was addressed in the audit</li> <li>• Our audit procedures included the following:</li> <li>• We gained an understanding of the Group’s key credit processes comprising granting and booking and tested the operating effectiveness of key controls over these processes.</li> <li>• We read the Group’s impairment provisioning policy and compared it with the requirements of the IFRS (9) as well as relevant regulatory guidelines and pronouncements.</li> <li>• We assessed the Group’s expected credit loss model, in particular focusing on its alignment of the expected credit loss model and its underlying methodology with the requirements of IFRS 9.</li> </ul>

As at 31 December 2023, the Group's gross credit facilities amounted to JD 2,438,935,158 and the expected credit loss provision amounted to JD 131,389,710. The impairment provision policy is disclosed in the material accounting policy in note (2) to the consolidated financial statements.

We tested a sample of exposures, assessed on an individual basis and performed procedures to evaluate the following:

- Appropriateness of the group's staging.
- Appropriateness of determining Exposure at Default, including the consideration of repayments in the cash flows and the resultant arithmetical calculations.
- Appropriateness of the PD, EAD and LGD for different exposures at different stages.
- Appropriateness of the internal rating and the objectivity, competence and independence of the experts involved in this exercise.
- Soundness and mathematical integrity of the ECL Model.
- For exposures moved between stages we have checked the appropriateness of the Group's determination of significant increase in credit risk and the resultant basis for classification of exposures into various stages. We also checked the timely identification of exposures with a significant deterioration in credit quality.
- For exposures determined to be individually impaired we re-performed the ECL calculation we also obtained an understanding of the latest developments in the counterparty's situation of the latest developments in estimate of future cash flows, current financial position any rescheduling or restructuring agreements.

	<ul style="list-style-type: none"> <li>• For forward looking assumptions used by the Group in its Expected Credit Loss (“ECL”) calculations, we held discussions with management and corroborated the assumptions using publicly available information.</li> <li>• We assessed the financial statements disclosures to ensure compliance with IFRS 9. Refer to the accounting policies, critical accounting estimates and judgments, disclosures of credit facilities and credit risk management notes (2), (11) and (41) to the consolidated financial statements.</li> </ul>
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**Other information included in the Group’s 2023 annual report**

Other information consists of the information included in the Group’s 2023 Annual Report other than the consolidated financial statements and our auditor’s report thereon. Management is responsible for the other information. The Group’s 2023 Annual Report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance 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.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, 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 Group’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 Group 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exist, 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 Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient 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 performance 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, actions taken to eliminate threats or safeguards applied.

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 Group maintains proper books of accounts which are in agreement with the consolidated financial statements.

The partner in charge of the audit resulting in this auditor's report was Ali Samara; license number 503.

Amman – Jordan  
15 February 2024

**ERNST & YOUNG**  
Amman - Jordan



# CAIRO AMMAN BANK (A PUBLIC SHAREHOLDING LIMITED COMPANY) CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Notes	2023	2022
		Dinar	Dinar
<b>Assets</b>			
Cash and balances at Central Banks-Net	5	337,257,545	320,698,816
Balances at banks and financial institutions-Net	6	120,276,796	123,920,745
Deposits at banks and financial institutions-Net	7	67,259,075	73,083,268
Financial assets at fair value through profit or loss	8	13,374,678	9,980,141
Financial assets at fair value through other comprehensive income-Net	9	96,019,835	71,879,372
Financial assets at amortized cost-net	10/A	802,088,677	740,827,140
Financial assets at amortized cost - pledged as collaterals	10/B	-	54,538,000
Direct credit facilities-net	11	2,294,235,138	2,127,194,065
Property and equipment-net	12	44,129,439	43,924,827
Intangible assets - net	13	6,105,699	5,361,339
Right of use assets - net	48	20,725,499	23,347,071
Deferred tax assets	21	16,266,401	13,574,826
Other assets	14	65,714,016	66,644,844
<b>Total Assets</b>		<b><u>3,883,452,798</u></b>	<b><u>3,674,974,454</u></b>
<b>Liabilities And Shareholders' Equity</b>			
<b>Liabilities:</b>			
Banks and financial institutions' deposits	15	286,673,306	218,453,233
Customers, deposits	16	2,599,283,904	2,454,183,350
Margin Accounts	17	82,630,709	89,697,152
Borrowed funds	18	295,875,564	341,726,015
Subordinated Loans	19	18,540,350	18,540,350
Sundry provisions	20	14,376,455	14,065,732
Income tax provision	21	23,492,297	23,867,415
Lease Liabilities	48	20,927,349	23,137,223
Deferred tax liabilities	21	2,684,880	1,308,124
Other liabilities	22	81,006,918	68,178,051
<b>Total Liabilities</b>		<b><u>3,425,491,732</u></b>	<b><u>3,253,156,645</u></b>
<b>Shareholders' Equity</b>			
<b>BANK'S SHAREHOLDERS' EQUITY</b>			
Authorized and paid up capital	23	190,000,000	190,000,000
Statutory reserve	24	95,868,196	91,364,494
General banking risk reserve	24	6,174,853	4,646,255
Cyclical fluctuations reserve	24	11,526,630	11,396,874
Fair value reserve-net	26	27,494,289	9,304,467
Foreign Currencies Translation Reserve		(1,584,070)	(3,188,744)
Retained earnings	27	108,402,893	97,910,555
<b>Total Bank's Shareholders' Equity</b>		<b><u>437,882,521</u></b>	<b><u>401,433,901</u></b>
Non-controlling interest		20,078,545	20,383,908
<b>Total Shareholders, Equity</b>		<b><u>457,961,066</u></b>	<b><u>421,817,809</u></b>
<b>Total Liabilities and Shareholders, Equity</b>		<b><u>3,883,452,798</u></b>	<b><u>3,674,974,454</u></b>

The Accompanying Notes Constitute from 1 to 50 An Integral Part Of These Consolidated Financial Statements And Should Be Read With Them

## CAIRO AMMAN BANK (A PUBLIC SHAREHOLDING LIMITED COMPANY) CONSOLIDATED STATEMENT OF INCOME

For the year ending 31 December 2023

	Notes	2023	2022
		Dinar	Dinar
Interest income	28	239,520,475	188,481,260
<u>Less: Interest expense</u>	29	<u>(98,059,517)</u>	<u>(66,781,799)</u>
<b>Net interest income</b>		<b>141,460,958</b>	<b>121,699,461</b>
Net commission income	30	<u>17,023,949</u>	<u>19,238,439</u>
<b>Net interest and commission income</b>		<b>158,484,907</b>	<b>140,937,900</b>
Gain from foreign currencies	31	6,231,280	4,878,641
(Loss) Gain from financial assets at fair value through profit or loss	32	987,184	991,154
Dividends from financial assets at fair value through other comprehensive income	9 & 33	2,570,481	2,351,321
Other income	34	<u>8,228,806</u>	<u>8,761,222</u>
<b>Gross profit</b>		<b>176,502,658</b>	<b>157,920,238</b>
Employees' costs	35	46,937,362	45,959,936
Depreciation and amortization	12 & 13	7,628,938	7,082,593
Other expenses	36	40,532,202	36,479,087
Expected credit loss provision	37	29,812,324	15,529,472
Impairment of seized assets provision	14	40,416	164,741
Miscellaneous provisions		100,000	53,063
<b>Total expenses</b>		<b>125,051,242</b>	<b>105,268,892</b>
Profit for the year before tax		<u>51,451,416</u>	<u>52,651,346</u>
Income tax expense	21	<u>(16,472,085)</u>	<u>(17,671,850)</u>
<b>Profit for the year</b>		<b><u>34,979,321</u></b>	<b><u>34,979,496</u></b>
Allocated to:			
Bank's shareholders		35,284,694	34,613,824
Non-controlling interests		<u>(305,363)</u>	<u>365,672</u>
<b>Profit for the year-List</b>		<b><u>34,979,331</u></b>	<b><u>34,979,496</u></b>
		<u>JD/ Fils</u>	<u>JD/ Fils</u>
Basic and diluted earnings per share (Bank's shareholders)	38	<u>0/186</u>	<u>0/182</u>

The Accompanying Notes from 1 to 50 constitute an integral part of these Consolidated Financial Statements and should be read with them

## CAIRO AMMAN BANK (A PUBLIC SHAREHOLDING LIMITED COMPANY) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ending 31 December 2023

	2023	2022
	Dinar	Dinar
Profit for the year	34,979,331	34,979,496
Add: Items of other comprehensive income after tax that will not be reclassified to the Consolidated Statement of Income in subsequent periods		
Net change in fair value reserve	18,559,252	5,369,225
Translation of foreign currency variation	1,604,674	-
<b>Total Comprehensive income for the year</b>	<b><u>55,143,257</u></b>	<b><u>40,348,721</u></b>
Comprehensive income for the year attributable to:		
Bank's shareholders	55,448,620	39,983,049
Non-controlling interests	<u>(305,363)</u>	<u>365,672</u>
Total Comprehensive income for the year	<b><u>55,143,257</u></b>	<b><u>40,348,721</u></b>

The Accompanying Notes from 1 to 50 constitute an integral part of these Consolidated Financial Statements and should be read with them

# CAIRO AMMAN BANK (A PUBLIC SHAREHOLDING LIMITED COMPANY) CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

## For the year ending on 31 December 2023

	Paid and subscribed capital	Legal reserve	Public banks risk reserve	Periodical fluctuations reserve	Fair value reserve - net	Foreign currency reserve	Rounded profits	Total equity of bank shareholders	Non-controllers' equity	Total equity
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the Year ended 31 December 2023										
Balance at the beginning of the year	190,000,000	91,364,494	4,646,255	11,396,874	9,304,467	(3,188,744)	97,910,000	401,433,901	20,383,908	421,817,809
Total Comprehensive income of the year	-	-	-	-	18,559,252	1,604,674	35,284,694	55,448,620	(305,363)	55,143,257
Transferred to reserves	-	4,503,702	1,528,328	129,756	-	-	(6,161,786)	-	-	-
Dividends (Note 27)	-	-	-	-	-	-	(19,000,000)	(19,000,000)	-	(19,000,000)
Gain from sale of financial assets at fair value through Other Comprehensive Income	-	-	-	-	(369,430)	-	369,430	-	-	-
<b>Balance at End of the Year</b>	<b>190,000,000</b>	<b>95,868,196</b>	<b>6,174,583</b>	<b>11,526,630</b>	<b>27,494,289</b>	<b>(1,586,070)</b>	<b>108,402,893</b>	<b>437,882,521</b>	<b>20,078,545</b>	<b>457,961,066</b>
For the Year ended 31 December 2022										
Balance at the beginning of the year	190,000,000	86,711,919	4,341,429	10,894,653	3,797,698	(3,188,744)	94,481,206	387,038,161	10,360,794	397,398,955
Total Comprehensive income of the year	-	-	-	-	5,369,225	-	34,613,824	39,983,049	365,672	40,348,721
Transferred to reserves	-	4,652,575	304,826	502,221	-	-	(5,459,622)	-	-	-
Dividends (Note 27)	-	-	-	-	-	-	(28,500,000)	(28,500,000)	-	(285,500,000)
Net change in non-controlling interests	-	-	-	-	-	-	2,912,691	2,912,691	9,657,442	12,570,133
Gain from sale of financial assets at fair value through Other Comprehensive Income	-	-	-	-	137,544	-	(137,544)	-	-	-
<b>Balance at End of the Year</b>	<b>190,000,000</b>	<b>91,364,494</b>	<b>4,646,255</b>	<b>11,596,874</b>	<b>9,304,467</b>	<b>(3,188,744)</b>	<b>97,910,000</b>	<b>401,433,901</b>	<b>20,383,908</b>	<b>421,817,809</b>

\* The general banking risk reserve and the credit balance of the financial assets valuation reserve are restricted from use without a prior approval from the Central Bank of Jordan.

- As of December 31, 2023, the restricted retained earnings balance resulting from the early implementation of IFRS 9 amounted to JD 12,669,542.

- The retained earnings balance includes deferred tax assets amounting to JD 16,266,401 and is restricted from use in accordance with the instructions of the Central Bank of Jordan.

- The Bank cannot use a restricted amount of JD 11,555,916 which represents the remaining balance of the general banking risk reserve included in retained earnings in accordance with the instructions of the Central Bank of Jordan.

- Distributable profits amounted to JD 76,726,964 as of December 31, 2023.

The Accompanying Notes from 1 to 50 constitute an integral part of these Consolidated Financial Statements and should be read with them

# CAIRO AMMAN BANK (A PUBLIC SHAREHOLDING LIMITED COMPANY) CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ending on 31 December 2023

	Notes	2023 Dinar	2022 Dinar
<b>Operational Activities</b>			
Profit before tax for the year		51,451,416	52,651,346
Adjustments for:			
Depreciation and amortization	12 & 13 & 38	11,898,274	11,424,500
Lease contracts' financing costs	48	921,909	947,331
Expected credit loss	37	29,812,324	15,529,472
Sundry provisions	20	2,083,855	2,998,508
Impairment of seized assets	14	40,416	164,741
Dividends of financial assets at fair value through other comprehensive income	9 & 33	(2,570,481)	(2,351,321)
(Profits) losses on valuing financial assets at fair value through profit or loss	32	197,504	(223,770)
(Profit) Losses from sale of property and equipment	34	2,411	(34,010)
(Gain) from sale of repossessed assets	34	(646,032)	(2,399,178)
Effect of exchange rate changes on cash and cash equivalents		(6045,144)	(4,632,432)
<b>Cash flow from operating activities before changes in Assets &amp; Liabilities</b>		<b>87,146,452</b>	<b>74,075,187</b>
<b>(increase) decrease in Assets</b>			
Decrease in deposits at banks and financial institutions		5,825,993	28,119,304
Increase in financial assets at fair value through profit or loss		(3,592,041)	(1,591,756)
Increase in direct credit facilities		(197,438,530)	(190,570,394)
(Increase) Decrease in other assets		4,565,209	(3,626,750)
<b>Increase (Decrease) in Liabilities</b>			
(Decrease) in banks and financial institution deposits (maturing more than three months)		23,170,160	(59,419,642)
Increase in customer deposits		145,100,554	16,283,824
Increase (Decrease) in cash margin		(7,066,443)	30,150,744
Increase (Decrease) in other liabilities		10,183,227	(11,068,639)
<b>Net cash flows from operating activities before income tax and sundry provision</b>		<b>67,894,581</b>	<b>(117,648,122)</b>
Income tax paid	21	(20,114,636)	(16,428,764)
Paid from Miscellaneous Provisions	20	(1,773,132)	(1,246,770)
<b>Net cash flows from operating activities</b>		<b>46,006,813</b>	<b>(135,323,656)</b>
<b>Investing Activities</b>			
(Purchase) of financial assets at fair value through other comprehensive income		(5,099,375)	(1,235,269)
Sale of financial assets at fair value through other comprehensive income		3,075,841	2,426,979
Dividends of financial assets at fair value through other comprehensive income	9 & 33	2,570,481	2,351,321
(Purchase) of other financial assets at amortized cost		(198,178,413)	(212,485,390)
Maturity and sale of other financial assets at amortized cost		191,527,499	223,832,728
Proceeds from the sale of an investment in a subsidiary		-	1,170,133
(Purchase) of property and equipment	12	(6,382,061)	(5,841,711)
Sale of property and equipment - net		26,161	121,774
(Purchase) of intangible assets	13	(2,224,421)	(1,684,368)
<b>Net (used in) investing activities</b>		<b>(14,684,288)</b>	<b>8,656,197</b>
<b>Financing Activities</b>			
Increase in borrowed funds		47,293,618	94,702,538
Borrowed funds settled		(93,144,069)	(116,886,388)
Lease contracts' payments	48	(4,676,529)	(4,697,594)
Dividends distributed to shareholders		(19,000,000)	(17,100,000)
<b>Net cash flows from financing activities</b>		<b>(69,526,980)</b>	<b>(43,981,444)</b>
Effect of exchange rate changes on cash and cash equivalents	31	6,045,144	4,632,432
Net Increase in cash and cash equivalents		(32,159,311)	(166,016,471)
Cash and cash equivalents, beginning of the year		253,419,043	419,435,514
<b>Cash and cash equivalents, end of the year</b>	39	<b>221,259,732</b>	<b>253,419,043</b>

The Accompanying Notes from 1 to 50 constitute an integral part of these Consolidated Financial Statements and should be read with them

# CAIRO AMMAN BANK (A PUBLIC SHAREHOLDING LIMITED COMPANY) Notes on the CONSOLIDATED FINANCIAL STATEMENTS

31 December 2023

## (1) General

Cairo Amman Bank was established in 1960, and was registered as a Jordanian public shareholding company, with its main office in Amman - the Hashemite Kingdom of Jordan, in accordance with the law and regulations issued by the Ministry of Justice. Its status was subsequently reconciled in accordance with Companies Law No. 12 of 1964.

The Bank provides its banking and financial services through its head office located in Amman and 103 branches located inside the Kingdom, and 22 branches in Palestine and 1 in Bahrain, and its subsidiaries.

The subscribed and paid capital is 190,000,000 Dinars / shares as on 31 December 2022.

The Bank's shares are listed on the Amman Stock Exchange.

The consolidated financial statements were acknowledged by the Bank's Board of Directors in their meeting held on 8 February 2024 and are subject to be ratified by the General Assembly of the Shareholders.

## (2) Significant Accounting Policies

### (2-1) 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 (IASB), and interpretations of the International Financial Reporting Interpretation Committee (IFRIC) arising from the International Accounting Standards Committee (IASC).

Bank commits to the applicable local laws and CBJ instructions.

The consolidated financial statements were prepared according to the historical cost principle, with the exception of financial assets at fair value through the statement of other comprehensive income and financial assets at fair value through the income statement, which are shown at fair value at the date of the consolidated financial statements. The financial assets and liabilities that have been hedged for the risk of changes in their fair value are also shown at fair value.

The reporting currency of the consolidated financial statements is the Jordanian Dinar, which represents the Bank's main currency.

### (2-2) Basis of Consolidation of Financial Statements

The consolidated financial statements include the financial statements of the Bank and its subsidiaries and companies under its control. Control is achieved when the Bank is able to manage the main activities of the subsidiaries, and when it is exposed to the variable returns resulting from its investment in the subsidiaries, or has rights to these returns, and is able to influence these returns through its power over the subsidiaries. Transactions, balances, revenues and expenses between the bank and its subsidiaries are excluded.

The consolidated financial statements include the financial statements of the Bank and its subsidiaries that are under their control. There is no difference in the fiscal year of the Bank and its subsidiaries. The Bank owns the following subsidiaries as of 31 December 2023:

Company's Name	Paid-up Capital	Ownership Percentage	Nature of Operation	Country of Operation	Ownership Date
	JD	%			
Al-Watanieh for Financial Services Company	6,500,000	100	Brokerage and investment management	Jordan	1992
Al-Watanieh Securities Company	1,600,000	100	Brokerage	Palestine	1995
Tamallak for Financial Leasing	5,000,000	100	Finance Leasing	Jordan	2013
Safa Bank	53,175,000	51	Islamic Banking	Palestine	2016

Control is achieved when the Bank has rights to variable returns arising from its association with the investee company and has the ability to affect these returns through its ability to control the investee company.

Control is achieved when the Bank:

- has the power over the investee (Existing rights that give the Group the ability to direct the relevant activities of the investee)
- The Bank 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.

When the Bank owns less than a majority of voting or similar rights in an investee, the Bank considers all relevant facts and circumstances to determine whether it has control over an investee, including:

- Contractual arrangements with holders of voting rights of others in the investee company.
- Rights arising from other contractual arrangements.
- The current voting rights and potential voting rights of the Group.

The Bank reassesses whether it controls the investee company and if there are circumstances or facts that indicate a change in one or more of the three elements of control.

The subsidiary's financial statements are consolidated from the date on which control is exercised until such control ceases. The revenues and expenses of the subsidiaries are consolidated in the consolidated statement of comprehensive income from the date the Bank took control of the subsidiaries until stopping that control.

Profits and losses and each item of other comprehensive income are charged to the equity holders of the parent company and the interests of the non-controlling ones even if this leads to a deficit in the balance of the non-controlling interests. If necessary, the financial statements of the subsidiaries are amended to bring their accounting policies in line with the accounting policies of the Bank. Assets, liabilities, equity, revenues, expenses, profits and losses relating to transactions between the Bank and its subsidiaries are eliminated.

The effect of a change in the ownership percentage of the subsidiary that does not result in a loss of control is recorded in equity. Upon loss of control over a subsidiary, the Group derecognizes the subsidiary's assets (including goodwill), liabilities, non-controlling interests and other items of equity, while the resulting gain or loss is recognized in profit and loss. The investment retained is recognized at fair value.



## (2-3) Information Related to Significant Accounting Policies

### Sectors Data

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 by the reports used by the general manager and the main decision-maker 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.

### Direct Credit Facilities

The direct credit facilities represent financial assets that have fixed or specified payments provided basically by the Bank or were acquired without any market prices in the active markets, the credit facilities will be measured by the amortized cost.

A provision for impairment of direct credit facilities is made by calculating expected credit losses according to IFRS 9.

Interest and commissions on non-performing credit facilities granted to customers are suspended in accordance with the instructions of the Central Bank of Jordan and in accordance with the instructions of the regulatory authorities in the countries in which the Bank has branches or subsidiaries, whichever is more severe.

The credit facilities for which provisions are prepared are written off if the measures taken to collect them are not feasible by deducting them from the provision, and any surplus in the total provision –if any- is transferred to the consolidated income statement, and the proceeds from the previously written off loan are added to the revenues.

Credit facilities for which provisions are made are written off if the measures taken to collect them by deducting them from the provision are infeasible. Any surplus in the total allocation - if any - is transferred to the consolidated income statement. The proceeds from previously written off debts are added to revenues.

### The Fair Value

The closing prices (purchase of assets / sale of liabilities) on the date of the financial statements in active markets represent the fair value of financial instruments and derivatives that have market prices. In the event that announced prices are not available, there is no active trading in some financial instruments and derivatives, or there is no market activity, their fair value is estimated in several ways, such as:

- Comparing it with the current market value of a financial instrument that is very similar to it.
- Analyze the future cash flow and deduct the expected cash flow in a percentage used in a similar financial instrument.
- Option pricing models
- The long-term assets and liabilities are evaluated which are not entitled to interests upon deducting the cash flow and upon the active interest price, the deduction/ allowance is to be amortized within received/paid interest income in the consolidated income statement.

The evaluation techniques aimed to obtain a fair value reflect the market expectations and take into consideration the market factors in addition to any other expected risks or interest when evaluating the financial instruments, in In the event that there are financial instruments whose fair value cannot be measured reliably, they are shown at cost after deducting any impairment in their value.

### **Financial assets at amortized cost**

They are the financial assets that the Bank's management aims, according to its business model, to keep in order to collect the contractual cash flows, which are represented by the payments from the principal and interest on the outstanding debt balance.

The financial assets are recognized upon purchase at cost plus acquisition expenses. The allowance/deduction is amortized by using the effective interest method, as a debt credit on the interest account, any provisions resulted from the impairment upon calculating the expected credit loss, the expected credit loss then registered in the consolidated income statement.

The amount of impairment in the value of the assets represents upon the amortized cost of the expected credit losses for the financial assets at the amortized cost.

It is not permissible to reclassify any financial assets from/to this item except in cases specified in the International Financial Reporting Standards (and in the event that any of these assets are sold before their maturity date, the result of the sale shall be recorded in the consolidated income statement in a separate item, and this shall be disclosed in accordance with the requirements of the International financial reporting standards in particular).

### **Financial assets at fair value through the income statement**

- They are the financial assets purchased by the Bank for the purpose of selling them in the near future and making profits from short-term market price fluctuations or from trading profit margins.
- These assets are recognized at fair value upon purchase (acquisition expenses are recorded on the consolidated income statement upon purchase) and are subsequently re-evaluated at fair value. The change in fair value is shown in the consolidated income statement, including the change in fair value resulting from translation differences of non-monetary asset items in foreign currencies. In the event of the sale of these assets or part thereof, the resulting income statement is included in the consolidated income statement.
- Dividends or interest earned are included in the consolidated income statement.
- It is not permissible to reclassify any financial assets from / to this item except in the cases specified in the International Financial Reporting Standards.

### **Financial assets at fair value through the statement of other comprehensive income**

- Financial assets represent investments in equity instruments for the purpose of long-term retention.
- Assets are at fair value plus acquisition expenses upon purchase, and are subsequently re-evaluated at fair value. The change in fair value appears in the consolidated statement of comprehensive income and within equity, including the change in fair value resulting from translation differences on items of non-monetary assets in foreign currencies. If these assets, or part of them, are sold, the resulting profits or losses are taken into the consolidated statement of comprehensive income and included in consolidated equity. The balance of the valuation reserve for financial assets sold is transferred directly to retained profits and losses, and not through the consolidated income statement.
- These assets are not subject to the impairment loss test, unless debt instruments are classified as financial assets at fair value through the statement of other comprehensive income, where impairment is calculated according to the expected credit loss.
- Dividends are recorded in the consolidated statement of income.

## Impairment of Financial Assets Value

Overview of the Expected Credit Losses (ECL)

The application of the IFRS 9 caused an essential change in the method of calculating the impairment loss of the Group from replacing the impairment loss recognition methodology upon the International Accounting Standard (IAS) 39 to the ECL recognition methodology of a future vision.

The Group registered the ECL plans for all the loans and the other financial assets not held at fair value through profit or loss, in addition to the unused direct facilities ceilings and financial insurance contracts (like the documentary credit and guarantees) They are all referred to as "financial instruments". The equity instruments (shares) are not subject to the impairment test according to the IFRS 9.

The ECL allowance is based on ECL on a 12-month ECL, unless there has been a significant change in the credit risk from the date the asset is recognized, in which case the allowance is based on the life of the asset.

The ECL weighted by the probability of default credit exposure within 12 months is part of the ECL over the life of the asset resulting from default events of financial instruments that can occur within 12 months from the date of the financial statements.

The ECL are calculated, whether for the entire life of the credit exposure or for the exposure within 12 months, either on an individual basis or on an aggregate basis based on the nature of the financial instruments in the portfolio.

The Group has applied a policy to show how to apply the procedures of the individually base evaluation of the financial instrument or in the base of the portfolio.

Accordingly, the Group rates loans to phase (1), phase (2) and phase (3) as described hereunder:

- Phase (1): When loans are recognized for the first time, the Group records a provision based on the ECL for the probability that the credit exposure will default within 12 months. The first phase also includes the facilities that were previously in the first stage and there was no change in the level of their risks, and the loans that were reclassified from the second stage.
- Phase (2): when a significant increase in credit risk occurs from the date of international recognition, the Group records a provision for the ECL for the entire life of the credit exposure. The second phase also includes the facilities and loans that witnessed an improvement in credit risk and which were reclassified from the third phase.
- Phase (3): loans to which the concept of impairment (default) applies. The Group calculates the ECL for the entire life of the credit exposure.

## Calculation of expected credit losses

The Group calculates the ECL in accordance with the methodology for applying IFRS 9 approved by the Bank and described in Note No. (4).

## Lease contracts

The Bank evaluates the contracts entered into at inception to determine if the contract is a lease or contains a lease. That is, if the contract conveys the right to control the use of the specified asset for a period of time in return for the amounts paid.

The Bank applies a standardized approach to recognition and measurement in respect of all lease contracts, except for the short-term leases and leases of low-value assets. The Bank recognizes lease liabilities for lease payments and right-of-use assets representing the right to use the leased assets.

## The Right of Use Assets

The bank recognizes the right to use the assets when the lease contract entered into inception (i.e., the date on which the asset is usable). The right-of-use assets are recognized at cost, after deducting the accumulative consumption and Impairment losses. The value is modified when re-evaluating the lease obligations.

The cost of the right-to-use asset contains the value of the recognized lease obligations, in addition to the Initial direct costs incurred, any lease payments made on or before the start date less any lease incentives received. In the event that the Bank was not assured of owning the leased asset at the end of the contract, the value of the right to use the recognized asset is amortized on a straight-line basis over the useful life of the asset or the lease term, whichever is less. Right-of-use assets are subject to impairment testing.

## Lease obligations

On the commencement date of the lease contract, the Bank recognizes the lease liabilities at the present value of the lease payments to be paid during the term of the lease. Lease payments include fixed payments (which include payments that are essentially fixed lease payments) less accrued lease incentives, variable lease payments based on indicators or rates agreed upon in accordance with the terms of the contract, and amounts expected to be collected under residual value guarantees. Lease payments also include the value due upon exercise of the purchase option, which the Bank is certain to exercise, and value of penalties for terminating the lease, if the Bank intends to exercise the termination option in accordance with the terms of the contract.

Variable lease payments that do not depend on indicators or rates agreed upon in accordance with the terms of the contract are recognized as expenses in the period in which the event or condition that leads to the payment of those amounts occurs.

## Property and Equipment

Property and equipment are stated at cost after deducting accumulated depreciation and any impairment in value. Property and equipment (excluding land) are depreciated when they are ready for use on a straight-line basis over their expected useful life, using the following percentages:

	%
Buildings	2
Equipment and furniture	9 - 15
Vehicles	20
Computers	12 - 25

When the recoverable amount of any property and equipment is less than its net carrying value, its value is reduced to its recoverable amount and the impairment amount is recorded in the consolidated income statement.

The useful life of property and equipment is reviewed at the end of each year. If the useful life expectations differ from previously prepared estimates, the change in estimate is recorded for subsequent years as a change in estimates.

Property and equipment are derecognized upon disposal or when no future economic benefits are expected from their use or disposal.

## Impairment of non-financial assets

The Group assesses at the reporting date whether there is evidence that an asset is impaired. If any such evidence exists, or when annual impairment testing is required, the Group assesses the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate internal cash flows that are largely independent of those from other assets or group assets. When the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and written down to its recoverable amount. In assessing fair value in use, future cash flows are discounted to their current fair value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. While determining fair value less costs to sell, recent market transactions are taken into account if available. If it is not possible to determine such transactions, the appropriate valuation model is used. These calculations are corroborated by valuation multiples of publicly traded subsidiaries' stock prices or other available fair value indicators.

## Intangible Assets

### a- Goodwill

Goodwill is recorded at cost, which represents the increase in the cost of owning or buying the investment in the subsidiary company over the Bank's share in the fair value of the net assets of that company on the date of acquisition. Goodwill resulting from investment in subsidiaries is recorded in a separate item as intangible assets. The cost of goodwill is subsequently reduced by any decrease in the value of the investment.

The goodwill is distributed to the cash-generating unit(s) for impairment testing purposes.

A goodwill value test is conducted on the date of the consolidated financial statements, and the value of goodwill is reduced if there is an indication that the value of goodwill has decreased, in the event that the estimated recoverable value of the cash-generating unit(s) to which the goodwill belongs is less than the value recorded in the books of the cash-generating unit(s), the impairment value is recorded in the consolidated income statement.

### b- Other intangible assets

Intangible assets obtained through a merger are recorded at fair value on the date of acquisition, while intangible assets acquired through a method other than a merger are recorded at cost.

Intangible assets are classified based on an estimate of their useful life for a specified or indefinite period. Intangible assets that have a fixed life are amortized during this life and the amortization is recorded in the consolidated income statement. As for intangible assets that have an indefinite life, the impairment is reviewed on the date of the consolidated financial statements, and any impairment is recorded in the consolidated income statement.

Intangible assets resulting from the Bank's business are not capitalized and are recorded in the consolidated income statement in the same year.

Any indications of the intangible assets value impairment shall be reviewed at the date of the consolidated financial statements, also the useful life of these assets and any modification for subsequent periods shall be reviewed.

Intangible assets with a finite life are stated at cost after deducting annual amortization. These assets were amortized on a straight-line basis over their useful life using a rate of 25% annually.

## **Provisions**

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

### **Provision for Employees' End-of-Service Indemnity**

A provision is made to meet the legal and contractual obligations related to the end of service of employees, for the period of service of each employee on the date of the consolidated statement of financial position, in accordance with the Bank's internal regulations.

## **Income Tax**

Tax expense comprises accrued tax and deferred taxes.

Tax expenses payable are calculated based on taxable profits. Taxable profits differ from profits declared in the consolidated financial statements, because declared profits include revenues that are not subject to tax or expenses that are not deductible in the fiscal year, but rather in subsequent years or accumulated losses that are acceptable for taxation or items that are not subject to or acceptable for deduction for tax purposes.

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

Deferred taxes are the taxes expected to be paid or recovered as a result of temporary time differences between the value of assets or liabilities in the consolidated financial statements and the value on which the taxable profit is calculated. Deferred taxes are calculated using the budget commitment method, and deferred taxes are calculated according to the tax rates that are expected to be applied when settling the tax liability or realizing the deferred tax assets.

The balance of deferred tax assets and liabilities is reviewed at the date of the consolidated financial statements. It is reduced in the event that it is expected that it will not be possible to benefit from those tax assets or to pay or the need for the deferred tax liabilities will disappear, partially or completely.

### **The Cost of Issuing or Purchasing the Bank's Shares**

Any expenses resulting from issuing or purchasing the Bank's shares shall be added to retained earnings (at net after the tax effect of these costs, if any). If the issuing or purchasing operation was not completed then these costs were added as expenses to the consolidated income statement.

### **Managed Accounts for the Benefit of Clients**

The accounts managed by the Bank represent clients' interests, and are not considered among the Bank's assets. Fees and commissions for managing these accounts are shown in the consolidated income statement. A provision is made for the decline in the value of capital-guaranteed portfolios managed on behalf of clients from their capital.

### **Offsetting**

Offsetting is carried out between financial assets and financial liabilities, and the net amount is shown in the consolidated financial statements only when binding legal rights are available, and also when they are settled on the basis of offsetting or when the assets are realized and the liabilities are settled simultaneously.

## Revenue verification and expense recognition

Interest income is recognized using the effective interest method, with the exception of interest and commissions on non-performing credit facilities, which are not recognized as revenue and are recorded in the interest and commissions in suspense account.

Expenses are recognized on an accrual basis.

Commissions are recorded as revenues when related services are provided, and corporate shares profits are recognized when realized (approved by the General Assembly of Shareholders).

## Recognizing the interest revenues

Effective interest rate method in accordance with IFRS 9, interest income is recognized using the effective interest method for all financial instruments at amortized cost and for financial instruments at fair value through income statement or through other comprehensive income. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of a financial instrument, or, for a shorter period, to the net carrying amount of the financial asset.

The effective interest rate (and therefore the amortized cost of the asset) is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate. The Group recognizes interest income using a rate of return that is the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognizes the impact of potentially different interest rates being charged at different stages, and other characteristics of the product life cycle (including prepayments, penalty interest and fees).

If the projections of cash flows on the financial asset have been modified for reasons other than credit risk. The adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the consolidated statement of financial position with an increase or decrease in interest income. The adjustment is subsequently amortized through interest and similar income in the income statement.

## Interest, similar income and expenses

For all financial instruments measured at amortized cost, financial instruments classified in fair value through the other comprehensive income (FVTOCI) and fair value in profit and loss (FVTPL), along with the interest income or expense using the effective interest rate. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options). It includes any fees or additional costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses.

When the carrying amount of a financial asset or a group of similar financial assets has been reduced by an impairment loss, interest income continues to be recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

The Bank also holds investments in assets of countries with negative interest rates. The Bank discloses the interest paid on these assets as interest expense.

## **Income from fees and commissions**

Fee income can be divided into the following two categories:

- A- Income from the fees earned from services that are provided over a certain period of time
- B- Fees earned for the provision of services over a period of time are accrued during that period. These fees include commission income, private wealth, asset management fees, custody and other management fees.
- C- Fee income forms an integral part of the corresponding financial instrument
- D- Fees that the Bank considers to be an integral part of the corresponding financial instruments include: loan origination fees, loan commitment fees for loans that are likely to be drawn down and other credit- related fees.

## **Date of recognition of financial assets**

Purchase and sale of financial assets are recognized on the trading date (the date of the Bank's commitment to buy or sell financial assets).

## **Financial derivatives and hedge accounting**

### **Hedging financial derivatives:**

For the purposes of hedge accounting, financial derivatives are shown at fair value.

### **Fair value hedge**

It is a hedge for the risk of change in the fair value of the Bank's assets and liabilities.

If the conditions of an effective fair value hedge are met, the gains and losses resulting from evaluating the hedging instrument at fair value and from the change in the fair value of the hedged assets or liabilities are recorded in the consolidated statement of income.

In the event that the conditions of effective portfolio hedge apply, any profits or losses resulting from the re-evaluation of the hedging instrument at fair value, as well as the change in the fair value of the portfolio of assets or liabilities, are recorded in the consolidated statement of income in the same year.

### **Cash flow hedge**

It is a hedge for the risks of changes in cash flows of the Bank's current and expected assets and liabilities.

If the conditions for an effective cash flow hedge are met, the gain or loss of the hedging instrument is recorded in the statement of comprehensive income and equity and transferred to the income statement in the period in which the hedge procedure affects the income statement.

For hedges that do not meet the conditions of an effective hedge, the gains or losses resulting from the change in the fair value of the hedging instrument are recorded in the income statement in the same year.



### **Financial derivatives for trading**

The fair value of financial instruments derivatives held for trading purposes (such as forward foreign currency contracts, future interest contracts, swap contracts, foreign exchange rate options rights) is recorded in the statement of financial position. The value is determined according to the prevailing market prices. If market prices are not available, the evaluation method is mentioned, and the changes in the fair value are recorded in the consolidated income statement.

### **Assets whose ownership has devolved to the Bank in settlement of outstanding debts**

Assets whose ownership has been transferred to the Bank appear in the consolidated statement of financial position under the item "other assets" at the value at which they were transferred to the Bank or the fair value, whichever is lower, and they are re-evaluated on the date of the consolidated financial statements at fair value individually, and any impairment in their value is recorded as a loss in the statement of financial position. Consolidated income and the increase is not recorded as income. The subsequent increase is taken to the consolidated statement of income to the extent that it does not exceed the previously recorded impairment.

### **Repurchase and Resale Agreements**

Assets sold with a simultaneous commitment to repurchase at a specified future date (repos) will continue to be recognized in the Bank's consolidated financial statements. This is due to the Bank's continuing control of these assets and the fact that exposure to the risks and rewards of these assets remains with the Bank. These assets continue to be evaluated in accordance with the applied accounting policies (where the buyer has the right to use these assets (sell or re-lien), they are reclassified as lined financial assets). The proceeds of the sale are recorded within the liabilities 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 (reverse repos) 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 the purchase and resale price is recognized as interest income over the agreement term using the effective interest rate method.

### **Foreign Currencies**

Transactions in foreign currencies during the year are recorded at the exchange rates prevailing at the date of the transactions. Balances of financial assets and financial liabilities are translated into the average foreign currency rates prevailing on the date of the consolidated financial statements announced by the Central Bank of Jordan.

Non-financial assets and non-financial liabilities denominated in foreign currencies that are stated at fair value are translated on the date the fair value is determined.

Profits and losses resulting from foreign currency translation are recorded in the consolidated statement of income.

Transformation differences on non-monetary items of assets and liabilities denominated in foreign currencies (such as equities) are recorded as part of the change in fair value.

When consolidating the consolidated financial statements, the assets and liabilities of the branches and subsidiaries abroad are translated from the main (base) currency into the reporting currency according

to the average rates of currencies on the date of the consolidated financial statements announced by the Central Bank of Jordan. As for items of revenue and expenses, they are translated on the basis of the average price during the year. The resulting currency differences appear in a separate item in the consolidated statement of other comprehensive income, and in the event that one of these companies or branches is sold, the amount of foreign currency translation differences related to it is recorded within the revenues/expenses in the consolidated income statement.

Profits and losses resulting from foreign currency exchange differences for debt instruments (interest-bearing) are recorded within financial assets at fair value through the statement of comprehensive income in the consolidated income statement. Whereas, foreign currency exchange differences for equity instruments are recorded in the financial assets evaluation reserve item with shareholders in equity in the statement of financial position.

### **Cash and Cash Equivalents**

Cash and cash balances that mature within a period of three months, including cash and balances with Central Bank of Jordan and balances at banks and financial institutions, less banks and financial institutions deposits that mature within three months and restricted balances.

## **(3) Changes in the accounting policies**

The accounting policies used in preparing the consolidated financial statements are consistent with those used in preparing the consolidated financial statements for the year ending on December 31, 2022, except that the Bank applied the following amendments as of January 1, 2023:

### **IFRS 17 - Insurance Contracts**

In May 2017, the International Accounting Standards Board issued International Financial Reporting Standard 17 Insurance Contracts, a comprehensive model for the recognition, measurement, presentation and explanations related to insurance contracts. Once effective, IFRS 17 replaces IFRS 4 Insurance Contracts issued in 2005. IFRS 17 applies to all types of insurance contracts (such as life contracts and other direct insurance contracts and reinsurance contracts) without regard to the entity issuing the insurance contract. It also applies to some guarantees and financial instruments that have a participation feature. Limited exceptions apply to the scope of application. The general framework of IFRS 17 provides an accounting model for insurance contracts that is more useful and consistent for insurance companies. In contrast to the requirements in IFRS 4, which are largely based on previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- Specific application for contracts with direct participation features (variable fee approach),
- Simplified approach (premium allocation approach) mainly for short-term contracts.

This standard was applied retrospectively as of January 1, 2023, with early application permitted, provided that the entity applied IFRS 9 and IFRS 10 before or with the application of IFRS 17.

This standard does not apply to the Bank.

### **Definition of Accounting Estimates - Amendments to International Accounting Standard 8**

In February 2021, the International Accounting Standards Board issued amendments to IAS 8, providing a definition of “accounting estimates.” The amendments clarify the difference between changes in accounting estimates, changes in accounting policies, and correction of errors. It also explains how entities

use measurement techniques and inputs to develop accounting estimates.

These amendments were implemented as of January 1, 2023. It applies to changes in accounting policies and changes in accounting estimates that occur at or after the beginning of that period. Early application is permitted as long as this is disclosed.

These amendments did not have a material impact on the Bank's consolidated financial statements.

### **Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2**

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 making materiality judgments. It provides guidance and examples to help entities apply materiality judgments to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures, which are more beneficial by replacing the requirements for entities to disclose their "significant" accounting policies with requirements to disclose their "material" accounting policies, and adding guidance on how entities can apply the concept of materiality in making decisions about disclosure of accounting policy.

These amendments were effective from January 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur at or after the beginning of that period. Early application is permitted as long as this is disclosed.

These amendments did not have a material impact on the Bank's consolidated financial statements.

### **Deferred tax relating to assets and liabilities arising from a single transaction - amendments to IAS 12**

During May 2021, the IASB issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that result in equal temporary differences subject to tax and deduction.

Adjustments should be applied to transactions occurring at or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparison period presented, a deferred tax asset must also be recognized (provided there is sufficient taxable profit), a deferred tax liability for all deductible and taxable temporary differences associated with leases and cancellation liabilities.

These amendments were implemented as of January 1, 2023. It applies to changes in accounting policies and changes in accounting estimates that occur at or after the beginning of that period. Early application is permitted as long as this is disclosed.

These amendments did not have a material impact on the Bank's consolidated financial statements.

### **International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12**

Amendments have been made to IAS 12 in response to the rules of the second pillar of the Organization for Economic Co-operation and Development (OECD) - Base Erosion and Profit Shifting (BEPS), which include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the application of the Pillar Two Model Rules; and
- Affected entities must disclose the income tax resulting from the application of the Pillar Two Model Rules in order to help users of the financial statements understand the entity's exposure to income taxes resulting from the application of the Pillar Two Model Rules, before the effective date of the amendments.

This mandatory temporary exception must be disclosed and implemented immediately. As for the remaining disclosure requirements, they apply to annual reporting periods beginning on or after January 1, 2023 and not to any interim periods ending on or before December 31, 2023.

These amendments did not have a material impact on the Bank's financial statements, as the Bank is not within the scope of applying the rules of the second pillar model, as the Bank's annual revenues are less than 750 million Euros.

## **(4) Most Significant Assumptions and Estimations Used**

### **Accounting estimations**

The preparation of the financial statements and the application of accounting policies requires the Bank's management to make estimates and assumptions that affect the amounts of financial assets and liabilities and the fair value reserve, as well as the disclosure of potential liabilities. Also, these estimates and assumptions affect revenues, expenses and provisions, as well as changes in the fair value that appear in the income statement, and in particular the Bank management is required to issue important assumptions to estimate the amounts and times of future cash flows. The aforementioned estimates are necessarily based on assumptions and multiple factors that have varying degrees of estimation and uncertainty, and that the actual results may differ from the estimates, as a result of the changes resulting from the conditions and situations of those estimates in the future. In the opinion of the management, the estimates used in the financial statements are reasonable.

Judgments, estimates and assumptions are reviewed periodically, and the effect of the change in estimates is recorded in the financial period in which this change occurred if the change affects this financial period only, and the effect of the change in estimates is recorded in the financial period in which this change occurred and in future financial periods. If the change affects the financial period and future financial periods, we believe, the estimates followed in the consolidated financial statements are reasonable and detailed as follows:

#### **A) Expected credit losses for financial instruments at amortized cost:**

Determining the provision for impairment of direct credit facilities requires the Bank's management to issue important judgments and assumptions to estimate the amounts and times of future cash flows, in addition to estimating any significant increase in the credit risks of financial assets after their initial recognition, in addition to taking into account future measurement information for expected credit losses. The most significant estimates and assumptions used are set out below:

#### **Defining the Bank's default application and default handling mechanism.**

##### **- Definition of default:**

The Bank has adopted the definition of default according to the instructions for implementing IFRS 9 No. 13/2018 in addition to the instructions of the Central Bank No. 47/2009, where any debt instrument is considered among the non-performing debts in the event that there is evidence/indication that it has become non-performing (irregularly). In the event that one or more of the qualitative indicators below are evidenced, it is considered evidence of default of the debt instrument:

- The debtor party is facing significant financial difficulties (extreme weakness in the financial statements).
- Non-compliance with contractual terms, such as the existence of dues equal to or more than (90) days.
- The Bank amortizing part of the debtor's obligations.
- The presence of clear external indicators indicating the imminent bankruptcy of the debtor.
- The absence of an active external market for a financial instrument due to financial difficulties faced by the debtor party (the source of credit exposure / debt instrument) and the expected inability to fulfill its obligations.
- The acquisition (purchase or creation) of a debt instrument at a high discount represents a credit loss.

## - Default handling mechanism

The Bank follows up the accounts before they reach the stage of default through specialized departments, and when classifying non-performing accounts, they are followed up through the credit adjustment department before starting legal procedures in the event that no settlements are reached with the customer. The Bank also builds provisions against these accounts according to the instructions of the Central Bank of Jordan and the host supervisory authorities.

### 1- The Bank's internal credit rating system and its mechanism of action:

#### - Corporate portfolio:

It is an internal rating system for evaluating and measuring the risks of each of the banks, financial institutions, sovereign investments, and clients of large and medium companies in a comprehensive manner.

The Bank uses the internal evaluation system (CreditLens) from Moody's Corporation to measure the degree of risk of corporate customers within (7) levels for operating accounts, while non-performing accounts are classified within (3) levels according to the instructions of the Central Bank of Jordan in this regard, and the probability of default increases (PD). With the increase in the degree of risk, three segments are adopted at each level of classification for performing debts - except for grade (1), where grade 1 is the best and grade 10 is the worst, where the degree of customer risk associated with the probability of default of the customer (PD) is extracted based on financial and objective data, and extracting the probability of default for the customer facilities through (Facility Rating).

#### - Individuals portfolio:

The portfolio of individuals is classified by adopting programs with common characteristics for the clients granted through each program according to the nature of the purpose of the product (personal, housing, cars, etc.), according to the work entity (such as public sector, private sector) and according to the nature of appointment, job and other different characteristics.

Program conditions are also determined based on the historical performance of each program in terms of grants, defaults and collections. These programs are reviewed periodically and their terms are updated based on their performance.

### 2- The Adopted Mechanism for Calculating Expected Credit Losses (ECL).

The Bank has adopted a system from Moody's Corporation to calculate the ECL, so that the calculation is within special systems for the corporate portfolio and the individual portfolio, after taking into account the degree of customer risks, the possibility of default, and the evaluation of guarantees, at the level of Jordan branches, foreign branches, and subsidiaries.

The calculation mechanism for each stage is divided as follows:

- Stage 1: The ECL are calculated within the next 12 months from the date of preparing the financial statements for debt instruments within this stage, which have not had a significant or effective increase in their credit risk since the initial recognition of the exposure / instrument, or that have low credit risk at the date of preparing the financial statements.
- Stage 2: The ECL are calculated for the entire life of the debt instrument during the remaining period of the life of the debt instrument for the debt instruments that fall within this stage and in which there has been a significant or effective increase in its credit risk since its initial recognition, but it did not reach the stage of default.

Several determinants have been adopted such as the credit risk increase indicator for the transition of the financial instrument from the first stage to the second stage, taking into account many indicators, including:

- The customer's rating has declined by specific degrees from their initial rating, or they have obtained a high-risk rating.
- The emergence of any negative indicators on the account (its presence on the black list of returned checks-Black List within the portfolio of individuals for Jordan branches, or its classification as 3 in the list of money laundering - Risk Level according to the classification of the Palestinian Monetary Authority for the portfolio of individuals in Al-Safa Bank and Palestine branches)
- The existence of a number of due days exceeding 30 days and less than 90 days.
- Classification of the client within the debt under control
  
- Stage 3: ECL are calculated for the entire life of the debt instrument for debt instruments that fall within this stage and for which there is evidence/evidence that they have become in default (irregularly) and according to what is mentioned in the definition of default item.

The following debt instruments were included in the calculation:

- Direct and indirect loans and credit facilities.
- Debt instruments recorded at amortized cost.
- The financial guarantees stipulated in accordance with the requirements of IFRS 9.
- Receivables related to lease contracts within the requirements of IFRS 16.
- Credit exposures to banks and financial institutions.
- Debt instruments through the statement of other comprehensive income.
- Islamic financing products that carry the status of debt.

### **3- Governance of applying the requirements of IFRS 9, including responsibilities of the Board of Directors and executive management to ensure compliance with the requirements of applying the standard.**

- Roles and responsibilities:
- Board of Directors:
- Adopting the ECL calculation policy according to IFRS 9.
- Providing an appropriate governance structure and procedures that ensure the proper application of the standard by defining the roles of committees, departments and work units in the Bank and ensuring work integration.
- Provide the appropriate infrastructure for the application.
- Ensuring that the Bank's control units, represented by Risk Management and Audit Department, carry out all the necessary work to verify the validity and safety of the Bank methodologies and systems used in implementing IFRS 9 and providing the necessary support for them.

#### **Risk Management Committee:**

- Reviewing the policies related to the application of IFRS 9
- View the results of calculating ECL in the financial statements.

#### **Facilities Committee:**

- Reviewing and approving the recommendations for making any exceptions to the calculation results submitted by the Steering Committee for the Implementation of IFRS 9.

## Audit Committee

- Checking the adequacy of the ECL allocated by the Bank and ensuring their adequacy on each financial statement.

## Steering Committee for Implementing IFRS 9:

The committee consists of the head of the Credit Services Group, the Executive Director of the Treasury and Investments Department, the Executive Director of the Financial Department and Shareholders' Affairs, the Executive Director of Risk Management, the Executive Director of Commercial Credit Services, the Executive Director of Personal Credit Services and the Director of the Credit Risk Department. Among its most important tasks:

- Coordinating and giving directions to application officials in external branches, subsidiaries and Bank departments.
- Coordinating with central banks and external and internal regulators.
- Making decisions regarding the application of the standard and giving directions for its implementation
- View the calculation results to evaluate the exposures within the various stages and ensure that they are in line with the customers risk and direct them to the concerned authorities.
- Recommending to the Facilities Committee emanating from the Board of Directors the exceptional amendments to the calculation results
- Submitting recommendations to the concerned authorities, where necessary, regarding amending policies or exceptions
- Supervising the periodic review of calculation methodologies.

## Risk Management:

- Preparing policies for applying IFRS 9
- Contribute to the process of calculating ECL within IFRS 9 at the level of Cairo Amman Bank Group in accordance with the requirements of IFRS 9 and the instructions of the Central Bank of Jordan and the supervisory authorities in the host countries.
- Review and update calculation methodologies periodically and where necessary.
- Coordinate with the executive management to take appropriate measures to verify the integrity of the methodologies and systems used in calculating ECL.
- Sending the calculation results to all concerned parties.

## Financial Management:

- Contribute to the calculation process with the relevant departments and review the calculation results.
- Making the necessary accounting adjustments and entries after approving the results and verifying that all financial assets have been subject to the calculation process.
- Calculation of provisions according to CBJ's Instructions No. 47/2009 and maximum provisions with provisions of IFRS 9.
- Preparing the necessary disclosures in cooperation with the concerned departments of the Bank and the Group in accordance with the requirements of the standard and the instructions of the CBJ.
- Preparing the required statements from the CBJ in cooperation with the relevant departments.
- Presenting the financial statements, including the results of calculating provisions, to the Audit Committee to ensure the adequacy of the ECL.



### **Credit management:**

- Classifying clients within the bank's internal classification system on a periodic basis to measure the extent of clients' risks based on the degree of classification.
- Updating facilities and guarantees data within the classification system.

### **Internal Audit Management**

- Verify the correctness and integrity of the methodologies and systems used in calculating expected credit losses.
- Ensure the existence of work procedures that include the distribution of roles and responsibilities at the general administration, external branches and subsidiaries.

## **4- Define Mechanism for Calculating and Monitoring the Probability of Default (PD), Credit Exposure at Default (EAD), and the Loss Given Default ratio (LGD)**

### **1- Probability of Default:**

#### **- Individual portfolio:**

The probability of default is calculated by referring to the Bank's historical default data for each of the personal loan portfolio, credit cards and housing loan portfolio. This percentage is calculated according to the independent variables that affect the PD (sector - age - type of loan - transaction date - grant value to loan balance - number of days due - Utilization ratio of the card ceiling - salary transfer or not - percentage of installments due to loan balance - existing or new customer).

#### **- Corporate portfolio:**

The Probability of Default (PD) data used by Moody's was adopted as input to the calculation system, and the expected credit losses calculation system converts the probability of default from (Through The Cycle Probability of Default - TTC PD) to (Point In Time Probability of Default - PIT PD) on the basis of each instrument and after taking into account the risks of the country and the economic sector of the client.

Customer classification is performed on the grant date, which is used as an indicator to classify the degree of client risk associated with the grant and pricing process. Clients are evaluated and credit rated every three months, and the client is reclassified if there are risk indicators on them.

### **2- Credit Exposure at Default (EAD):**

- One-time debt instruments (direct and indirect): The balance as of the date of preparation of the financial statements is adopted as a balance upon default, after deducting the suspended interest at the account level, and the actual maturity date of the debt instrument is adopted.
- Renewable debt instruments (direct and indirect): The balance is adopted as of the date of preparing the financial statements or the ceiling, whichever is higher, as a balance upon default, after deducting the suspended interest at the account level, and the weighted average is calculated for the life of the granted ceilings, for which a maturity date of 3 years is adopted from the date of preparing data for revolving credit ceilings as a minimum.
- Ijara contracts with Islamic banks: The accrued and unpaid installments are used in calculating the balance in the event of default.
- The balance is adopted, plus the value of the accrued unpaid interest from the installment.



### 3- Loss Given Default (LGD).

#### - Individual portfolio:

The value of the loss upon default was calculated by referring to the historical data of the Bank for each of the personal loan portfolio, the housing loan portfolio, credit cards and overdraft demand. These percentages were adopted at the level of each account of the individual portfolio.

The actual historical collections of defaulted accounts were taken into account, in addition to the accounts that are scheduled and structured within these collections, as they fall within the performing loans after the customer's commitment to repay according to the instructions.

#### - Corporate portfolio:

The loss percentage is calculated assuming default at the account level and after taking into account several factors and data, the most important of which are (guarantees, the economic sector, the possibility of default). Deduction rates have been adopted on guarantees according to the percentages approved by the CBJ, in addition to adopting a minimum percentage that is not less than about 10%.

### 5- The Bank's policy in determining the common elements (specifications) on which credit risk and expected credit loss were measured on a collective basis.

Under the calculation model based on identifying the common elements of individuals' credit portfolios in a collective manner based on the evaluation and analysis of historical data for those portfolios, the credit risk of each account is measured individually.

### 6- The main economic indicators used by the Bank in calculating the Expected Credit Loss (ECL).

A number of economic indicators were studied, the most important of which are (gross domestic product, stock prices, interest rates, unemployment, and inflation). The following indicators were adopted, which showed a strong correlation coefficient between the value of the indicator and the default rate in each portfolio based on historical data, as follows:

#### - Corporate portfolio:

The Gross Domestic Product (GDP) and stock prices were adopted.

#### - Individual portfolio:

The real gross domestic product (Real GDP) and the unemployment rate were adopted for data of presence in Jordan, while for presence in Palestine, the interest rate on loans and the unemployment rate were adopted.

The weights for the following scenarios were adopted for the year 2022 in response to the effects resulting from the Corona pandemic (Covid-19) for each of the presences in Jordan, Bahrain and Palestine, as follows:

Moderate scenario	Low scenario	High scenario
30%	60%	10%

Weights were adopted for the following scenarios for the year 2023 for presence in Jordan and Bahrain:

Moderate scenario	Low scenario	High scenario
40%	30%	30%

The Bank manages its various banking risks through comprehensive risk management policies through which the roles of all concerned parties concerned with the implementation of these policies are defined, which are the Board of Directors and its committees such as the Risk Management Committee, the Compliance Committee, the Audit Committee, the Corporate Governance Committee, and the Information Technology Governance Committee, the Nominations and Remuneration Committee, the Strategies Committee and the Facilities Committee, In addition to the Executive Management and the committees emanating from it, such as the Assets and Liabilities Committee, the Procurement and Bidding Committee, the Internal Control and Oversight Systems Development Committee, the Strategy and Branching Committee, the Information Technology Steering Committee, and the Facilities Committees, in addition to other specialized departments such as Risk Management, Compliance Management, Internal Audit Department, and the Financial Crimes and Cyber-security Department.

All departments and branches of the Bank are responsible for identifying the risks related to banking operations, adhering to the appropriate regulatory controls, and monitoring the continuity of their effectiveness in accordance with the internal control system.

The Bank's risk management process includes the activities of identifying, measuring, evaluating and managing risks, whether they are financial or non-financial risks that could negatively affect the Bank's performance and reputation or its objectives, in a way that ensures achieving the optimal return in exchange for acceptable risks.

The general framework of risk management at the Bank is proceeding according to a methodology and main foundations consistent with the size and concentration of its activities, the nature of its operations, and the instructions of the regulatory authorities, in addition to observing the best international practices in this regard. The set of principles is as follows:

#### **Board of Directors' responsibility:**

- Adopting policies, strategies and the general framework for risk management, including the limits of the degree of acceptable risk
- Ensure the existence of an effective framework for stress testing, in addition to adopting its hypotheses.
- Approving the Bank's policies.
- Adopting the internal assessment methodology for the Bank's capital adequacy, so that this methodology is comprehensive, effective, and capable of identifying all the risks that the Bank may face, and takes into account the Bank's strategic plan and capital plan, reviewing this methodology periodically, verifying its application, and ensuring that the Bank retains capital that is adequate to meet all the risks it faces.

#### **Responsibility of the Risk Management Committee emanating from the Board of Directors:**

- Periodic review of the Bank's risk management policies, strategies and procedures, including acceptable risk limits.
- Keeping abreast of developments affecting the Bank's risk management.
- Developing the internal capital adequacy assessment process and analyzing current and future capital requirements in line with the Bank's risk structure and strategic objectives, and taking relevant measures.
- Ensure the existence of good systems for evaluating the types of risks faced by the Bank and developing systems to link these risks to the level of capital required to cover them.
- Reviewing stress testing policies and recommending them to the Board of Directors for approval, including:
  - Hypotheses and scenarios used for stress tests.
  - Actions to be taken based on these results.
  - View the reports and results issued by the Central Bank of Jordan.
  - Ensure that stress tests are prepared periodically and review and evaluate the results.

### **Risk Management Responsibility:**

- Submitting reports and the risk system to the Risk Management Committee.
- Monitoring the commitment of the various departments of the Bank to the limits of acceptable risks to ensure that these risks are within the acceptable limits, Risk Appetite, Risk Tolerance.
- Analyzing all types of risks in addition to developing measurement and control methodologies for each type of these risks.
- Applying systems related to evaluating the types of risks that the Bank faces and developing related work procedures.
- Managing and applying the Bank's internal capital adequacy assessment process (ICAAP) methodology in an adequate and comprehensive manner commensurate with the risk structure faced by the Bank.
- Implementation of stress tests within the policies and methodologies approved by the Board of Directors.
- Participating in the calculation of expected credit losses within IFRS 9, using specialized systems by an international company.
- Coordinating with the concerned authorities to implement business continuity plans checks and update them periodically.
- Directing, training and advising the Bank's employees regarding the culture of risk management in the Bank.
- Implementation of the instructions of the Central Bank of Jordan related to risk management.
- Preparing, implementing and reviewing the recovery plan.

### **Acceptable Risk Limits**

The Bank manages its risks by setting acceptable risk limits according to quantitative measurement methods and defining them in a separate document that includes the most important risk indicators that the Bank is exposed to, as they are monitored to ensure that the Bank's performance does not deviate from the acceptable limits, in order to ensure that the Bank continues to achieve its strategic objectives, contribute to the achievement of corporate governance based on the corporate governance instructions issued by the Central Bank of Jordan. The performance reports associated with these limits are a tool to verify that there is no discrepancy between the actual risk taken by the Bank and the level of acceptable risk approved by the Board.

### **Stress Testing**

Stress tests are an essential part of the Bank's risk management process at various levels and an important tool used to measure the Bank's ability to withstand shocks and the high risks that it may face, and to assess the Bank's financial position under severe but possible scenarios. The Bank adopts a methodology to calculate stress tests within an approved policy.

Scenarios and tests with a future dimension are assumed in evaluating various risks based on historical data, statistical relationships, and the size and nature of the risks to which the Bank is exposed. It is applied to the Bank's financial statements and its impact on the capital adequacy ratio, profits and losses and liquidity is reflected through a set of levels that fall within (moderate, medium and severe).

The stress tests constitute an essential part of the corporate governance system and the culture of risk management by assisting the Board of Directors and the senior executive management in understanding the conditions of the Bank in times of crisis and contributing to making administrative and strategic decisions and using the results of these tests in setting and determining the degree of risk tolerance of the Bank and in capital and liquidity planning process.

## **B) Income Tax**

Tax expense represents the amount of tax accrued and deferred tax.

Accrued tax expenses are calculated on the basis of taxable profits, and taxable profits differ from profits declared in the consolidated financial statements because declared profits include non-taxable revenues or expenses that are not deductible in the fiscal year but in subsequent years or taxable accumulated losses or items that are not subject to taxation or acceptable to be deducted for tax purposes.

Taxes are calculated according to the tax rates determined by the laws, regulations and instructions in the countries in which the Bank operates.

Deferred taxes are taxes that are expected to be paid or recovered as a result of temporary time differences between the value of assets or liabilities in the consolidated financial statements and the value on which the tax profit is calculated. Deferred taxes are calculated by using the budget commitment method, and deferred taxes are calculated according to the tax rates that are expected to be applied when settling the tax liability or realizing the deferred tax assets.

The balance of deferred tax assets and liabilities is reviewed on the date of the consolidated financial statements and is reduced in the event that it is expected that it will not be possible to benefit from these tax assets or to pay or eliminate the need for deferred tax liabilities partially or completely.

## **C) Fair Value**

The closing prices (purchase of assets / sale of liabilities) on the date of the financial statements in active markets represent the fair value of the financial instruments and derivatives that have market prices. In the event that announced prices are not available, there is no active trading in some financial instruments and derivatives, or there is no market activity, their fair value is estimated in several ways, including:

- Comparing it with the current market value of a financial instrument that is largely similar to it.
- Analyzing future cash flows and discounting the expected cash flows at a rate used in a similar financial instrument.
- Options pricing models.
- Long-term financial assets and liabilities that do not accrue interest are evaluated according to the discount of cash flows and according to the effective interest rate, and the discount / premium is amortized within the interest income received / paid in the consolidated income statement.

Valuation methods aim to obtain a fair value that reflects market expectations and takes into consideration market factors and any expected risks or benefits when estimating the value of financial instruments. In the event that there are financial instruments whose fair value cannot be measured reliably, they are stated at cost after deducting any impairment in their value.

## 5- Cash and balances at Central Banks-Net

	2023	2022
	Dinar	Dinar
Cash on hand	138,972,676	140,359,414
Balances at Central Banks:		
Current and demand accounts	19,178,540	10,750,494
Term and subject to notice deposits	43,135,000	40,735,000
Statutory cash reserve	135,979,726	128,869,443
<b>Total Balances at Central Bank</b>	<b><u>198,293,266</u></b>	<b><u>180,354,937</u></b>
	(8,397)	(15,535)
Statutory cash reserve	198,284,869	180,339,402
<b>Total</b>	<b><u>337,257,545</u></b>	<b><u>320,698,816</u></b>

- Restricted balances amounted to JD 10,635,000 as of December 31, 2023 (JD 10,635,000 as of December 31, 2022). In addition to the statutory cash reserve as stated above.
- There are no balances that mature in a period more than three months as of December 31, 2023 and 2022.
- All balances at the Central Bank of Jordan are classified within stage 1 in accordance with the requirements of IFRS 9, and there are no transfers between stages 1, 2, and 3 or any written off balances as of December 31, 2023 and 2022.

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

For the year ending December 31, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system				
From Ba1 to Caa3	198,293,266	-	-	198,293,266
<b>Total</b>	<b><u>198,293,266</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>198,293,266</u></b>

For the year ending December 31, 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Credit rating categories based on the bank's internal system				
From Ba1 to Caa3	180,354,937	-	-	180,354,937
<b>Total</b>	<b><u>180,354,937</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>180,354,937</u></b>

The movement on balances at central banks are as the following:

For the year ending December 31, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	180,354,937	-	-	180,354,937
New balances during the year	45,651,487	-	-	45,651,487
Settled balances	(27,713,158)	-	-	(27,713,158)
<b>Total Balance at the End of the Year</b>	<b><u>198,293,266</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>198,293,266</u></b>

For the year ending December 31, 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	248,072,560	-	-	248,072,560
New balances during the year	27,121,002	-	-	27,121,002
Settled balances	(94,838,625)	-	-	(94,838,625)
<b>Total Balance at the End of the Year</b>	<b><u>180,354,937</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>180,354,937</u></b>

Disclosure of Movement on Provision for Expected Credit Losses:

For the year ending December 31, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Total balance at the beginning of the year	15,535	-	-	15,535
New balances during the year	1,192	-	-	1,192
Settled balances	(8,330)	-	-	(8,330)
<b>Total Balance at the End of the Year</b>	<b><u>8,397</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>8,397</u></b>

For the year ending December 31, 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	14,307	-	-	14,307
New balances during the year	11,632	-	-	11,632
Settled balances	(10,404)	-	-	(10,404)
<b>Total Balance at the End of the Year</b>	<b><u>15,535</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>15,535</u></b>

## 6- Balances at banks and financial institutions- at net

Details of this item are as follows:

	31 December 2023	31 December 2022
	Dinar	Dinar
<b>Local Banks and Financial Institutions:</b>		
Current and demand accounts	2,464,219	1,201,739
Deposits maturing within 3 months or less	<u>42,397,879</u>	<u>39,561,570</u>
Local total	<u>44,862,098</u>	<u>40,763,309</u>
<b>Foreign Banks and Financial Institutions:</b>		
Current and demand accounts	20,284,900	48,766,712
Deposits maturing within 3 months or less	<u>55,133,030</u>	<u>34,410,996</u>
External total	<u>75,417,930</u>	<u>83,177,708</u>
<b>Total</b>	<b>120,280,028</b>	<b>123,941,017</b>
Less: provision for expected credit losses (balances at banks)	<u>(3,232)</u>	<u>(20,272)</u>
<b>Total</b>	<b><u>120,276,796</u></b>	<b><u>123,920,745</u></b>

\* Non-interest bearing balances at banks and financial institutions amounted to JD 43,686,987 as of December 31, 2023 (JD 38,666,236 as of December 31, 2022).

\* There are no restricted balances as of December 31, 2023 and 2022.

**Disclosure of the allocation of total balances at banks and financial institutions according to the Bank's internal rating categories:**

As on December 31, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:				
From Aaa to Baa3	103,450,336	-	-	103,450,336
From Ba1 to Caa3	15,979,942	-	-	15,979,942
From 1 to 6	<u>849,750</u>	<u>-</u>	<u>-</u>	<u>849,750</u>
<b>Total</b>	<b><u>120,280,028</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>120,280,028</u></b>

As on December 31, 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:				
From Aaa to Baa3	95,292,433	-	-	95,292,433
From Ba1 to Caa3	27,645,614	-	-	27,645,614
From 1 to 6	<u>1,002,970</u>	<u>-</u>	<u>-</u>	<u>1,002,970</u>
<b>Total</b>	<b><u>123,941,017</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>123,941,017</u></b>

**The movement on balances at banks and financial institutions is as follows:**

As on December 31, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	123,941,017	-	-	123,941,017
New balances during the year	20,066,323	-	-	20,066,323
Accrued balances	<u>(23,727,312)</u>	<u>-</u>	<u>-</u>	<u>(23,727,312)</u>
Total Balance at the End of the Year	<u>120,280,028</u>	<u>-</u>	<u>-</u>	<u>120,280,028</u>

As on December 31, 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	121,574,475	-	-	121,574,475
New balances during the year	14,971,566	-	-	14,971,566
Accrued balances	<u>(12,605,024)</u>	<u>-</u>	<u>-</u>	<u>(12,605,024)</u>
Total Balance at the End of the Year	<u>123,941,017</u>	<u>-</u>	<u>-</u>	<u>123,941,017</u>



**Disclosure of the movement on the provision for expected credit losses:**

As on December 31, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	20,272	-	-	20,272
Impairment loss on new balances and deposits during the year	1,517	-	-	1,517
Refund of impairment loss on repaid balances	<u>(18,557)</u>	<u>-</u>	<u>-</u>	<u>(18,557)</u>
Balance at the End of the Year	<u>3,232</u>	<u>-</u>	<u>-</u>	<u>3,232</u>

As on December 31, 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	46,231	-	-	46,231
Impairment loss on new balances and deposits during the year	18,797	-	-	18,797
Refund of impairment loss on repaid balances	<u>(44,756)</u>	<u>-</u>	<u>-</u>	<u>(44,756)</u>
Balance at the End of the Year	<u>20,272</u>	<u>-</u>	<u>-</u>	<u>20,272</u>

**7- Deposits at banks and financial institutions-at net**

Details of this item are as follows:

	31 December 2023	31 December 2022
	Dinar	Dinar
Deposit maturing within:		
More than 3 to 6 months	31,000,000	56,000,000
More than 6 to 9 months	1,266,127	17,151,451
More than 9 to 12 months	<u>2,514,331</u>	<u>-</u>
More than 12 months	<u>32,545,000</u>	<u>-</u>
<b>Total</b>	<b><u>67,325,458</u></b>	<b><u>73,151,451</u></b>
Less: provision for expected credit losses	<u>(66,383)</u>	<u>(68,183)</u>
<b>Total</b>	<b><u>67,259,075</u></b>	<b><u>73,083,268</u></b>

- There are no restricted deposits as of December 31, 2022 and 2021.

**Disclosure of the allocation of total deposits at banks and financial institutions according to the Bank's internal policy:**

As on December 31, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:				
From Aaa to Baa3	14,462,753	-	-	14,462,753
From Ba1 to Caa3	<u>52,862,705</u>	<u>-</u>	<u>-</u>	<u>52,862,705</u>
<b>Total</b>	<b><u>67,325,458</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>67,325,458</u></b>

As on December 31, 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:				
From Aaa to Baa3	63,151,451	-	-	63,151,451
From Ba1 to Caa3	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>
<b>Total</b>	<b><u>73,151,451</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>73,151,451</u></b>

**The movement on deposits at banks and financial institutions is as follows:**

For the year ending December 31, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	73,151,451	-	-	73,151,451
New deposits during the year	30,325,458	-	-	30,325,458
Matured deposits	<u>(36,151,451)</u>	<u>-</u>	<u>-</u>	<u>(36,151,451)</u>
Gross Balance at the End of the Year	<b><u>67,325,458</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>67,325,458</u></b>

For the year ending December 31, 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	101,270,755	-	-	101,270,755
New deposits during the year	1,151,451	-	-	1,151,451
Matured deposits	<u>(29,270,755)</u>	<u>-</u>	<u>-</u>	<u>(29,270,755)</u>
Gross Balance at the End of the Year	<b><u>73,151,451</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>73,151,451</u></b>

**Disclosure of movement on the provision for expected credit losses:**

As on December 31, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	68,183	-	-	68,183
loss on new balances and deposits during the year	51,580	-	-	51,580
Refund of loss of decline on deposits repaid	(55,138)	-	-	(55,138)
Changes resulting from amendments	<u>1,758</u>	<u>-</u>	<u>-</u>	<u>1,758</u>
Total Balance at the End of the Year	<u>66,383</u>	<u>-</u>	<u>-</u>	<u>66,383</u>
As on December 31, 2022				
Balance at the beginning of the year	216,035	-	-	216,035
loss on new balances and deposits during the year	1,034	-	-	1,034
Refund of loss of decline on deposits repaid	(14,745)	-	-	(14,745)
Changes resulting from amendments	<u>(134,141)</u>	<u>-</u>	<u>-</u>	<u>(134,141)</u>
Total Balance at the End of the Year	<u>68,183</u>	<u>-</u>	<u>-</u>	<u>68,183</u>

**8- Financial Assets at Fair Value through Income Statement**

Details of this item are as follows:

	2023	2022
	Dinar	Dinar
Corporate shares with market prices	9,120,040	9,980,141
Government treasury bonds	<u>4,254,638</u>	<u>-</u>
<b>Total</b>	<b><u>13,374,678</u></b>	<b><u>9,980,141</u></b>

**9- Financial Assets at Fair Value through Other Comprehensive Income - at net**

Details of this item are as follows:

	2023	2022
	Dinar	Dinar
Stocks with market prices available	84,879,129	63,640,617
Shares not available with market prices	10,976,155	8,062,416
Bonds that have market prices are available	<u>168,592</u>	<u>180,769</u>
	96,023,876	71,883,802
Less: Provision for expected credit losses (Bonds)	<u>(4,041)</u>	<u>(4,430)</u>
<b>Total</b>	<b><u>96,019,835</u></b>	<b><u>71,879,372</u></b>

\* Fair value calculation for unquoted investments are based on the most recent financial data available for the investee company

\* Cash dividends on investments amounted to JD 2,570,481 for the year ended December 31, 2023 (JD 2,351,321 for the year ended December 31, 2022).

**(10/A)- Financial Assets at Amortized Cost - at net**

Details of this item are as follows

	2023	2022
	Dinar	Dinar
Financial assets with market prices:		
Foreign government treasury bonds	42,372,382	42,283,648
Bonds and corporate loan bonds	<u>21,772,555</u>	<u>21,930,422</u>
<b>Total of Financial assets with market prices</b>	<b><u>64,144,937</u></b>	<b><u>64,214,070</u></b>
<b>Unquoted financial assets</b>		
Governmental treasury bills	13,856,523	41,017,822
Governmental treasury bonds	670,848,973	575,429,627
Bonds and corporate loan securitization	<u>54,000,000</u>	<u>61,000,000</u>
<b>Total unquoted financial assets</b>	<b><u>738,705,496</u></b>	<b><u>677,447,449</u></b>
Total	802,850,433	741,661,519
Less: Provision for expected credit losses	<u>(761,756)</u>	<u>(834,379)</u>
	<u>802,088,677</u>	<u>740,827,140</u>
<b>Analysis of bonds:</b>		
Fixed yield	<u>802,850,433</u>	<u>741,661,519</u>
<b>Total</b>	<b><u>802,850,433</u></b>	<b><u>741,661,519</u></b>

**(10/B)- Financial assets at amortized cost pledged as collaterals**

Details of this item are as follows:

	2023		2022	
	Encumbered financial assets	Related financial liabilities	Encumbered financial assets	Related financial liabilities
	Dinar	Dinar	Dinar	Dinar
Governmental treasury bonds	<u>-</u>	<u>-</u>	<u>54.538.000</u>	<u>54.910.714</u>
Financial assets at amortized cost	<u>-</u>	<u>-</u>	<u>54.538.000</u>	<u>54.910.714</u>

The bonds are pledged as collateral against borrowed funds from the Central Bank of Jordan relating to repurchase agreements with the Central Bank of Jordan.

**Disclosure of allocation of total financial assets at amortized cost according to the Bank's internal rating categories:**

As on 31 December 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:				
From (Aaa) to (Baa3)	714,724,200	-	-	714,724,200
From (Ba1) to (Caa3)	12,709,233	-	-	12,709,233
From (1) to (6)	<u>75,417,000</u>	<u>-</u>	<u>-</u>	<u>75,417,000</u>
<b>Total</b>	<b><u>802,850,433</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>802,850,433</u></b>

As on 31 December 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:				
From (Aaa) to (Baa3)	700,655,532	-	-	700,655,532
From (Ba1) to (Caa3)	13,186,187	-	-	13,186,187
From (1) to (6)	<u>82,357,800</u>	<u>-</u>	<u>-</u>	<u>82,357,800</u>
<b>Total</b>	<b><u>796,199,519</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>796,199,519</u></b>

**Movement on financial assets at amortized cost is as follows:**

As on 31 December 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	796,199,519	-	-	796,199,519
New investments during the year	198,178,413	-	-	198,178,413
Accrued investments	<u>(191,527,499)</u>	<u>-</u>	<u>-</u>	<u>(191,527,499)</u>
<b>Total balance at the end of the year</b>	<b><u>802,850,433</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>802,850,433</u></b>

As on 31 December 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	807,546,857	-	-	807,546,857
New investments during the year	212,485,390	-	-	212,485,390
Accrued investments	<u>(223,832,728)</u>	<u>-</u>	<u>-</u>	<u>(223,832,728)</u>
<b>Total balance at the end of the year</b>	<b><u>796,199,519</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>796,199,519</u></b>

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

As on December 31, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
	JD	JD	JD	JD
Balance at the beginning of the year	834,379	-	-	834,379
Credit losses on new investments during the year	285,681	-	-	285,681
Reversed from credit loss on Accrued Investment	(340,525)	-	-	(340,525)
Changes resulting from adjustments	(17,779)	-	-	(17,779)
Balance at the End of the Year	<u>761,756</u>	<u>-</u>	<u>-</u>	<u>761,756</u>
As on December 31, 2022				
Balance at the beginning of the year	939,058	-	-	939,058
Credit losses on new investments during the year	381,028	-	-	381,028
Reversed from credit loss on Accrued Investment	(270,482)	-	-	(270,482)
Changes resulting from adjustments	(215,225)	-	-	(215,225)
Balance at the End of the Year	<u>834,379</u>	<u>-</u>	<u>-</u>	<u>834,379</u>

**11- Direct Credit Facilities – at net**

Details of this item are as follows:

	31 December 2023	31 December 2022
	Dinar	Dinar
<b>Individuals (Retail)</b>		
Debit current accounts	6,614,425	10,328,134
Loans and promissory notes *	819,460,797	782,319,683
Credit cards	16,709,817	15,852,286
Others	6,582,555	7,390,467
<b>Real-estate mortgages</b>	349,021,919	316,905,071
<b>Corporates</b>		
Debit current accounts	124,225,843	76,648,337
loans and promissory notes *	623,364,730	549,654,447
<b>Small and medium enterprises “SMEs”</b>		
Debit current accounts	20,973,913	20,514,825
Loans and promissory notes *	229,018,913	220,781,322
<b>Government and public sector</b>	242,962,246	243,828,742
<b>Total</b>	<b><u>2,438,935,158</u></b>	<b><u>2,244,223,314</u></b>
Less: Suspended interest and returns	(13,310,310)	(11,382,722)
Less: Provision for expected credit losses	(131,389,710)	(105,646,527)
<b>Net- Direct Credit Facilities</b>	<b><u>2,294,235,138</u></b>	<b><u>2,127,194,065</u></b>

\* Net of interest and commissions received in advance amounting to JD 2,024,011 as of December 31, 2023 (JD 2,792,878 as of December 31, 2022).

- Non-performing credit facilities amounted to JD 140,231,367, i.e. 5.75% of the total direct credit facilities as of December 31, 2023 ( JD 117.433.661, i.e. 5.23% of the total direct credit facilities as of December 31, 2022)
- Non-performing credit facilities, net of suspended interest, amounted to JD 127,031,987, representing 5.24% of the direct credit facilities’ balance after excluding the suspended interest, as of December 31, 2023 (JD 106.136.981, representing 4.75% as of December 31, 2022).

- Credit facilities granted to the Government of Jordan amounted to JD 7,306,191 representing 0.30% of gross direct credit facilities granted as of December 31, 2023 (JD 16,386,805 representing 0.73% as of December 31, 2022).
- Credit facilities granted to the public sector in Palestine amounted to JD 89,882,782 representing 3.69% of gross direct credit facilities granted as of December 31, 2023 (JD 71,169,122 representing 3.17% as of December 31, 2022).

#### Disclosure on the movement of facilities at a collective level at the end of the year:

December 31, 2023	Stage 1		Stage 2			
	Individual	Collective	Individual	Collective	Individual	Collective
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	756,293,364	953,665,882	286,724,256	115,694,304	131,845,238	2,244,223,314
New facilities during the year	288,420,641	133,021,151	115,487,399	51,611,587	11,404,581	599,945,359
settled facilities	(198,588,939)	(103,805,433)	(68,472,346)	(13,634,798)	(16,069,467)	(400,570,983)
Transferred to stage 1	41,638,652	39,998,243	(40,830,530)	(30,633,525)	(10,172,840)	-
Transferred to stage 2	(115,806,601)	(85,034,549)	119,194,601	93,745,453	(12,098,904)	-
Transferred to stage 3	(5,682,834)	(30,497,500)	(8,331,523)	(19,158,889)	63,670,746	-
Written off facilities	-	-	-	-	(4,662,532)	(4,662,532)
<b>Balance at the End of the Year</b>	<b><u>766,274,553</u></b>	<b><u>907,347,794</u></b>	<b><u>403,771,857</u></b>	<b><u>197,634,132</u></b>	<b><u>163,916,822</u></b>	<b><u>2,438,935,158</u></b>

For the Year Ending on December 31, 2022	Stage 1		Stage 2			
	Individual	Collective	Individual	Collective	Individual	Collective
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	670,432,682	920,836,269	251,752,904	98,965,998	115,282,829	2,057,270,682
New facilities during the year	316,316,820	191,860,421	80,755,814	18,481,613	6,014,899	613,429,567
settled facilities	(179,633,399)	(129,290,609)	(84,997,592)	(11,349,640)	(17,422,383)	(422,693,623)
Transferred to stage 1	31,986,316	41,463,502	(31,128,917)	(33,615,397)	(8,705,504)	-
Transferred to stage 2	(76,774,089)	(51,279,486)	81,230,546	57,441,298	(10,618,269)	-
Transferred to stage 3	(6,034,696)	(19,924,215)	(10,888,499)	(14,229,568)	51,076,978	-
Written off facilities	-	-	-	-	(3,783,312)	(3,783,312)
<b>Balance at the End of the Year</b>	<b><u>756,293,634</u></b>	<b><u>953,665,882</u></b>	<b><u>286,724,256</u></b>	<b><u>115,694,304</u></b>	<b><u>131,845,238</u></b>	<b><u>2,244,223,314</u></b>

**Movement on the provision for expected credit losses (Direct credit facilities) is as follows:**

December 31, 2023	Individuals	Estate Loans	Corporates	SMEs	Government and Public Sector	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	51,451,216	10,525,858	25,435,190	15,514,527	2,719,736	105,646,527
Impairment loss on new facilities during the year	12,812,482	1,990,916	5,661,102	1,998,981	634,120	23,097,601
Refunded from impairment losses on settled facilities	(4,437,863)	(3,814,344)	(5,029,471)	(3,815,701)	(1,000,418)	(18,097,797)
Transferred to stage 1	3,821,699	385,691	985,694	571,577	565,360	6,330,021
Transferred to stage 2	2,562,933	337,748	(2,394,761)	766,605	(565,360)	707,165
Transferred to stage 3	(6,384,632)	(723,439)	1,409,067	(1,338,182)	-	(7,037,186)
Impact on provision at the end of the year - resulting from reclassification between the three stages during the year	15,034,719	3,186,116	1,398,649	2,462,228	(349,960)	21,731,752
Changes resulting from adjustments	5,500,225	(1,202,800)	(586,151)	(45,373)	-	3,665,901
Written off facilities	(4,483,108)	(71,355)	-	(7,385)	-	(4,561,848)
Valuation differences	(92,426)	-	-	-	-	(92,426)
<b>Balance at the End of the Year</b>	<b><u>75,785,245</u></b>	<b><u>10,614,391</u></b>	<b><u>26,879,319</u></b>	<b><u>16,107,277</u></b>	<b><u>2,003,478</u></b>	<b><u>131,389,710</u></b>
December 31, 2022						
Balance at the beginning of the year	47,268,915	10,999,407	22,404,725	12,299,861	2,575,788	95,548,696
Impairment loss on new facilities during the year	4,697,466	843,578	5,426,566	2,154,453	642,543	13,764,606
Refunded from impairment losses on settled facilities	(2,471,969)	(2,128,731)	(3,837,888)	(2,558,767)	(498,595)	(11,495,950)
Transferred to stage 1	3,509,451	1,285,368	(9,444)	507,362	-	5,292,737
Transferred to stage 2	1,528,665	(808,715)	2,431,196	(143,975)	-	3,007,171
Transferred to stage 3	(5,038,116)	(476,653)	(2,421,752)	(363,387)	-	(8,299,908)
Impact on provision at the end of the year - resulting from reclassification between the three stages during the year	4,665,272	718,408	3,666,809	4,910,558	-	13,961,047
Changes resulting from adjustments	1,000,147	306,701	(1,877,844)	(1,185,523)	-	(1,756,519)
Written off facilities	(3,253,321)	(124,963)	(276,656)	(7,534)	-	(3,662,474)
Valuation differences	(455,294)	(88,542)	(70,522)	(98,521)	-	(712,879)
<b>Balance at the End of the Year</b>	<b><u>51,451,216</u></b>	<b><u>10,525,858</u></b>	<b><u>25,435,190</u></b>	<b><u>15,514,527</u></b>	<b><u>2,719,736</u></b>	<b><u>105,646,527</u></b>

- The value of the provisions that were no longer needed as a result of settlements or debt settlement and transferred against other debts amounted to an amount 18,426,120 Dinar as on 31 December 2023 (19,336,085 Dinar as on 31 December 2022).



## Suspended Interest

Movement on suspended interests is as follows:

December 31, 2023	Consumer	Estate Loans	Corporates	SMEs	Government and Public Sector	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	2,595,086	1,207,271	5,278,638	2,301,727	-	11,382,722
Suspended interests on new exposures during the year	770,144	570,008	1,117,952	313,976	-	2,772,080
Suspended interests on settled exposures transferred to revenue during the year	(272,061)	(257,015)	(41,223)	(173,509)	-	(743,808)
Transferred to stage 1	71,621	33,983	-	45,371	-	150,975
Transferred to stage 2	73,862	22,141	242	13,856	-	110,101
Transferred to stage 3	(145,483)	(56,124)	(242)	(59,227)	-	(261,076)
Suspended interests on written off exposures	<u>(93,662)</u>	<u>(6,894)</u>	<u>-</u>	<u>(128)</u>	<u>-</u>	<u>(100,684)</u>
<b>Balance at the End of the Year</b>	<b><u>2,999,507</u></b>	<b><u>1,513,370</u></b>	<b><u>6,355,367</u></b>	<b><u>2,442,066</u></b>	<b><u>-</u></b>	<b><u>13,310,310</u></b>
December 31, 2022						
Balance at the beginning of the year	2,545,940	781,322	4,971,325	2,326,544	-	10,625,131
Suspended interest on new exposures during the year	410,900	546,943	811,819	227,333	-	1,996,995
Suspended interest on settled exposures transferred to revenue during the year	(297,982)	(107,753)	(461,974)	(250,857)	-	(1,118,566)
Transferred to stage 1	53,427	26,220	(2)	3,190	-	82,835
Transferred to stage 2	64,735	7,034	355,675	2,098	-	429,542
Transferred to stage 3	(118,162)	(33,254)	(355,673)	(5,288)	-	(512,377)
Suspended interest on written off exposures	<u>(63,772)</u>	<u>(13,241)</u>	<u>(42,532)</u>	<u>(1,293)</u>	<u>-</u>	<u>(120,838)</u>
<b>Balance at the End of the Year</b>	<b><u>2,595,086</u></b>	<b><u>1,207,271</u></b>	<b><u>5,278,638</u></b>	<b><u>2,301,727</u></b>	<b><u>-</u></b>	<b><u>11,382,722</u></b>

## Suspended Interests

Movement on suspended interest according to stage is as follows:

December 31, 2023	First stage	Second stage				
	Individual	Collective	Individual	Collective	Third stage	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	-	5,338	64	63	11,377,257	11,382,722
Suspended interest on new exposures during the year	162	999	4	2,653	2,768,262	2,772,080
Suspended interest on settled exposures transferred to revenue during the year	(44,319)	(106,631)	(11,670)	(96,706)	(484,482)	(743,808)
Transferred to stage 1	44,378	107,364	-	(28)	(151,714)	-
Transferred to stage 2	(59)	(692)	11,790	98,554	(109,593)	-
Transferred to stage 3	-	(17)	(124)	(91)	232	-
Effect on suspended revenue at the end of the year - resulting from the reclassification between the three stages during the year	44,319	106,655	11,666	98,435	(261,075)	-
Suspended interest on written off exposures	-	-	-	-	(100,684)	(100,684)
<b>Balance at the End of the Year</b>	<b><u>162</u></b>	<b><u>6,361</u></b>	<b><u>64</u></b>	<b><u>4,445</u></b>	<b><u>13,299,278</u></b>	<b><u>13,310,310</u></b>

December 31, 2022	First stage	Second stage				
	Individual	Collective	Individual	Collective	Third stage	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	-	16,244	-	24,910	10,583,977	10,625,131
Suspended interest on new exposures during the year	-	8,326	123	152	1,988,394	1,996,995
Suspended interest on settled exposures transferred to revenue during the year	(2,176)	(99,890)	(355,960)	(98,640)	(561,900)	(1,118,566)
Transferred to stage 1	2,197	81,033	-	(780)	(82,450)	-
Transferred to stage 2	(4)	(212)	355,901	75,047	(430,732)	-
Transferred to stage 3	(17)	(163)	-	(626)	806	-
Effect on suspended revenue at the end of the year - resulting from the reclassification between the three stages during the year	2,176	80,658	355,901	73,641	(512,376)	-
Suspended interest on written off exposures	-	-	-	-	(120,838)	(120,838)
<b>Balance at the End of the Year</b>	<b><u>-</u></b>	<b><u>5,338</u></b>	<b><u>64</u></b>	<b><u>63</u></b>	<b><u>11,377,257</u></b>	<b><u>11,382,722</u></b>

**Below is the distribution of facilities and their allocations:**

According to IFRS 9, as Approved by Central Bank of Jordan												
As on 31 December 2023	First stage			Second stage			Third stage			Total		
	Total	Expected credit losses	Suspended interests	Total	Expected credit losses	Suspended interests	Total	Expected credit losses	Suspended interests	Total	Expected credit losses	Suspended interests
	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar
For individuals	652,605,214	5,234,878	6,356	124,052,698	14,137,017	4,442	72,709,682	56,413,350	2,988,709	849,367,594	75,785,245	2,999,507
Mortgage Loans	249,687,795	442,205	5	72,526,914	2,436,028	3	26,807,210	7,736,158	1,513,362	349,021,919	10,614,391	1,513,370
Corporates	502,805,008	860,813	-	213,381,813	9,676,137	-	31,403,752	16,342,369	6,355,367	747,590,573	26,879,319	6,355,367
SMEs	144,148,244	244,360	162	72,848,404	1,413,307	64	32,996,178	14,449,610	2,441,840	249,992,826	16,107,277	2,442,066
For government and public sector	124,376,086	292,230	-	118,586,160	1,711,248	-	-	-	-	242,962,246	2,003,478	-
	1,673,622,347	7,074,486	6,523	601,395,989	29,373,737	4,509	163,916,822	94,941,487	13,299,278	2,438,935,158	131,389,710	13,310,310

According to IFRS 9, as Approved by Central Bank of Jordan												
As on 31 December 2022	First stage			Second stage			Third stage			Total		
	Total	Expected credit losses	Suspended interests	Total	Expected credit losses	Suspended interests	Total	Expected credit losses	Suspended interests	Total	Expected credit losses	Suspended interests
	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar
For individuals	697,133,236	7,310,513	5,338	65,844,323	2,131,744	127	52,913,011	42,008,959	2,589,621	815,890,570	51,451,216	2,595,086
Real estate loans	248,926,216	2,348,679	-	48,714,964	1,198,490	-	19,263,891	6,978,689	1,207,271	316,905,071	10,525,858	1,207,271
Large companies	436,596,204	893,541	-	160,870,352	8,458,959	-	28,836,228	16,082,690	5,278,638	626,302,784	25,435,190	5,278,638
SMEs	159,942,697	485,271	-	50,521,342	1,954,105	-	30,832,108	13,075,151	2,301,727	241,296,147	15,514,527	2,301,727
For government and public sector	167,361,163	271,081	-	76,467,579	2,448,655	-	-	-	-	243,828,742	2,719,736	-
	1,709,959,516	11,309,085	5,338	402,418,560	16,191,953	127	131,845,238	78,145,489	11,377,257	2,244,223,314	105,646,527	11,382,722

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

31 December 2023	First stage individual	Second stage individual	Third stage	Total
	Dinar	Dinar	Dinar	Dinar
Credit rating categories based on the bank's internal system				
From 1 to 6	502,805,008	159,752,144	2,815,710	665,372,862
7	-	53,629,669	463,214	54,092,883
From 8 to 10	-	-	28,124,828	28,124,828
<b>Total</b>	<b><u>502,805,008</u></b>	<b><u>213,381,813</u></b>	<b><u>31,403,752</u></b>	<b><u>747,590,573</u></b>

31 December 2022	First stage individual	Second stage individual	Third stage	Total
	Dinar	Dinar	Dinar	Dinar
Credit rating categories based on the bank's internal system				
From 1 to 6	436,596,204	150,749,741	1,363,990	588,709,935
7	-	10,120,611	-	10,120,611
From 8 to 10	-	-	27,472,238	27,472,238
<b>Total</b>	<b><u>436,596,204</u></b>	<b><u>160,870,352</u></b>	<b><u>28,836,228</u></b>	<b><u>626,302,784</u></b>

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

31 December 2023	First stage individual	Second stage individual	Third stage	Total
	Dinar	Dinar	Dinar	Dinar
Total balance at the beginning of the year	436,596,204	160,870,352	28,836,228	626,302,784
New facilities during the year	217,518,353	56,307,923	1,962,786	275,789,062
Settled facilities	(97,703,725)	(52,681,505)	(4,116,043)	(154,501,273)
Transferred to stage 1	24,979,811	(24,979,811)	-	-
Transferred to stage 2	(77,368,332)	78,414,323	(1,045,991)	-
Transferred to stage 3	(1,217,303)	(4,549,469)	5,766,772	-
Written off facilities	-	-	-	-
<b>Total balance at the end of the year</b>	<b><u>502,805,008</u></b>	<b><u>213,381,813</u></b>	<b><u>31,403,752</u></b>	<b><u>747,590,573</u></b>

31 December 2022	First stage individual	Second stage individual	Third stage	Total
	Dinar	Dinar	Dinar	Dinar
Total balance at the beginning of the year	436,855,572	128,898,145	30,588,668	596,342,385
New facilities during the year	157,324,055	51,993,816	1,402,424	210,720,295
Settled facilities	(119,430,382)	(55,121,217)	(5,889,109)	(180,440,708)
Transferred to stage 1	23,674,988	(23,674,988)	-	-
Transferred to stage 2	(59,811,034)	64,105,992	(4,294,958)	-
Transferred to stage 3	(2,016,995)	(5,331,396)	7,348,391	-
Written off facilities	-	-	(319,188)	(319,188)
<b>Total balance at the end of the year</b>	<b><u>436,596,204</u></b>	<b><u>160,870,352</u></b>	<b><u>28,836,228</u></b>	<b><u>626,302,784</u></b>

**Disclosure on movement of the provision for expected credit losses for facilities relating to corporates is as follows:**

As at 31 December 2023	First stage	Second stage	Third stage	Total
	individual	individual		
	Dinar	Dinar	Dinar	Dinar
Balance at the beginning of the year	893,541	8,458,959	16,082,690	25,435,190
Impairment loss in new facilities during the year	315,808	4,652,356	692,938	5,661,102
Recovered from impairment loss on accrued facilities	(341,903)	(1,293,261)	(3,394,307)	(5,029,471)
Transferred to stage 1	1,226,965	(1,226,965)	-	-
Transferred to stage 2	(181,830)	809,599	(627,769)	-
Transferred to stage 3	(59,441)	(1,977,395)	2,036,836	-
Impact on the provision - as at the end of the year - as a result of changing the classification between the three stages during the year	(992,327)	252,844	2,138,132	1,398,649
Changes resulting from amendments	-	-	(586,151)	(586,151)
<b>Total balance at the end of the year</b>	<b>860,813</b>	<b>9,676,137</b>	<b>16,342,369</b>	<b>26,879,319</b>

As at 31 December 2022	First stage	Second stage	Third stage	Total
	individual	individual		
	Dinar	Dinar	Dinar	Dinar
Balance at the beginning of the year	1,655,572	3,348,290	17,400,863	22,404,725
Impairment loss in new facilities during the year	446,792	4,488,901	490,873	5,426,566
Recovered from impairment loss on accrued facilities	(813,641)	(1,645,027)	(1,379,220)	(3,837,888)
Transferred to stage 1	457,579	(457,579)	-	-
Transferred to stage 2	(453,869)	3,074,717	(2,620,848)	-
Transferred to stage 3	(13,154)	(185,942)	199,096	-
Impact on the provision - as at the end of the year - as a result of changing the classification between the three stages during the year	(385,738)	(164,401)	4,216,948	3,666,809
Changes resulting from amendments	-	-	(1,877,844)	(1,877,844)
Subsidized credit facilities	-	-	(276,656)	(276,656)
Adjustments as a result of the changing exchange rate	-	-	(70,522)	(70,522)
<b>Total balance at the end of the year</b>	<b>893,541</b>	<b>8,458,959</b>	<b>16,082,690</b>	<b>25,435,190</b>

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

December 31, 2023	First stage		Second stage		Third stage	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b>Credit rating categories based on the bank's internal system:</b>						
From 1 to 6	139,093,459	-	62,338,071	-	36,005	201,467,535
7	-	-	9,465,813	-	429,978	9,895,791
From 8 to 10	-	-	-	-	28,896,075	28,896,075
Not classified	-	5,054,785	-	-	3,634,120	9,733,425
<b>Total</b>	<b>139,093,459</b>	<b>5,054,785</b>	<b>71,803,884</b>	<b>1,044,520</b>	<b>32,996,178</b>	<b>249,992,826</b>

December 31, 2022	First stage		Second stage		Third stage	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b>Credit rating categories based on the bank's internal system:</b>						
From 1 to 6	152,336,267	-	39,157,140	-	114,035	191,607,442
7	-	-	10,229,185	-	-	10,229,185
From 8 to 10	-	-	-	-	27,191,471	27,191,471
Not classified	-	7,606,430	-	1,135,017	3,526,602	12,268,049
<b>Total</b>	<b>152,336,267</b>	<b>7,606,430</b>	<b>49,386,325</b>	<b>1,135,017</b>	<b>30,832,108</b>	<b>241,296,147</b>

**Disclosure on movement of facilities for SMEs is as follows**

As on 31 December 2023	First stage		Second stage		Third stage	Total
	Individual	Collective	Individual	Collective		
	Dinar	Dinar	Dinar	Dinar		
Total balance at the beginning of the year	152,336,267	7,606,430	49,386,325	1,135,017	30,832,108	241,296,147
New facilities during the year	59,934,912	1,846,531	24,934,287	92,845	2,496,621	89,305,196
Settled facilities	(57,728,582)	(3,202,949)	(12,868,412)	(685,097)	(6,115,964)	(80,601,004)
Transferred to stage 1	10,168,391	318,116	(9,360,269)	(232,995)	(893,243)	-
Transferred to stage 2	(21,151,998)	(834,592)	23,494,007	1,179,896	(2,687,313)	-
Transferred to stage 3	(4,465,531)	(678,751)	(3,782,054)	(445,146)	9,371,482	-
Written off facilities	-	-	-	-	(7,513)	(7,513)
<b>Total</b>	<b>139,093,459</b>	<b>5,054,785</b>	<b>71,803,884</b>	<b>1,044,520</b>	<b>32,996,178</b>	<b>249,992,826</b>

As on 31 December 2022	First stage		Second stage		Third stage	Total
	Individual	Collective	Individual	Collective		
	Dinar	Dinar	Dinar	Dinar		
Total balance at the beginning of the year	130,895,504	11,246,042	45,909,709	610,963	23,220,782	211,883,000
New facilities during the year	74,366,446	1,717,544	22,824,678	111,059	1442,672	100,462,399
Settled facilities	(40,256,255)	(2,574,924)	(23,461,584)	(445,644)	(4,302,019)	(71,040,426)
Transferred to stage 1	8,311,328	165,641	(7,453,929)	(140,572)	(882,468)	-
Transferred to stage 2	(16,963,055)	(1,192,052)	17,124,554	1,254,431	(223,878)	-
Transferred to stage 3	(4,017,701)	(1,755,821)	(5,557,103)	(255,220)	11,585,845	-
Written off facilities	-	-	-	-	(8,826)	(8,826)
<b>Total</b>	<b>152,336,267</b>	<b>7,606,430</b>	<b>49,386,325</b>	<b>1,135,017</b>	<b>30,832,108</b>	<b>241,296,147</b>

The disclosure on the movement of the provision for expected credit losses for facilities relating to SMEs is as follows:

As on 31 December 2023	First stage		Second stage		Third stage	Total
	Individual	Collective	Individual	Collective		
	Dinar	Dinar	Dinar	Dinar		
Balance at the beginning of the year	476,773	8,498	1,886,250	67,855	13,075,151	15,514,527
Impairment loss in new facilities during the year	86,231	2,991	194,069	627	1,715,063	1,998,981
Recovered from the impairment loss on accrued facilities	(162,083)	(4,291)	(546,036)	(22,625)	(3,080,666)	(3,815,701)
Transferred to stage 1	732,316	45,100	(320,282)	(9,177)	(447,957)	-
Transferred to stage 2	(72,569)	(882)	1,098,521	191,503	(1,216,573)	-
Transferred to stage 3	(131,625)	(763)	(162,481)	(31,479)	326,348	-
Impact on the provision - as at the end of the year - as a result of changing the classification between the three stages during the year	(690,477)	(44,859)	(751,394)	(182,044)	4,131,002	2,462,228
Changes resulting from amendments	-	-	-	-	(45,373)	(45,373)
Written off facilities	-	-	-	-	(7,385)	(7,385)
<b>Total balance at end of the year</b>	<b><u>238,566</u></b>	<b><u>5,794</u></b>	<b><u>1,398,647</u></b>	<b><u>14,660</u></b>	<b><u>14,449,610</u></b>	<b><u>16,107,277</u></b>

As on 31 December 2022	First stage		Second stage		Third stage	Total
	Individual	Collective	Individual	Collective		
	Dinar	Dinar	Dinar	Dinar		
Balance at the beginning of the year	687,707	48,832	985,428	33,640	10,544,254	12,299,861
Impairment loss in new facilities during the year	244,422	1,704	892,779	11,896	1,003,652	2,154,453
Recovered from the impairment loss on accrued facilities	(364,861)	(29,385)	(85,006)	(2,605)	(2,076,910)	(2,558,767)
Transferred to stage 1	611,032	16,809	(90,270)	(4,109)	(533,462)	-
Transferred to stage 2	(79,530)	(5,176)	163,190	41,836	(120,320)	-
Transferred to stage 3	(28,142)	(7,631)	(238,402)	(16,220)	290,395	-
Impact on the provision - as at the end of the year - as a result of changing the classification between the three stages during the year	(593,855)	(16,655)	258,531	3,417	5,259,120	4,910,558
Changes resulting from amendments	-	-	-	-	(1,185,523)	(1,185,523)
Written off facilities	-	-	-	-	(7,534)	(7,534)
Amendments resulting from exchange rate change	-	-	-	-	(98,521)	(98,521)
<b>Total balance at the end of the year</b>	<b><u>476,773</u></b>	<b><u>8,498</u></b>	<b><u>1,886,250</u></b>	<b><u>67,855</u></b>	<b><u>13,075,151</u></b>	<b><u>15,514,527</u></b>

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

31 December 2023	First stage Collective	Second stage Collective	Third stage	Total
	Dinar	Dinar	Dinar	Dinar
<b>Credit rating categories based on the bank's internal system:</b>				
Not classified	652,605,214	124,052,698	72,709,682	849,367,594
<b>Total</b>	<b>652,605,214</b>	<b>124,052,698</b>	<b>72,709,682</b>	<b>849,367,594</b>

31 December 2022	First stage Collective	Second stage Collective	Third stage	Total
	Dinar	Dinar	Dinar	Dinar
<b>Credit rating categories based on the bank's internal system:</b>				
Not classified	697,133,236	65,844,323	52,913,011	815,890,570
<b>Total</b>	<b>697,133,236</b>	<b>65,844,323</b>	<b>52,913,011</b>	<b>815,890,570</b>

**Disclosure on movement of facilities for individuals is as follows:**

As at 31 December 2023	2023			
	First stage Collective	Second stage Collective	Third stage	Total
	Dinar	Dinar	Dinar	Dinar
Total balance at the beginning of the year	697,133,236	65,844,323	52,913,011	815,890,570
New facilities during the year	83,413,090	37,718,299	4,858,191	125,989,580
Settled facilities	(76,332,926)	(8,070,633)	(3,532,227)	(87,935,786)
Transferred to stage 1	28,629,398	(20,886,207)	(7,743,191)	-
Transferred to stage 2	(55,617,441)	61,782,918	(6,165,477)	-
Transferred to stage 3	(24,620,143)	(12,336,002)	36,956,145	-
Written off facilities	-	-	(4,576,770)	(4,576,770)
Total balance at the end of the year	652,605,214	124,052,698	72,709,682	849,367,594

As at 31 December 2022	2022			
	First stage Collective	Second stage Collective	Third stage	Total
	Dinar	Dinar	Dinar	Dinar
Total balance at the beginning of the year	677,656,398	54,041,125	45,683,998	777,381,521
New facilities during the year	138,814,528	9,804,195	2,030,753	150,649,476
Settled facilities	(96,670,413)	(7,765,108)	(4,387,811)	(108,823,332)
Transferred to stage 1	23,321,933	(17,136,040)	(6,185,893)	-
Transferred to stage 2	(30,533,457)	35,246,842	(4,713,385)	-
Transferred to stage 3	(15,455,753)	(8,346,691)	23,802,444	-
Written off facilities	-	-	(3,317,095)	(3,317,095)
Total balance at the end of the year	697,133,236	65,844,323	52,913,011	815,890,570



**Disclosure on movement of the provision for expected credit losses for facilities relating to individuals is as follows**

For the year ending on 31 December 2023	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	7,310,513	2,131,744	42,008,959	51,451,216
Impairment loss on new facilities during the year	2,794,157	5,673,653	4,344,672	12,812,482
Recovered from impairment loss on accrued facilities	(2,058,983)	(193,531)	(2,185,349)	(4,437,863)
Transferred to stage 1	5,022,442	(767,572)	(4,254,870)	-
Transferred to stage 2	(711,630)	3,949,087	(3,237,457)	-
Transferred to stage 3	(489,113)	(618,582)	1,107,695	-
Impact on provision at the end of the year - resulting from reclassification between the three stages during the year	(4,633,641)	3,959,249	15,709,111	15,034,719
Changes resulting from adjustments	(1,998,867)	2,969	7,496,123	5,500,225
Written off facilities	-	-	(4,483,108)	(4,483,108)
Amendments resulting from changes in exchange rates	-	-	(92,426)	(92,426)
Gross Balance at the End of the Year	<u>5,234,878</u>	<u>14,137,017</u>	<u>56,413,350</u>	<u>75,785,245</u>

For the year ending on 31 December 2022	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	5,762,898	2,290,321	39,215,696	47,268,915
Impairment loss on new facilities during the year	1,628,329	365,631	2,703,506	4,697,466
Recovered from impairment loss on accrued facilities	(1,736,938)	(502,758)	(232,273)	(2,471,969)
Transferred to stage 1	4,086,558	(752,627)	(3,333,931)	-
Transferred to stage 2	(383,513)	2,755,507	(2,371,994)	-
Transferred to stage 3	(193,594)	(474,215)	667,809	-
Impact on provision at the end of the year - resulting from reclassification between the three stages during the year	(3,850,792)	(1,550,115)	10,066,179	4,665,272
Changes resulting from adjustments	1,997,565	-	(997,418)	1,000,147
Written off facilities	-	-	(3,253,321)	(3,253,321)
Amendments resulting from changes in exchange rates	-	-	(455,294)	(455,294)
Gross Balance at the End of the Year	<u>7,310,513</u>	<u>2,131,744</u>	<u>42,008,959</u>	<u>51,451,216</u>

**Disclosure on the allocation of gross facilities according to the Bank's internal rating categories for residential loans**

As on 31 December 2023	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
	Dinar	Dinar	Dinar	Dinar
<b>Credit rating categories based on the Bank's internal system:</b>				
Unclassified	<u>249,687,795</u>	<u>72,526,914</u>	<u>26,807,210</u>	<u>349,021,919</u>
<b>Total</b>	<b><u>248,926,216</u></b>	<b><u>72,526,914</u></b>	<b><u>26,807,210</u></b>	<b><u>349,021,919</u></b>

As on 31 December 2022	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
	Dinar	Dinar	Dinar	Dinar
<b>Credit rating categories based on the Bank's internal system:</b>				
Unclassified	<u>248,926,216</u>	<u>48,714,964</u>	<u>19,263,891</u>	<u>316,905,071</u>
<b>Total</b>	<b><u>248,926,216</u></b>	<b><u>48,714,964</u></b>	<b><u>19,263,891</u></b>	<b><u>316,905,071</u></b>

**Disclosure on movement of facilities for mortgage loans is as follows:**

31 December 2023	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
	Dinar	Dinar	Dinar	Dinar
Total balance at the beginning of the year	248,926,216	48,714,964	19,263,891	316,905,071
New facilities during the year	47,761,530	13,800,443	2,086,983	63,648,956
Settled facilities	(24,269,558)	(4,879,068)	(2,305,233)	(31,453,859)
Transferred to stage 1	11,050,729	(9,514,323)	(1,536,406)	-
Transferred to stage 2	(28,582,516)	30,782,639	(2,200,123)	-
Transferred to stage 3	(5,198,606)	(6,377,741)	11,576,347	-
Written Off Facilities	-	-	(78,249)	(78,249)
<b>Gross Balance at the End of the Year</b>	<b><u>249,687,795</u></b>	<b><u>72,526,914</u></b>	<b><u>26,807,210</u></b>	<b><u>349,021,919</u></b>

31 December 2022	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
	Dinar	Dinar	Dinar	Dinar
Total balance at the beginning of the year	231,933,829	44,313,910	15,789,381	292,037,120
New facilities during the year	51,328,349	8,566,359	1,139,050	61,033,758
Settled facilities	(30,045,272)	(3,138,888)	(2,843,444)	(36,027,604)
Transferred to stage 1	17,975,928	(16,338,785)	(1,637,143)	-
Transferred to stage 2	(19,553,977)	20,940,025	(1,386,048)	-
Transferred to stage 3	(2,712,641)	(5,627,657)	8,340,298	-
Written Off Facilities	-	-	(138,203)	(138,203)
<b>Gross Balance at the End of the Year</b>	<b><u>248,926,216</u></b>	<b><u>48,714,964</u></b>	<b><u>19,263,891</u></b>	<b><u>316,905,071</u></b>

**Disclosure on movement of the provision for expected credit losses relating to mortgage loans is as follows:**

31 December, 2023	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	2,348,679	1,198,490	6,978,689	10,525,858
Impairment loss on new facilities during the year	129,149	661,466	1,200,301	1,990,916
Recovered from impairment loss on accrued facilities	(1,446,599)	(156,944)	(2,210,801)	(3,814,344)
Transferred to stage 1	713,605	(278,527)	(435,078)	-
Transferred to stage 2	(248,064)	954,281	(706,217)	-
Transferred to stage 3	(79,850)	(338,006)	417,856	-
Impact on the provision at the end of the year - resulting from the reclassification between the three stages during the year	(669,111)	402,752	3,452,475	3,186,116
Changes resulting from adjustments	(305,604)	(7,484)	(889,712)	(1,202,800)
Written Off Facilities	-	-	(71,355)	(71,355)
<b>Gross Balance at the End of the Year</b>	<b><u>442,205</u></b>	<b><u>2,436,028</u></b>	<b><u>7,736,158</u></b>	<b><u>10,614,391</u></b>

31 December, 2022	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD
balance at the beginning of the year	3,147,152	2,111,231	5,741,024	10,999,407
Credit loss on new facilities during the year	434,045	160,757	248,776	843,578
Reversed from credit loss on accrued facilities	(1,194,999)	(199,076)	(734,656)	(2,128,731)
Transferred to stage 1	1,577,564	(1,114,466)	(463,098)	-
Transferred to stage 2	(242,707)	661,064	(418,357)	-
Transferred to stage 3	(49,489)	(355,313)	404,802	-
Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year	(1,324,596)	(65,707)	2,108,711	718,408
Changes resulting from adjustments	1,709	-	304,992	306,701
Written Off Facilities	-	-	(124,963)	(124,963)
Adjustments resulting from changes in exchange rates	-	-	(88,542)	(88,542)
<b>Gross Balance at the End of the Year</b>	<b><u>2,348,679</u></b>	<b><u>1,198,490</u></b>	<b><u>6,978,689</u></b>	<b><u>10,525,858</u></b>

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

31 December, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
<b>Credit rating categories based on the Bank's internal system:</b>				
From (1) to (6)	124,376,086	118,586,112	-	242,962,198
(7)	-	48	-	48
<b>Total</b>	<b><u>124,376,086</u></b>	<b><u>118,586,160</u></b>	<b><u>-</u></b>	<b><u>242,962,246</u></b>

31 December, 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
<b>Credit rating categories based on the Bank's internal system:</b>				
From (1) to (6)	167,361,163	69,977,087	-	237,338,250
(7)	-	6,490,492	-	6,490,492
<b>Total</b>	<b><u>167,361,163</u></b>	<b><u>76,467,579</u></b>	<b><u>-</u></b>	<b><u>243,828,742</u></b>

For the year ending December 31, 2023	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Gross balance at the beginning of the year	167,361,163	76,467,579	-	243,828,742
New facilities during the year	10,967,376	34,245,189	-	45,212,565
Settled facilities	(43,156,632)	(2,922,429)	-	(46,079,061)
Transferred to stage 1	6,490,450	(6,490,450)	-	-
Transferred to stage 2	(17,286,271)	17,286,271	-	-
<b>Gross Balance at the End of the Year</b>	<b><u>124,376,086</u></b>	<b><u>118,586,160</u></b>	<b><u>-</u></b>	<b><u>242,962,246</u></b>

For the year ending December 31, 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Gross balance at the beginning of the year	102,681,606	76,945,050	-	179,626,656
New facilities during the year	84,626,319	5,937,320	-	90,563,639
Settled facilities	(19,946,762)	(6,414,791)	-	(26,361,553)
<b>Gross Balance at the End of the Year</b>	<b><u>167,361,163</u></b>	<b><u>76,467,579</u></b>	<b><u>-</u></b>	<b><u>243,828,742</u></b>

The disclosure on the movement of the provision for expected credit losses for facilities relating to the government and public sector is as follows:

For the year ending December 31, 2021	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	271,081	2,447,655	-	2,719,736
Impairment loss on new facilities during the year	39,462	594,658	-	634,120
Recovered from impairment loss on accrued facilities	(31,180)	(969,238)	-	(1,000,418)
Transferred to stage 1	575,658	(575,658)	-	-
Transferred to stage 2	(10,298)	10,298	-	-
Impact on the provision at the end of the year - resulting from the reclassification between the three stages during the year	<u>(552,493)</u>	<u>202,533</u>	<u>-</u>	<u>(349,960)</u>
<b>Gross Balance at the End of the Year</b>	<b><u>292,230</u></b>	<b><u>1,711,248</u></b>	<b><u>-</u></b>	<b><u>2,003,478</u></b>

For the year ending December 31, 2022	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	443,763	2,132,025	-	2,575,788
Impairment loss on new facilities during the year	149,680	492,863	-	642,543
Recovered from impairment loss on accrued facilities	(322,362)	(176,233)	-	(498,595)
<b>Gross Balance at the End of the Year</b>	<b><u>271,081</u></b>	<b><u>2,448,655</u></b>	<b><u>-</u></b>	<b><u>2,719,736</u></b>

## 12- Property and Equipment – at net

Details of this item are as follows:

31 December, 2023	Land	Buildings	Tools, Furniture & Fixtures	Vehicles	Computers	Projects in Progress	Total
	JD	JD	JD	JD	JD	JD	JD
<b>Cost:</b>							
Balance at the beginning of the year	5,009,584	25,544,617	50,039,092	1,418,228	34,344,341	1,499,008	117,854,870
Additions	-	-	939,318	53,900	2,717,422	2,671,421	6,382,061
Transfers	-	(6,990)	420,225	-	811,278	(1,224,513)	-
Disposals	-	-	(2,646,162)	(23,600)	(1,712,053)	-	(4,381,815)
<b>Balance at the End of the Year</b>	<b><u>5,009,584</u></b>	<b><u>25,537,627</u></b>	<b><u>48,752,473</u></b>	<b><u>1,448,528</u></b>	<b><u>36,160,988</u></b>	<b><u>2,945,916</u></b>	<b><u>119,855,116</u></b>
<b>Accumulated Depreciation:</b>							
Balance at the beginning of the year	-	7,203,066	38,374,869	1,081,064	27,271,044	-	73,930,043
Depreciation for the year	-	581,284	2,488,475	65,514	3,013,604	-	6,148,877
Disposals	-	-	(2,624,057)	(23,600)	(1,705,586)	-	(4,353,243)
<b>Balance at the End of the Year</b>	<b>-</b>	<b><u>7,784,350</u></b>	<b><u>38,239,287</u></b>	<b><u>1,122,978</u></b>	<b><u>28,579,062</u></b>	<b>-</b>	<b><u>75,725,677</u></b>
<b>Net Book Value at the End of the Year</b>	<b><u>5,009,586</u></b>	<b><u>17,753,277</u></b>	<b><u>10,513,186</u></b>	<b><u>325,550</u></b>	<b><u>7,581,926</u></b>	<b><u>2,945,916</u></b>	<b><u>44,129,439</u></b>
<b>31 December, 2022</b>							
<b>Cost:</b>							
Balance at the beginning of the year	4,879,584	25,504,025	47,494,305	1,496,371	34,796,931	3,207,099	117,378,315
Additions	130,000	40,592	2,613,723	262,643	1,396,921	1,397,832	5,841,711
Transfers	-	-	2,627,760	-	478,163	(3,105,923)	-
Disposals	-	-	(2,696,696)	(340,786)	(2,327,674)	-	(5,365,156)
<b>Balance at the End of the Year</b>	<b><u>5,009,584</u></b>	<b><u>25,544,617</u></b>	<b><u>50,039,092</u></b>	<b><u>1,418,228</u></b>	<b><u>34,344,341</u></b>	<b><u>1,499,008</u></b>	<b><u>117,854,870</u></b>
<b>Accumulated Depreciation:</b>							
Balance at the beginning of the year	-	6,622,696	38,921,994	1,333,781	26,729,088	-	73,607,559
Depreciation for the year	-	580,370	2,088,016	81,765	2,849,725	-	5,599,876
Disposals	-	-	(2,635,141)	(334,482)	(2,307,769)	-	(5,277,392)
<b>Balance at the End of the Year</b>	<b>-</b>	<b><u>7,203,066</u></b>	<b><u>38,374,869</u></b>	<b><u>1,081,064</u></b>	<b><u>27,271,044</u></b>	<b>-</b>	<b><u>73,930,043</u></b>
<b>Net Book Value at the End of the Year</b>	<b><u>5,009,584</u></b>	<b><u>18,341,551</u></b>	<b><u>11,664,223</u></b>	<b><u>337,164</u></b>	<b><u>7,073,297</u></b>	<b><u>1,499,008</u></b>	<b><u>43,924,827</u></b>

- Property and equipment as of December 31, 2023 and 2022 include fully depreciated property and equipment amounting to 58,299,241 Dinar and 56,974,108 Dinar, respectively, and are still being used by the Bank.
- The remaining cost of completing projects under implementation is estimated at 3,264,313 dinars as of December 31 2023.

### 13- Intangible Assets - at net

Details of this item are as follows:

	Computer Systems & Software	
	2023	2022
	JD	JD
Balance at the beginning of the year	5,361,339	5,159,688
Additions	2,224,421	1,684,368
Amortization for the year	<u>(1,480,061)</u>	<u>(1,482,717)</u>
<b>Annual Amortization Rate</b>	<b><u>6,105,699</u></b>	<b><u>5,361,339</u></b>

### 14- Other Assets

Details of this item are as follows:

	December 31	
	2023	2022
	JD	JD
Unearned accrued revenue	24,210,547	24,407,275
Prepaid expenses	7,026,476	8,722,241
Repossessed Assets - at net *	17,432,653	18,454,850
Accounts receivable - at net	5,656,136	4,484,719
Clearing checks	3,645,684	3,459,376
Settlement guarantee fund	86,000	39,000
Refundable deposits	767,572	913,990
Deposits of cards	3,388,122	1,595,271
Others	<u>3,500,826</u>	<u>4,568,122</u>
<b>Total</b>	<b><u>65,714,016</u></b>	<b><u>66,644,844</u></b>

\* The instruction of the Central Bank of Jordan require the Bank to dispose the real-estates it seizes to recover accrued debts during a maximum period of two years from the acquisition date. In some exceptional case the Central Bank of Jordan might extend this period of 2 additional years as maximum.

- Details of movement on assets repossessed by the Bank as repayment of outstanding debts are as follows:

	2023	2022
	JD	JD
Balance - beginning of the year	20,800,735	16,628,415
Additions	2,462,219	7,656,935
Disposals	<u>(3,444,000)</u>	<u>(3,484,615)</u>
Total	19,818,954	20,800,735
Impairment of repossessed assets	<u>(2,386,301)</u>	<u>(2,345,885)</u>
<b>Balance - end of the year</b>	<b><u>17,432,653</u></b>	<b><u>18,454,850</u></b>

## Summary of the movement on repossessed assets is as follows:

	2023	2022
	JD	JD
Balance-beginning of the year	2,345,885	2,226,940
Additions	40,416	164,741
Disposals	-	(45,796)
<b>Balance - end of the year</b>	<b><u>2,386,301</u></b>	<b><u>2,345,885</u></b>

## 15- Banks and financial institutions' deposits

### Details of this item are as follows:

	2023			2022		
	Inside the Kingdom	Outside the Kingdom	Total	Inside the Kingdom	Outside the Kingdom	Total
	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar
Current and demand accounts	4,966,476	6,257,714	11,224,190	4,449,289	5,273,763	9,723,052
Term deposits maturing within a period of less than 3 months	185,651,797	28,775,251	214,427,048	109,506,515	61,371,758	170,878,273
Term deposits maturing within a period of 3-6 months	30,000,000	177,250	30,177,250	30,000,000	56,720	30,056,720
Term deposits maturing within a period of 6-12 months	6,000,000	155,980	6,155,980	6,000,000	460,850	6,460,850
Term deposits maturing within more than 1 year	<u>23,000,000</u>	<u>1,688,838</u>	<u>24,688,838</u>	-	<u>1,334,338</u>	<u>1,334,338</u>
<b>Total</b>	<b><u>249,618,273</u></b>	<b><u>37,055,033</u></b>	<b><u>286,673,306</u></b>	<b><u>149,955,804</u></b>	<b><u>68,497,429</u></b>	<b><u>218,453,233</u></b>

## 16- Customers' Deposits

### Details of this item are as follows:

31 December, 2023	Consumer	Corporates	SMEs	Government And Public Sector	Total
	JD	JD	JD	JD	JD
Current and demand accounts	357,584,180	119,110,453	74,663,536	98,241,803	649,599,972
Saving deposits	563,244,218	4,661,723	8,080,307	49,956	576,036,204
Time and notice deposits	<u>622,041,919</u>	<u>417,372,604</u>	<u>49,311,074</u>	<u>284,922,131</u>	<u>1,373,647,728</u>
<b>Total</b>	<b><u>1,542,870,317</u></b>	<b><u>541,144,780</u></b>	<b><u>132,054,917</u></b>	<b><u>383,213,890</u></b>	<b><u>2,599,283,904</u></b>
31 December, 2022					
Current and demand accounts	358,673,308	98,070,076	68,756,139	82,200,584	607,700,107
Saving deposits	590,037,525	9,363,911	9,414,144	63,051	608,878,631
Time and notice deposits	<u>521,199,696</u>	<u>429,488,232</u>	<u>44,191,135</u>	<u>242,725,549</u>	<u>1,237,604,612</u>
<b>Total</b>	<b><u>1,469,910,529</u></b>	<b><u>536,922,219</u></b>	<b><u>122,361,418</u></b>	<b><u>324,989,184</u></b>	<b><u>2,454,183,350</u></b>



- Deposits of the Jordanian government and the Jordanian public sector inside the Kingdom amounted to 354,345,149 dinars, or 13.63% of the total deposits, as of December 31, 2023 (307,303,950 dinars, or 12.50%, as of December 31, 2022).
- There are no held deposits as of December 31, 2023 and 2022.
- The value of non-interest-bearing deposits amounted to 573,610,659 dinars, or 22.07% of the total deposits, as of December 31, 2023 (534,120,314 dinars, or 21.76%, as of December 31, 2022).
- The value of fixed deposits amounted to 60,297,055 dinars as of December 31, 2023 (47,445,416 dinars as of December 31, 2022)

## 17- Cash deposits

Details of this item are as follows:

	December 31	
	2023	2022
	JD	JD
Deposits against direct credit facilities	40,421,382	41,194,481
Deposits against indirect credit facilities	32,750,500	37,894,883
Deposits against margin trading	2,047,955	3,412,260
Other deposits	<u>7,410,872</u>	<u>7,195,528</u>
<b>Total</b>	<b><u>82,630,709</u></b>	<b><u>89,697,152</u></b>

## 18- Borrowed Funds

The details of this item are as follows:

December 31, 2023	Amount	No. of Installments		Payment frequency	Maturity Date	Collaterals	Interest Rate
	JD	Total	Outstanding				
Borrowing from Overseas Private Investment Corporation (OPIC)	15,598,000	1	1	At maturity	2034	None	4.845%-4.895%
Borrowing from French Development Agency	531,750	20	3	Semi-annually	2025	None	3.358%
Borrowing from Central Bank of Jordan*	3,800,000	20	8	Semi-annually	2027	None	8.65%
Borrowing from Central Bank of Jordan**	106,779,184	802	802	At maturity / per Loan	2023-2035	None	0.5%-1.75%
Borrowing from Central Bank of Jordan**	22,483,088	402	402	At maturity / per Loan	2023-2030	None	-
Borrowing from Central Bank of Jordan*	215,856	14	2	Semi-annually	2024	None	2.5%
Borrowing from Central Bank of Jordan*	2,665,000	20	12	Semi-annually	2030	None	8.75%
Borrowing from Central Bank of Jordan*	6,610,826	35	32	Semi-annually	2039	None	3%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2024	None	8.65%
Jordan Mortgage Refinance Company ***	30,000,000	1	1	At maturity	2024	None	5.75%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2025	None	4.9%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2028	None	4.75%
Jordan Mortgage Refinance Company ***	4,000,000	1	1	At maturity	2026	None	4.65%
Borrowing from European Bank for Reconstruction and Development (EBRD)	5,317,500	7	7	Semi-annually	2028	None	6.812%
Borrowing from European Bank for Reconstruction and Development (EBRD)	1,772,500	7	7	Semi-annually	2028	None	5.692%
Borrowing from French Development Agency	1,968,594	20	4	Semi-annually	2031	None	5.83%
Palestine Monetary Authority	1,708,447	-	-	Monthly	-	None	3.0%
Borrowing from European Bank for Reconstruction and Development (EBRD)	5,672,000	7	7	Semi-annually	2027	None	6.9%
Proparco	3,545,000	13	13	Semi-annually	2030	None	8.7%
Borrowing from International Financial Markets (FMI)	1,074,224	1	1	1	-	None	-
Jordan Kuwait Bank	13,797,500	8	8	Quarterly	2024	None	5.0%
Etihad Bank	5,551,666	8	7	Quarterly	2024	None	6.75%
Housing Bank for Trade and Finance	12,784,429	Overdraft	-	-	2023	None	7.25%
Jordan National BANK	5,000,000	8	8	Quarterly	2024	None	5.75%
Jordan National BANK	10,000,000	1	1	1	2025	None	4.75%
Jordan Investment Bank	5,000,000	24	24	Quarterly	2025	None	6%
<b>Total</b>	<b><u>295,875,564</u></b>						

December 31, 2022	Amount	No. of Installments		Payment frequency	Maturity Date	Collaterals	Interest Rate
	JD	Total	Outstanding				
Borrowing from Overseas Private Investment Corporation (OPIC)	15,598,000	1	1	At maturity	2034	None	4.845%-4.8
Borrowing from French Development Agency	886,250	20	5	Semi-annually	2025	None	3.36%
Borrowing from Central Bank of Jordan*	4,750,000	20	10	Semi-annually	2027	None	2.93%
Borrowing from Central Bank of Jordan**	89,629,417	605	605	At maturity / per Loan	2023-2035	Treasury Bills	0.5%-1.75%
Borrowing from Central Bank of Jordan**	36,961,787	423	423	At maturity / per Loan	2023-2028	None	-
Borrowing from Central Bank of Jordan*	551,888	14	4	Semi-annually	2024	None	2.48%
Borrowing from European Bank for Reconstruction and Development (EBRD)	2,025,714	7	1	Semi-annually	2023	None	5.50%
Borrowing from Central Bank of Jordan	3,075,000	20	14	Semi-annually	2030	None	2.80%
Borrowing from Central Bank of Jordan*	4,809,757	34	34	Semi-annually	2039	None	3%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2024	None	7.30%
Jordan Mortgage Refinance Company ***	30,000,000	1	1	At maturity	2024	None	5.75%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2025	None	4.90%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2028	None	4.75%
Jordan Mortgage Refinance Company ***	4,000,000	1	1	At maturity	2026	None	4.65%
Borrowing from Central Bank of Jordan	16,666,667	1	1	At maturity	2023	Treasury Bills	6%
Borrowing from Central Bank of Jordan	8,333,333	1	1	At maturity	2023	Treasury Bills	6.50%
Borrowing from Central Bank of Jordan	14,285,714	1	1	At maturity	2023	Treasury Bills	4.50%
Borrowing from Central Bank of Jordan	15,625,000	1	1	At maturity	2023	Treasury Bills	6%
Borrowing from European Bank for Reconstruction and Development (EBRD)	506,429	7	1	Semi-annually	2023	None	5.80%
Borrowing from European Bank for Reconstruction and Development (EBRD)	5,672,000	7	7	Semi-annually	2027	None	5.62%
Borrowing from French Development Agency	8,302,743	20	17	Semi-annually	2031	None	4.222%
Palestine Monetary Authority	3,938,936	-	-	Monthly	-	None	3.00%
Jordan Kuwait Bank	7,000,000	8	8	Quarterly	2024	None	5.00%
EtiHAD Bank	6,000,000	8	8	Quarterly	2024	None	6.50%
Housing Bank for Trade and Finance	30,990,360	Overdraft	-	-	2023	None	5.75%
Arab Jordan Investment Bank	1,042,796	Overdraft	-	-	2023	None	5.75%
Amounts borrowed from International Financial Markets (FMI)	1,074,224	1	1	1	-	None	None
<b>Total</b>	<u>341,726,015</u>						

\* The amounts borrowed from the Central Bank of Jordan were lent back to SME sector at interest rate of 8% for the year ending on December 31, 2023 (8% for the year ending on December 31, 2022).

\*\* The amounts borrowed from the Central Bank of Jordan were lent back for the purposes of industrial finance, energy, agriculture and tourism at an interest rate of 2% to 4% for the year ending on December 31, 2023 (2% to 4% for the year ending on December 31, 2022).

\*\*\* The refinanced housing loans from funds borrowed from the Jordan Mortgage Refinancing Company amounted to 57,148,659 dinars as of December 31, 2023, at an interest rate of 7%. (56,727,072 dinars, at an interest rate of 7%, for the year ending on December 31, 2022).

## 19- Subordinated loans

Details of this item are as follows:

December 31, 2021	Amount	No. of Installments		Payment frequency	Maturity Date	Collaterals	Interest Rate
	JD	Total	Outstanding				
Green for Growth Fund	7,905,350	1	1	At maturity	2026	None	9.9%
Sanad fund for MSME	<u>10,635,000</u>	1	1	At maturity	2027	None	9.54%
<b>Total</b>	<b><u>18,540,350</u></b>						

December 31, 2022	Amount	No. of Installments		Payment frequency	Maturity Date	Collaterals	Interest Rate
	JD	Total	Outstanding				
Green for Growth Fund	7,905,350	1	1	At maturity	2026	None	7.03%
Sanad fund for MSME	<u>10,635,000</u>	1	1	At maturity	2027	None	4.75%
<b>Total</b>	<b><u>18,540,350</u></b>						

## 20- Sundry Provisions

December 31, 2023	Balance-Beginning of the Year	Additions during the Year	Utilized during the Year	Balance - End of the Year
	JD	JD	JD	JD
Provision for lawsuits against the Bank	1,861,739	100,000	(53,411)	1,908,328
Provision for end of service indemnity (note 35)	12,177,996	1,983,855	(1,719,721)	12,442,130
Provision for other obligations	<u>25,997</u>	<u>-</u>	<u>-</u>	<u>25,997</u>
<b>Total</b>	<b><u>14,065,732</u></b>	<b><u>2,083,855</u></b>	<b><u>(1,773,132)</u></b>	<b><u>14,376,455</u></b>

December 31, 2022	Balance-Beginning of the Year	Additions during the Year	Utilized during the Year	Balance - End of the Year
	JD	JD	JD	JD
Provision for lawsuits against the Bank	1,876,281	50,000	(64,542)	1,861,739
Provision for end of service indemnity (note 35)	10,414,779	2,945,445	(1,182,228)	12,177,996
Provision for other obligations	<u>22,934</u>	<u>3,063</u>	<u>-</u>	<u>25,997</u>
<b>Total</b>	<b><u>12,313,994</u></b>	<b><u>2,998,508</u></b>	<b><u>(1,246,770)</u></b>	<b><u>14,065,732</u></b>

## 21- Income Tax

### A- Income Tax Provision

The movement on income tax provision during the year is as follows:

	2023	2022
	JD	JD
Balance - beginning of the year	23,867,415	19,810,355
Income tax paid	(20,114,636)	(16,428,764)
Accrued income tax	<u>19,739,518</u>	<u>20,485,824</u>
<b>Balance - End of the Year</b>	<b><u>23,492,297</u></b>	<b><u>23,867,415</u></b>

### B- Income tax disclosed in the income statement represents the following:

	2023	2022
	JD	JD
Income tax for the year	19,739,518	20,485,824
Deferred Tax liabilities	(398,978)	(20,852)
Deferred Tax Assets	<u>(2,868,455)</u>	<u>(2,793,122)</u>
<b>Income Tax for the Year's Profits</b>	<b><u>16,472,085</u></b>	<b><u>17,671,850</u></b>

- The income tax rate for banks in Jordan is 38%. The income tax rate in countries in which the Bank has companies and branches ranges between zero and 31%. Banks in Palestine are subject to an income tax of 15% and an added tax of 16%.
- A final settlement was made with the Income and Sales Tax Department until the end of the year 2018 for the Bank's branches in Jordan, and the years 2019, 2020, 2021 and 2022 were not reviewed.
- A final settlement was made for the Bank's branches in Palestine until the end of the year 2020, and the years 2021, and 2022 were not reviewed.
- A final settlement was made with the Income and Sales Tax Department of the National Financial Services Company (Jordan) AWRAQ until the end of 2019, except years 2015, 2016 and 2017, where the company objected to the decision before the First Instance Courts, and the accounts of the company for the years 2020, 2021 and 2022 were not reviewed
- A final settlement was made for the Al-Wataneih Securities Company (Palestine) until the end of the year 2021 and the year 2022 was not reviewed.
- A final settlement was made for the Financial Leasing Company with the Income and Sales Tax Department until the end of 2018, and the years 2019, 2020, 2021 and 2022 were not reviewed.
- In the opinion of the Bank's management, the tax provisions as of December 31, 2023 are sufficient to meet any future tax liabilities.

## C- Deferred Tax Assets and Liabilities

Details of this item are as follows:

	2023				2023	2022
	Balance at the beginning of the year	Released amounts	Added amounts	Balance at the end of the year	Deferred Tax	Deferred Tax
Deferred tax assets	JD	JD	JD	JD	JD	JD
Provision for impairment of credit facilities	30,886,863	(574,351)	7,588,684	37,901,196	13,970,554	11,247,671
Suspended interests	1,384,282	-	242,228	1,626,510	455,425	387,599
Various allocations	1,869,181	(25,180)	200,000	2,044,001	776,720	710,289
Provision for impairment of expropriated assets	2,345,885	-	40,416	2,386,301	886,279	874,962
Unrealized losses on financial assets at fair value through other comprehensive income	-	-	10,122	10,122	1,417	-
Currency difference	3,543,049	(1,782,971)	-	1,760,078	176,008	354,305
	<u>40,029,260</u>	<u>(2,382,502)</u>	<u>8,081,450</u>	<u>45,728,208</u>	<u>16,266,401</u>	<u>13,574,826</u>

Deferred tax liabilities						
Unrealized profits on financial assets at fair value through other comprehensive income	10,081,327	(5,798,923)	25,375,889	29,658,293	2,155,299	776,860
Unrealized profits on financial assets at fair value through profit or loss (early application of IFRS 9)	4,985,262	(4,428)	-	4,980,834	529,581	531,264
	<u>15,066,859</u>	<u>(5,803,351)</u>	<u>25,375,889</u>	<u>34,639,127</u>	<u>2,684,880</u>	<u>1,308,124</u>

Movement on Deferred Income Tax Assets/Liabilities is as follows:

	For the year ending on 31 December 2023		For the year ending on 31 December 2022	
	Assets	Liabilities	Assets	Liabilities
	Dinar	Dinar	Dinar	Dinar
Balance at beginning of the year	13,574,826	1,308,124	12,227,606	865,668
Addition	3,040,258	2,824,574	2,810,020	466,445
Disposed	(348,258)	(1,447,818)	(1,462,800)	(23,989)
<b>Balance at end of the year</b>	<b><u>16,266,401</u></b>	<b><u>2,684,880</u></b>	<b><u>13,574,826</u></b>	<b><u>1,308,124</u></b>

- Deferred taxes were calculated according to the tax rates that are expected to be applied when settling the obligation of tax benefits or realizing deferred tax assets / liabilities.

## D- Summary of Reconciliation between Accounting Profits and Taxable Profits:

	2023	2022
	JD	JD
Accounting profit	51,451,416	52,651,346
Non-taxable profit	(10,358,385)	(5,652,967)
Non-deductible expenses	5,366,875	1,320,592
Taxable profit	46,459,906	48,318,971
Effective rate of income tax	32.01%	33.56%

## 22- Other Liabilities

	December 31	
	2023	2022
	JD	JD
Accrued interest	20,918,960	11,807,002
Accrued income	537,195	460,739
Accounts payable	6,814,916	5,153,434
Accrued expenses	10,818,804	10,325,963
Temporary deposits	25,057,407	24,465,104
Payable checks and withdrawals	7,644,290	7,712,928
Others	<u>4,894,448</u>	<u>3,445,840</u>
Total	<u>76,686,020</u>	<u>63,371,010</u>
Provision of expected credit losses for indirect facilities	<u>4,320,898</u>	<u>4,807,041</u>
<b>Total balance</b>	<b><u>81,006,918</u></b>	<b><u>68,178,051</u></b>

### Disclosure on movement of indirect credit facilities at a collective level at the end of the year:

December 31, 2021	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	12,302,978	307,356,309	910,910	72,799,844	1,177,193	394,547,234
new exposures during the year	5,353,813	162,721,012	660,706	47,874,258	1,155,422	217,765,211
accrued exposures	(3,840,232)	(128,664,673)	(366,681)	(18,156,165)	(737,882)	(151,765,633)
Transferred to stage 1	171,649	17,568,068	(150,102)	(17,568,068)	(21,547)	-
Transferred to stage 2	(487,569)	(13,332,573)	531,177	13,337,073	(48,108)	-
Transferred to stage 3	(126,552)	(1,047,011)	(35,963)	(178,971)	1,388,497	-
<b>Gross Balance at the End of the Year</b>	<b><u>13,374,087</u></b>	<b><u>344,601,132</u></b>	<b><u>1,550,047</u></b>	<b><u>98,107,971</u></b>	<b><u>2,913,575</u></b>	<b><u>460,546,812</u></b>

December 31, 2022	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	20,102,040	378,588,060	1,800,173	52,788,934	951,616	454,230,823
new exposures during the year	2,987,277	142,312,844	228,085	36,721,523	286,286	182,536,015
accrued exposures	(10,855,324)	(201,092,042)	(955,703)	(28,722,555)	(593,980)	(242,219,604)
Transferred to stage 1	537,864	16,229,626	(472,311)	(16,227,626)	(67,553)	-
Transferred to stage 2	(348,880)	(28,548,568)	373,907	28,648,568	(125,027)	-
Transferred to stage 3	(119,999)	(133,611)	(63,241)	(409,000)	725,851	-
<b>Gross Balance at the End of the Year</b>	<b><u>12,302,978</u></b>	<b><u>307,356,309</u></b>	<b><u>910,910</u></b>	<b><u>72,799,844</u></b>	<b><u>1,177,193</u></b>	<b><u>394,547,234</u></b>

**Disclosure on movement of the provision for expected credit losses for indirect facilities at a collective level is as follows:**

For the year ending December 31, 2021	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	516,716	889,163	112,093	2,664,388	624,681	4,807,041
Impairment loss on new exposures during the year	13,250	158,743	30,005	880,206	46,007	1,128,211
Impairment loss on accrued exposures	(426,474)	(272,608)	(36,824)	(941,357)	(407,896)	(2,085,159)
Transferred to stage 1	24,358	290,465	(15,780)	(290,465)	(8,578)	-
Transferred to stage 2	(45,672)	(89,958)	60,086	92,969	(17,425)	-
Transferred to stage 3	(5,908)	(3,396)	(3,718)	(4,530)	17,552	-
Impact on the provision at the end of the year - resulting from reclassification between the three stages at the end of the year	(23,449)	(276,472)	(13,692)	160,760	989,344	836,491
Changes resulting from adjustments	(537)	(269,090)	1	(96,673)	613	(365,686)
<b>Gross Balance at the End of the Year</b>	<b><u>52,284</u></b>	<b><u>426,847</u></b>	<b><u>132,171</u></b>	<b><u>2,465,298</u></b>	<b><u>1,244,298</u></b>	<b><u>4,320,898</u></b>

December 31, 2022	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	796,805	901,014	169,157	1,221,199	385,410	3,473,585
Impairment loss on new exposures during the year	151,362	398,900	36,204	1,355,289	167,066	2,108,821
Impairment loss on accrued exposures	(437,604)	(447,505)	(59,739)	(218,273)	(185,029)	(1,348,150)
Transferred to stage 1	89,164	451,496	(59,933)	(450,306)	(30,421)	-
Transferred to stage 2	(19,226)	(65,453)	33,084	115,242	(63,647)	-
Transferred to stage 3	(6,520)	(37)	(8,394)	(25,901)	40,852	-
Impact on the provision at the end of the year - resulting from reclassification between the three stages at the end of the year	(57,313)	(397,266)	1,697	621,889	307,300	476,307
Changes resulting from adjustments	48	48,014	17	45,249	3,150	96,478
<b>Gross Balance at the End of the Year</b>	<b><u>516,716</u></b>	<b><u>889,163</u></b>	<b><u>112,093</u></b>	<b><u>2,664,388</u></b>	<b><u>624,681</u></b>	<b><u>4,807,041</u></b>



## Disclosure on the allocation of letters of credit and acceptances according to the Bank's internal rating policy:

December 31, 2023	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Credit rating categories based on the Bank's internal system						
From Aaa to Baa3	-	3,876,493	-	-	-	3,876,493
From Ba1 to Caa3	-	24,699,073	-	-	-	24,699,073
From 1 to 6	-	45,993,035	-	7,522,086	-	53,515,121
7	-	-	-	2,497,267	-	2,497,267
From 8 to 10	-	-	-	-	54,787	54,787
<b>Total</b>	-	<b>74,568,601</b>	-	<b>10,019,353</b>	<b>54,787</b>	<b>84,642,741</b>

December 31, 2022	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Credit rating categories based on the bank's internal system						
From Ba1 to Caa3	-	28,422,992	-	-	-	28,422,992
From 1 to 6	-	34,394,014	-	5,706,342	-	40,100,356
7	-	-	-	2,247,296	-	2,247,296
<b>Total</b>	-	<b>62,817,006</b>	-	<b>7,953,638</b>	-	<b>70,770,644</b>

## Disclosure on movement of indirect facilities relating to letters of credit and acceptances:

December 31, 2023	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Gross balance at the beginning of the year	-	62,817,006	-	7,953,638	-	70,770,644
new exposures during the year	-	36,640,190	-	6,918,607	2,055	43,560,852
accrued exposures	-	(23,531,401)	-	(6,157,354)	-	(29,688,755)
Transferred to stage 1	-	192,316	-	(192,316)	-	-
Transferred to stage 2	-	(1,496,778)	-	1,496,778	-	-
Transferred to stage 3	-	(52,732)	-	-	52,732	-
<b>Gross Balance at the End of the Year</b>	-	<b>74,568,601</b>	-	<b>10,019,353</b>	<b>54,787</b>	<b>84,642,741</b>

December 31, 2022	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	-	92,790,567	-	1,988,269	-	94,778,836
new exposures during the year	-	47,885,214	-	5,785,374	-	53,670,588
accrued exposures	-	(74,954,760)	-	(2,724,020)	-	(77,678,780)
Transferred to stage 1	-	-	-	-	-	-
Transferred to stage 2	-	(2,904,015)	-	2,904,015	-	-
<b>Gross Balance at the End of the Year</b>	-	<b>62,817,006</b>	-	<b>7,953,638</b>	-	<b>70,770,644</b>

**Disclosure on movement of the provision for expected credit losses is as follows:**

December 31, 2023	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	-	364,986	-	387,426	-	752,412
Impairment loss on new exposures during the year	-	27,046	-	224,833	-	251,879
Impairment loss on accrued exposures	-	(62,789)	-	(25,832)	-	(313,621)
Transferred to stage 1	-	7,731	-	(7,731)	-	-
Transferred to stage 2	-	(399)	-	399	-	-
Transferred to stage 3	-	(277)	-	-	277	-
Impact on the provision at the end of the year - resulting from the re-classification between the three stages during the year	-	(6,957)	-	7,051	35,542	35,636
Changes resulting from adjustments	-	(245,451)	-	(2,115)	-	(247,566)
<b>Gross Balance at the End of the Year</b>	<b>-</b>	<b>83,890</b>	<b>-</b>	<b>359,031</b>	<b>35,819</b>	<b>478,740</b>

December 31, 2022	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	-	533,713	-	18,448	-	552,161
Impairment loss on new exposures during the year	-	87,332	-	332,971	-	420,303
Impairment loss on accrued exposures	-	(317,954)	-	(9,306)	-	(327,260)
Transferred to stage 1	-	-	-	-	-	-
Transferred to stage 2	-	(11,898)	-	11,898	-	-
Transferred to stage 3	-	-	-	-	-	-
Impact on the provision at the end of the year - resulting from the re-classification between the three stages during the year	-	-	-	33,415	-	33,415
Changes resulting from adjustments	-	73,793	-	-	-	73,793
<b>Gross Balance at the End of the Year</b>	<b>-</b>	<b>364,986</b>	<b>-</b>	<b>387,426</b>	<b>-</b>	<b>752,412</b>

**Disclosure on the allocation of letters of guarantee according to the Bank's internal rating policies:**

December 31, 2023	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Credit rating categories based on the Bank's internal system						
From Aaa to Baa3	-	10,234,582	-	-	-	10,234,582
From Ba1 to Caa3	-	1,317,747	-	-	-	1,317,747
From 1 to 6	-	48,287,980	-	17,590,637	-	65,878,617
7	-	-	-	837,578	-	837,578
From 8 to 10	-	-	-	-	911,211	911,211
<b>Total</b>	<b>-</b>	<b>59,840,309</b>	<b>-</b>	<b>18,428,215</b>	<b>911,211</b>	<b>79,179,735</b>

For the year ending December 31, 2022	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Credit rating categories based on the Bank's internal system						
From Aaa to Baa3	-	7,527,385	-	-	-	7,527,385
From Ba1 to Caa3	-	3,124,684	-	-	-	3,124,684
From 1 to 6	-	42,350,944	-	13,042,210	-	55,393,154
7	-	-	-	2,469,981	-	2,469,981
From 8 to 10	-	-	-	-	591,392	591,392
<b>Total</b>	<b>-</b>	<b>53,003,013</b>	<b>-</b>	<b>15,512,191</b>	<b>591,392</b>	<b>69,106,596</b>

#### Disclosure on movement of indirect facilities related to guarantees:

December 31, 2023	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	-	53,003,013	-	15,512,191	591,392	69,106,596
new exposures during the year	-	19,481,915	-	5,634,165	101,058	25,217,138
accrued exposures	-	(102,215,279)	-	(4,771,672)	(157,048)	(15,143,999)
Transferred to stage 1	-	1,673,700	-	(1,673,700)	-	-
Transferred to stage 2	-	(3,813,036)	-	3,817,536	(4,500)	-
Transferred to stage 3	-	(290,004)	-	(90,305)	380,309	-
<b>Gross Balance at the End of the Year</b>	<b>-</b>	<b>59,840,309</b>	<b>-</b>	<b>18,428,215</b>	<b>911,211</b>	<b>79,179,735</b>

December 31, 2022	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	-	51,210,084	-	11,302,526	411,961	62,924,571
new exposures during the year	-	16,698,876	-	5,190,805	5,000	21,894,681
accrued exposures	-	(10,881,718)	-	(4,677,621)	(153,317)	(15,712,656)
Transferred to stage 1	-	4,212,025	-	(4,210,025)	(2000)	-
Transferred to stage 2	-	(8,102,643)	-	8,202,643	(100,000)	-
Transferred to stage 3	-	(133,611)	-	(296,137)	429,748	-
<b>Gross Balance at the End of the Year</b>	<b>-</b>	<b>53,003,013</b>	<b>-</b>	<b>15,512,191</b>	<b>591,392</b>	<b>69,106,596</b>

**Disclosure on movement on the provision for expected credit losses is as follows:**

December 31, 2023	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	-	111,057	-	714,009	323,046	1,148,112
Impairment loss on new exposures during the year	-	55,157	-	86,083	32,109	173,349
Impairment loss on accrued exposures	-	(31,011)	-	(305,101)	(141,210)	(477,322)
Transferred to stage 1	-	53,834	-	(53,834)	-	-
Transferred to stage 2	-	(6,206)	-	9,218	(3,012)	-
Transferred to stage 3	-	(1,376)	-	(4,115)	5,491	-
Impact on the provision at the end of the year - resulting from reclassification between the three stages at the end of the year	-	(50,119)	-	27,122	182,587	159,590
Changes resulting from adjustments	<u>-</u>	<u>373</u>	<u>-</u>	<u>(98,499)</u>	<u>613</u>	<u>(97,513)</u>
<b>Gross Balance at the end of the Year</b>	<u>-</u>	<u><b>131,709</b></u>	<u>-</u>	<u><b>374,883</b></u>	<u><b>399,624</b></u>	<u><b>906,216</b></u>

December 31, 2022	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	-	214,799	-	246,212	178,044	639,055
Impairment loss on new exposures during the year	-	43,945	-	382,703	9,605	436,253
Impairment loss on accrued exposures	-	(65,562)	-	(50,131)	(41,878)	(157,571)
Transferred to stage 1	-	68,042	-	(66,852)	(1,190)	-
Transferred to stage 2	-	(40,651)	-	90,441	(49,790)	-
Transferred to stage 3	-	(37)	-	(20,056)	20,093	-
Impact on the provision at the end of the year - resulting from reclassification between the three stages at the end of the year	-	(58,858)	-	96,168	205,012	242,322
Changes resulting from adjustments	<u>-</u>	<u>(50,621)</u>	<u>-</u>	<u>35,524</u>	<u>3,150</u>	<u>(11,947)</u>
<b>Gross Balance at the End of the Year</b>	<u>-</u>	<u><b>111,057</b></u>	<u>-</u>	<u><b>714,009</b></u>	<u><b>323,046</b></u>	<u><b>1,148,112</b></u>

**Disclosure on the allocation of unutilized ceilings according to the Bank's internal rating categories:**

December 31, 2023	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Credit rating categories based on the Bank's internal system						
From 1 to 6	-	210,192,222	-	63,099,628	-	273,291,850
7	-	-	-	6,560,775	-	6,560,775
From 8 to 10	-	-	-	-	1,696,639	1,696,639
Not classified	<u>13,374,087</u>	<u>-</u>	<u>1,550,047</u>	<u>-</u>	<u>250,938</u>	<u>15,175,072</u>
<b>Total</b>	<b><u>13,374,087</u></b>	<b><u>210,192,222</u></b>	<b><u>1,550,047</u></b>	<b><u>69,660,403</u></b>	<b><u>1,947,577</u></b>	<b><u>296,724,336</u></b>

December 31, 2022	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Credit rating categories based on the bank's internal system						
From 1 to 6	-	191,536,290	-	42,257,920	-	233,794,210
7	-	-	-	7,076,095	-	7,076,095
From 8 to 10	-	-	-	-	327,049	327,049
Not classified	<u>12,302,978</u>	<u>-</u>	<u>910,910</u>	<u>-</u>	<u>258,752</u>	<u>13,472,640</u>
<b>Total</b>	<b><u>12,302,978</u></b>	<b><u>191,536,290</u></b>	<b><u>910,910</u></b>	<b><u>49,334,015</u></b>	<b><u>585,801</u></b>	<b><u>254,669,994</u></b>

**Disclosure on movement of indirect facilities relating to unutilized ceiling:**

December 31, 2023	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	12,302,978	191,536,290	910,910	49,334,015	585,801	254,669,994
new exposures during the year	5,353,813	106,598,907	660,706	35,321,486	1,052,309	148,977,221
accrued exposures	(3,840,232)	(94,917,993)	(366,681)	(7,227,139)	(580,834)	(106,932,879)
Transferred to stage 1	171,649	15,702,052	(150,102)	(15,702,052)	(21,547)	-
Transferred to stage 2	(487,569)	(8,022,759)	(531,177)	8,022,759	(43,608)	-
Transferred to stage 3	(126,552)	(704,275)	(35,963)	(88,666)	955,456	-
<b>Gross Balance at the End of the Year</b>	<b><u>13,374,087</u></b>	<b><u>210,192,222</u></b>	<b><u>1,550,047</u></b>	<b><u>69,660,403</u></b>	<b><u>1,947,577</u></b>	<b><u>296,724,336</u></b>

December 31, 2022	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	20,102,040	234,587,409	1,800,173	39,498,139	539,655	296,527,416
new exposures during the year	2,987,277	77,728,754	228,085	25,745,344	281,286	106,970,746
accrued exposures	(10,855,324)	(115,255,564)	(955,703)	(21,320,914)	(440,663)	(148,828,168)
Transferred to stage 1	537,864	12,017,601	(472,311)	(12,017,601)	(65,553)	-
Transferred to stage 2	(348,880)	(17,541,910)	373,907	17,541,910	(25,027)	-
Transferred to stage 3	(119,999)	-	(63,241)	(112,863)	296,103	-
<b>Gross Balance at the End of the Year</b>	<b><u>12,302,978</u></b>	<b><u>191,536,290</u></b>	<b><u>910,910</u></b>	<b><u>49,334,015</u></b>	<b><u>585,801</u></b>	<b><u>254,669,994</u></b>

**Disclosure on movement of the provision for expected credit losses related to facilities is as follows:**

December 31, 2023	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	516,716	413,120	112,093	1,562,953	301,635	2,909,651
Impairment loss on new exposures during the year	13,250	76,540	30,005	569,290	13,898	702,983
Impairment loss on accrued exposures	(426,474)	(178,808)	(36,824)	(385,424)	(266,686)	(1,294,216)
Transferred to stage 1	24,358	228,900	(15,780)	(228,900)	(8,578)	-
Transferred to stage 2	(45,672)	(83,353)	60,086	83,352	(14,413)	-
Transferred to stage 3	(5,908)	(1,743)	(3,718)	(415)	11,784	-
Impact on the provision at the end of the year - resulting from reclassification between the three stages at the end of the year	(23,449)	(219,396)	(13,692)	126,587	771,215	641,265
Changes resulting from adjustments	(537)	(24,012)	1	3,941	-	(20,607)
<b>Gross Balance at the end of the Year</b>	<b><u>52,284</u></b>	<b><u>211,428</u></b>	<b><u>132,171</u></b>	<b><u>1,731,384</u></b>	<b><u>808,855</u></b>	<b><u>2,935,942</u></b>

December 31, 2022	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD		
Balance at the beginning of the year	796,805	152,502	169,157	956,539	207,366	2,282,369
Credit loss on new exposures during the year	151,362	267,623	36,204	639,615	157,461	1,252,265
Credit loss on accrued exposures	(437,604)	(63,989)	(59,739)	(158,836)	(143,151)	(863,319)
Transferred to stage 1	89,164	383,454	(59,933)	(383,454)	(29,231)	-
Transferred to stage 2	(19,226)	(12,904)	33,084	12,903	(13,857)	-
Transferred to stage 3	(6,520)	-	(8,394)	(5,845)	20,759	-
Effect on the provision at the end of the year - resulting from the reclassification between the three stages at the end of the year	(57,313)	(338,408)	1,697	492,306	102,288	200,570
Changes resulting from adjustments	48	24,842	17	9,725	-	34,632
<b>Gross Balance at the End of the Year</b>	<b><u>516,716</u></b>	<b><u>413,120</u></b>	<b><u>112,093</u></b>	<b><u>1,562,953</u></b>	<b><u>301,635</u></b>	<b><u>2,906,517</u></b>

### 23- Authorized Paid-up Capital

Authorized and paid-in capital amounted to JD 190,000,000 divided into 190,000,000 shares at value of JD 1 per share as of December 31, 2023 and December 31, 2022.

### 24- Reserves

#### Statutory Reserve

This reserve represents amounts accumulated and transferred from income before tax at the rates that applies in the areas where the Bank operates during the year and the previous years, according to the Bank's Law and Company's Law. The statutory reserve may not be distributed to shareholders.

#### General Banking Risk Reserve

This reserve represents the general banking risks reserve according to the regulations of the Palestine Monetary Authority.

#### Cyclical Fluctuations Reserve

This item represents amounts accumulated and transferred from the annual net profits for the Palestine branches and Al Safa Bank in accordance with the instructions of the Palestinian Monetary Authority.

#### Restricted reserves are as follows:

Nature of Reserve	Amount	Regulation
	JD	
Statutory	95,868,196	Banking law and corporate law
General banking risk	6,174,583	Palestinian Monetary Authority instructions
Cyclical fluctuations	11,526,630	Palestinian Monetary Authority instructions

### 25- Suggested Dividends to be distributed

On February 8, 2024, the Board of Directors recommended to the General Assembly of the Bank to approve the distribution of dividends to shareholders for the current year at a rate of 7%, or the equivalent of 13,300,000 dinars (0.070 dinars per share), and this recommendation is subject to the approval of the Central Bank of Jordan and the General Assembly of Shareholders; also increase the capital of the Bank by 10,000,000 with a percentage of 5.263% from the authorized and paid up capital through distributing free shares to shareholders, where an extraordinary meeting of the General Assembly will be called, and this recommendation is subject to the approval of the General Assembly of Shareholders and the Central Bank of Jordan.

## 26- Fair Value Reserve - at net

Details of this item are as follows:

	2023	2022
	JD	JD
Beginning balance	9,304,467	3,797,698
Unrealized profits	19,936,274	7,268,999
Profit / Loss of financial assets at fair value through other comprehensive income transferred to retained profit as a result of sale	(369,430)	137,544
Deferred tax assets	3,669	(1,436,466)
Deferred tax liabilities	(1,380,691)	(463,308)
<b>Balance at the end of the year</b>	<b><u>27,494,289</u></b>	<b><u>9,304,467</u></b>

- The net fair value reserve appears after deducting deferred tax liabilities at the amount of JD 2,155,299 and the deferred tax assets at the amount of JD 1,417.

## 27- Retained Earnings Attributable to the Bank's shareholders

Details of this item are as follows:

	2023	2022
	JD	JD
Balance at the beginning of the year	97,910,555	94,481,206
Profit for the year	35,284,694	34,613,824
Transferred to statutory reserve	(4,503,702)	(4,652,575)
Transferred to general banking risk reserve	(1,528,328)	(304,826)
Transferred to cyclical fluctuated reserve	(129,756)	(502,221)
Dividends to shareholders	(19,000,000)	(28,500,000)
Net change in non-controlling interest	-	2,912,691
Transferred resulted from sale of financial assets at fair value through other comprehensive income	<u>369,430</u>	<u>(137,544)</u>
<b>Balance at the end of the year</b>	<b><u>108,402,893</u></b>	<b><u>97,910,555</u></b>

- The General Assembly of Shareholders decided, in its regular meeting held on April 13, 2023, to approve the distribution of monetary dividends to shareholders in the amount of 100 fils per share, i.e. 10% of the nominal value of the share of one dinar, as profit of the year 2022.
- The General Assembly of Shareholders decided, in its regular meeting held on April 24, 2022, to approve the distribution of monetary dividends to shareholders in the amount of 90 fils per share, i.e. 9% of the nominal value of the share of one dinar. In addition to distributing 16,078,984 shares of Al-Safa Bank/ Palestine shares owned by Cairo Amman Bank to the shareholders of Cairo Amman Bank, in proportion to the shareholders' ownership of the capital of Cairo Amman Bank, as dividends for the year 2021.
- The balance of retained earnings as of December 31, 2023 includes an amount of 12,169,542 dinars, which represents the balance of the impact of the early application of IFRS 9. According to the instructions of the Securities Commission, it is prohibited to dispose of it except to the extent of what is actually realized through sales.
- Retained earnings include deferred tax assets amounting to 16,266,401 dinars as at December 31, 2023, compared to 13,574,826 dinars as on December 31, 2022, and based on the instructions of the Central Bank of Jordan, it is prohibited to dispose of them.
- An amount of 1,155,916 dinars cannot be disposed of and represents the remaining balance of the general banking risk reserve within the retained earnings in accordance with the instructions of the Central Bank of Jordan.



## 28- Credit Interests

Details of this item are as follows:

	2023	2022
	JD	JD
<b>Direct Credit Facilities:</b>		
Individuals (retail)		
Accounts receivable	1,333,746	1,148,994
Loans and bills	81,439,618	61,358,880
Credit cards	2,800,261	2,821,536
Margin accounts - brokerage	537,036	491,819
Mortgages loans	21,131,198	16,638,058
Companies		
Corporates		
Accounts receivable	8,887,657	7,724,923
Loans and bills	41,078,683	30,731,253
SME's		
Accounts receivable	2,476,096	1,860,118
Loans and bills	12,951,772	10,117,098
Public and governmental sectors	15,951,772	12,313,065
Balances at Central Banks	15,460,000	385,901
Balances and deposits at banks and financial institutions	1,203,957	4,346,792
Financial assets at fair value through statement of income	41,979	
Other financial assets at amortized cost	41,899,844	38,542,823
<b>Total</b>	<b><u>239,520,475</u></b>	<b><u>188,481,260</u></b>

## 29- Debit Interests

Details of this item are as follows:

	2023	2022
	JD	JD
Banks and financial institution deposits	13,301,844	8,609,401
Customers' deposits:		
Current and demand accounts	3,926,872	1,709,086
Saving accounts	553,172	1,398,269
Time and notice placements	63,884,967	39,992,990
Cash margin	431,321	297,559
Borrowed funds	13,101,880	10,974,200
Deposit guarantee fees	2,859,461	3,800,294
<b>Total</b>	<b><u>98,059,517</u></b>	<b><u>66,781,799</u></b>

### 30- Net Commission Revenue

Details of this item are as follows:

	2023	2022
	JD	JD
Direct credit facilities commission	3,483,866	4,953,995
Indirect credit facilities commission	3,029,993	2,676,572
Other commissions	10,672,382	11,776,452
Less: debit commission	(162,292)	168,580
<b>Net Commission revenue</b>	<b><u>17,023,949</u></b>	<b><u>19,238,439</u></b>

### 31- Profits from Foreign Currencies

Details of this item are as follows:

	2023	2022
	JD	JD
Resulted from trading/ operations in	186,136	246,209
Resulted from revaluation	<u>6,045,144</u>	<u>4,632,432</u>
<b>Total</b>	<b><u>6,231,280</u></b>	<b><u>4,878,641</u></b>

### 32- Gains (Losses) from Financial Assets at Fair Value through Profit or Loss

Details of this item are as follows:

December 31, 2023	Realized Gains	Unrealized Gains	Stock Dividends	Total
	JD	JD	JD	JD
corporate stocks	728,802	(489,897)	455,886	694,791
Government bonds	-	292,393	-	292,393
<b>Total</b>	<b><u>728,802</u></b>	<b><u>(197,504)</u></b>	<b><u>455,886</u></b>	<b><u>987,184</u></b>

December 31, 2022	Realized Gains	Unrealized Gains	Stock Dividends	Total
	JD	JD	JD	JD
corporate stocks	<u>309,041</u>	<u>223,770</u>	<u>458,343</u>	<u>991,154</u>
<b>Total</b>	<b><u>309,041</u></b>	<b><u>223,770</u></b>	<b><u>458,343</u></b>	<b><u>991,154</u></b>

### 33- Dividends return from Financial Assets at Fair Value through Other Comprehensive Income

Details of this item are as follows:

	2023	2022
	JD	JD
Dividend return from companies shares	<u>2,570,481</u>	<u>2,351,321</u>
<b>Total</b>	<b><u>2,570,481</u></b>	<b><u>2,351,321</u></b>

### 34- Other Income

Details of this item are as follows:

	2022	2022
	JD	JD
Suspended interest transferred to revenue	46,535	923,109
Rental of safe deposit boxes	125,756	126,320
Revenues from selling check books	48,237	40,688
Refunded written off debts	2,614,871	1,306,387
Income from cards	3,270,245	2,963,284
(Losses) profit from sale of property and equipment	(2,411)	34,010
Gains from sale of assets repossessed by the Bank	646,032	2,399,178
Buildings rent revenue	80,865	22,000
Brokerage commission	765,428	850,596
Others	<u>219,248</u>	<u>95,650</u>
<b>Total</b>	<b><u>8,228,806</u></b>	<b><u>8,761,222</u></b>

### 35- Employees' Costs

Details of this item are as follows:

	2023	2022
	JD	JD
Employees' salaries, benefits and remuneration	38,017,430	36,389,802
Bank's contribution to social security	2,864,866	2,742,054
Bank's contribution to savings fund	496,364	518,416
End of service indemnity (No. 20)	1,983,855	2,945,445
End of service benefits	56,332	7,522
Medical expenses	2,981,891	2,814,948
Employees' training	282,622	230,167
Employees' uniforms	143,552	199,875
Others employees expenses	<u>110,450</u>	<u>111,707</u>
<b>Total</b>	<b><u>46,937,362</u></b>	<b><u>45,959,936</u></b>

### 36- Other Expenses

Details of this item are as follows:

	2023	2022
	JD	JD
Rent	90,014	109,416
Lease contracts consumptions	4,269,336	4,341,907
Lease contracts interests	921,909	947,331
Cleaning and maintenance	2,982,306	2,287,154
Water, heat and electricity	2,622,475	2,528,220
Governmental fees and charges	1,369,486	1,354,604
Printings and stationery	631,134	669,982
Donations and subvention	1,041,095	1,174,691
Insurance expenses	1,676,992	1,438,799
Subscriptions	1,201,665	810,052
Communication	475,049	473,691
Legal fees and expenses	1,928,965	1,831,204
Professional fees	1,377,095	1,151,846
Mail and money transfer	787,582	805,773
Advertising expense	3,188,798	3,449,418
Board of directors expenses and remuneration	1,373,194	1,288,753
Computers and Information systems expenses	10,915,803	8,812,588
Travel and transportation	496,426	543,974
Consultation expenses	266,921	401,439
Safeguarding expenses	511,344	474,230
External attribution expenses	933,359	920,017
Other expenses	<u>1,471,254</u>	<u>663,998</u>
<b>Total</b>	<b><u>40,532,202</u></b>	<b><u>36,479,087</u></b>

### 37- Provision for Expected Credit Losses

Details of this item are as follows:

	2023	2022
	JD	JD
Balances at central banks	(7,138)	1,228
Balances at banks and financial institutions	(17,040)	(25,959)
Deposits at banks and financial institutions	(1,800)	(147,852)
Financial assets at fair value through OCI	(389)	94
Financial assets at amortized cost	(72,623)	(104,679)
Direct credit facilities	30,397,457	14,473,184
Indirect credit facilities	<u>(486,143)</u>	<u>1,333,456</u>
<b>Total</b>	<b><u>29,812,324</u></b>	<b><u>15,529,472</u></b>

### 38- Earnings per Share

Details of this item are as follows:

	2023	2022
	JD	JD
Profit for the year attributable to Bank's shareholders (JD)	35,284,694	34,613,824
Weighted average number of shares (share)	190,000,000	190,000,000

	Fils/JD	Fils/JD
Basic and diluted earnings per share for the year (Bank's Shareholders)	<u>186/0</u>	<u>182/0</u>

The weighted average for earnings per shares was calculated from the basic and diluted profit attributable to the shareholders of the Bank based on the number of shares authorized for the years ended December 31, 2023 and 2022, according to the requirements of IFRS 33.

### 39- Cash and Cash Equivalents

Details of this item are as follows:

	2023	2022
	JD	JD
Cash and balances with Central Banks maturing within 3 months	337,265,942	320,714,351
Add: Balances at banks and financial institutions' maturing within 3 months	120,280,028	123,941,017
Less: Banks and financial institutions' deposits maturing within 3 months	225,651,238	180,601,325
Less: Restricted cash balances	<u>10,635,000</u>	<u>10,635,000</u>
<b>Total</b>	<b><u>221,259,732</u></b>	<b><u>253,419,043</u></b>

### 40- Balances and Transactions with Related Parties

The accompanying consolidated financial statements of the Bank include the following subsidiaries:

Company Name	Ownership %	Paid in Capital	
		2023	2022
		JD	JD
Al-Watanieh Financial Services Company Limited Liability	100	6,500,000	6,500,000
Al-Watanieh Securities Company private shareholding	100	1,600,000	1,600,000
Tamallak for Financial Leasing Company	100	5,000,000	5,000,000
Safa Bank	51	53,175,000	53,175,000

The Bank entered into transactions with subsidiaries, major shareholders, directors, senior management in the Bank's ordinary course of business by using commercial interest and commission rates. All the credit facilities to related parties are performing facilities and are free of any provision.

The following is summary of transactions with related party during the year:

	Related Parties				Total	
	BOD members	Main shareholder	Executive management	Other*	As at December 31,	
					2023	2022
	JD	JD	JD	JD	JD	JD
<b>Items within the consolidated financial position statement</b>						
Direct facilities	33,579,012	17,592,171	2,871,607	36,421,435	90,464,225	69,406,297
Deposits with the Bank	74,624,745	11,836,737	8,712,790	10,497,591	105,671,863	62,022,124
Cash margins	22,573	56,805	76	19,603	99,057	330,527
<b>Items out of the financial position statement</b>						
Indirect facilities	3,376,767	424,251	14,480	2,930,868	6,746,366	4,175,410
<b>Consolidated profit or loss Statements Items</b>					<b>2023</b>	<b>2022</b>
					<b>JD</b>	<b>JD</b>
Credit interest and commission	1,289,073	594,939	110,961	1,675,041	3,670,014	3,357,639
Debit interest and commission	1,986,875	271,497	121,961	522,569	2,902,902	1,655,693

\* Others include the rest of Bank's employees and their relatives up to the third degree.

- Credit interest rates on credit facilities in Jordanian Dinar range between 2% to 21%
- Credit interest rates on credit facilities in foreign currency range between 4.25% to 8.75%
- Debit interest rates on deposits in Jordanian Dinar range between zero% to 7%
- Debit interest rates on deposits in foreign currency range between zero% 5%

\*\* Salaries and bonuses of executive management amounted to JD 3,752,641as of December 31, 2023 (JD 3,394,081as of December 31, 2022).

## 41- Risk Management

The Bank is exposed to a range of risks, including the following main risks:

- **Credit risk**
- **Market risk**
- **Liquidity risk**
- **Operational risk**
- **Compliance risk**

### - Credit risk

Credit risk is the risk that may result from non-compliance or inability of the counterparty to the financial instrument to fulfill its obligations towards the Bank, which leads to losses. The Bank works to manage credit risks by applying and updating various policies that define and address all aspects of granting and maintaining credit, in addition to setting ceilings for the amounts of credit facilities granted to customers and the total credit facilities for each sector and each geographical area.

The general framework for credit risk management in the Bank is represented by the following axes:

#### **Credit policies:**

The Bank manages credit risks through what the Board of Directors determines annually in its various credit policies in terms of ceilings and different conditions, which are updated annually according to the variables and results of analysis and studies and with the approval of the Board of Directors. These policies generally include the foundations and principles of grants in the Bank, determine powers, collaterals, credit control department, define the general framework for credit risk management, and it also includes clear ratios for the maximum limits of credit granted to any customer and/or group of related customers, in addition to the distribution of credit according to geographical regions and different economic sectors. The Bank considers that the diversification of portfolios is one of the basic elements to mitigate credit risks.

#### **Customer credit rating:**

In order to develop credit risk management at the Bank, credit risks are classified internally, which includes the classification of customer risks according to their financial solvency and ability to pay, in addition to evaluating the quality of the facilities granted to customers according to the movement of account activity and the regularity of payment of principal and interest. The collaterals are also classified according to their type and percentages covering the risks of the granted and/or existing facilities. The Bank's portfolio and its distributions are periodically monitored according to ratings.

#### **Risk mitigation methods**

The Bank follows several methods to mitigate risks, including defining acceptable collaterals and their conditions, so that good and liquid collaterals are accepted at the appropriate value and time in case the Bank needs that, taking into account the absence of a correlation between the value of the collateral and the customer's activity. The Bank also follows the insurance policy on some portfolios and builds additional provisions. As one of the methods of mitigating risks, the management monitors the market value of the collaterals periodically, and in the event of its decrease, the Bank requests additional collaterals to enhance the shortfall.

**Credit Granting Process Management:**

The principle of separating the functions related to risk management in the Bank is adopted in line with the best practices in this regard, with clarification of the limits, powers and responsibilities of each of these functions, as the credit decision is separated from the implementation in a way that ensures achievement of control over the credit granting operations.

It is ensured that administrative approvals are obtained for the facilities approved for granting, and compliance with the authority schedules according to the size of the credit and the collaterals placed against it. The approvals are notified and the disbursement is executed after ensuring that the contracts and collaterals fulfill the conditions required to implement the principle of separation of duties.

Work is done on correct legal documentation of contracts and documents related to facilities and Bank collaterals, and to verify their completion of the approved credit conditions and legal conditions in a way that preserves the rights of the Bank, before executing and disbursing the facilities.

**Credit maintenance and follow-up**

The development and performance of the various facilities portfolios are monitored periodically in order to ensure that they are within the limits of acceptable risks and the ceilings of the economic sectors specified by the Bank's Board of Directors, and for the purposes of identifying preliminary indicators of high risks therein.

The status of accounts classified as non-performing is reviewed periodically and the need to deduct any additional provisions against them.

There are independent and specialized departments whose tasks are to decide on irregular credit and assume the task of managing and collecting irregular credit facilities. The Bank has allocated several control departments that monitor and follow up credit and report any early warning indicators in order to follow up and correct.



## 1- Reclassified credit exposures

### A- Gross reclassified credit exposures:

31 December 2023	Stage 2		Stage 3			
Item	Total value of exposure	Reclassified exposures	Total value of exposure	Reclassified exposures	Total re-classified exposures	% of re-classified exposures
	JD	JD	JD	JD	JD	%
Credit facilities	<u>601,395,989</u>	<u>212,940,054</u>	<u>163,916,822</u>	<u>63,670,746</u>	<u>358,247,695</u>	14.69%
Total	601,395,989	212,940,054	163,916,822	63,670,746	358,247,695	
Financial guarantees	18,428,215	3,817,536	911,211	38,309	5,871,545	7.42%
Letters of credit	10,019,353	1,496,778	54,787	52,732	1,741,826	2.06%
Other liabilities	<u>71,210,450</u>	<u>8,553,936</u>	<u>1,947,577</u>	<u>955,456</u>	<u>25,383,093</u>	8.55%
<b>Grand total</b>	<b><u>701,054,007</u></b>	<b><u>226,808,304</u></b>	<b><u>166,830,397</u></b>	<b><u>65,059,243</u></b>	<b><u>391,244,159</u></b>	

31 December 2022	Stage 2		Stage 3			
Item	Total value of exposure	Reclassified exposures	Total value of exposure	Reclassified exposures	Total re-classified exposures	% of re-classified exposures
	JD	JD	JD	JD	JD	%
Credit facilities	<u>402,418,560</u>	<u>138,671,844</u>	<u>131,845,238</u>	<u>51,076,978</u>	<u>263,198,640</u>	11.73%
Total	402,418,560	138,671,844	131,845,238	51,076,978	263,198,640	
Financial guarantees	15,512,191	8,202,643	591,392	429,747	12,844,416	18.59%
Letters of credit	7,953,638	2,904,015	-	-	2,904,015	4.10%
Other liabilities	<u>50,244,925</u>	<u>17,915,817</u>	<u>585,801</u>	<u>296,103</u>	<u>30,767,386</u>	12.08%
<b>Grand total</b>	<b><u>476,129,314</u></b>	<b><u>167,694,319</u></b>	<b><u>133,022,431</u></b>	<b><u>51,802,829</u></b>	<b><u>309,714,457</u></b>	

## B- Expected credit losses of reclassified exposures

December 31, 2023	Exposures with amended classifications				Credit loss of the Exposures with amended classifications				
	Total exposures with amended classification from the second stage		Total exposures with amended classification from the third stage	Total exposures with amended classification		Second stage		Third stage	
	Dinar	Dinar		Dinar	Dinar	Individual	Collective	Individual	Collective
credit facilities	212,940,054	63,670,746	358,247,695	1,918,418	5,094,871	3,888,735	-	10,902,024	
Total	212,940,054	63,670,746	358,247,695	1,918,418	5,094,871	3,888,735	-	10,902,024	
Financial guarantees	3,817,536	380,309	5,871,545	9,218	-	5,491	-	14,709	
Letters of credit	1,496,778	52,732	1,741,826	399	-	277	-	676	
Other liabilities	8,553,936	955,456	25,383,093	83,352	60,086	11,784	-	155,222	
<b>Total</b>	<b>226,808,304</b>	<b>65,059,243</b>	<b>391,244,159</b>	<b>2,011,387</b>	<b>5,154,957</b>	<b>3,906,287</b>	<b>-</b>	<b>11,072,631</b>	

December 31, 2022	Exposures with amended classifications				Credit loss of the Exposures with amended classifications				
	Total exposures with amended classification from the second stage		Total exposures with amended classification from the third stage	Total exposures with amended classification		Second stage		Third stage	
	Dinar	Dinar		Dinar	Dinar	Individual	Collective	Individual	Collective
credit facilities	138,671,844	51,076,978	263,198,640	3,237,914	3,458,399	1,562,102	-	8,258,415	
Total	138,671,844	51,076,978	263,198,640	3,237,914	3,458,399	1,562,102	-	8,258,415	
Financial guarantees	8,202,643	429,748	12,844,416	90,441	-	20,093	-	110,534	
Letters of credit	2,904,015	-	2,904,015	11,898	-	-	-	11,898	
Other liabilities	17,915,817	296,103	30,767,386	12,903	33,084	20,759	-	66,746	
<b>Total</b>	<b>167,694,319</b>	<b>51,802,829</b>	<b>309,714,457</b>	<b>3,353,156</b>	<b>3,491,483</b>	<b>1,602,954</b>	<b>-</b>	<b>8,447,593</b>	

## 2- Allocation of exposures according to economic sectors:

### A- Total allocation of exposures according to financial instruments – at net

As at 31 December 2023	Financial		Industrial		Commercial		Real Estate*		Agricultural		Stock exchange		Individuals		Public Sector		Total	
	JD		JD		JD		JD		JD		JD		JD		JD		JD	
Balances at central banks	-		-		-		-		-		-		-		198,284,869		198,284,869	
Balances at banks and financial institutions	120,276,796		-		-		-		-		-		-		-		120,276,796	
Deposits at banks and financial institutions	67,259,075		-		-		-		-		-		-		-		67,259,075	
Credit facilities	213,254,962		153,101,452		392,846,806		467,522,772		22,645,173		19,841,363		782,837,254		242,185,356		2,294,235,138	
Financial assets at thru income statement	-		-		-		-		-		-		-		4,254,638		4,254,638	
Financial assets at thru other comprehensive income statement	-		-		-		-		-		-		-		164,551		164,551	
Financial assets at amortized cost	61,443,103		-		21,034,683		-		-		-		-		719,610,891		802,088,677	
Other assets	10,543,955		3,942,416		9,207,376		951,807		480,611		520,962		1,618,921		9,634,441		36,900,489	
Total assets	472,777,891		157,043,868		423,088,865		468,474,579		23,125,784		20,362,325		784,456,175		1,174,134,746		3,523,464,233	
Financial guarantees	4,162,115		9,654,862		50,204,940		7,813,849		5,010,783		-		-		1,426,970		78,273,519	
Letters of credit & acceptances	7,076,174		31,705,548		34,643,717		182,784		-		-		-		10,555,778		84,164,001	
Other liabilities	18,798,744		47,381,865		165,711,174		8,926,568		5,014,072		424		11,831,921		36,123,626		293,788,394	
<b>Total</b>	<b>502,814,924</b>		<b>245,786,143</b>		<b>673,648,696</b>		<b>485,397,780</b>		<b>33,150,639</b>		<b>20,362,749</b>		<b>796,288,096</b>		<b>1,222,241,120</b>		<b>3,979,690,147</b>	

As on 31 December 2022	Financial		Industrial		Commercial		Real Estate*		Agricultural		Stock exchange		Individuals		Public Sector		Total	
	JD		JD		JD		JD		JD		JD		JD		JD		JD	
Balances at central banks	-		-		-		-		-		-		-		180,339,402		180,339,402	
Balances at banks and financial institutions	123,920,745		-		-		-		-		-		-		-		123,920,745	
Deposits at banks and financial institutions	73,083,268		-		-		-		-		-		-		-		73,083,268	
Credit facilities	117,373,960		151,241,237		348,956,741		389,655,237		24,424,596		21,862,231		830,877,448		242,802,615		2,127,194,065	
Financial assets at thru income statement	-		-		-		-		-		-		-		176,339		176,339	
Financial assets at amortized cost	61,443,103		-		21,357,800		-		-		-		-		712,564,237		795,365,140	
Other assets	8,548,806		2,736,393		6,729,184		285,616		402,536		293,273		6,830,337		8,420,496		34,246,641	
Total assets	384,369,882		153,977,630		377,043,725		389,940,853		24,827,132		22,155,504		837,707,785		1,144,126,750		3,334,149,261	
Financial guarantees	14,365,568		7,253,825		27,047,910		16,900,114		618,740		-		-		1,772,327		67,958,484	
Letters of credit and acceptances	14,961,923		12,462,052		32,307,379		-		-		-		-		10,286,878		70,018,232	
Other liabilities	44,990,039		14,959,642		129,933,004		717,736		1,664,502		3,509,974		11,204,917		38,329,663		251,763,477	
<b>Total</b>	<b>458,687,412</b>		<b>188,653,149</b>		<b>566,332,018</b>		<b>414,012,703</b>		<b>27,110,374</b>		<b>25,665,478</b>		<b>848,912,702</b>		<b>1,194,691,957</b>		<b>3,724,065,793</b>	

## B- Allocation of exposures according to stage categories of IFRS 9:

As at December 31, 2023	Stage 2		Stage 3			
Item	Individual	Collective	Individual	Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Financial	494,285,918	5,203,527	3,325,462	-	17	502,814,624
Industry and mining	154,506,845	4,066,426	77,399,315	5,556,460	4,257,097	245,786,143
General trade	441,594,043	10,087,402	202,683,939	9,339,058	9,944,254	673,648,696
Financing of real-estates purchase	84,696,590	261,934,593	65,370,447	55,008,919	18,387,231	485,397,780
Agriculture	24,106,762	504,179	6,924,029	-	1,615,669	33,150,639
Stocks	4,408,938	4,939,253	11,004,518	10,040	-	20,362,749
Individual	3,016,196	655,769,256	1,826,197	112,535,381	23,141,066	796,288,096
Government and public sector	<u>1,094,770,381</u>	<u>9,376,212</u>	<u>118,094,527</u>	<u>-</u>	<u>-</u>	<u>1,222,241,120</u>
<b>Grand total</b>	<b><u>2,301,385,673</u></b>	<b><u>951,880,848</u></b>	<b><u>486,628,434</u></b>	<b><u>182,449,858</u></b>	<b><u>57,345,334</u></b>	<b><u>3,979,690,147</u></b>

As at December 31, 2022	Stage 2		Stage 3			
Item	Individual	Collective	Individual	Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Financial	433,244,246	8,804,747	16,638,401	-	18	458,687,412
Industry and mining	136,034,023	3,799,873	44,870,845	123,980	3,824,428	188,653,149
General trade	317,106,265	34,127,801	183,094,835	26,813,139	5,189,978	566,332,018
Financing of real-estates purchase	200,547,651	163,656,908	10,845,510	23,498,698	15,463,936	414,012,703
Agriculture	15,995,749	578,728	9,634,892	3,400	897,605	27,110,374
Stocks	16,187,212	5,610,423	3,561,392	15,582	290,869	25,665,478
Individual	196,730	767,633,689	61,085	63,838,660	17,182,538	848,912,702
Government and public sector	<u>1,112,343,726</u>	<u>8,162,267</u>	<u>74,160,332</u>	<u>-</u>	<u>25,632</u>	<u>1,194,691,957</u>
<b>Grand total</b>	<b><u>2,231,655,602</u></b>	<b><u>992,374,436</u></b>	<b><u>342,867,292</u></b>	<b><u>114,293,459</u></b>	<b><u>42,875,004</u></b>	<b><u>3,724,065,793</u></b>

### 3- Allocation of exposures according to geographical locations:

#### A- Total allocation of exposures according to geographical regions - at net

As of December 31 ,2023	Inside Jordan	Other Middle Eastern Countries	Europe	Asia *	Americas	Other Countries	Total
	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	98,734,974	99,549,895	-	-	-	-	198,284,869
Balances at banks and financial institutions	44,860,477	29,789,349	33,133,689	164,583	12,274,523	54,175	120,276,796
Deposits at banks and financial institutions	49,282,574	17,976,501	-	-	-	-	67,259,075
Direct credit facilities	1,632,338,076	637,222,150	13,364,966	11,191,535	118,411	-	2,294,235,138
Financial assets through in-come statement	4,254,638	-	-	-	-	-	4,254,638
Financial assets through other comprehensive in-come statement	-	164,551	-	-	-	-	164,551
Financial assets at amortized cost	764,742,843	36,780,033	565,801	-	-	-	802,088,677
Other assets	<u>25,345,742</u>	<u>7,516,894</u>	<u>4,023,330</u>	<u>-</u>	<u>14,523</u>	<u>-</u>	<u>36,900,489</u>
Gross assets	2,619,559,324	828,999,373	51,087,786	11,356,118	12,407,457	54,175	3,523,464,233
Financial guarantees	51,081,214	23,117,419	3,563,123	299,083	212,680	-	78,273,519
Letters of credit and acceptances	39,528,203	44,635,798	-	-	-	-	84,164,001
Other liabilities	<u>228,797,582</u>	<u>64,990,388</u>	<u>424</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>293,788,394</u>
<b>Total</b>	<b><u>2,938,966,323</u></b>	<b><u>961,742,978</u></b>	<b><u>54,651,333</u></b>	<b><u>11,655,201</u></b>	<b><u>12,620,137</u></b>	<b><u>54,175</u></b>	<b><u>3,979,690,147</u></b>

As of December 31 ,2022	Inside Jordan	Other Middle Eastern Countries	Europe	Asia *	Americas	Other Countries	Total
	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	82,042,939	98,296,463	-	-	-	-	180,339,402
Balances at banks and financial institutions	40,763,309	29,973,972	34,972,096	546,104	17,639,988	25,276	123,920,745
Deposits at banks and financial institutions	71,933,817	1,149,451	-	-	-	-	73,083,268
Direct credit facilities	1,528,573,384	588,390,399	2,304,413	-	7,925,869	-	2,127,194,065
Financial assets through other comprehensive income	-	176,339	-	-	-	-	176,339
Financial assets at amortized cost	753,001,107	41,798,232	565,801	-	-	-	795,365,140
Other assets	<u>28,364,585</u>	<u>4,252,904</u>	<u>1,625,056</u>	<u>-</u>	<u>4,096</u>	<u>-</u>	<u>34,246,641</u>
Gross assets	2,504,679,141	763,861,421	39,467,366	546,104	25,569,953	25,276	3,334,149,261
Financial guarantees	47,289,570	15,886,761	4,270,801	298,702	212,650	-	67,958,484
Letters of credit and acceptances	43,801,725	26,216,507	-	-	-	-	70,018,232
Other liabilities	<u>205,931,697</u>	<u>45,831,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>251,763,477</u>
<b>Total</b>	<b><u>2,801,702,133</u></b>	<b><u>851,972,808</u></b>	<b><u>43,738,167</u></b>	<b><u>844,806</u></b>	<b><u>25,782,603</u></b>	<b><u>25,276</u></b>	<b><u>3,724,065,793</u></b>

## B- Allocation of exposures according category stages pursuant to IFRS 9:

As on 31 December 2023	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Individual		
	Dinar	Dinar	Dinar	Dinar		
Inside the Kingdom	1,799,341,513	730,653,615	269,103,750	93,372,623	46,494,822	2,938,966,323
Other middle eastern countries	438,233,270	217,839,111	205,742,850	89,077,235	10,850,512	961,742,978
Europe	39,481,377	3,388,122	11,781,834	-	-	54,651,333
Asia	11,655,201	-	-	-	-	11,655,201
America	12,620,137	-	-	-	-	12,620,137
Other countries	54,175	-	-	-	-	54,175
<b>Total</b>	<b><u>2,301,385,673</u></b>	<b><u>951,880,848</u></b>	<b><u>486,628,434</u></b>	<b><u>182,449,858</u></b>	<b><u>57,345,334</u></b>	<b><u>3,979,690,147</u></b>

As on 31 December 2022	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Individual		
	Dinar	Dinar	Dinar	Dinar		
Inside the Kingdom	1,656,796,625	797,186,500	246,027,453	66,819,119	34,872,436	2,801,702,133
Other middle eastern countries	506,063,396	193,592,665	96,839,839	47,474,340	8,002,568	851,796,469
Europe	42,142,896	1,595,271	-	-	-	43,738,167
Asia	844,806	-	-	-	-	844,806
America	25,782,603	-	-	-	-	25,782,603
Other countries	25,276	-	-	-	-	25,276
<b>Total</b>	<b><u>2,231,479,263</u></b>	<b><u>992,374,436</u></b>	<b><u>342,867,292</u></b>	<b><u>114,293,459</u></b>	<b><u>42,875,004</u></b>	<b><u>3,723,889,454</u></b>

## 4- Credit risk exposures (after allowances of impairment and suspended interests and before collaterals and other risk mitigates):

	31 December	
	2023	2022
	JD	JD
Items within Consolidated Statement of Financial Position		
Balances at Central Banks	198,284,869	180,339,402
Balances at banks and financial institutions	120,276,796	123,920,745
Deposits at banks and financial institutions	67,259,075	73,083,268
Credit facilities:		
Individuals	770,582,842	761,844,268
Mortgages loans	336,894,158	305,171,942
Corporates	714,355,887	595,588,956
Small and medium enterprises	231,443,483	223,479,893
Government and public sector	240,958,768	241,109,006
Financial assets through income statement	4,254,638	
Financial assets through other comprehensive income	164,551	176,339
Financial assets held at amortized cost, at net	802,088,677	795,365,140
Other assets	36,900,489	34,246,641
<b>Total items within Consolidated Statement of Financial Position</b>	<b><u>3,523,464,233</u></b>	<b><u>3,334,149,261</u></b>

### Off-Statement of Financial Position Items

Letters of credit & Acceptances	84,163,001	70,018,232
Letters of guarantee	78,273,519	67,958,484
Unutilized financial facilities ceilings	<u>293,788,394</u>	<u>251,763,477</u>
<b>Total off- Consolidated Statement of Financial Position Items</b>	<u>456,225,914</u>	<u>389,740,193</u>
<b>Total on &amp; off- Consolidated Statement of Financial Position Items</b>	<b><u>3,979,690,147</u></b>	<b><u>3,724,065,793</u></b>

- The above table represents the maximum credit risk for the Bank as of December 31, 2023 and 2022 without taking the collaterals or mitigations of other credit risks into consideration.
- As for the assets items within the consolidated statement of financial position, the exposure mentioned above is based on the balance as shown in the consolidated statement of financial position.

### Types of collaterals against loans and credit facilities are as follows:

- **Real estate mortgages.**
- **Financial instruments mortgage such as stocks and bonds.**
- **Bank guarantees.**
- **Cash collateral**
- **Government guarantees.**

The management monitors the market value of these collaterals periodically and if the value of collateral decreased the Bank requests additional collaterals to cover the deficit, in addition, the Bank assesses the collaterals against non- performing credit facilities periodically.

### Rescheduled Debts:

These represent debts previously classified as non-performing credit facilities and phased out of the non-performing credit facilities frame according to proper scheduling and classified as debts under watch. Moreover, it amounted to JD 31,264,455 as of December 31, 2023 against JD 21,362,142 as of December 31, 2022.

The scheduled debts balance represents the debts that were rescheduled whether classified under watch list or transferred to performing.

### Restructured Loans:

Restructuring means rearranging the status of operating credit facilities in terms of adjusting premiums, prolonging the life of credit facilities, postponing some instalments, or extending the grace period etc. The value of these credit facilities amounted to JD 127,587,221 as of December 31, 2023 against JD 98,695,148 as of December 31, 2022.

## 5- Debt Securities and Treasury Bonds

The schedule below shows the categories of bonds and other bills according to the international agencies classification:

Rating grade	Rating Agency	Within the Assets at amortized cost and Pledged Financial Assets
		JD
Baa2	Moody's	12,286,213
Baa3	Moody's	355,555
Ba2	Moody's	10,163,702
B2	Moody's	3,469,217
Caa1	Moody's	2,491,610
Un-rated	Moody's	75,417,000
Governmental		<u>698,667,136</u>
Total		<u>802,850,433</u>

### Development of Credit Risk Measurement and Management System

This is done through continuous review of the best practices in credit risk management, specifically related to measuring risks and estimating the required capital, in implementation of the instructions of the Central Bank of Jordan related to the application of the Basel III standard.

### - Market Risk

These are the risks that the Bank may be exposed to as a result of maintaining any financial positions on or off the balance sheet as a result of any changes that occur in market prices, such as movements in interest rates, currency exchange rates, and securities price fluctuations. These risks are monitored in accordance with specific policies and procedures and through specialized committees and departments.

Market risks are measured and monitored using several methods, including the maturity schedule/re-pricing, Stress Testing, and Stop Loss Limits.



## Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect the Bank's profits or the value of financial instruments. The Bank is exposed to interest rate risk as a result of inconsistency or a gap in the amounts of assets and liabilities according to multiple time periods or a review of interest rates in a specific time period. The Bank managing these risks by reviewing interest rates on assets and liabilities through the risk management strategy.

The Asset and Liability Committee reviews interest rate sensitivity gaps through its periodic meetings and studying the extent to which the Bank's profitability is affected in light of the existing gaps with any changes in interest rates.

## Interest Rate Risk Management

The Bank seeks to obtain long-term financing to fund its long-term investments at fixed rates whenever possible. Furthermore, the Bank uses hedging instruments such as interest rate swaps to reduce any negative effects.

The following table demonstrates the sensitivity analysis of interest rates:

Currency	Change of increase in interest rate	Sensitivity of interest earning (profit and loss)	Change of (decrease) in interest rate	Sensitivity of interest earning (profit and loss)
<b>2023</b>	<b>Basis points</b>	<b>JD</b>	<b>Basis points</b>	<b>JD</b>
Us Dollar	100	1,158,492	100	(1,158,492)
Euro	100	400,800	100	(400,800)
Sterling Pound	100	(23,113)	100	23,113
Japanese Yen	100	685,000	100	(685,000)
Other currencies	100	1,716,060	100	(1,716,060)
<b>2022</b>	<b>Basis points</b>	<b>JD</b>	<b>Basis points</b>	<b>JD</b>
Us Dollar	100	1,214,399	100	(1,214,399)
Euro	100	(94,881)	100	94,881
Sterling Pound	100	(2,541)	100	2,541
Japanese Yen	100	-	100	-
Other currencies	100	1,302,953	100	(1,302,953)

## Interest Rate Re-Pricing Gap

The classification is based on the interest repricing periods or maturities whichever is earlier:

	As of December 31, 2022							Total
	Less than 1 Month	1 - 3 Months	3 - 6 Months	6 - 12 Months	1 - 3 Years	More than 3 Years	Non-Interest Bearing	
	JD	JD	JD	JD	JD	JD	JD	
<b>Assets</b>								
Cash and balances at Central Bank of Jordan - ar net	431,355,000	-	-	-	-	-	294,122,545	337,257,545
Balances at banks and financial institutions	75,929,982	659,827	-	-	-	-	43,686,987	120,276,796
Deposits at banks and financial institutions	-	-	31,000,000	3,780,458	32,545,000	-	(66,383)	67,259,075
Financial assets at fair value through profit or loss	-	-	-	-	-	4,254,638	9,120,040	13,374,678
Financial assets at fair value through OCI	-	-	-	-	-	168,592	95,851,243	96,019,835
Financial assets at amortized cost	20,000,088	35,999,037	79,322,073	71,802,484	316,590,173	279,136,578	(761,756)	802,088,677
Direct credit facilities - at net	339,148,976	624,645,787	246,466,052	773,184,824	173,636,177	140,549,748	(3,396,426)	2,294,235,138
Property and equipment	-	-	-	-	-	-	44,129,439	44,129,439
Intangible assets	-	-	-	-	-	-	6,105,699	6,105,699
Deferred tax assets	-	-	-	-	-	-	16,266,401	16,266,401
Other assets	-	-	-	-	-	-	86,439,515	86,439,515
<b>Total Assets</b>	<b>478,214,046</b>	<b>661,304,651</b>	<b>356,788,125</b>	<b>848,767,766</b>	<b>522,771,350</b>	<b>424,109,556</b>	<b>591,497,304</b>	<b>3,883,452,798</b>
<b>Liabilities</b>								
Banks and financial institutions' deposits	202,520,859	-	30,000,000	6,000,000	23,000,000	-	25,152,447	286,673,306
Customers' deposits	614,497,951	530,644,911	258,522,740	415,146,212	154,311,623	54,854,249	571,306,218	2,599,283,904
Margin accounts	1,736,946	2,249,769	3,209,348	6,801,897	5,225,612	6,304,086	57,103,051	82,630,709
Borrowed funds	13,437,220	26,724,753	27,502,680	44,558,592	95,912,381	86,665,714	1,074,224	295,875,564
Subordinated Loans	-	-	-	-	7,905,350	10,635,000	-	18,540,350
Sundry provisions	-	-	-	-	-	-	14,376,455	14,376,455
Income tax provision	-	-	-	-	-	-	23,492,297	23,492,297
Deferred tax liabilities	-	-	-	-	-	-	2,684,880	2,684,880
Other liabilities	-	-	-	-	-	-	101,934,267	101,934,267
<b>Total Liabilities</b>	<b>832,192,976</b>	<b>559,619,433</b>	<b>319,234,768</b>	<b>472,506,701</b>	<b>286,354,966</b>	<b>158,459,049</b>	<b>797,123,839</b>	<b>3,425,491,732</b>
<b>Interest Rate Re-Pricing Gap</b>	<b>(353,978,930)</b>	<b>101,685,218</b>	<b>37,553,357</b>	<b>(163,616,027)</b>	<b>236,416,384</b>	<b>265,650,507</b>	<b>(205,626,535)</b>	<b>457,961,066</b>
<b>As of December 31, 2022</b>								
Total Assets	688,749,386	987,686,534	267,749,710	304,707,633	440,991,017	429,824,041	555,266,133	3,674,974,454
Total Liabilities	838,369,257	409,744,371	336,254,050	468,323,660	271,875,001	190,713,278	737,877,028	3,253,156,645
<b>Interest Rate Re-Pricing Gap</b>	<b>(149,619,871)</b>	<b>577,942,163</b>	<b>(68,504,340)</b>	<b>(163,616,027)</b>	<b>169,116,016</b>	<b>239,110,763</b>	<b>(182,610,895)</b>	<b>421,817,809</b>

### Currency Risk:

Foreign currency risk is the risk of change in value of financial instruments due to the change in the foreign currency prices. The Bank's functional currency is the Jordanian Dinar. The Board of Directors identifies the set of currencies in which it is acceptable to take positions in and the limits of these positions for each currency annually. Foreign currencies positions are monitored on a daily basis to make sure that the Bank will not exceed those acceptable levels. Also, strategic policies for hedging are followed to maintain the position of foreign currency in the approved levels.

**The following table shows the effect of the possible change in the Jordanian dinar's exchange against foreign currencies on the statement of profit and loss, with all other influential variables remaining constant.**

	2023			2022		
	Increase in Exchange Rate	Effect on Profit or Loss	Sensitivity on Equity	Increase in Exchange Rate	Effect on Profit or Loss	Sensitivity on Equity
	%	JD	JD	%	JD	JD
EURO	+1	806	-	+1	(532)	-
GBP	+1	484	-	+1	378	-
YEN	+1	1	-	+1	-	-
Other Currency	+1	39,919	-	+1	155,910	-

In the event that there is a negative change in the interest rate, the effect will be equal to the change above, with the sign reversed.

## Concentration in foreign currency risk

As of December 31, 2023	US Dollar	Sterling Pound	Japanese Yen	Euro	Other Currencies	Total
	JD	JD	JD	JD	JD	JD
<b>Assets</b>						
Cash and balances at Central Banks	61,704,170	335,835	-	2,663,863	117,268,023	181,971,891
Balances at banks and financial institutions	53,628,258	6,549,968	127,315	9,231,710	40,747,980	110,285,231
Deposits at banks and financial institutions	3,525,490	-	-	-	1,460,984	4,986,474
Direct credit facilities - net	375,100,986	-	52,812,250	7,756,669	312,534,015	748,203,920
Financial assets at fair value through income statement	4,527,624	-	-	-	-	4,527,624
Financial assets at fair value through OCI	4,101,471	-	-	66,808	1,353,053	5,521,332
Financial assets at amortized cost	162,579,923	-	-	1,565,000	-	164,144,923
Property and equipment - net	8,853,880	-	-	-	1,401	8,855,281
Intangible assets	685,943	-	-	-	-	685,943
Other assets	12,596,860	26,146	4	851,659	1,947,346	15,422,015
<b>Total Assets</b>	<b><u>687,304,605</u></b>	<b><u>6,911,949</u></b>	<b><u>52,939,569</u></b>	<b><u>22,135,709</u></b>	<b><u>475,312,802</u></b>	<b><u>1,244,604,634</u></b>
<b>Liabilities</b>						
Banks and financial institution deposits	87,362,467	-	-	3,608,165	1,983,289	92,953,921
Customers' deposits	439,238,951	6,619,511	432,243	39,758,207	431,128,558	917,177,470
Cash margins	30,665,206	12	-	6,053,500	9,094,059	45,812,777
Borrowed funds	35,218,421	-	-	1,969,594	-	37,188,015
Subordinated loans	18,540,350	-	-	-	-	18,540,350
Sundry provisions	1,165,645	-	-	-	-	1,165,645
Income tax liability	124,425	-	-	-	5,332,979	5,457,404
Other liabilities	29,669,632	141,844	4	285,327	1,193,047	31,289,854
<b>Total Liabilities</b>	<b><u>641,985,097</u></b>	<b><u>6,761,367</u></b>	<b><u>432,247</u></b>	<b><u>51,674,793</u></b>	<b><u>448,731,932</u></b>	<b><u>1,149,585,436</u></b>
<b>Net concentration on consolidated statement of financial position</b>	<b><u>45,319,508</u></b>	<b><u>150,582</u></b>	<b><u>52,507,322</u></b>	<b><u>(29,539,084)</u></b>	<b><u>26,580,870</u></b>	<b><u>95,019,198</u></b>
<b>Contingent liabilities off consolidated statement of financial position</b>	<b><u>93,031,255</u></b>	<b><u>-</u></b>	<b><u>59,839</u></b>	<b><u>24,112,034</u></b>	<b><u>51,989,064</u></b>	<b><u>169,192,192</u></b>

As of December 31, 2022						
<b>Total Assets</b>	<b><u>626,327,040</u></b>	<b><u>6,684,232</u></b>	<b><u>517,084</u></b>	<b><u>64,383,276</u></b>	<b><u>425,645,813</u></b>	<b><u>1,123,557,445</u></b>
<b>Total Liabilities</b>	<b><u>652,325,912</u></b>	<b><u>5,869,929</u></b>	<b><u>510,603</u></b>	<b><u>68,403,275</u></b>	<b><u>353,634,436</u></b>	<b><u>1,080,744,155</u></b>
<b>Net concentration on consolidated statement of financial position</b>	<b><u>(25,998,872)</u></b>	<b><u>814,303</u></b>	<b><u>6,481</u></b>	<b><u>(4,019,999)</u></b>	<b><u>72,011,377</u></b>	<b><u>42,813,290</u></b>
<b>Contingent liabilities off the consolidated statement of financial position</b>	<b><u>91,897,162</u></b>	<b><u>-</u></b>	<b><u>695,176</u></b>	<b><u>25,371,093</u></b>	<b><u>21,677,643</u></b>	<b><u>139,641,074</u></b>

## Change in Equity Price Risk

Equity price risk arise from changes in fair values of investments in equities. The Bank manages this risk through diversification of investments in terms of geographical distribution and economic sectors. The majority of the Bank's investments are quoted on Amman Stock Exchange and the Palestine Securities Exchange.

Indicator	2023			2022		
	Change in indicator	Impact to profit and loss	Impact to equity	Change in indicator	Impact to profit and loss	Impact to equity
	%	JD	JD	%	JD	JD
Amman stock exchange	+5	279,985	5,47,104	+5	305,689	501,972
Palestine stock exchange	+5	-	1,241,975	+5	-	1,461,815
Other markets	+5	16,574	1,757,725	+5	6,124	642,536

In case of negative change in index the effect will be the same with a change in the sign.

## - Liquidity Risk

Liquidity risk is the risk that the Bank will be unable to meet its payment obligations when they fall due under normal and stress circumstances, without incurring high costs or loss, the Bank adopts the following principles for the management of liquidity risk.

### Diversification of funding sources

Bank's management seeks to diversify sources of funding and prevent the concentration in the funding sources. In addition to the capital base and customer deposits the Bank also borrows from institutions and local and foreign banks which would provide sources of funding at appropriate costs and maturities.

The Bank had also established a Liquidity Contingency Plan, which provides the basic framework for the management of liquidity in crisis time and keep it from deteriorating. This includes defining an effective mechanism to manage liquidity and treating liquidity shortage during times of crisis, within reasonable costs and preserving the rights of depositors, borrowers, and shareholders.

The Liquidity Contingency Plan is regularly reviewed and updated by the Assets and Liabilities Committee.

### Analyzing and monitoring the maturities of assets and liabilities

The Bank studies the liquidity of its assets and liabilities and monitors the major liquidity ratios as well as any changes that occur on them on a daily basis, The Bank, seeks through the Assets and Liabilities Committee to match between the maturities of its assets and liabilities and control the liquidity gaps within the limits defined in the Bank's policies.

### Measure and manage market risk according to the requirements of Basel II standard and Basel III decisions

Based on best practices in managing market risk and liquidity risk, the Bank is pursuing a policy to manage these risks as approved by the Board of Directors and that by relying on several methodologies and techniques and models to measure and assess and monitor these risks on an ongoing basis, In addition to estimating the required capital for market risk and other applications with the instructions of the Central Bank of Jordan and the standard for the application of Basel II. The Bank takes into account the implementation the best practice and techniques according to Basel III decisions.

## - Operational Risk

It is the risk of loss resulting from the inadequacy or failure of internal procedures, personnel, internal systems, or those that may arise as a result of external events.

### **Operating Risk Management Framework:**

Managing operational risks is the responsibility of every employee at all levels in the Bank, through the proper application of internal procedures that mitigate those risks that are exposed to during daily operations.

Due to the keenness and interest of the Bank's management in developing control and monitoring systems on an ongoing basis, the general framework for managing operational risks is implemented by a specialized staff aiming to facilitate and support all the Bank's departments to carry out their tasks in managing these risks.

The Bank applies several methodologies to measure operational risks, aiming to identify and evaluate the risks to which the Bank may be exposed, for the purposes of taking appropriate control measures that will facilitate the decision-making process in mitigating those risks. The most important of these are self-assessment of risks and control procedures, collecting and reviewing data on actual and potential losses resulting from ongoing operations, monitoring and following up on key risk indicators to develop control and avoid losses in the future.

## - Compliance Risk

In accordance with the instructions of the Central Bank and in line with global trends and developments and the decisions of the Basel Committee, and with the aim of ensuring that the Bank, its internal policies and procedures comply with all applicable laws and instructions, international banking standards, and sound and secure banking practices issued by the competent regulatory and official authorities internationally and locally; The Compliance and Anti-Money Laundering Policy approved by the Board of Directors is an integral part of the Anti-Money Laundering Instructions Manual. In addition, the Compliance and Anti-Money Laundering Department has been restructured to include two departments: the Compliance Monitoring Department and the Anti-Money Laundering and Terrorist Financing Department, in order to monitor the Bank's compliance with the laws, instructions and good practices issued by the relevant regulatory and official authorities, through well-prepared control programs and internal procedures based on Risk-based principle.

### **The main objectives of the Compliance Department include the following:**

- Identify, evaluate and manage compliance risks.
- Preparing and making available the files of effective laws and instructions that govern the nature and activity of the various departments and departments on the Bank's internal website and updating them regularly with all regulatory and legal developments.
- Providing advice and guidance to executive management to manage compliance risks.
- Providing advice and guidance to the Bank's management about the applicable laws, regulations and standards and any amendments thereto.
- Monitoring compliance risks through the laws and instructions database, which includes all laws and instructions issued by regulatory and official authorities and updated regularly in accordance with the latest regulatory and legal developments that must be adhered to.

- Review and evaluate all new and existing banking services and products, internal banking procedures and policies to ensure their compliance with applicable laws and instructions.
- Submit reports directly to the Compliance Committee formed by the Board of Directors regarding the scope and extent of compliance of the Bank and its foreign branches and subsidiaries.

As for combating money laundering, an independent anti-money laundering department was formed and localized within the Compliance and Anti-Money Laundering Department. The administration attracts qualified and trained employees at the highest levels using automated anti-money laundering systems and programs to carry out its duties in a manner consistent with the policies and procedures approved by the Board of Directors, and in a manner consistent with the Anti-Money Laundering and Terrorist Financing Law No. 46/2007 and its amendments and the Anti-Money Laundering and Anti-Terrorist Financing instructions issued by the Central Bank of Jordan, and the best international banking practices in this regard, to mitigate and avoid the risks involved in these operations. It aims to determine the applicable and appropriate procedures for financial operations, apply due diligence procedures to identify current and potential customers, understand their legal and personal situations and the ultimate real beneficiary, and continuously monitor and review those operations throughout the period of the banking relationship.

**The main objectives of the Anti-Money Laundering Department are as follows:**

- Ensure that the Bank adheres to the officially approved policies and procedures for combating money laundering and terrorist financing.
- The Bank's compliance with the laws and instructions issued by official authorities.
- Preventing and protecting the Bank's name and reputation from being associated with money laundering and terrorist financing operations.
- Preventing the use of the Bank's services and products in money laundering and terrorist financing operations.
- Contributing to local and international efforts to combat money laundering and terrorist financing.
- Protecting the Bank and its employees from exposure to the risks of money laundering and terrorist financing, which may lead to serious financial losses, regulatory and legal penalties, or legal, criminal, or administrative liability.

## Cash reserves with banking supervisory authorities

The Bank maintains statutory cash reserve with the banking supervisory authorities amounting to JD 135,979,726.

**First: The table below summarizes the distribution of (undiscounted) liabilities based on the remaining contractual maturity period at the date of the financial statements.**

As of December 31, 2023	Less than 1 Month	1 - 3 Months	3 - 6 Months	6 - 12 Months	1 - 3 Years	More than 3 Years	No Fixed Maturity	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Liabilities								
Banks and financial institution deposits	228,366,038	-	30,615,697	6,246,279	24,888,139	-	-	29,116,153
Customers' deposits	833,090,157	632,342,146	341,884,454	494,238,949	276,909,149	55,807,092	-	2,634,271,947
Cash margins	6,003,589	7,502,552	14,091,463	28,440,472	19,669,641	7,153,007	-	82,860,724
Borrowed funds	13,437,246	26,866,766	27,525,473	46,293,195	97,398,138	105,389,500	1,074,224	317,984,542
Subordinated loans	-	-	-	-	10,221,076	13,827,977	-	24,049,053
Sundry provisions	22,564	522,535	570,658	1,986,144	2,354,008	8,920,546	-	14,376,455
Income tax allocation	3,850,000	1,000,000	13,766,562	4,875,735	-	-	-	23,492,297
Deferred tax liabilities	-	-	-	-	-	-	2,684,880	2,684,880
Other liabilities	32,323,917	15,359,527	11,076,158	18,314,396	9,855,385	18,716,884	42,266	105,688,533
<b>Total Liabilities</b>	<b>1,117,093,511</b>	<b>683,593,526</b>	<b>439,530,465</b>	<b>600,395,170</b>	<b>441,295,536</b>	<b>209,815,006</b>	<b>3,801,370</b>	<b>3,495,524,584</b>
<b>Total Assets (as per their expected maturities)</b>	<b>614,598,454</b>	<b>213,245,083</b>	<b>313,390,874</b>	<b>437,720,121</b>	<b>917,273,085</b>	<b>1,221,379,719</b>	<b>165,845,462</b>	<b>3,883,452,798</b>
As of December 31, 2022	Less than 1 Month	1 - 3 Months	3 - 6 Months	6 - 12 Months	1 - 3 Years	More than 3 Years	No Fixed Maturity	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Liabilities								
Banks and financial institution deposits	182,834,073	-	30,424,654	6,169,862	-	-	-	219,428,589
Customers' deposits	838,429,629	461,691,147	349,042,252	518,256,238	249,944,284	59,842,427	-	2,477,205,977
Cash margins	17,950,916	10,386,103	19,091,059	13,484,333	18,554,854	10,496,817	-	89,964,082
Borrowed funds	38,393,779	36,595,369	28,750,211	10,027,297	129,950,787	121,527,451	1,074,224	366,319,118
Subordinated loans	-	-	-	-	-	22,729,743	-	22,729,743
Sundry provisions	35,633	425,986	502,325	1,859,394	2,097,323	9,145,071	-	14,065,732
Income tax allocation	5,440,529	1,259,654	14,266,897	2,900,335	-	-	-	23,867,415
Deferred tax liabilities	-	-	-	-	-	-	1,308,124	1,308,124
Other liabilities	30,016,864	11,449,289	8,117,253	19,909,062	8,029,716	17,845,471	77,488	95,445,143
<b>Total Liabilities</b>	<b>1,113,101,423</b>	<b>521,807,548</b>	<b>450,194,651</b>	<b>572,606,521</b>	<b>408,576,964</b>	<b>241,586,980</b>	<b>2,459,836</b>	<b>3,310,333,923</b>
<b>Total Assets (as per their expected maturities)</b>	<b>608,148,376</b>	<b>206,126,580</b>	<b>283,112,762</b>	<b>359,579,464</b>	<b>934,229,693</b>	<b>1,142,171,682</b>	<b>141,605,897</b>	<b>3,674,974,454</b>



## Second: Items outside the statement of financial position

As of December 31, 2023	Up to 1 Year	1 - 5 Years	More than 5 Years	Total
	JD	JD	JD	JD
Acceptances and letters of credit	76,785,719	561,493	-	77,347,212
Letters of guarantee	73,690,295	4,947,287	542,153	79,179,735
Unutilized limits	<u>230,439,231</u>	<u>-</u>	<u>-</u>	<u>230,439,236</u>
<b>Total</b>	<b><u>380,915,250</u></b>	<b><u>5,508,780</u></b>	<b><u>542,153</u></b>	<b><u>386,966,183</u></b>

As of December 31, 2022	Up to 1 Year	1 - 5 Years	More than 5 Years	Total
	JD	JD	JD	JD
Acceptances and letters of credit	63,488,328	-	-	63,488,328
Letters of guarantee	65,477,744	3,628,852	-	69,106,596
Unutilized limits	<u>222,194,088</u>	<u>-</u>	<u>-</u>	<u>222,194,088</u>
<b>Total</b>	<b><u>351,160,160</u></b>	<b><u>3,628,852</u></b>	<b><u>-</u></b>	<b><u>354,789,012</u></b>

## 42- Sectorial Analysis

### a. Information about the Bank's business activities:

The Bank is organized for administrative purposes so that the sectors are measured according to the reports that are used by the executive manager and key decision makers at the Bank, through the following major sectors:

- Individual accounts: includes following up on customers' deposits and granting them loans, debts, credit cards, and other services.
- Corporate accounts: includes following up on deposits, loans, and debts granted to clients and other banking services for corporate clients.
- Treasury: This sector includes providing trading and treasury services and managing Bank funds and investments.

**Following is the Bank's business sectors information:**

	Individuals	Corporates	Treasury	Other	Total	
					For the year ending on 31 December	
					2023	2022
	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar
Total revenues	123,467,032	86,588,861	61,026,894	3,479,388	274,562,175	224,702,037
Expected credit loss allocation	29,069,451	841,863	(98,990)	-	29,812,324	15,529,472
Various allocations				100,000	100,000	53,063
Owned assets allocation	-	-	-	40,416	40,416	164,741
Sector business results	59,715,835	48,760,179	34,734,932	3,338,972	146,549,918	142,172,962
unallocated expenses					(95,098,502)	(89,521,616)
Profit before tax					51,451,416	52,651,346
Income tax					(16,472,085)	(17,671,850)
Year profit					<u>34,979,331</u>	<u>34,979,496</u>
Other information						
Total sector assets	1,101,477,000	1,186,758,138	1,452,543,007	136,674,653	<u>3,883,452,498</u>	<u>3,674,974,454</u>
Total sector liabilities	1,165,052,355	1,480,710,806	639,925,552	139,803,019	<u>3,425,491,732</u>	<u>3,253,156,645</u>
Capital expenditures					<u>8,606,482</u>	<u>7,526,079</u>
Depreciations and amortizations					<u>7,628,938</u>	<u>7,082,593</u>

**B- Geographical distribution information**

This clarification represents the geographical distribution of the Bank's business. The Bank mainly operates in the Kingdom, which represents local business. The Bank also carries out activities in Palestine and Bahrain.

This note represents the geographical distribution of the Bank's business. The Bank mainly operates in the Kingdom, which represents local businesses.

The following is the distribution of the Bank's revenues, assets and capital expenditures by geographical sector:

	Inside the Kingdom		Outside the Kingdom		Total	
	2023	2022	2023	2022	2023	2022
	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar
Total revenues	211,119,265	172,206,212	63,442,910	52,495,825	274,562,175	224,702,037
Capital expenditures	6,952,262	5,731,945	1,654,220	1,794,134	8,606,482	7,526,079

	Inside the Kingdom		Outside the Kingdom		Total	
	31 December		31 December		31 December	
	2023	2022	2023	2022	2023	2022
	Dinar	Dinar	Dinar	Dinar	Dinar	Dinar
Total assets	2,727,637,883	2,723,867,894	1,155,814,915	951,106,560	3,883,452,798	3,674,974,454

### 43- Capital Management

The Bank maintains appropriate capital to confront the risks inherent in its various activities. The adequacy of capital is monitored through ratios issued in accordance with the international Basel decisions and adopted by the Central Bank of Jordan.

According to Central Bank of Jordan instructions No. (55/2010), the minimum paid-up capital for Jordanian banks is 100 million dinars before the end of 2011. The Central Bank of Jordan instructions also stipulate that the minimum financial leverage ratio should be (4%).

According to the instructions of the Central Bank of Jordan, the capital adequacy ratio must not be less than 14.5%.

The Bank manages the capital structure and makes the necessary adjustments to it in light of changes in business conditions. The Bank did not make any amendments to the objectives, policies and procedures related to capital structuring during the current and previous years.

#### Description of what is considered capital

As per Central Bank of Jordan regulations capital consists of Tier 1 capital, which comprises share capital, share premium, reserves, declared reserves, retained earnings, Non-Controlling interest allowed to be recognized, other comprehensive income items less proposed dividends, goodwill, cost of treasury stocks, deficit in requested provisions, deferred tax assets related to non-performing loans and any other restricted amounts. The other component of regulatory capital is Tier 2 capital, which includes subordinated long term debt that may be transferred to shares, preference shares not accrued interest and non-controlling allowed to be recognized. The third component of capital is Tier 3 (which is aid to Tier 2 capital) which is used against market risk. Investments in the capital of banks and other financial institutions are deducted from regulatory capital if not consolidated in addition to investments in the capital of insurance companies. Also, excess over 10% of the Bank's capital if invested in an individual company investee as per the Central Bank of Jordan regulations.

As per the instructions of the Central Bank of Jordan, regulatory capital consists of the capital of ordinary shareholders, which includes paid-up capital, issue premium, declared reserves, retained earnings, non-controlling interests allowed to be recognized and other comprehensive income items, less proposed dividends, goodwill, cost of treasury stocks and deficit in requested provisions, deferred tax assets related to non-performing debts are in addition to any amounts that laws may require prohibiting their disposition. The second item of regulatory capital is additional capital, which includes both long-term bonds convertible into non-accumulating interest-free preferred stock shares and non-controlling rights that are permitted to be recognized. The third item of regulatory capital is auxiliary capital (the second tier of capital), which is used to confront market risks. The bank's contributions to banks' capital and investments in affiliated financial companies are subtracted from the regulatory capital, if they are not merged. The bank's contributions to insurance companies are also subtracted from it, with the full value of the contribution, in addition to the excess amount in investments in other companies that exceed 10% of the bank's paid up capital, according to the instructions of the Central Bank of Jordan.

On November 31, 2016 The Central Bank of Jordan issued instructions regarding capital adequacy in accordance with Basel III and canceled the instructions of regulatory capital adequacy according to Basel II.

The capital adequacy percentage is calculated in accordance with the Central Bank of Jordan instructions based on Basel Committee decisions. Below is the capital adequacy according to Basel III standard:

	December 31	
	2023	2022
	JD	JD
<b>Ordinary Share Rights</b>		
Paid up capital	190,000,000	190,000,000
Retained earnings after subtracting the expected distributions	95,102,893	78,910,555
Fair value reserve - at net	27,494,289	9,304,467
Statutory reserve	95,868,196	91,364,494
Other reserves approved by the Central Bank	11,526,630	11,396,874
Foreign Currencies Translation Reserve	(1,584,070)	(3,188,744)
Minority rights allowed to be recognized	<u>12,272,908</u>	<u>10,490,434</u>
Total ordinary share capital	<u>430,680,846</u>	<u>388,278,080</u>
Regulatory Adjustments (Capital deductibles)		
Intangible assets	(6,105,699)	(5,361,339)
Deferred tax assets that should be deducted	<u>(16,266,401)</u>	<u>(13,574,826)</u>
Net common stockholders' equity	<u>408,308,746</u>	<u>369,341,915</u>
<b>Net primary capital (Tier I)</b>	<b>408,308,746</b>	<b>369,341,915</b>
<b>Tier II Capital</b>		
Subordinated loans	9,543,140	13,251,210
General banking risk reserve	6,174,583	4,646,255
Required provisions against debt instruments for stage 1 according to IFRS (9)	8,397,423	13,653,697
Minority rights allowed to be recognized	<u>2,789,297</u>	<u>4,662,415</u>
<b>Total Tier II Capital</b>	<b><u>26,904,443</u></b>	<b><u>36,213,577</u></b>
Regularity adjustment (deducted from capital)		
<b>Net Tier II capital</b>	<b><u>26,904,443</u></b>	<b><u>36,213,577</u></b>
<b>Regulatory capital</b>	<b><u>435,213,189</u></b>	<b><u>405,555,492</u></b>
Total risk weighted assets	<u>2,742,582,172</u>	<u>2,601,650,465</u>
Capital adequacy (%)	<b>15.87%</b>	<b>15.59%</b>
Capital adequacy (primary capital) (%)	<b>14.89%</b>	<b>14.20%</b>
Subordinated capital (%)	<b>0.98%</b>	<b>1.39%</b>

Details of the bank's liquidity coverage ratio were as follows:

	As on 31 December	
	2023	2022
	Dinar	Dinar
Total HQLA	1,073,156,527	994,379,267
Total HQLA after deductions and subtracting cap adjustments	1,073,156,527	994,379,267
Net cash flows	<u>493,351,033</u>	<u>456,470,162</u>
<b>LCR ratio</b>	<b><u>217.5%</u></b>	<b><u>217.8%</u></b>

- Coverage of liquidity average has reached 232.1%

#### 44- Maturity Analysis of Assets and Liabilities

The table below shows analysis of assets and liabilities according to period expected to be recovered or settled:

December 31, 2022	Up to 1 Year	More than 1 Year	Total
	JD	JD	JD
<b>Assets</b>			
Cash and balances at Central Banks- at net	337,257,545	-	337,257,545
Financial assets at banks and financial institutions - at net	120,276,796	-	120,276,796
Deposits at banks and financial institutions - at net	34,765,143	32,493,932	67,259,075
Financial assets at fair value through income statement	9,120,040	4,254,638	13,374,678
Financial assets at FVTOCI	-	96,019,835	96,019,835
Financial assets at amortized cost- Net	207,122,301	594,966,376	802,088,677
Direct credit facilities- at net	844,056,154	1,450,178,984	2,294,235,138
Property and equipment- at net	6,134,000	37,995,439	441,129,439
Intangible assets- at net	1,800,000	4,305,699	6,105,699
Deferred tax assets	3,704,477	12,561,924	16,266,401
Other assets	<u>42,407,116</u>	<u>44,032,399</u>	<u>86,439,515</u>
<b>Total Assets</b>	<b><u>1,606,643,572</u></b>	<b><u>2,276,809,226</u></b>	<b><u>3,883,452,798</u></b>
<b>Liabilities</b>			
Banks and financial institution deposits	263,673,306	23,000,000	286,673,306
Customers' deposits	2,231,424,164	367,859,740	2,599,283,904
Cash margins	55,991,264	26,639,445	82,630,709
Borrowed funds	82,752,644	213,122,920	295,875,564
Subordinated loans	-	18,540,350	18,540,350
Sundry provisions	3,101,901	11,274,554	14,376,455
Income tax allocation	23,492,297	-	23,492,297
Deferred tax liabilities	2,684,880	-	2,684,880
Other liabilities	<u>76,375,996</u>	<u>25,558,271</u>	<u>101,934,267</u>
<b>Total Liabilities</b>	<b><u>2,739,496,452</u></b>	<b><u>685,995,280</u></b>	<b><u>3,425,491,732</u></b>
<b>Net</b>	<b><u>(1,132,852,880)</u></b>	<b><u>1,590,813,946</u></b>	<b><u>457,961,066</u></b>

December 31, 2022	Up to 1 Year	More than 1 Year	Total
	JD	JD	JD
<b>Assets</b>			
Cash and balances at Central Banks- at net	320,698,816	-	320,698,816
Financial assets at banks and financial institutions – at net	123,920,745	-	123,920,745
Deposits at banks and financial institutions – at net	73,083,268	-	73,083,268
Financial assets at fair value through income statement	9,980,141	-	9,980,141
Financial assets at FVTOCI	-	71,879,372	71,879,372
Financial assets at amortized cost- Net	190,827,342	604,537,798	795,365,140
Direct credit facilities- at net	711,123,332	1,416,070,733	2,127,194,065
Property and equipment- at net	5,719,000	38,205,827	43,924,827
Intangible assets- at net	1,500,000	3,861,339	5,361,339
Deferred tax assets	3,784,737	9,790,089	13,574,826
Other assets	<u>44,165,499</u>	<u>45,826,416</u>	<u>89,991,915</u>
<b>Total Assets</b>	<b><u>1,484,802,880</u></b>	<b><u>2,190,171,574</u></b>	<b><u>3,674,974,454</u></b>
<b>Liabilities</b>			
Banks and financial institution deposits	218,453,233	-	218,453,233
Customers' deposits	2,116,280,245	337,903,105	2,454,183,350
Cash margins	60,869,614	28,827,538	89,697,152
Borrowed funds	78,649,370	263,076,645	341,726,015
Subordinated loans	-	18,540,350	18,540,350
Sundry provisions	2,823,338	11,242,394	14,065,732
Income tax allocation	23,867,415	-	23,867,415
Deferred tax liabilities	1,308,124	-	1,308,124
Other liabilities	<u>68,725,722</u>	<u>22,589,552</u>	<u>91,315,274</u>
<b>Total Liabilities</b>	<b><u>2,570,977,061</u></b>	<b><u>682,179,584</u></b>	<b><u>3,253,156,645</u></b>
<b>Net</b>	<b><u>(1,086,174,181)</u></b>	<b><u>1,507,991,990</u></b>	<b><u>421,817,809</u></b>

#### 45- Fiduciary Accounts

Fiduciary accounts amounted to JD 544,959 as of 31 December 2023 (JD 558,559 as of December 31, 2022). Such assets or liabilities are not included in the Bank's statement of financial position.

#### 46- Contingent Liabilities and Commitments

##### A- Contingent Liabilities and Commitments:

	2023	2022
	JD	JD
<b>Letters of credit:</b>		
Issued	70,160,614	56,758,889
Acceptances	7,186,598	6,729,439
<b>Letters of guarantee:</b>		
Payments	34,927,304	30,719,570
Performance	27,108,920	19,714,916
Other	17,143,511	18,672,110
Unutilized direct credit facilities	230,439,236	222,194,088
	<b><u>386,966,183</u></b>	<b><u>354,789,012</u></b>

##### B-Contractual Liabilities

	2023	2022
	JD	JD
<b>Contracts to purchase property and equipment</b>	<b><u>3,264,313</u></b>	<b><u>1,539,125</u></b>

#### 47- Lawsuits raised against the Bank

The value of the cases filed against the Bank, within the normal activity, amounted to 29,500,750 dinars and 27,427,909 dinars, on December 31, 2023 and December 31, 2022, respectively. The balance of provisions for cases filed against the Bank amounted to 1,908,328 dinars and 1,861,739 dinars on December 31, 2023 and December 31, 2022, respectively.

Based on the estimation of the Bank's management and lawyers, the Bank will not have any obligations in consideration of these cases in excess of the provision recorded for facing these cases.

On January 1, 2019, a group of civil lawsuits were registered with US courts against a group of banks and financial institutions to demand financial compensation under the US Anti-Terrorism Act for damages they claim resulted from attacks carried out by groups included in the US sanctions list during the year 2001. The registration of these claims in the courts hours before the end of the deadline allowed for their filing, and that these claims were filed by a law firm that had previously filed many similar complaints against other banking entities on behalf of the same plaintiffs who claimed financial compensation for the same damages and events, even if Cairo Amman Bank is among the defendant banks in one of the aforementioned civil lawsuits, and this call is still in the initial preparatory and discussion stages.

In the opinion of the Group's management, there is no need to record any provisions for the cases filed in the US courts against the Bank as of December 31, 2023, as the Bank has discussed with legal advisors specialized in the courts of the United States of America and has concluded that the legal status of the cases is in favor of the Bank and that a rejection will be proposed. For the case filed by the competent courts, there will be no need to record any provisions against the case at the present time, as there are

no legal foundations and the position of Cairo Amman Bank Group is strong. The legal advisor believes that the legal position is in favor of the Bank due to the possibility of a proposal to reject all claims for the reasons mentioned above. The legal advisor also believes that the value of the claim cannot be determined, as there is no specific amount against the Bank.

#### 48- Lease Contracts

The Bank leases many assets, including lands and buildings, the average lease term is 5 years, and the following is the movement over the right to use assets during the year:

	31 December 2023		31 December 2022	
	Assets	Liabilities	Assets	Liabilities
	Dinar	Dinar	Dinar	Dinar
Balance at the beginning of the year	23,347,071	23,137,223	24,154,362	23,325,341
Add: additions during the year	1,766,816	1,769,979	3,645,366	3,677,980
Less: depreciation of the year	(4,269,336)	-	(4,341,907)	-
Annulled contracts	(119,052)	(225,233)	(110,750)	(115,835)
Paid leases	-	(4,676,529)	-	(4,697,594)
Interest during the year	-	921,909	-	947,331
Balance at the end of the year	<u>20,725,499</u>	<u>20,927,349</u>	<u>23,347,071</u>	<u>23,137,223</u>

Maturity of lease liabilities analysis:	As at December 31,	
	2023	2022
	JD	JD
Up to a year	3,520,116	3,991,211
From one to five years	12,353,064	12,768,148
More than five years	<u>5,054,169</u>	<u>6,377,864</u>
<b>Total</b>	<b><u>20,927,349</u></b>	<b><u>23,137,223</u></b>



## 49- Fair Value Hierarchy

Some financial assets and liabilities of the Bank 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
	December 31				
	2023	2022			
	JD	JD			
Financial Assets at FVTPL					
Corporate shares	9,120,040	9,980,141	Level I	Prices listed in stock exchanges	Not Applicable
Government bonds	<u>4,254,638</u>	<u>9,980,141</u>	Level I	Prices listed in stock exchanges	
<b>Total</b>	<b><u>13,374,678</u></b>	<b><u>9,980,141</u></b>			
Financial Assets at FVTOCI					
Quoted shares	84,879,129	63,640,617	Level I	Prices listed in stock exchanges	Not Applicable
Unquoted shares	10,976,155	8,062,416	Level III	Through using equity method and as per the latest available financial information	Not Applicable
Quoted bonds	<u>164,551</u>	<u>176,339</u>	Level I	Prices listed in stock exchanges	Not Applicable
<b>Total</b>	<b><u>96,019,835</u></b>	<b><u>71,879,372</u></b>			
<b>Gross Financial Assets at Fair Value</b>	<b><u>109,394,513</u></b>	<b><u>81,859,513</u></b>			

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

**The fair value of the financial assets and financial liabilities of the Bank, the fair value of which is not determined on an ongoing basis:**

Except for what is stated in the table below, we believe that the book value of the financial assets and financial liabilities shown in the Bank's financial statements approximates their fair value, because the Bank's management believes that the book value of the items shown below is approximately equal to their fair value, and this is due to either their short-term maturity or the interest rates for them re-priced during the year.

	31 December 2023		31 December 2022		Level of fair value
	Book value	Fair value	Book value	Fair value	
	Dinar	Dinar	Dinar	Dinar	
<b>financial assets whose fair value is not determined</b>					
Balances with central banks – at net	198,284,869	198,333,908	180,339,402	180,827,761	Second level
Balances with banks and financial institutions – at net	120,276,796	120,843,827	123,920,745	124,081,446	Second level
Deposits with banks and financial institutions – at net	67,259,075	69,152,332	73,083,268	75,210,513	Second level
Financial assets at amortized cost	802,088,677	814,258,671	795,365,140	805,297,635	First and Second level
Direct credit facilities - at net	<u>2,294,235,138</u>	<u>2,303,766,364</u>	<u>2,127,194,065</u>	<u>2,138,892,540</u>	Second level
<b>Total financial assets whose fair value is not determined</b>	<b><u>3,482,144,555</u></b>	<b><u>3,506,355,102</u></b>	<b><u>3,299,902,620</u></b>	<b><u>3,324,309,895</u></b>	
<b>Financial liabilities whose fair value is not determined</b>					
Bank and banking institutions deposits	286,673,306	289,326,910	218,453,233	219,095,392	Second level
Clients' deposits	2,599,283,904	2,615,685,736	2,454,183,350	2,463,995,097	Second level
Cash margin	82,630,709	82,630,709	89,697,152	89,697,152	Second level
Borrowed funds	295,875,564	297,223,308	341,726,015	342,822,161	Second level
Subordinated loans	<u>18,540,350</u>	<u>19,056,130</u>	<u>18,540,350</u>	<u>18,797,300</u>	Second level
<b>Total financial liabilities not determined at fair value</b>	<b><u>3,283,003,833</u></b>	<b><u>3,303,922,793</u></b>	<b><u>3,122,600,100</u></b>	<b><u>3,134,407,102</u></b>	

For the above-mentioned items, the fair value of the financial assets and liabilities of the second level was determined according to "agreed-on pricing models that reflect the credit risk of the parties with whom we deal.

**50- International financial reporting standards, new interpretations and amendments issued and not yet effective**

The international financial standards, new interpretations and amendments issued and not effective up to the date of the consolidated financial statements are shown below, and the Bank will apply these amendments starting from the date of mandatory application:

**Amendment of the International Accounting Standard (IAS) 16: Lease contracts obligations in sale and lease back processes**

In September 2022, the International Accounting Standards Board issued amendments to IFRS 16 to specify the requirements that the "seller-lessee" must use in measuring lease obligations arising from the sale and leaseback process. This is to ensure that the "seller-lessee" does not recognize any profits or losses related

to the right of use that it reserves.

The amendments will be applied retrospectively as of January 1, 2024 for sale and leaseback transactions concluded after the date of initial application of IFRS 16. Early application is permitted as long as this is disclosed.

The amendments are not expected to have a material impact on the Bank's consolidated financial statements.

### **Amendments to IAS 1: Classification of current versus non-current liabilities**

During January 2020 and October 2022, the International Accounting Standards Board issued amendments to paragraphs (69) to (76) of IAS 1 to specify the requirements for classifying current versus non-current liabilities. These amendments clarify the following:

- Definition of "right to defer payment".
- The right to postpone payment must exist at the end of the financial period.
- The classification is not affected by the possibility of the entity exercising its right to postpone.
- If the derivatives included in convertible liabilities are themselves an equity instrument, then the terms of the liabilities do not affect their classification.

In addition, a condition has been included requiring disclosure when there is an obligation resulting from a loan agreement that is classified as a non-current obligation and that the entity's right to defer payment is uncertain as it depends on compliance with future conditions within twelve months.

The amendments will be applied retroactively from January 1, 2024. The Bank is currently evaluating the impact of amendments to current practices and whether existing loan agreements may require renegotiation.

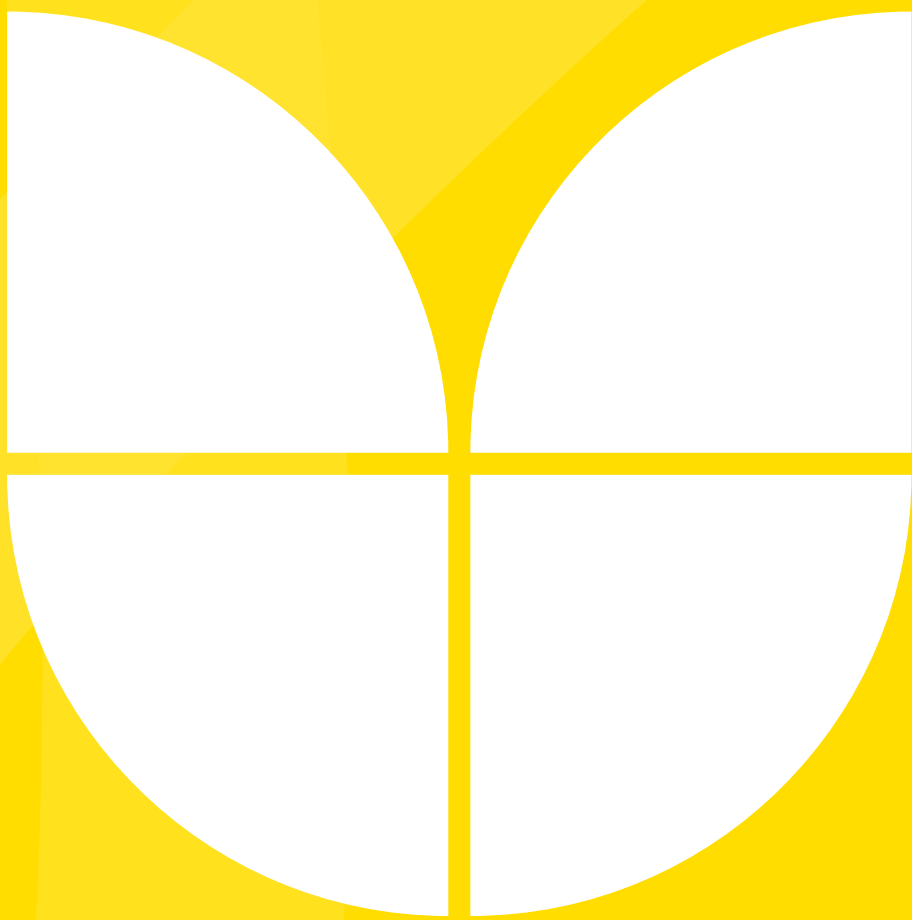
The amendments are not expected to have a material impact on the Bank's consolidated financial statements.

### **Supplier financing arrangements - Amendments to IAS 7 and IFRS 7**

In May 2023, the International Accounting Standards Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures; to clarify the characteristics of supplier financing arrangements. These amendments also require additional disclosure of these arrangements. The disclosure requirements in the amendments are intended to help users of financial statements understand the impact of supplier financing arrangements on the entity's obligations, cash flows and exposure to liquidity risk.

These amendments will be implemented as of January 1, 2024, and early application is permitted as long as this is disclosed.

The amendments are not expected to have a material impact on the Bank's consolidated financial statements.



# Corporate Governance Guide

05

## 1. Historical Overview

Cairo Amman Bank adopted the Corporate Governance Guide that was published on Bank's website along with the annual report in order to enable shareholders and stakeholders of reading it and recognizing extent of the Bank commitment to applying its contents, in consistent with the instructions issued by the Central Bank of Jordan (CBJ) and related control bodies along with any amendments due to be in compatible with the best leading practices in the field.

This guide organizes the general framework for implementing corporate governance at Cairo Amman Bank and its foreign branches and subsidiaries, taking into account protecting the rights of shareholders and stakeholders and determining the nature of the relationships between them.

## 2. Objectives of the guide

The Corporate Governance Manual (the Guide) aims to document the Bank's corporate governance framework in order to achieve the highest standards of corporate governance based on appropriate leading practices and applicable laws and regulations.

This guide also addresses the way in which the Bank's corporate governance framework directs and monitors ensuring commitment and compliance with instructions issued by the Central Bank of Jordan and the relevant regulatory authorities with regard to corporate governance. Accordingly, this guide addresses the following:

- The Bank's organizational structure.
- Roles and responsibilities of the Board of Directors, Executive Management and employees.
- The role of the Board of Directors committees required to be formed based on what was stated in the instructions of the relevant regulatory and official authorities, which are the Audit Committee, the Risk Management Committee, the Nominations and Remuneration Committee, the Corporate Governance Committee, the Compliance Committee, the Facilities Committee, the Information Technology Governance Committee, and any other committees formed by the Board.
- The relationship of the Board of Directors and Executive Management with the stakeholders and shareholders of the Bank, and the means by which shareholders can exercise their rights.
- The Bank's policies and mechanisms for addressing, dealing with, and reducing conflicts of interest.
- The disclosure obligations imposed on the Bank, whether its obligations of continuous disclosure to the Central Bank of Jordan or any other regulatory authorities.
- Internal control system.
- The general framework for risk management and compliance management.
- General policies for relations with stakeholders.

## 3. Scope of Application and Legal Framework

**3.1** This guide applies to Cairo Amman Bank and its foreign branches and subsidiaries in the countries in which the Bank carries out its business, taking into account compliance with the instructions issued by the regulatory and official authorities in the host countries. In the event that there is a conflict between what is stated in the guide and those instructions, the external presence must adhere to the strictest instructions while providing the Bank's general management with the conflict and the

proposed procedures to address that conflict and take the necessary action in this regard.

**3.2** The Bank is committed to ensuring compliance and full adherence to the instructions of the Central Bank of Jordan and the instructions of other relevant regulatory authorities with regard to corporate governance, in addition to applying appropriate leading practices in this field in a way that does not contravene the instructions.

## 4. Definitions

Based on the specific instructions of the Central Bank of Jordan, following are the relevant definitions:

Definition	Abbreviation
Corporate Governance	The system by which the bank is directed and managed, which aims to define and achieve the bank's institutional objectives, securely manage the bank's operations, protect the interests of depositors, abide by the responsibilities due towards investors, shareholders and other stakeholders, and the bank's commitment to the bank's internal legislation and policies.
Stakeholders	Any interested party in the bank such as depositors, investors, shareholders, employees, creditors, customers or the concerned regulatory authorities.
Board	Bank's Board of Directors
Independent Member	A member of the bank's Board of Directors who is not a major shareholder - and who is not under the control of any of them - and who has financial or banking qualifications or experience, and who meets the conditions set forth in Paragraph (5/e) of the Corporate Governance Instructions in effect.
Senior Executive Management	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 Manager, Treasury Manager (Investment), Risk Management Manager, Internal Audit Manager, and Compliance Manager, as well as any employee who has executive authority in the Bank parallel to any of the powers of any of the aforementioned and directly linked to the General Manager.
Adequacy	Provides specific requirements related to honesty, integrity, reputation, competence and qualifications in accordance with the requirements contained in the corporate governance instructions in effect regarding persons nominated for membership of the bank's Board of Directors and senior executive management.
Consulting website	The site where there is a contract or agreement between the occupant and the bank to provide temporary consulting services or under an annual contract.
External Auditor	It includes the audit office, partners in the audit office, and members of the audit team.
Auditing Office	The office through which the audit team practices the profession and which is registered with the Companies Control Department in the Ministry of Industry, Trade and Supply as a civil company to practice the profession in accordance with the applicable legislation.
The partner responsible for the audit	He / She is the licensed partner in the audit office who is responsible for the audit mission, the report issued on behalf of the audit office, and the report issued on behalf of the audit office, and who possesses the experience, academic qualifications, and professional certificate that qualifies him/her to sign the audit report.
Audit Team	Team members who conduct audit procedures under the supervision of the partner responsible for the audit. This does not include team members for additional services outside the scope of audit services.

## 5. Formation of the Board

**5.1** The Bank's Board of Directors currently consists of 11 members based on the bylaws. The term of membership is 4 years starting from the date of their election and they are elected according to the cumulative voting method by the Bank's General Assembly by secret ballot.

**5.2** The Chairman or member of the Board may not combine his position with any executive position, or any position under which he/she participates in managing the daily work of the bank, or any advisory position in the bank.

**5.3** The Bank's board of directors includes four independent members.

**5.4** The diversity and complementarity of skills and experiences among board members is taken into account so that they present a wide range of visions and viewpoints in a way that is consistent with the size of the Bank (or banking group) and the nature of its activity and strategy.

**5.5** The representation of women in Council membership is taken into account.

## 6. Meetings of the Board

- 6.1** The Board of Directors holds its meetings upon a written invitation from its Chairman or his/her deputy in his/her absence, or based on a written request submitted to the Chairman of the Board of Directors by at least a quarter of its members, in the presence of an absolute majority of its members.
- 6.2** Voting on Board of Directors decisions shall be in person or by any other means approved by any applicable legislation.
- 6.3** The decisions of the Board of Directors shall be issued by an absolute majority of the members present, and if the votes are equal, the side with which the Chairman of the meeting voted shall prevail.
- 6.4** The Board of Directors holds at least one meeting every two months, provided that the number of its meetings during the fiscal year is not less than six.

## 7. Suitability of Board Members

- 7.1** The Board adopts 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 suitability standards and continue to enjoy them.
- 7.2** Conditions for suitability of the Chairman and members of the Board:
- 7.2.1** Must be at least 25 years old.
  - 7.2.2** Must not be a member of the Board of Directors of any other bank within the Kingdom, or its general manager, regional manager, or employee, unless the other bank is affiliated with that bank.
  - 7.2.3** Must not be a lawyer, legal advisor, auditor of the Bank, or advisor to any other bank within the Kingdom.
  - 7.2.4** Must have a first university degree as a minimum in economics, finance, accounting, business administration, or any similar discipline. The Nomination and Remuneration Committee may consider adding other specializations (including law and information technology), if combined with sufficient experience related to banking business or related activities, in accordance with Paragraph 4/d of the applicable corporate governance instructions.
  - 7.2.5** Must not be an employee of the government or any public official institution unless he/she is a representative.
  - 7.2.6** Must have experience in banking, finance, economics, or other fields related to activities related to banking business for not less than five years.
  - 7.2.7** Must not have any relationship, including kinship up to the third degree with the CEO and the first degree with any other member of the senior executive management.
  - 7.2.8** To be familiar with the relevant legislations and the rights and duties of the Board of Directors.
  - 7.2.9** The member or his/her representative must not be a member or representative of a member on the Board of Directors of another bank that is similar or competitive to it in its business or similar to it in its objectives. In all cases, the natural person must not combine his/her membership with membership on the Boards of Directors of more than five public joint stock companies within the Kingdom, whether in his/her personal capacity in some of them or in his/her capacity as a representative of a legal person.
- 7.3** The Bank shall obtain the Central Bank's non-objection to nominate any person (as well as to nominate a representative of a legal person, including a temporary representative of any governmental entity, public institution, or public legal entity) for membership in the Board. The no-objection request should be accompanied by the Board's decision, and the recommendation of the Nomination and Remuneration Committee, which includes its perception of the added value that the nominated member will provide to the duties of the Board (attached declaration No.1) and its attachment, the independent member's declaration (attached No. 6) contained in the instructions, the CV, academic



certificates, experience certificates, a non-conviction certificate, and a copy of the civil status card (passport for non-Jordanians). The Central Bank's non-objection must be obtained to nominate any member to the Board before the date of the Bank's General Assembly meeting, a sufficient period of not less than one month. The Bank must inform anyone who wishes to nominate that there must be no objection from the Central Bank in this regard.

- 7.4** A shareholder wishing to nominate for membership in the Board of Directors must provide the Bank with an introductory overview of himself/herself before the end of the Bank's fiscal year, which precedes the year in which the General Assembly meeting will be held to elect the Board of Directors. In this case, the Board of Directors attaches this introductory summary to the invitation sent to shareholders to attend the General Assembly meeting.
- 7.5** The Chairman of the Board must ensure that the Central Bank is informed of any substantial information that could negatively affect the suitability of any of its members, as well as the suitability of the representative of the legal person.
- 7.6** The Nomination and Remuneration Committee determines the necessary requirements to ensure the independence of the member, such that they include the following conditions as a minimum (conditions for the independence of members of the Board of Directors):
- 7.6.1** To be a natural person.
  - 7.6.2** Must not have worked as an employee in the Bank or in any of its subsidiaries or affiliates, or as a consultant to the Bank or any of its subsidiaries during the three years preceding his/her nomination. The Bank must adjust its situation in particular within a maximum period of one year from the date of issuance of these instructions.
  - 7.6.3** Not related to any of the other members of the Board or to any member of the boards of directors/bodies of directors of the bank's subsidiary companies or to one of the major shareholders in the bank, up to the second degree.
  - 7.6.4** Not related to any of the members of the senior executive management of the Bank (except the CEO) or to any of the members of the senior executive management of any of the Bank's affiliated companies, up to the second degree.
  - 7.6.5** Must not be a partner or employee of the Bank's external auditor and must not have been a partner or employee during the three years preceding his nomination.
  - 7.6.6** Must not be a major shareholder in the Bank or an ally of a major shareholder in the Bank, or his/her contribution with the contribution of an ally constitutes the amount of the contribution of a major shareholder or a major shareholder in any of the Bank's subsidiaries or a major shareholder in the Group that owns the Bank.
  - 7.6.7** Must not have served as a member of the Board of Directors of the Bank or any of its subsidiaries or as a member of its board of directors for more than eight years combined for the aforementioned memberships. If any member loses his/her independence pursuant to this clause of the Bank and after the member has been suspended for at least (4) continuous years (Cooling-off Period), in the event that he/she has sufficient justifications, he/she shall submit a no-objection request to the Central Bank to consider him/her as an independent member.
  - 7.6.8** That he/she, his/her spouse, or any of his/her first-degree relatives, or any company in which he/she is a member of the Board of Directors, owner, or major shareholder, or be a member of a senior executive management, must not have received credit from the Bank in excess of (5%) of Regulatory capital of the Bank. He / She should not be a guarantor of credit from the Bank whose value exceeds the same percentage. The Central Bank of Jordan may consider some cases related to nominated persons who have memberships in public joint-stock companies.
- 7.7** The Central Bank of Jordan may consider any member not independent according to certain data

despite the application of all the conditions mentioned above.

- 7.8** If it deems this necessary and for clear and specific justifications, the Board may appoint an advisor to it, provided that this is within the scope of tasks consistent with the nature of the advisor's work. Provided that this does not include supervisory or executive tasks in any way, and that this is within a specific time frame and without prejudice to the task of the Board's supervision of the Bank's work, in line with its tasks stipulated in legislation, including the Banking Law, provided that a non-objection is obtained from the Central Bank on this appointment.

## **8. Duties of the BOD**

- 8.1** Preparing a charter for the Board, which is reviewed annually, specifying in detail the tasks, powers, and responsibilities of the Board of Directors.
- 8.2** Supervise the senior executive management and adopt a policy to monitor and review its performance to achieve the corporate objectives and ensure accuracy of all Bank's operations.
- 8.3** Determine the Bank strategic objectives, and directing the executive management for preparing a strategy for achieving such objectives and accredit such strategy, while accrediting action plans that are compatible with this strategy.
- 8.4** Ensure having policies, plans and procedures for the Bank, inclusive of all activities compatible with the related legislations, and being circularized on all administrative levels, while being regularly reviewed.
- 8.5** Determine Bank institutional values and drawing clear lines for responsibility and accountability for all Bank activities, while promoting high culture for the moral standards, transparency and professional conduct of the Bank staff.
- 8.6** The Board shall be responsible and implement CBJ requirements, and requirements of the other regulative and control bodies related to Bank work, consideration of stakeholders, that the Bank is being managed within its internal policies and legislations, and that the effective control is continuously available over Bank activities including the outsourced ones
- 8.7** The Board must approve the appointment/transfer/promotion/assignment or accept the resignation or termination of the services of any member of the Bank's senior executive management, taking into account obtaining a non-objection from the Central Bank of Jordan before the appointment/transfer/promotion/assignment.
- 8.8** Each of the CEO, executive manager / internal audit, executive manager / risk management, and executive manager / compliance shall be appointed and resign based on the recommendation of the concerned committee provided obtaining CBJ approval over the resignation or dismissal or either of them.
- 8.9** Accredite a risk management strategy and controlling its implementation in a way that includes level of the accepted risks, while guaranteeing Bank non-exposure to high risks, while BOD shall be aware of the Bank operational working environment along with the related risks, and ensuring having infrastructure and tools for risk management at the Bank that are capable of determining and measuring all types of risks affecting the Bank.
- 8.10** Guarantee having and adequate and trusted MIS covering all Bank activities.
- 8.11** Ensure that the Bank credit policy include evaluating quality of the corporate governance of Bank clients of companies, especially the public shareholding ones, whereas customers' risks are evaluated through weaknesses and strengths according to practicing field of governance.
- 8.12** The Board sets a policy that includes the Bank's responsibility towards protecting the environment and protecting society (Environmental and Social Policy), provided that the Bank's disclosures in its annual report and/or within the sustainability report include the initiatives that the Bank is pursuing

in this regard, at a minimum:

- a. Social initiatives in environmental protection, health and education.
- b. Social initiatives to combat poverty and unemployment.
- c. Encouraging medium and microfinance.
- d. Participate in initiatives that add economic value to society.

- 8.13** The Board takes measures to create a clear separation between the powers of the major shareholders on the one hand and the executive management on the other hand. Also it must find appropriate mechanisms to limit the influence of major shareholders, and the senior executive management must derive its authority from the Board solely, and work within the framework of the mandate granted to it by the Board.
- 8.14** The Board must approve the general organizational structure of the Bank.
- 8.15** The Board approves the Group's general strategies and policies. A corporate governance guide is also adopted at the Group level in line with corporate governance instructions and the Group structure to be applied to the entire Group. In order to ensure that the policies of the subsidiaries are in line with these instructions as much as possible, taking into account the instructions issued in this regard by the regulatory authorities of the countries in which the subsidiaries are located.
- 8.16** The Board must determine the banking operations that require its approval, taking care not to expand on this in a way that would prejudice the Board's supervisory role, and not grant executive powers, including powers to grant credit, to any single member of the Board, including the Chairman of the Board, through the approved table of powers from the Board.
- 8.17** The Board must determine the legal, financial and administrative powers of the CEO and the Executive Management to the extent that enables them to carry out their work efficiently and effectively, through the CEO and the Executive Management submitting the necessary recommendations to the Board regarding the table of powers, which includes their legal, financial and administrative powers, and the table must be approved by the BOD.
- 8.18** The Board must appoint a Secretary of the Board, terminate his/her services, and determine his/her remuneration, such that his/her duties include:
- Attend all Board meetings and record all negotiations, suggestions, objections, reservations, and method of voting on Board draft decisions accurately.
  - Determining the dates of the Board's meetings, in coordination with the Chairman of the Board.
  - Ensure that the members of the Board of Directors sign minutes of meetings and decisions.
  - Follow up on the implementation of the decisions taken by the Board of Directors and follow up on discussing any issues that were postponed from a previous meeting.
  - Keep records and documents of Board meetings.
  - Take the necessary measures to ensure that the draft decisions intended to be issued by the Board are in accordance with the legislations, including those issued by the Central Bank of Jordan.
  - Preparing for the General Assembly meetings.
  - Cooperate with the committees emanating from the Board
  - Providing the Central Bank with the adequacy acknowledgments to be signed by the members of the Board.
- 8.19** Members of the Board and its committees are allowed to communicate directly with the Executive Management and the Secretary of the Board and facilitate their performance of the tasks assigned

to them, with an emphasis that none of the Board members influence 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.

**8.20** The Board of Directors represents all shareholders, and it must exercise due diligence procedures when deciding on any of the issues related to the Bank's business, and take into account sound foundations in arriving at the decision taken in this regard, in a way that ensures that it carries out its duties at the highest levels of professionalism and allocates the time necessary to carry out its work with all integrity and transparency, in order to achieve the Bank's interest, goals and objectives.

**8.21** The Chairman of the Board must do the following as a minimum:

- Ensure having a constructive relationship between the Board and the executive management.
- Encourage constructive criticism regarding the issues that have been discussed in general and those about which there is a difference in views among members, and encourage discussions and voting for such issues.
- Ensure all Board members receiving minutes of previous meetings and signing them, and that they have received the agenda of any meeting well in advance of its convening, provided that the agenda includes sufficient written information about the topics to be discussed in the meeting and to be delivered by the secretary of the Board.
- Ensure having a charter regulating and defining Board's work
- Discussion of strategic and important issues in the Board's meetings extensively
- Provide each member of the Board when elected with texts of laws related to the work of banks and Central Bank instructions related to the work of the Board, along with a handbook explaining the rights, responsibilities and duties of the member, in addition to the tasks and duties of the Secretary of the Board.
- Provide each member with an adequate summary of Bank business upon appointment or request.
- Negotiate with any new member with the help of the Bank's legal advisor/Legal Department Manager and the secretary of the Bank on the duties of the Board, especially with regards to the legal and regulatory requirements to clarify the tasks, powers and other matters related to membership, including membership period, dates for meetings, committees' tasks, value of remunerations, and possibility of obtaining independent specialized technical advice when necessary.
- Fulfill the needs of the members of the Board with regards to developing their expertise and continuous learning, and to allow the new member to attend the orientation program, taking into account the member's banking background, provided that this program contains, as a minimum, the following topics:
  - The Bank's organizational structure, corporate governance, code of professional conduct.
  - Corporate goals and Bank strategic plan and approved policies
  - The financial position of the Bank.
  - Bank's risk structure and risk management framework.
- The Chairman of the Board must extend an invitation to the Central Bank to attend the General Assembly meetings, sufficiently in advance to name a representative.
- The Chairman of the Board must provide the Central Bank with the minutes of the General Assembly meetings within a period not exceeding five working days from the date of approval of the minutes of the meeting by the General Controller of Companies or his/her representative.

**8.22** Each member of the Board must carry out the following as a minimum:

- Sufficient knowledge of the legislation and principles related to banking and the Bank's operating

environment and keeping abreast of developments taking place within it as well as external developments that are related to its business.

- Attending Board meetings, its committee meetings and General Assembly meetings as necessary.
- Allocate sufficient time to carry out his/her duties as a member of the Board of Directors. The Nomination and Remuneration Committee must find a clear methodology to verify this, including (for example) the extent of the member's multiple connections to memberships in other boards of directors/bodies/forums...etc.

**8.23** With regard to disclosure and transparency, the Board's duties are as follows as a minimum:

- The Board of Directors is committed to the highest ethical standards in dealing with stakeholders. This stems from the Bank's desire to maintain the trust and faith of its stakeholders in the Bank and its commitment to them, so that the Board provides a specific mechanism to ensure communication with stakeholders, through disclosure and providing significant information about the Bank's activities to stakeholders through the following:
  - General Assembly meetings.
  - Annual Report.
  - Quarterly reports containing financial information in addition to the Board's report on the trading of the Bank's shares and its financial position during the year.
  - Website of the Bank.
  - Public Relation Department
- Ensure the allocation of a part of the website that includes an explanation of shareholders' rights and encourages them to attend and vote in the General Assembly meetings, as well as publishing documents related to the meetings, including the full text of the invitation and minutes of meetings.
- Ensure the timely dissemination of financial and non-financial information of interest to stakeholders.
- Ensure that the Bank's annual report includes a text stating that the Board is responsible for the accuracy and adequacy of the Bank's financial statements and the information contained in that report, and for the adequacy of the internal control and monitoring systems.
- Ensure that the Bank adheres to the disclosures specified by the International Financial Reporting Standards, International Accounting Standards, Central Bank instructions, and other relevant legislation and ensure that the executive management is aware of the changes that occur in the International Financial Reporting Standards.
- Ensure that the corporate governance guide is published on the Bank's website, and in any other appropriate way for public information. The Bank must disclose in its annual report the existence of a corporate governance guide and the extent of its commitment to implementing what is stated therein.
- 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, and ensure that the annual report includes the following as a minimum:
  - Summary of the Bank's organizational structure.
  - A summary of the tasks and responsibilities of the Board's committees and any powers that the Board has delegated to those committees.
  - Information of interest to stakeholders shown in the Bank's corporate governance manual and the extent of its commitment to implementing what is stated in the manual.
  - Information about each member of the Board in terms of his/her qualifications, experience, the amount of his/her contribution to the Bank's capital, whether he/she is independent or not, his/

her membership in the Board's committees, the date of his/her appointment, any memberships he/she holds on the boards of directors of other companies, and the rewards in all their forms that he/she received from the Bank for the past year, as well as the loans granted to them by the Bank and any other transactions carried out between the Bank and the member or parties related to them.

- Information about risk management, including its structure, the nature of its operations, and the developments that have occurred.
- The number of times the Board of Directors and its committees meet and the number of times each member attends these meetings.
- Names of each of the Board members and senior executive management who resigned during the year.
- A summary of the Bank's remuneration granting policy, with a disclosure of all forms of remuneration for Board members individually and all forms of remuneration granted to the senior executive management separately for the past year.
- Declarations from all members of the Board that the member did not obtain any benefits through his/her work at the Bank and did not disclose them, whether those benefits were material or in-kind, and whether they were for him/her personally or for any of the concerned parties.

## 9. BOD Meetings and Committees

- 9.1** Taking into account the provisions of Clause (6/n/4) related to the formation and quorum of the Facilities Committee of the Corporate Governance Instructions in effect, the quorum for any committee meeting may not be less than (3) members, including the Chairman of the Committee. It is also not permissible to resort to nominating an alternative member at any committee meeting in the event of the principal's absence.
- 9.2** Taking into account the provisions of Clause (6/s/3) related to ensuring that Board members sign the minutes and decisions of meetings from the applicable corporate governance instructions, Board members may attend its meetings and the meetings of its committees via any means of video telephony, provided that the Chairman of the Board and the Secretary approve On the minutes of the Board meeting and its quorum; provided that the BOD Chairman and the secretary shall ratify the minutes of the Board meeting and its quorum, and the Chairman of the committee and the secretary on the minutes of the committee and its quorum.

## 10. Committees Emanating from the Board

- 10.1** The Board must form committees from among its members, and adopt a charter for each committee that includes, as a minimum, the composition of the committee, its tasks and powers, the periodicity and quorum of its meetings, and nominate a secretary for each committee and determine his/her duties, including recording all deliberations, suggestions, objections and reservations, and how to vote on the committee's draft decisions in an accurate manner. These committees must submit periodic reports to the Board, and the existence of these committees does not relieve the Board as a whole from bearing its responsibilities.
- 10.2** The Board shall form the following committees (Audit Committee, Risk Management Committee, Corporate Governance Committee, Nomination and Remuneration Committee, Compliance Committee) as a minimum, so that any member of the Board is prohibited from being the Chairman of more than one of the above-mentioned committees. He / She is also prohibited from being the chairman of more than two of all committees emanating from the Board. It is also prohibited for any of the powers of any committee emanating from the Board and stipulated in these instructions to be delegated to any other authority. Banks are prohibited from forming any committee with any



executive powers, with the exception of the Facilities Committee stipulated in the current corporate governance instructions.

- 10.3** Each committee must adhere to the tasks and responsibilities listed below, in addition to the tasks and responsibilities contained in its duly approved charter.
- 10.4** The committees work to assist the Board in implementing some of its tasks and responsibilities in accordance with the work charter of each committee, provided that this does not relieve the Board of its responsibilities as a whole.
- 10.5** The committees work to help highlight important issues and issues facing the Bank in a more accessible and appropriate manner.
- 10.6** The competencies and qualifications of Board members are optimally exploited through their participation in committees whose work is consistent with these qualifications.
- 10.7** The committees facilitate and enhance effective lines of communication between the concerned departments and the Board through the relevant committee.
- 10.8** Taking into account what is stated in Clause No. (16.3) below regarding the Facilities Committee emanating from the Board of Directors, the Committee's decisions are taken by a majority of the members present. In the event of equal votes, the Chairman of the Committee shall give the prevailing opinion.
- 10.9** The committees meet periodically and/or whenever necessary and in accordance with the committee charters approved by the Board of Directors.
- 10.10** The committees exercise their authorities and powers in accordance with their respective charters.
- 10.11** Each committee prepares and submits a semi-annual report to the Board of Directors on a regular basis about the activities and powers it carries out.
- 10.12** The Nominations and Remuneration Committee evaluates the performance of the committees emanating from the Board of Directors.
- 10.13** Each committee must review the charter, manual, or work instructions every 3 years or whenever necessary and submit a report of any proposed amendments to the Board for approval.
- 10.14** Each of the committees submits its decisions and recommendations to the Board of Directors and a report on its work to the Bank's annual regular General Assembly meeting.
- 10.15** Any committee has the right to request the presence of any Bank employee to obtain any necessary clarifications.
- 10.16** In the event that any of the committee's recommendations and the decisions of the Board of Directors conflict, the Board of Directors must include in the governance report a statement that clearly details these recommendations and the reasons for the Board of Directors' non-compliance with them.

## 11. Corporate Governance Committee

This committee shall be composed of at least three members, with the majority of the committee members being independent members, and including the Chairman of the Board. The Head of the Committee must also be an independent member. This committee undertakes the following tasks:

- 11.1** Supervising the preparation of the Corporate Governance Guide and its ratification by the Board, so that this Guide expresses the Bank's own view of Corporate Governance in terms of its concept, importance and basic principles, in a manner that is compatible at a minimum with applicable legislation, ensuring the achievement of best practices in this field, and being updated whenever necessary.
- 11.2** Providing the Central Bank with a letter signed by all members of the Committee confirming

compliance of the guide with these instructions no later than 14/8/2023 and within two months from the date of making any subsequent amendment.

- 11.3** Verifying the correction of the observations contained in the report of the Internal Audit Department - or any other relevant party - regarding the Bank's commitment to the Corporate Governance Manual.
- 11.4** Notify the Central Bank immediately upon verifying any violations of the provisions and requirements of these instructions.
- 11.5** Preparing a Governance Report and submitting it to the Board of Directors.
- 11.6** Establish written work procedures to implement the provisions of these instructions, review them, and evaluate the extent of their application on an annual basis.
- 11.7** Studying the observations of the Securities Commission regarding the implementation of governance in the Bank and following up on what was done in this regard.

## **12. Audit Committee**

Taking into account what is stated in the instructions and laws in force, the majority of the Committee members, including the Head of the Committee, must be independent members, and the BOD Chairman must not be the head or member of the Committee. The Head of the Committee may not be the head of any other committee emanating from the Board. The majority of the committee members must also hold academic qualifications in accounting or finance, or hold professional certificates in these two fields, and have appropriate practical experience in the fields of accounting, finance, external auditing, internal auditing, or banking.

- 12.1** Taking into account what is stated in the Banking Law and its amendments, the committee is responsible for reviewing the following matters:
  - The scope, results and adequacy of the Bank's internal and external audit.
  - Accounting issues that have a material impact on the Bank's financial statements.
  - Internal control and control systems in the Bank.
- 12.2** The Committee submits recommendations to the Board regarding the appointment of the external auditor, termination of its work, its fees, and any conditions related to contracting with it, including any other work that the Committee intends to assign to it, in addition to evaluating its independence.
- 12.3** The Committee charter must include the following:
  - The authority to obtain any information from the executive management directly or through the Executive Director of the Internal Audit Department.
  - The right to summon any administrator to attend any of its meetings.
- 12.4** The Committee holds separate meetings with the External Auditor, the Executive Director of the Internal Audit Department, and the Executive Director of the Compliance Department at least once a year, without the presence of any other members of senior executive management.
- 12.5** The Committee reviews and monitors the procedures that enable the employee to confidentially report any error in the financial reports or any other matters. The Committee ensures that the necessary arrangements are in place for an independent investigation and ensures that the results of the investigation are followed up and treated objectively.
- 12.6** The Committee must 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 this evaluation.



- 12.7** The Committee must verify the availability of sufficient resources and a sufficient number of qualified staff to manage internal audit and subject them to specialized training programs, including in the field of corporate governance.
- 12.8** The Committee must ensure that internal audit employees are rotated to audit the Bank's activities every three years as a maximum. In the event that it is not possible to achieve this in certain areas, the Committee's approval will be taken on the justifications for non-compliance, especially in specialized cases, such as information technology and cyber-security auditing.
- 12.9** The Committee must verify that internal audit employees are not assigned any executive tasks.
- 12.10** The Committee must verify that all of the Bank's activities are subject to audit - in accordance with the risk-based approach - including those assigned to external parties.
- 12.11** The Committee must evaluate the performance of the Executive Director of the Internal Audit Department and determine his/her remuneration in a manner consistent with the performance evaluation policy approved by the Board.
- 12.12** Establishing appropriate mechanisms to ensure that the Bank provides a sufficient number of qualified staff to fill internal control tasks so that they are trained and rewarded appropriately.
- 12.13** Study and evaluate any additional work outside the scope of the audit carried out by the external auditor, such as providing administrative and technical consultations, ensuring that they do not affect its independence, and recommending them to the Board of Directors to take a decision regarding them.

### 13. Nomination and Remuneration Committee

This Committee consists of at least three members, so that the majority of the members of the Committee, including the head of the committee, are independent members. The Committee is responsible for several matters, the most important of which are:

- 13.1** Determining the persons qualified to join the membership of the Board based on the capabilities and qualifications of the persons nominated and submit a recommendation to the Board. In case of re-nomination of a member, the times of his/ her attendance and the effectiveness of his/her participation in the meetings of the Board and its committees shall be taken into consideration.
- 13.2** Informing any person (including a representative of a legal person) applying for candidacy for Board membership in writing of the Board's decision stating that the provisions of the current Corporate Governance Instructions or any instructions issued by the relevant regulatory authorities do not apply to him/her.
- 13.3** Nominating qualified persons to the Board to join the senior executive management.
- 13.4** Ensure that Board members attend workshops and seminars on banking topics, including corporate governance, risk management, and the latest developments in banking.
- 13.5** Determine whether the member achieves the status of an independent member, taking into account the minimum conditions contained in Paragraph (5/e) related to the conditions for the member's independence of the corporate governance instructions in effect, review this on an annual basis, and provide the Central Bank of Jordan and the Securities Commission with any developments on independence any of the independent members.
- 13.6** Evaluate the work of the Board as a whole and its committees and members separately annually, provided that the Committee follows specific and approved principles in the evaluation process, so that the standard for evaluating performance is objective, and that the Committee informs the Central Bank of Jordan and the Securities Commission of the result of this evaluation. The members of the Board (except the members of the Nomination and Remuneration Committee) evaluate the performance of the Nomination and Remuneration Committee and its members separately annually.

- 13.7** Providing information and summaries about the background of some important topics about the Bank to Board members upon request, and ensuring that they are constantly informed of the latest topics related to banking.
- 13.8** Establish a performance evaluation policy, granting financial rewards to the Bank's administrators and reviewing them periodically, so that they include a mechanism for determining the salaries, bonuses and privileges of the CEO and the rest of the members of the executive management. The Committee may not delegate this task to the executive management, and this policy must be approved by the Board.

## 14. Risk Management Committee

This Committee is composed of at least three members, with the majority of the Committee members, including the Head of the Committee, being independent members. The Committee also meets at least once every three months and whenever necessary, and this Committee undertakes the following tasks:

- 14.1** Ensuring the Bank has a comprehensive risk management strategy that includes the type and level of acceptable risks for all Bank activities.
- 14.2** Verifying the availability of policies and tools to identify, measure, analyze, evaluate and monitor risks, reviewing them annually at a minimum to ensure their effectiveness and amending them if necessary.
- 14.3** Verifying the availability of a risk management system that ensures the accuracy and adequacy of the data used to identify, measure, analyze, evaluate and monitor risks and losses that may result from them and maintain the necessary capital to confront them.
- 14.4** Verifying the effectiveness of the Risk Management Department's work procedures and evaluating the extent of executive management's commitment to the approved policies and procedures.
- 14.5** Providing the Board with periodic reports on the risks to which the Bank is exposed, including violations of acceptable risk levels and procedures for addressing them.
- 14.6** Keeping up with developments that affect the Bank's risk management.
- 14.7** Verify the existence of means that help manage risks, including but not limited to:
- Self-assessment of risks and development of risk indicators.
  - Preparing a historical database of losses, identifying the sources of those losses, and classifying them according to the type of risks.
  - Providing the necessary equipment, appropriate automated systems, and quantitative methods.
- 14.8** Verifying the availability of sufficient resources and a sufficient number of qualified staff to manage risks and subjecting them to specialized training programs.
- 14.9** Evaluating the performance of the Executive Director for Risk Management and determining his/her rewards in accordance with the performance evaluation policy approved by the Board, after seeking the opinion of the CEO.

## 15. Compliance Committee

This Committee consists of at least three members, with the majority of its members being independent members. The Committee also meets at least once every three months and whenever necessary.

This Committee undertakes the following tasks:

- 15.1** Ensuring the existence of a compliance policy for the Bank and procedures emanating from it, to ensure the establishment of a compliance function capable of performing its tasks effectively, and so that the Committee conducts an evaluation of the effectiveness of the Bank's management of

non-compliance risks at least once a year.

- 15.2** Approving the annual plan and reviewing the periodic reports prepared by the Compliance Department, which include assessing the risks of non-compliance, violations, deficiencies, and corrective measures that have been taken.
- 15.3** Supervising the implementation of the Bank's compliance policy, and ensuring that the Bank's executive management resolves all compliance-related issues quickly and effectively.
- 15.4** Supervising the work of the Compliance Department and ensuring that appropriate mechanisms are in place to monitor the compliance of all administrative levels in the Bank with all regulatory requirements, applicable legislation and international standards, including the recommendations of the financial action group.
- 15.5** Verifying the availability of sufficient resources and a sufficient number of qualified staff to manage compliance and subjecting them to specialized training programs.
- 15.6** Evaluating the performance of the Executive Director of Compliance Management and determining his/her rewards in line with the performance evaluation policy approved by the Board, after seeking the opinion of the CEO.

## 16. Facilities Committee

This Committee consists of at least five members, and one of the Committee members may be independent, provided that none of its members are in the Audit Committee.

This Committee is formed to exclusively consider facilities that exceed the authority of the highest committee in the executive management according to the following:

- 16.1** Its powers shall be limited to taking the appropriate decision regarding the facilities that were recommended for approval by the Executive Management Committee referred to above.
- 16.2** Determine upper limits for the powers entrusted to this Committee related to granting, amending, renewing, structuring, scheduling, or settling credit facilities, so that there are clear powers for the Board in particular.
- 16.3** The quorum for the Committee's meetings must be attended by at least four members, and its decisions shall be taken by a majority of its members, regardless of the number of those present.
- 16.4** The Committee shall submit to the Board the details of the facilities approved by it.

## 17. IT Governance Committee

This Committee consists of at least three members, and it is preferable to include in its membership persons with experience or strategic knowledge in information technology, so that this Committee assumes the following tasks and responsibilities:

- 17.1** Adopting the strategic objectives of information technology and appropriate organizational structures, including steering committees at the level of senior executive management, in particular (the Steering Committee for Information Technology), in a way that ensures achieving and meeting the strategic objectives of the Bank, achieving the best added value from projects and investments of information technology resources, and using the necessary tools and standards. To monitor and ensure the extent to which this is achieved, such as using the IT Balanced Scorecards system, calculating the Return On Investment (ROI) rate, and measuring the impact of contributing to increasing financial and operational efficiency.
- 17.2** Adopting a general framework for managing, controlling and monitoring information technology resources and projects that emulates the best accepted international practices in this regard,

specifically (COBIT). It is compatible with and meets the objectives and requirements of the instructions for governance, information management and the associated technology through achieving the institutional objectives set forth in the aforementioned instructions in a sustainable manner, and achieving the information and technology objectives matrix, covering IT governance processes.

- 17.3** Accrediting the corporate objectives matrix contained in Attachment 1 of the Instructions for Governance and Management of Information and the accompanying technology and the update contained therein in Central Bank Circular 10-6-984, and the information and technology objectives accompanying it contained in Attachment 2, and the update contained therein in the Central Bank Circular 10-6-984, considering its data as a minimum, and describing the sub-objectives necessary to achieve it.
- 17.4** Accrediting the matrix of responsibilities (RACI Chart) towards the main processes of information technology governance in Attachment 3, and the update contained therein in Central Bank Circular 10-6-984 and the sub-processes emerging from it in terms of the entity or entities, person, or parties primarily (Responsible), those that are ultimately (Accountable), those that are (Consulted), and those that are (Informed) regarding all operations in the aforementioned facility, guided by the COBIT 2019 standard in this regard.
- 17.5** Adopting the importance and priority order of the Enterprise Goals and the extent of their connection to the Alignment Goals and the Governance and Management Objectives, in addition to their connection to the rest of the enabling elements (Enablers/Components), based on a qualitative and/or quantitative study prepared for this purpose at least annually, it takes into account the factors influencing the formation of the IT governance framework (Design Factors – COBIT 2019) in line with the Bank’s privacy and strategies, provided that the topics of cyber-security, risk management, data privacy and protection, compliance, monitoring, auditing and strategic compatibility are included as a Focus Area and of high importance and priority, provided that the level of maturity for activities related to the objectives of governance and management and the rest of the seven elements of empowerment is directly proportional to the degree of importance and priority according to the results of the study mentioned above, provided that the level of maturity for the goals of high importance and priority is not less than the level 3 Fully achieved according to the maturity scale contained in the COBIT 2019 framework, and it is allowed to consider no more than 26% of the objectives mentioned in sixth above within the management objectives (with no more than a maximum of 9 objectives out of 35 objectives) as being of lower importance and priority depending on the results of the aforementioned study.
- 17.6** Ensure that there is a general framework for information technology risk management that is compatible and integrated with the overall general framework for risk management in the Bank and so that it takes into account and meets all information technology governance processes listed in Attachment 3.
- 17.7** Approving a budget for information technology resources and projects in accordance with the Bank’s strategic objectives.
- 17.8** General supervision and review of the progress of information technology operations, resources and projects to ensure their adequacy and its effective contribution to achieving the requirements and work of the Bank.
- 17.9** Review IT audit reports and take the necessary measures to address deviations.
- 17.10** Recommending to the Board to take the necessary measures to correct any deviations.
- 17.11** Adoption of the Cyber-security Policy.
- 17.12** Accreditation of the Cyber-security Program.

- 17.13** Check compliance with policy in Cyber-security Program.
- 17.14** Submitting a semi-annual report to the Board of Directors on the Committee's work and activities.
- 17.15** Reviewing the Committee's charter every 3 years and/or whenever necessary and submitting any amendments to it to the Board of Directors for approval.
- 17.16** Studying any topic presented to the Committee by the Board of Directors or which the Committee deems necessary to discuss and express an opinion and recommendation regarding it to the Board of Directors.

## 18. Strategy Committee

The Committee is formed by a decision of the BOD so that the Committee assists the Board in setting strategic goals and assists the executive management in designing the strategy and issuing recommendations to the Board for approval, thus the Committee assumes the following tasks and responsibilities:

- 18.1** Determining strategic goals in coordination with the executive management and recommending the Board of Directors for approval.
- 18.2** Ensure preparation of strategic and operational plans and ensure that strategic objectives are included therein.
- 18.3** Follow-up on the achievement of strategic goals through key performance indicators.
- 18.4** Submit a semi-annual report to the Board of Directors on the work and activities of the Committee.
- 18.5** Revising the charter of the Committee every 3 years and/or whenever the need arises, and submitting any amendments thereto to the Board of Directors for approval.
- 18.6** Reviewing any topic presented to the Committee by the Board of Directors, or that the Committee deems necessary to discuss it and express its opinion or recommendation on it to the Board of Directors.

## 19. Executive Management Tasks

- 19.1** Implementing and managing the Bank's activities in accordance with the strategies/policies approved by the Board, and the systems, risk management, processes and controls necessary to manage all types of risks to which the Bank is exposed, ensuring that the levels of acceptable risks approved by the Board are not exceeded, and compliance with all applicable legislation and the Bank's internal policies.
- 19.2** Verifying the existence of comprehensive work procedures for all the Bank's activities that are consistent with the applicable legislation and policy strategies approved by the Board, provided that these procedures are approved by the CEO or the regional director of the foreign bank branch (with the exception of the supervisory departments where they must be approved by the competent committee/authority), as well as ensuring application of these procedures.
- 19.3** Preparing the financial statements.
- 19.4** Preparing the general organizational structure of the Bank and approving it from the Board, as well as preparing the sub-organizational structures for all units operating in the Bank and approving them from the CEO or the Regional Director, with the exception of the sub-organizational structures for the supervisory departments of local banks, which are approved by the Board based on the recommendation of the relevant committee/body. These structures should show the administrative hierarchy and reflect the lines of responsibility and authority in a detailed and clear manner, so 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, internal audit and internal Sharia audit, in a way that enables them to carry out their tasks with complete independence, including not exercising executive duties, and so that their connection is shown in a solid line with the relevant committee and in a dotted line with the CEO,
- Units that are not involved in operational work, such as credit review staff and the Middle Office, and
- Subsidiaries and external branches.

The Central Bank of Jordan shall be provided with the general organizational structure of the Bank when any amendment is made to it, along with an explanation of that amendment.

- 19.5** Preparing an annual budget, having it approved by the Board, and submitting periodic performance reports to the Board showing the actual deviation from the estimated one and its causes.
- 19.6** Not to carry out any practices that would affect the independence and objectivity of the supervisory departments, as the cooperation of these departments with the various units of the Bank and the executive management is considered essential for fulfilling their tasks. It must inform the senior executive management of any important issues that require immediate action to be taken to address them if they are identified by any of these departments. This does not prevent those departments from informing the competent committee/body about these issues.
- 19.7** Providing the regulatory authority, external audit, internal audit, and any competent authorities, at the time determined by those authorities, with the required information and statements necessary for them to carry out their tasks in an optimal manner.
- 19.8** Preparing the Bank's charter of professional conduct, having it approved by the Board, and circulating it to all administrators at the Bank.
- 19.9** Developing the skills and professional behavior of Bank employees to comply with the latest standards of ethics and professional work conduct rules.
- 19.10** Verifying the existence of appropriate regulatory controls for each activity or process, and separating procedures administratively and practically between approval and implementation tasks.
- 19.11** 19.11 In addition to what is contained in the applicable legislation, the CEO must work on the following:
- Developing the Bank's strategic direction.
  - Implementing the Bank's strategies and policies.
  - Implementing Board's decisions.
  - Providing guidance for implementing short and long-term business plans.
  - Establishing mechanisms to communicate the Bank's vision, mission and strategy to employees.
  - Informing the Board of all important aspects of the Bank's operations.
  - Managing the daily operations of the Bank.
  - Accrediting a detailed description of the tasks of each organizational unit (except for the supervisory departments, which must be approved by the competent committee/body), and for all employees of the Bank to view it, each according to his/her specialty.
- 19.12** To provide members of the Board of Directors with all information and data related to the Bank, enabling them to carry out their work and become familiar with all aspects related to the Bank's work.

## **20. Suitability of Members of Senior Executive Management**

- 20.1** The Board must adopt a policy to ensure the suitability of members of the Bank's senior executive

management, provided that this policy includes the minimum standards, requirements and conditions that must be met by a member of the senior executive management. The Board shall review this policy from time to time, and establish adequate procedures and systems to ensure that all members of senior executive management meet and continue to enjoy suitability standards.

- 20.2** The Board must verify that the CEO has integrity, technical competence and banking experience. The Board must approve the appointment of a transfer/promotion/assignment or accept the resignation or termination of the services of any member of the Bank's senior executive management, taking into account obtaining a non-objection from the Central Bank of Jordan before the appointment/transfer/promotion/assignment.
- 20.3** The Board, based on the recommendation of the competent committee, must approve the appointment of the CEO, Executive Director / Internal Audit, Executive Director / Risk Management, and Executive Director / Compliance, and accept their resignations or terminate their services, provided that a no-objection from the Central Bank of Jordan is obtained for the resignation or termination of the services of any of them.
- 20.4** The Board must approve a substitution plan for members of the Bank's senior executive management, and the Board must review this plan at least once a year.
- 20.5** The Chairman of the Board must ensure that the Central Bank is informed of any material information that could negatively affect the suitability of any member of the senior executive management.
- 20.6** Whoever is appointed to the senior executive management of the Bank must meet the following conditions:
- 20.6.1** Must not be a member of the Board of Directors of any other bank unless the other bank is affiliated with the Bank.
  - 20.6.2** To be dedicated to managing the Bank's business.
  - 20.6.3** Must have a first university degree as a minimum in economics, finance, accounting, business administration, or any of the specializations related to the Bank's work.
  - 20.6.5** Must have experience in the field of banking business, most of which is in the field of the job for which he/she is nominated) or related work, for no less than five years, with the exception of the CEO, whose experience in the field of banking business must be no less than ten years.
  - 20.6.6** Must not be a major shareholder and must not have any relationship with the Chairman of the Board, any of the Board members, or any major shareholder in the Bank, including kinship up to the third degree in the case of the CEO, and to the first degree in the case of any member of the other senior executive management.
  - 20.6.6** The Bank must verify that any major shareholder in the Bank is not linked to any relationship, including kinship up to the third degree with the CEO, and from the first degree to any member of the other senior executive management.
  - 20.6.7** To take into account the representation of women in the membership of the senior executive management.



## 21. Conflict of Interest

- 21.1** The Board must adopt a policy governing conflicts of interest in all its forms, including those arising from the Bank's association with companies within the banking group, and adopt the necessary procedures to ensure the adequacy of internal controls and oversight to monitor compliance with this policy and prevent violations of it. This policy includes, at a minimum, the following:
- 21.1.1** Avoid activities that create a conflict between the interest of the Bank and any interest belonging to any member of the staff in the Bank or any member of the authority in any way.
  - 21.1.2** Disclosure shall be made immediately upon verification of any matter from which a conflict has arisen or will arise between the interest of the Bank and any interest belonging to any member of the staff in the Bank or any member of the authority in any form.
  - 21.1.3** The Board member's failure to disclose the Bank's confidential information or use it for his/her own benefit or for the benefit of others, and the legal person's representative not to disclose any confidential information that was circulated during the Board's meetings and its committees to any person, including any administrator of this legal person.
  - 21.1.4** The Board member should give priority to the Bank's interest in all transactions that take place with any other company in which he/she has a personal interest, not take the Bank's business opportunities for his/her own benefit, and avoid conflicts of interest. He / She must disclose to the Board in detail any conflict of interest, if any, while committing not to attend and not participate in the decision taken at the meeting in which such a topic is discussed, and this disclosure must be recorded in the minutes of any meeting of the Board or its committees.
  - 21.1.5** Examples of cases that create a conflict of interest include the conflict that arises between the interest of a Board member and the interest of the Bank, or between the interest of a committee member and the interest of the Bank, or between the interest of a member of the executive management and the interest of the Bank, or between the interest of any of the companies within the banking group, subsidiary or affiliate of the Bank and the Bank's interest.
  - 21.1.6** Defining the parties related to the Bank in accordance with applicable legislation and specifying the terms of transactions with those parties, ensuring that the party related to the Bank does not obtain better conditions than the conditions that the Bank applies to another client who does not have a relationship with the Bank. This includes all of the Bank's dealings with any of the companies within the banking group of which the Bank is a part.
  - 21.1.7** Determine the nature of transactions with related parties to include all types of transactions and not be limited only to credit facilities.
  - 21.1.8** Procedures followed by the Bank when identifying cases of non-compliance with the above policy.
- 21.2** The Board must adopt a charter of professional conduct that ensures that the Bank conducts its business with high integrity, and that it includes at a minimum cases that may give rise to a conflict of interest, and ensure that it has been circulated to all administrative levels in the Bank.
- 21.3** The Internal Audit Department must conduct an examination at least once a year, to ensure that all transactions conducted with parties related to the Bank have been carried out in accordance with applicable legislation, the Bank's internal policies and approved procedures, and submit its reports and recommendations regarding this to the Audit Committee. The Audit Committee informs the Central Bank immediately upon verifying any violation of any of the applicable legislation and internal policies in this domain.
- 21.4** The Board must ensure that the executive management has high integrity in carrying out its work,



avoids conflicts of interest, and implements the approved policies and procedures objectively.

- 21.5** The Board must adopt controls on the movement of information between various departments that prevent exploitation for personal benefit.

## 22. Performance Evaluation

- 22.1** The Board of Directors must ensure the existence of a system to evaluate its work and the work of its committees and members, and this system must include, as a minimum, the following:
- Key performance indicators (KPIs) 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 of Directors and shareholders and the periodicity of this communication.
  - Regular meetings between the Board of Directors and senior executive management.
  - The member's attendance at the meetings of the Board of Directors and its committees and his/her effective participation in them, as well as comparing his/her performance with the performance of other members. Feedback must be obtained from the concerned member in order to improve the evaluation process.
  - The extent to which the member develops his/her knowledge of banking activities through his/her participation in training programs.
- 22.2** The Board of Directors must evaluate the performance of the CEO annually according to a system prepared by the Nomination and Remuneration Committee and approved by the Board, including setting key performance indicators, so that the criteria for evaluating the CEO's performance include both the financial and administrative performance of the Bank compared to the extent of the risks and the extent of his/her achievement of the Bank's medium and long-term plans and strategies plans. Relative weights are set for each item of the evaluation, and the committee informs the Central Bank of the result of this evaluation.
- 22.3** The Nominations and Remuneration Committee annually evaluates the work of the Board as a whole, its members, and all Board committees, and informs the Central Bank of the results of this evaluation.
- 22.4** The Board of Directors must adopt a system to measure the performance of the Bank's administrative staff other than members of the Board of Directors and the CEO, so that it takes into account performance indicators that vary according to the nature of the departments' work and the extent to which they achieve their goals, provided that this system includes the following as a minimum:
- An appropriate weight should be given to measure the performance of compliance with the risk management framework, compliance management, and application of internal controls and regulatory requirements.
  - The total income or profit should not be the only element to measure performance, meaning other elements must be taken into account to measure the performance of administrative staff, such as the risks associated with basic operations and achieving the goals and annual plans of each department, in addition to measuring customer satisfaction where applicable.
- 22.5** The performance of the Internal Audit Department employees is evaluated by the Executive Director of Internal Audit, in accordance with the performance evaluation policy approved by the Board.

## 23. Financial Remunerations for Administrative Staff

- 23.1** The Board must establish procedures to determine the remunerations of its members, based on the evaluation system it approved.
- 23.2** The policy for granting financial remunerations must contain the following elements as a minimum:
- 23.2.1** 23.2.1 It should be prepared to attract and retain administrative staff with competencies, skills and experience, motivate them and improve their performance.
  - 23.2.2** Controls related to the remuneration of the Chairman, members of the Board and its committees in exchange for the tasks they undertake stipulated in these instructions. These remunerations may be variable according to the evaluation of the performance of the board/committees/members and the solvency and performance of the Bank.
  - 23.2.3** It should be designed to ensure that staff are motivated to achieve the Bank's objectives without this leading to high risks that may negatively affect the Bank's solvency or reputation or expose it to legal risks.
  - 23.2.4** Remuneration should not be based only on the performance of the current year, but also on his/her performance in the medium and long term (3-5) years.
  - 23.2.5** A mechanism to postpone the payment of a reasonable percentage of remunerations (excluding salaries), such that this percentage and the postponement period are determined on the basis of the nature of the work, its risks, and the activities of the concerned administrator.
  - 23.2.6** The form of remuneration shall be determined, such as in the form of fees, salaries, allowances, bonuses, stock options, or any other benefits, provided that the instructions for ownership of a significant interest in this regard are taken into account.
  - 23.2.7** A mechanism to retract the deferred remunerations granted to the administrative staff in the event that it later becomes clear that there are any problems in his/her performance or that exposes the Bank to high risks due to decisions that fall within his/her powers and were taken by him/her and could have been avoided.
  - 23.2.8** Financial remunerations shall not be granted to supervisory department the administrative staff based on the results of the work of the departments subject to their supervision.

## 24. Internal Audit

- 24.1** The Board shall take the necessary measures to enhance the effectiveness of the internal audit by giving the necessary importance to the audit process and fixing this in the Bank .
- 24.2** The Board shall ensure and enhance the independence of the internal auditors and give them an appropriate position in the Bank job hierarchy and ensure that they are qualified to carry out their duties, including the right and access to all records and information and contact with any employee at the Bank so that they can perform the tasks assigned to them and prepare their reports without any interference.
- 24.3** The Board must verify that the Internal Audit Department is subject to the direct supervision of the Audit Committee, and that it submits its reports directly to the Audit Committee and a copy thereof to the CEO. The CEO may also, with the approval of the Head of the Audit Committee, assign the Internal Audit Department to assurance or advisory tasks, provided that this assignment does not affect the independence of the Internal Audit Department.
- 24.4** The Internal Audit Department undertakes the following tasks as a minimum:
- 24.4.1** Verifying the adequacy of the internal control and oversight systems for the activities of the Bank and its subsidiaries and adhering to them, and reviewing and documenting any

amendments made to the structure of these systems.

- 24.4.2** Developing an internal audit charter and having it approved by the Board based on the recommendation of the Audit Committee, which includes the tasks of the Internal Audit Department, its powers, and its work methodology.
- 24.4.3** Preparing an audit plan that includes the Bank's activities, 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.
- 24.4.4** Reviewing compliance with the Corporate Governance Manual and its related policies and charters annually and preparing a detailed report thereon and submitting it to the Audit Committee and a copy of it to the Corporate Governance Committee.
- 24.4.5** Reviewing the validity and comprehensiveness of stress testing, in accordance with the methodology approved by the Board.
- 24.4.6** Ensuring the accuracy of the procedures followed for the Bank's Internal Capital Adequacy Assessment Process (ICAAP).
- 24.4.7** Auditing financial and administrative matters.
- 24.4.8** Follow up on the violations and observations contained in the reports of the regulatory body and the external auditor and ensure that work is done to address them and that appropriate controls are in place by the executive management to prevent their recurrence.
- 24.4.9** Ensuring the availability of the necessary procedures to receive, process and retain complaints from the Bank's customers, and notes related to the accounting system, internal control and auditing, and auditing processes, and submitting periodic reports thereon.
- 24.4.10** Maintain audit reports and working papers, for a period consistent with the provisions of applicable legislation in this regard, in an organized and safe manner, and to be ready for review by the regulatory body and the external auditor.

## 25. Risk Management

- 25.1** The Board shall ensure the independence of risk management and grant them the necessary powers to enable them to obtain information from other departments of the Bank and cooperate with other committees to carry out their tasks.
- 25.2** The Board shall ensure that violations are addressed at the approved levels of risk, including accountability of the concerned senior executive management for such violations.
- 25.3** The Board shall ensure that the risk management conducts stress tests periodically, to measure the Bank's ability to withstand shocks and face high risks and that the Board has major role in approving the hypotheses and scenarios used, discussing the results of the tests, and approving the measures that must be taken based on these results
- 25.4** Risk management undertakes the following tasks as a minimum:
  - 25.4.1** Implementation of a risk management strategy in addition to developing business policies and procedures to manage all types of risks.
  - 25.4.2** Prepare a risk management policy/policies that cover all the Bank's operations, set a clear standard and limits for each type of risk, and ensure that all employees, each according to their administrative level, are fully informed and aware of them, and review them periodically. The risk management policy/policies should be approved by the Board.
  - 25.4.3** Preparing a comprehensive document of all acceptable risks and having it approved by the Board.
  - 25.4.4** Reviewing the Bank's risk management framework and approving it from the Board.

- 25.4.5** Preparing the internal assessment document for the adequacy of the Bank's capital, reviewing it periodically and verifying its application, so that it is comprehensive, effective and capable of identifying all risks that the Bank may face and takes into account the Bank's strategic plan and capital plan, and must be approved by the Board.
- 25.4.6** Develop methodologies to identify, measure, analyze, evaluate and monitor each type of risk.
- 25.4.7** Verifying the integration of risk measurement mechanisms with the management information systems used.
- 25.4.8** Prepare a business continuity plan and have it approved by the Board, provided that it is examined periodically.
- 25.4.9** Ensure, before launching/providing any new product/process service/system, that it is consistent with the Bank's strategy, and that all risks arising from it, including operational/information security/cyber risks, have been identified and that the new supervisory controls and procedures or amendments to them have been made in a manner consistent with the risk limits acceptable to the Bank.
- 25.4.10** Providing the necessary information about the Bank's risks, to be used for disclosure purposes.
- 25.4.11** Submitting recommendations to the Risk Management Committee about the Bank's exposure to risks, and recording cases of exceptions to the risk management policy.
- 25.4.12** Monitoring the commitment of the Bank's executive departments to the specified levels of acceptable risks.
- 25.4.13** Submitting reports to the Board through the Risk Management Committee and a copy to the General Manager that includes information on the actual risk system for all the Bank's activities compared to the accepted risk document, and following up on the treatment of negative deviations. The executive management may request special reports as needed from the Bank's risk management.

## 26. Compliance Department

- 26.1** The Board must ensure the independence of the Compliance Department.
- 26.2** The Board must approve the Compliance Department tasks, provided that these tasks are as a minimum:
  - 26.2.1** Prepare a compliance policy to ensure the Bank's compliance with all relevant legislation, and ensure that all employees, each according to their administrative level, are fully informed and aware of it, and that this policy is approved by the Board.
  - 26.2.2** Preparing an annual plan for compliance, to be approved by the Compliance Committee.
  - 26.2.3** Monitoring the compliance of all administrative levels in the Bank with all regulatory requirements, applicable legislation and international standards, including the recommendations of the Financial Action Task Action Group.
  - 26.2.4** Preparing periodic reports that include assessing the risks of non-compliance, violations, deficiencies, and corrective measures that have been taken, and submitting them to the Compliance Committee, with copies of them to the CEO.

## 27. External Auditing

**27.1** The bank must prepare an external audit policy and have it approved by the Board, provided that it is amended whenever necessary and includes, as a minimum, the following:

- Mechanism for nominating and assigning the audit office.
- Mechanism for determining audit office fees.
- Periodic change of the audit office and teams.
- The requirements for the independence of the external auditor stipulated in Clause No. (27.4) below are a minimum.
- Tasks of the audit office and team.
- The audit committee's relationship with the audit office and team.
- Additional services outside the scope of audit services that can be assigned to the audit office.
- Criteria for selecting the audit office and the responsible partner, taking into account the availability of the following requirements as a minimum:
  - a. Audit Office
    1. The number of partners responsible for auditing in the office should not be less than two partners.
    2. The office or international company of which the office is a member must have appropriate experience, not less than (10) years, in auditing bank accounts.
  - b. Responsible partner:
    1. Must be of good conduct and have a good professional reputation.
    2. He must not have been convicted of a felony or misdemeanor involving dishonor or dishonesty.
    3. Must have a valid practicing license to practice the auditing profession and be registered in the Jordanian Register of Certified Public Accountants in accordance with the provisions of the Law Regulating the Certified Accounting Profession.
    4. Must not have been prohibited from practicing the profession during the last five years or have a final criminal judgment been issued against them as a result of committing a professional error or a legal violation related to the practice of the profession.
    5. Must have at least a first university degree in accounting or any of the specializations related to banking.
    6. To have a professional certificate in the field of accounting or auditing from one of the professional associations of certified public accountants or auditors that is internationally recognized and recognized by the Jordanian Society of Certified Public Accountants.
    7. Must have practical experience in the field of auditing for a period of no less than (10) years, including at least (7) years in the field of auditing bank accounts, and he must be familiar with banking business, its risks, and the legislation related to it, including those issued by the Central Bank.

**27.2** The Bank must ensure regular rotation of the external auditor every seven years as a maximum, and the external auditor must not be changed during the contract period except after obtaining the approval of the Central Bank and based on fundamental reasons.

**27.3** The old office may not be re-elected again before at least three years have passed from the date of its last election at the bank.

- 27.4** The Audit Committee must verify the independence of the external auditor during the contract period, beginning and continuing, in a way that ensures that there is no conflict of interest between the Bank and the external auditor. The Board must ensure this, and ensure that the terms of the contract with the external auditor include the following as a minimum:
- 27.4.1** The external auditor may not be a member of the Board or the board of directors/board of directors of any of the Bank's subsidiaries.
  - 27.4.2** The external auditor may not work permanently during the audit mission in any technical, administrative, or advisory work for the Bank or any of its subsidiaries.
  - 27.4.3** The external auditor may not be a partner with any of the members of the board/body/senior executive management of the Bank or any of the members of the body or any of the members of the board of directors of the management body or any of the members of the senior executive management of any of the Bank's subsidiaries.
  - 27.4.4** There may not be a relationship of even the second degree between the responsible partner and any member of the audit team with any member of the Board or any member of body or any member of the senior executive management of the Bank or any of its subsidiaries.
  - 27.4.5** The external auditor may not own, deal in, or speculate in the Bank's shares or the shares of any of the Bank's subsidiaries, directly or indirectly.
  - 27.4.6** The external auditor may not combine the work of auditing the Bank's accounts with any additional services outside the scope of audit services assigned to the office.
- 27.5** The Audit Committee must 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, in a manner commensurate with the nature of the Bank's business, the complexity of its operations, and its risks.
- 27.6** The Bank must inform the Central Bank at least thirty days before the date of the General Assembly meeting of its desire to nominate the External Auditor for election (or re-election) by the General Assembly.
- 27.7** No employee of the External Auditor's Office may be appointed to the senior executive management of the company until at least one year has passed since they have left auditing the Bank's accounts.

## 28. Governance Report

The Bank prepares a governance report and includes it in the Bank's Annual Report, signed by the Chairman of the Board of Directors and including, at a minimum, what is stated in the instructions of the Securities Commission.

## 29. General Assembly Meetings

- 29.1** The General Assembly consists of all shareholders who are entitled to vote.
- 29.2** The Company's general assembly shall hold a regular meeting at least once a year, provided that this meeting is held within the four months following the end of the Company's fiscal year. The Company's General Assembly may also hold an extraordinary meeting at any time in accordance with applicable legislation.
- 29.3** The Board of Directors shall invite the relevant regulatory authorities and each shareholder to attend the General Assembly meeting in accordance with applicable legislation, provided that appropriate arrangements and procedures are prepared for holding the meeting, including choosing the

place and time, in a way that helps and encourages attendance of the largest possible number of shareholders.

- 29.4** The date and place of the meeting shall be indicated in the invitation, and the General Assembly's agenda shall be attached to it, including the topics that will be discussed during the meeting in a detailed and clear manner, in addition to any documents or attachments related to those topics.
- 29.5** A shareholder wishing to nominate for membership in the Board of Directors must provide the Bank with an introductory overview of him/herself before the end of the Bank's fiscal year, which precedes the year in which the General Assembly meeting will be held to elect the Board of Directors. In this case, the Board of Directors attaches this introductory summary to the invitation sent to shareholders to attend the General Assembly meeting.
- 29.6** The shareholder may appoint another shareholder to attend the General Assembly meeting on his/her behalf under a written power of attorney, or appoint another person on his/her behalf under a judicial power of attorney, in accordance with applicable legislation.
- 29.7** The General Assembly meeting shall be chaired by the Chairman of the Board of Directors or his/her deputy in the event of his/her absence, or whomever the Board of Directors delegates in the event of their absence. Members of the Board of Directors must also attend the General Assembly meeting in a number not less than the number that achieves a quorum for any Board of Directors meeting.
- 29.8** The General Assembly meeting must be managed in a way that allows shareholders to participate effectively, express their opinions freely, obtain answers to their questions, and provide sufficient information to enable them to make their decisions.

## 30. General Provisions

- 30.1** The Bank must provide the Central Bank with information related to the members of the Board, the committees emanating from it, members of its senior executive management, and members of the body, according to the forms attached to the valid corporate governance instructions for banks (4/1, 4/2, 4/3, 4/4) when any amendment occurs.
- 30.2** The Bank must provide the Central Bank with information related to the members of the boards of directors or bodies of directors and the senior executive management of its subsidiaries (including subsidiaries of subsidiaries) inside and outside the Kingdom, in accordance with the forms attached to the corporate governance instructions for Banks in effect (5/1, 5/2, 5/3), when any modification occurs.
- 30.3** It is not permissible for any knowledgeable person in the Bank to disclose internal information related to the Bank to anyone other than the competent body or the judiciary. It is also not permissible to trade securities issued by the Bank or force others to trade them based on inside information or exploit internal or confidential information to achieve material or moral gains.
- 30.4** The Bank is committed to creating and creating sustainable value for shareholders. It also aims to provide financial returns and act and carry out activities that will maximize the interest of shareholders.
- 30.5** The Bank is committed to dealing with suppliers and service providers with honesty and credibility. It seeks to build and maintain good relationships with suppliers and service providers, and also ensures the confidentiality of information related to them.
- 30.6** The Bank is committed to treating employees with dignity and providing equal employment opportunities to all employees with respect to employment practices, including recruitment, remunerations, professional development and promotions.
- 30.7** The Bank is committed to ensuring and providing safe and healthy working conditions and respecting



human rights.

- 30.8** The Bank is committed to contributing to the overall quality of life in the communities in which it operates, by using resources in a responsible manner to preserve the environment. The Bank also provides assistance through charitable activities, civil community service, and others in order to fulfill its social responsibilities.
- 30.9** The Bank is committed to treating all its customers fairly, transparently and on an equal footing, without giving priority to the interests of some over others or granting some of them preferential conditions except in accordance with purely commercial and banking principles and standards in accordance with the relevant laws and instructions.
- 30.10** The Bank must verify that any major shareholder in the Bank is not related to any relationship, including kinship up to the third degree with the CEO, and the first degree with any other member of the senior executive management.
- 30.11** The Chairman of the Board of Directors, any of its members, the CEO of the Bank, or its external auditor must, under penalty of legal liability, notify the relevant regulatory authorities in the event that any of the following occurs:
  - 30.11.1** If the Bank is exposed to poor financial or administrative conditions or suffers serious losses that affect the rights of shareholders or the rights of its creditors.
  - 30.11.2** The Board of Directors, any member of the Board of Directors, or the CEO exploits his/her powers and position in any way to achieve any benefit for him/herself or others in an illegal manner. This provision applies if any of them abstains from doing something required by law.
  - 30.11.3** The Board of Directors, any member of the Board of Directors, or the CEO performs any act that involves manipulation or is considered embezzlement, fraud, forgery, or breach of trust, and in a way that leads to prejudice to the rights of the Bank, its shareholders, or others.





# Governance

## Report

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Cairo Amman Bank is one of the leading banks in applying the concepts of good corporate governance, so as it has for many years formed the permanent committees emanating from the Board of Directors, such as the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Governance Committee, Information Technology Governance Committee, Facilities Committee and Compliance Committee, in addition to the formation of the Strategy Committee, with the aim of assisting the Board of Directors in carrying out the work and tasks assigned to it. Policies, procedures, and regulations were also prepared in accordance with the requirements and instructions of the relevant regulatory and official authorities.

## Names of Members of the Board of Directors of Cairo Amman Bank Current / Resigned during 2023

	Member's Name	Executive / Non-executive	Independent / Non-independent	Status of Membership
1	Mr. Yazeed Adnan Mustafa Al-Mufti	Non-executive	Non-independent	Current Member
2	M/S Banque Misr	Non-executive	Non-independent	Current Member
3	Mr. Hesham Zafer Taher Al-Masri	Non-executive	Non-independent	Current Member
4	M/S Arab Foodstuff and Trade Company	Non-executive	Non-independent	Current Member
5	M/S Social Security Corporation	Non-executive	Non-independent	Current Member
6	Mr. Yaseen Khalil "Mohammad Yaseen" Al- Talhouni	Non-executive	Non-independent	Current Member
7	Mr. Hasan Ali Hussein Abu Al-Ragheb	Non-executive	Non-independent	Current Member
8	Mr. Sami Issa Eid Smairat	Non-executive	Independent	Current Member
9	Mr. Esam "Mohammad Farouq" Rushdi Al- Muhtadi	Non-executive	Independent	Current Member
10	Mr. Kleman Mari Farajallah Me'mar Bashi	Non-executive	Independent	Current Member
11	Mrs. Simona Auguste Jacob Sabella	Non-executive	Independent	Current Member
12	Mrs. Suha Baseel Andrawos Ennab	Non-executive	Independent	Resigned Member as of 12/4/2023

## Names of Representatives of the Legal Members of the Board of Directors during 2023

	Name of Legal Member	Name of Representative	Executive / Non-executive	Independent / Non-independent	Status of Membership
1	M/S Banque Misr	Akef Abdullatif Mohammad Al-Mughrabifrom 12/10/2023	Non-executive	Non-independent	Current Member
		Husameddin Abudlwahab Ali Mohammad, Until 12/10/2023			
2	M/S Arab Foodstuff and Trade Company	Ghassan Ibrahim Fares Aqeel	Non-executive	Non-independent	Current Member
3	M/S Social Security Corporation	Mazen Hamdi Mohammad Al-Sahsah	Non-executive	Non-independent	Current Member

## Table below indicates number of meetings of the BOD's emanating committees in addition to the number of meetings attended by each member during 2022

	Name of Legal Member	Name of Representative	Executive / Non-executive	Independent / Non-independent	Status of Membership
1	M/S Banque Misr	Akef Abdullatif Mohammad Al-Mughrabifrom 12/10/2023	Non-executive	Non-independent	Current Member
		Husameddin Abudlwahab Ali Mohammad, Until 12/10/2023			
2	M/S Arab Foodstuff and Trade Company	Ghassan Ibrahim Fares Aqeel	Non-executive	Non-independent	Current Member
3	M/S Social Security Corporation	Mazen Hamdi Mohammad Al-Sahsah	Non-executive	Non-independent	Current Member

## Executive Positions at the Bank and Names of Persons occupying them

Position	Name
CEO	Mr. Kamal Ghareeb Abdel Raheem Al-Bakri
Chairman of the Credit Services Group	Mrs. Rana Sami Jadallah Al-Sunna'
Chairman of the Joint Services Group	Mr. Khaled Mahmoud Abdullah Qasem
CEO / Central Operations	Miss Jan Shawkat Mahmoud Yadj
CEO / Treasury and Investment	Mrs. Reem Younis Mohammad Al-Eses
CEO / Finance, Shareholders and Inventors Affairs	Mr. Fouad Younis Abdel Lateef Saleh
CEO / Special Banking Services	Maha Abdullah Abdel Hamid Ababneh
CEO /Personal Credit Services	Mr. Azmi Mohammad Hasan Awaidah
CEO and Legal Advisor / Legal Affairs and Contract Documentation	Mr. Mohammad Ali Mahmoud Al-Qaisi
CEO / Internal Audit	Mrs. Margret Muheeb Issa Makhamreh
CEO / Risk Management	Mr. Yousef Abdel Fattah Suleiman Abu Al-Haija'
CEO / Compliance	Mr. Anton Victor Anton Sabella
CEO / Commercial Credit Services	Mr. Yazeed Seetan Yousef Ammari
CEO / Banking Services and Marketing	Mr. Hani Mohammad Rashrash Ahmad Rasheed Khader
CEO / IT and Project Management	Rami Anton Issa Ma'ayah
Senior HR Manager	Esam Mamdouh Abed Al-Najdawi
CEO/ Information Security and Combating Financial Crimes Department	Mr. Zaid Jamal Zuhdi Hameed
Strategic Planning & Business Development Manager	Mr. Fouad Nabil Al-Khoury Asbir Fouad Al-Sunna

## All Memberships of BODs Occupied by BOD Member in Public Shareholding Companies

	Name of Natural Member	Membership in BODs of Public Shareholding Companies in Jordan
1	Mr. Yazeed Adnan Mustafa Al-Mufti	ZARA Investment Co. (Holding)
		Middle East Insurance Co.
		Middle East Company (Holding)
2	Mr. Hesham Zafer Taher Al-Masri	Jordan Express Tourist Transport Company
3	Mr. Yaseen Khalil "Mohammad Yaseen" Al-Talhouni	ZARA Investment Co. (Holding)
		Tourism & Hotel Co.
		Jordan Electricity Company
		Jordanian Al-Himah Minerals Company
4	Mr. Hasan Ali Hussein Abu Al-Ragheb	First Insurance Company - Solidarity
5	Mr. Sami Issa Eid Smairat	Jordan Mines Phosphate Co.
6	Mr. Esam "Mohammad Farooq" Rushdi Al-Muhtadi	No membership in BODs of other Shareholding companies
7	Mr. "Cleman Mary" Farajallah Me'mar Bashi	No membership in BODs of other Shareholding companies
8	Mrs. Simona Auguste Jacob Sabella	No membership in BODs of other Shareholding companies

Name of governance liaison officer: Anton Victor Anton Sabella

## Names of the Committees Emanating from the BOD

As at 31/12/2023							
1	AUDIT committee	2	Nomination Remuneration Committee	3	Corporate Governance Committee	4	Risk Management Committee
5	Compliance Committee	6	Facilities Committee	7	IT Governance Committee	8	Strategic Committee

## Name of Head and Members of Audit Committee and brief on their qualifications and experiences related to accounting and financial affairs

	Member's Name	Capacity	Brief on Qualifications and experiences related to accounting & financial affairs
1	Mr. Sami Issa Eid Smairat	Head of Committee	Master in Business Administration (NYIT) He has extensive experience where he occupied many executive position, head and member of BODS in large companies
2	Mrs. Simona Auguste Jacob Sabella	Deputy Head of Committee	She has extensive experience where he occupied many executive position, head and member of BODS in large companies, such as GM of Arab Finance Corp./Jordan, Deputy GM - Internal Audit / Cairo Amman Bank
3	Mr. Ghassan Ibrahim Fares Aqeel	Member	Master's degree in administration / Thunderbird University Bachelor degree in accounting / Jordan University CEO of Astra Group- KSA Certified Auditor (C.P.A.) / Illinois University Experience in auditing through working as an audit manager at Arthur Anderson Company

## Names of Head and Members of the Corporate Governance Committee, Nominations and Remuneration Committee and Risk Management Committee

### Nominations and Remuneration Committee

	Member's Name	Position
1	Mr. "Cleman Mary" Farajallah Me'mar Bashi	Head of Committee
2	Mr. Sami Issa Eid Smairat	Deputy Head of Committee
3	Mr. Yazeed Adnan Mustafa Al-Mufti	Member
4	Mrs. Simona Auguste Jacob Sabella	Member

### Risk Management Committee

	Member's Name	Position
1	Mrs. Simona Auguste Jacob Sabella	Head of Committee
2	Mr. Akef Abdullatif Mohammad Al-Mughrabi	Deputy Head of Committee
3	Mr. Esam "Mohammad Farooq" Rushdi Al-Muhtadi	Member
4	Mr. Sami Issa Eid Smairat	Member

## Number of meetings of Audit Committee, Nominations and Remuneration Committee, Corporate Governance Committee and Risk Committee during 2023

### Audit Committee

The number of meetings of the Audit Committee during the year reached 10 meetings. The following are the members present for each meeting:

Member's Name	1 <sup>st</sup> Meeting	2 <sup>nd</sup> Meeting	3 <sup>rd</sup> Meeting	4 <sup>th</sup> Meeting	5 <sup>th</sup> Meeting	6 <sup>th</sup> Meeting	7 <sup>th</sup> Meeting	8 <sup>th</sup> Meeting	9 <sup>th</sup> Meeting	10 <sup>th</sup> Meeting
	7/2/2023	30/3/2023	26/4/2023	31/5/2023	14/6/2023	27/7/2023	7/9/2023	29/10/2023	27/11/2023	17/12/2023
Mr. Sami Issa Eid Smairat	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mrs. Simona Auguste Jacob Sabella	-	-	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Ghassan Ibrahim Fares Aqeel	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mrs. Suha Baseel Andrawos Ennab	Present	Present	-	-	-	-	-	-	-	-

### Nominations and Remuneration Committee

The number of meetings of the Nominations and Remuneration Committee during the year reached 6 meetings. The following are the members present for each meeting:

Member's Name	1 <sup>st</sup> Meeting	2 <sup>nd</sup> Meeting	3 <sup>rd</sup> Meeting	4 <sup>th</sup> Meeting	5 <sup>th</sup> Meeting	6 <sup>th</sup> Meeting
	17/1/2023	12/3/2023	4/4/2023	18/9/2023	25/10/2023	7/12/2023
Mr. Esam "Mohammad Farooq" Rushdi Al-Muhtadi	Present	Present	Present	Present	Present	Present
Mr. Hasan Ali Hussein Abu Al-Ragheb	Present	Present	Present	Present	Present	Present
Mr. Hesham ZaferTaher Al-Masri	Present	Present	Present	Present	Present	Present
Mr. "Cleman Mary" Farajallah Me'mar Bashi	Present	Present	Present	Present	Present	Present
Mrs. Simona Auguste Jacob Sabella, (from 13/4/2023)	-	-	-	Present	Present	Present
Mrs. Suha Baseel Andrawos Ennab (until 12/4/2023)	Present	Present	Present	-	-	-

## Corporate Governance Committee

The number of meetings of the Corporate Governance Committee during the year reached 2 meetings. The following are the members present for each meeting:

Member's Name	1 <sup>st</sup> Meeting	2 <sup>nd</sup> Meeting
	16/5/2023	28/12/2023
Mr. "Cleman Mary" Farajallah Me'mar Bashi	Present	Present
Mr. Sami Issa Eid Smairat	Present	Present
Mr. Yazeed Adnan Mustafa Al-Mufti	Present	Present
Mrs. Simona Auguste Jacob Sabella, (from 13/4/2023)	Present	Present

## Risk Management Committee

The number of meetings of the Risk Management Committee during the year reached 8 meetings. The following are the members present for each meeting:

Member's Name	1 <sup>st</sup> Meeting	2 <sup>nd</sup> Meeting	3 <sup>rd</sup> Meeting	4 <sup>th</sup> Meeting	5 <sup>th</sup> Meeting	6 <sup>th</sup> Meeting	7 <sup>th</sup> Meeting	8 <sup>th</sup> Meeting
	7/2/2023	30/3/2023	26/4/2023	31/5/2023	14/6/2023	27/7/2023	7/9/2023	29/10/2023
Mrs. Simona Auguste Jacob Sabella (from 13/4/2023)	-	-	-	Present	Present	Present	Present	Present
Mr. Akef Abdullatif Mohammad Al-Mughrabi (from 1/11/2023)	-	-	-	-	-	-	-	Not Present
Mr. Husameddin Abudlwahab Ali Mohammad (until 12/10/2023)	Present	Present	Present	Present	Present	-	-	-
Mr. Esam "Mohammad Farooq" Rushdi Al-Muhtadi	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Sami Issa Eid Smairat	Present	Present	Present	Present	Present	Present	Present	Present
Mrs. Suha Baseel Andrawos Ennab (until 12/4/2023)	Present	Present	Present	-	-	-	-	-

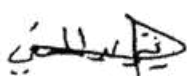
\* Audit Committee held a meeting with the external auditor of the Bank 4 times during 2023 (one of them without presence of any of the high executive management or their representatives).

## Number of BOD Meeting during 2023

The number of meeting of Board of Directors during the year reached (6) meetings. The following are the members present for each meeting:

Member's Name	1 <sup>st</sup> Meeting	2 <sup>nd</sup> Meeting	3 <sup>rd</sup> Meeting	4 <sup>th</sup> Meeting	5 <sup>th</sup> Meeting	6 <sup>th</sup> Meeting
	17/1/2023	12/3/2023	4/4/2023	18/9/2023	25/10/2023	7/12/2023
Mr. Yazeed Adnan Mustafa Al-Mufti	Present	Present	Present	Present	Present	Present
Mr. Akef Abdullatif Mohammad Al-Mughrabi (from 12/10/2023)	-	-	-	-	Present	Present
Mr. Husameddin Abudlwahab Ali Mohammad (until 12/10/2023)	Present	Present	Present	Present	-	-
Mr. Hesham ZaferTaher Al-Masri	Present	Present	Present	Present	Present	Present
Mr. Yaseen Khalil "Mohammad Yaseen" Al- Talhouni	Present	Present	Present	Present	Present	Present
Mr. Ghassan Ibrahim Fares Aqeel	Present	Present	Present	Present	Present	Present
Mr. Mazen Hamdi Mohammad Al-Sahsah Representative of the Social Security Corp.	Present	Present	Present	Present	Present	Present
Mr. Hasan Ali Hussein Abu Al-Ragheb	Present	Present	Present	Present	Present	Present
Mr. Sami Issa Eid Smairat	Present	Present	Present	Present	Present	Present
Mr. Esam "Mohammad Farooq" Rushdi Al-Muhtadi	Present	Present	Present	Present	Present	Present
Mr. "Cleman Mary" Farajallah Me'mar Bashi	Present	Present	Present	Present	Present	Present
Mrs. Simona Auguste Jacob Sabella (from 13/4/2023)	-	-	Present	Present	Present	Present
Mrs. Suha Baseel Andrawos Ennab (until 12/4/2023)	Present	Present	-	-	-	-

Yazeed Adnan Al-Mufti  
Chairman of Board of Directors



# Bank

branches  
and offices



# 07



## Bank branches and offices

### General Administration

Number of employees: 802

Arar Street – Wadi Saqra

Tel.: 5007700

Fax: 5007100

P.O. Box 950661 Amman 11195 Jordan

### Branches

#### 1. Abu Alanda

Number of employees: 15

Tel.: 4162857 - Fax: 4164801

P.O. Box 153 Amman 11592 Jordan

#### 2. Abu Nsair

Number of employees: 7

Tel.: 5105719 - Fax: 5105716

P.O. Box 2459 Amman 11941 Jordan

#### 3. Irbid

Number of employees: 11

Tel.: 7273390 - Fax: 7279207

P.O. Box 336 Irbid 21110 Jordan

#### 4. Aswaq Al-Salam

Number of employees: 8

Tel.: 5859045 - Fax: 5857631

P.O. Box 140285 Amman 11814 Jordan

#### 5. Um Uthaina

Number of employees: 6

Tel.: 5514072 - Fax: 5534290

P.O. Box 17634 Amman 11195 Jordan

#### 6. Al-Baqa'

Number of employees: 8

Tel.: 4728190 - Fax: 4726810

P.O. Box 1215 Amman 19381 Jordan

#### 7. Bani Kenanah

Number of employees: 8

Tel.: 7585191 - Fax: 7585211

P.O. Box 109 Irbid 21129 Jordan

#### 8. Wadi Seer

Number of employees: 11

Tel.: 5814934 - Fax: 5814933

P.O. Box 140285 Amman 11814 Jordan

#### 9. University of Jordan

Number of employees: 14

Tel.: 5342225 - Fax: 5333278

P.O. Box 13146 Amman 11942 Jordan

#### 10. Al Al-Bayt University

Number of employees: 7

Tel.: 6231856 - Fax: 6234655

P.O. Box 130066 Al-Mafraq 25113 Jordan

#### 11. German Jordanian University

Number of employees: 7

Tel.: 4250525 - Fax: 4250545

P.O. Box 440 Madaba 17110 Jordan

#### 12. Al-Hussein Ben Talal University

Number of employees: 8

Tel.: 2135071 - Fax: 2134985

P.O. Box 13 Maan 71111 Jordan

#### 13. JUST

Number of employees: 9

Tel.: 7095713 - Fax: 7095168

P.O. Box 3030 Irbid 22110 Jordan

#### 14. Philadelphia University

Number of employees: 4

Tel.: 6374604 - Fax: 6374605

P.O. Box 1 Jarash 19392 Jordan

#### 15. Mutah University

Number of employees: 11

Tel.: 2370182 - Fax: 2370181

P.O. Box 88 Mutah 61710 Jordan

#### 16. Hashemite University

Number of employees: 7

Tel.: 3826677 - Fax: 3826688

P.O. Box 330111 Zarqa 13133 Jordan

#### 17. Al-Yarmouk University

Number of employees: 15

Tel.: 7270181 - Fax: 7270180

P.O. Box 336 Irbid 21110 Jordan

#### 18. Jabal Al-Hussein

Number of employees: 8

Tel.: 5604974 - Fax: 5605632

P.O. Box 526 Amman 21410 Jordan

#### 19. Jabal Amman

Number of employees: 7

Tel.: 4625228 - Fax: 4618504

P.O. Box 2018 Amman 11181 Jordan

#### 20. Jabal Al-Lwaibdeh

Number of employees: 7

Tel.: 4628104 - Fax: 4637438

P.O. Box 715 Amman 11118 Jordan

#### 21. Jarash Branch

Number of employees: 7

Tel.: 6341868 - Fax: 6341870

P.O. Box 96 Jarash 26111 Jordan

#### 22. Der Abi Seed Branch

Number of employees: 6

Tel.: 6522190 - Fax: 6522195

P.O. Box 7 Irbid 21710 Jordan

#### 23. Al-Rabieh Branch

Number of employees: 6

Tel.: 5524216 - Fax: 5524267

P.O. Box 17915 Amman 11195 Jordan

#### 24. Al-Rusaifeh Branch

Number of employees: 7

Tel.: 3751822 - Fax: 3742275

P.O. Box 330111 Al-Rusaifeh 13133 Jordan

#### 25. Al-Rusaifeh / Al-Jabal Al-Shamali Branch

Number of employees: 7

Tel.: 3755785 - Fax: 3755796

P.O. Box 120225 Al-Rusaifeh 13712 Jordan

#### 26. Al-Ramtha Branch

Number of employees: 7

Tel.: 7201418 - Fax: 7381503

P.O. Box 120225 Al-Ramtha 13712 Jordan

#### 27. Zarqa

Number of employees: 7

Tel.: 3982729 - Fax: 3931424

P.O. Box 39 Zarqa 13110 Jordan

#### 28. Zarqa / Al-Zawahreh

Number of employees: 5

Tel.: 3903520 - Fax: 3924347

P.O. Box 12291 Zarqa 13115 Jordan

#### 29. New Zarqa / Mall

Number of employees: 9

Tel.: 3864118 - Fax: 3864120

P.O. Box 12291 Zarqa 13112 Jordan

#### 30. Zarqa / Baghdad Street

Number of employees: 7

Tel.: 3975202 - Fax: 3975203

P.O. Box 150746 Zarqa 13115 Jordan

#### 31. Al-Zarqa / Army Street

Number of employees: 8

Tel.: 3968031 - Fax: 3968033

P.O. Box 151180 Zarqa 13115 Jordan

#### 32. Al-Salt / Al-Yarmouk Street

Number of employees: 9

Tel.: 3550636 - Fax: 3556715

P.O. Box 1101 Al-Salt Jordan

#### 33. Al-Salt / King Abdullah II Street

Number of employees: 10

Tel.: 3500173 - Fax: 3500178

P.O. Box 214 Al-Balqa' 19328 Jordan

#### 34. City Mall

Number of employees: 11

Tel.: 5820028 - Fax: 5864726

P.O. Box 715 Amman 11118 Jordan

#### 35. Al-Hurriya Street

Number of employees: 8

Tel.: 4205923 - Fax: 4206962

P.O. Box 515 Amman 11623 Jordan

#### 36. Irbid / Hakama Street

Number of employees: 9

Tel.: 7408377 - Fax: 7412545

P.O. Box 336 Irbid 21110 Jordan

#### 37. Irbid / Omar Al-Mukhtar Street

Number of employees: 9

Tel.: 7250950 - Fax: 7250954

P.O. Box 150002 Irbid 21141 Jordan

#### 38. Northern Al-Shouneh

Number of employees: 6

Tel.: 6580816 - Fax: 6580818

P.O. Box 20 Irbid 28110 Jordan

#### 39. Khalda

Number of employees: 13

Tel.: 5331206 - Fax: 5335159

P.O. Box 140350 Amman 11814 Jordan

#### 40. Al-Madina Al-Munawara Street

Number of employees: 7

Tel.: 5560285 - Fax: 5537957

P.O. Box 1301 Amman Jordan

#### 41. Al-Shmeisani

Number of employees: 8

Tel.: 5685074 - Fax: 5687721

P.O. Box 962297 Amman 11196 Jordan

#### 42. Al-Swaifieh

Number of employees: 12

Tel.: 5865805 - Fax: 5863140

P.O. Box 715 Amman 11118 Jordan

#### 43. Sweileh

Number of employees: 10

Tel.: 5332585 - Fax: 5332485

P.O. Box 316 Amman 11910 Jordan

**44. Al-Yasmeen Suburb**

Number of employees: 9  
 Tel.: 4201748 - Fax: 4201459  
 P.O. Box 38971 Amman 11593  
 Jordan

**45. Tabarbour**

Number of employees: 7  
 Tel.: 5054170 - Fax: 5053916  
 P.O. 273 Amman 11947 Irbid  
 Jordan

**46. Al-Tafila**

Number of employees: 9  
 Tel.: 2250756 - Fax: 2250754  
 P.O. Box 28 Amman 66141  
 Jordan

**47. Al-Abdlai**

Number of employees: 9  
 Tel.: 5650853 - Fax: 5602420  
 P.O. Box 928507 Amman  
 Jordan

**48. Abdoun**

Number of employees: 8  
 Tel.: 5920131 - Fax: 5920141  
 P.O. Box 851455 Amman 11185  
 Jordan

**49. Ajloun**

Number of employees: 9  
 Tel.: 6422895 - Fax: 6422897  
 P.O. Box 55 Ajloun 26810  
 Jordan

**50. =Al-Karak / Al-Thaniya**

Number of employees: 16  
 Tel.: 2387627 - Fax: 2387626  
 P.O. Box 6 Al-Karak 61151 Jordan

**51. Aqaba / Al-Yarmouk street**

Number of employees: 11  
 Tel.: 2013355 - Fax: 2015550  
 P.O. Box 1166 Aqaba 77110  
 Jordan

**52. Amman**

Number of employees:7  
 Tel.: 4658428 - Fax: 4639328  
 P.O. Box 715 Amman 11118  
 Jordan

**53. Ghor Al-Safi**

Number of employees: 9  
 Tel.: 2300437 - Fax: 2300438  
 P.O. Box 57 Ghor Al-Safi Jordan

**54. Al-Fuhais**

Number of employees: 8  
 Tel.: 5373061 - Fax: 5373064  
 P.O. Box 180 Al-Fuhais 19152  
 Jordan

**55. Marriott Hotel**

Number of employees: 7  
 Tel.: 5560149 - Fax: 5623161  
 P.O. Box 715 Amman Jordan

**56. Justice Palace**

Number of employees: 7  
 Tel.: 5677286 - Fax: 5677287  
 P.O. Box 950661 Amman 11195  
 Jordan

**57. Al-Qwaismeh**

Number of employees:9  
 Tel.: 4771333 - Fax: 4751737  
 P.O. Box 38971 Amman 11593  
 Jordan

**58. Madaba**

Number of employees:13  
 Tel.: 3253471 - Fax: 3253465  
 P.O. Box 585 Madaba 17110  
 Jordan

**59. Marka**

Number of employees: 8  
 Tel.: 4896044 - Fax: 4896042  
 P.O. Box 715 Amman 11118  
 Jordan

**60. Al-Mahatta**

Number of employees: 8  
 Tel.: 4651326 - Fax: 4651991  
 P.O. Box 6180 Amman 11118  
 Jordan

**61. Al-Safariya Complex/Irbid**

Number of employees: 10  
 Tel.: 7249815 - Fax: 7250715  
 P.O. Box 3757 Irbid 21110 Jordan

**62. Marj Al-Hamam**

Number of employees: 9  
 Tel.: 5712383 - Fax: 5711895  
 P.O. Box 30 Marj Al-Hamam  
 11732 Jordan

**63. Prince Hamza Hospital**

Number of employees: 5  
 Tel.: 5055226 - Fax: 5055204  
 P.O. Box 1047 Amman 11947  
 Jordan

**64. JU Hospital**

Number of employees:10  
 Tel.: 5514072 - Fax: 5333248  
 P.O. Box 13046 Amman 11942  
 Jordan

**65. King Abdullah I Hospital**

Number of employees: 7  
 Tel.: 7095723 - Fax: 7095725  
 P.O. Box 336 Irbid 21110 Jordan

**66. Ma'an**

Number of employees: 7  
 Tel.: 213590 - Fax: 2136594  
 P.O. Box 135 Ma'an Jordan

**67. Ma'adi**

Number of employees: 9  
 Tel.: 3570030 - Fax: 3571904  
 P.O. Box 27 Ma'adi 18261 Jordan

**68. Al-Mafraq**

Number of employees: 8  
 Tel.: 6235516 - Fax: 6235518  
 P.O. Box 1308 Mafraq Jordan

**69. Al-Mafraq / Prince Hasan Street**

Number of employees: 7  
 Tel.: 6230555 - Fax: 6230556  
 P.O. Box 25110 Mafraq 1237  
 Jordan

**70. Mecca Mall**

Number of employees: 13  
 Tel.: 5200686 - Fax: 5811294  
 P.O. Box 950661 Amman 11195  
 Jordan

**71. King Abdullah Square / Irbid**

Number of employees: 9  
 Tel.: 7240071 - Fax: 7240069  
 P.O. Box 2066 Irbid 21110 Jordan

**72. Al-Nuzha**

Number of employees: 7  
 Tel.: 5626220 - Fax: 5626335  
 P.O. Box 8080 Amman 11121  
 Jordan

**73. Northern Al-Hashmi**

Number of employees: 7  
 Tel.: 5055390 - Fax: 5055401  
 P.O. Box 231106 Amman 11123  
 Jordan

**74. Wadi Saqra**

Number of employees: 9  
 Tel.: 5006000 - Fax: 5007124  
 P.O. Box 950661 Amman 1115  
 Jordan

**75. Al-Wehdatt**

Number of employees: 6  
 Tel.: 4771171 - Fax: 4753388  
 P.O. Box 715 Amman 11118  
 Jordan

**76. Al-Karak / Al-Qasr**

Number of employees: 7  
 Tel.: 032091152 - Fax: 032315149  
 P.O. Box 3 Al-Karak 13115 Jordan

**77. Medical City**

Number of employees: 7  
 Tel.: 5203503 - Fax: 58552278  
 P.O. Box 950661 Amman 11195  
 Jordan

**78. Al-Hosn**

Number of employees: 7  
 Tel.: 027201418 - Fax: 027010422  
 P.O. Box 150002 Irbid 21141  
 Jordan

**79. Wadi Mousa**

Number of employees:5  
 Tel.: 032091140  
 Fax: 032154975

**80. Al-Salt/Down Town**

Number of employees: 7  
 Tel.: 05-3903503  
 Fax: 03-556715  
 P.O. Box 1101 Al-Salt 1911 Jordan

**81. Al-Nafoura Mall Branch**

Number of employees 7  
 Tel: 03-2091153  
 Fax: 03-2420047  
 P.O. Box 1166 Aqaba 7711  
 Jordan

**82. Ajloun - Anjarah Branch**

Number of employees 8  
 Tel: 02-7201426  
 Fax: 02-6460276  
 P. O. Box 8 Ajloun 26810 Jordan

**83. Marj Al-Hamam - AlJundi Roundabout**

Number of employees: 7  
 Tel: 06-5200680  
 Fax: 06-5713564  
 P. O. Box 71285 Amman 11171

**84. Zarqa Branch- Madinat Al-Sharq**

Number of employees: 7  
 Tel: 05-3903522  
 Fax: 05-3933231  
 P. O. Box 71285 Amman 11171

**85. Jarash Branch - Al-Gayrawan Roundabout**

Number of employees: 7  
 Tel: 02-7021418  
 Fax: 02-6354012  
 P. O. Box 96 Jarash 26110  
 Jordan

## SIGNATURE branches

### 1. Zara Mall

Number of employees: 18  
Tel.: 5200649 - Fax: 5201762  
P.O. Box 71285 Amman 11171  
Jordan

### 2. Um Al-Sumaq

Number of employees: 12  
Tel.: 5200669 - Fax: 5522852  
P.O. Box 71285 Amman 11171  
Jordan

### 3. Al-Khaldi

Number of employees: 9  
Tel.: 520066 - Fax: 4659073  
P.O. Box 71285 Amman 11171  
Jordan

### 4. Aqaba Branch

Number of employees: 8  
Tel: 03-2091154  
Fax: 03-2014053  
P. O. Box 111 Aqaba -77110  
Jordan

### 5. Makka Street Branch

Number of employees: 7  
Tel: 06-5200681  
Fax: 06-5543716  
P. O. Box 71285 Amman 11171

## LINC Branches

### 1. LINC/ Irbid

Number of employees: 3  
Tel.: 02-72014425  
Fax: 02-7250438  
P.O. Box 150002 Irbid 21141  
Jordan

### 2. LINC/Boulevard Abdali

Number of employees: 4  
Tel.: 06-5200673  
Fax: 06-5007106  
P.O. Box 950661 Amman 11195  
Jordan

### 3. LINC / Taj Mall

Number of employees: 4  
Tel.: 06-5200674  
Fax: 06-5007100  
P.O. Box 950661 Amman 11195  
Jordan

### 4. LINC / JU

Number of employees: 3  
Tel.: 5343743  
Fax: 5341594  
P.O. Box 13146 Amman 11942  
Jordan

### 5. LINC / JUST

Number of employees: 3  
Tel.: 027201404  
Fax: 027241983  
P.O. Box 3030 22110 Jordan

### 6. LINC / Al-Yarmouk Uni

Number of employees: 3  
Tel.: 027201409  
Fax: 027241983  
P.O. Box 3030 Amman 21163  
Jordan

### 7. LINC / Mut'ah University

Number of employees: 3  
Tel.: 032091153  
Fax: 032360917  
P.O. Box 88 Amman 61710  
Jordan

## Offices

### 1. Amman Customs

Number of employees: 3  
Tel.: 06-5200646  
Fax: 06-4705475  
P.O. Box 38971 Amman 11593  
Jordan

### 2. Jarash

Number of employees: 3  
Tel.: 6354010  
Fax: 6354012  
P.O. Box 96 Jarash 26111 Jordan

### 3. Southern Al-Shouneh

Number of employees: 3  
Tel.: 05-3903505  
Fax: 05-3581321  
1888110 Jordan

### 4. JU / Aqaba

Number of employees: 3  
Tel.: 03-2091143  
Fax: 03-201555  
P.O. Box 1166 Aqaba 1166 Jordan

### 5. COZMO

Number of employees: 5  
Tel.: 06-5200670  
Fax: 06-5853480  
P.O. Box 140285 Amman 11814  
Jordan

### 6. Free Zone / Zarqa

Number of employees: 3  
Tel.: 05-3903517  
Fax: 05-3826070  
P.O. Box 12291 Zarqa 13112

### 7. Al-Shobak

Number of employees: 3  
Tel.: 032091150  
Fax: 032165477  
P.O. Box 13 Ma'an 71111 Jordan

## Branches and Offices of the Bank in Bahrain

### Kingdom of Bahrain Branch

Number of employees: 4  
Tel: +97316661000  
Fax: +97316661001  
Manama- Kingdom of Bahrain  
P. O. Box 925102 Amman 11110  
Jordan

## Palestine Branches

### Regional Administration

Number of employees: 216  
Tel.: 02-2977241  
Fax: 02-2979748  
Al-Ma'ahed Street - Ramallah -  
P.O. Box 1870

## Branches

### 1. Al-Masioun-Ramallah

Number of employees: 14  
Tel.: 02-2977080  
Fax: 02-2979755  
Al-Ma'ahed Street - Ramallah -  
P.O. Box 2419

### 2. Nablus

Number of employees: 15  
Tel.: 09-2393001  
Fax: 09-2381590  
P.O. 50 Al-Hussein Circle -  
Nablus

### 3. Al-Ahliya - Ramallah

Number of employees: 14  
Tel.: 02-2983511  
Fax: 02-2955437  
Al-Ahliyya College Street -  
Ramallah P.O. Box 2359

### 4. Al-Shallaleh - Hebron

Number of employees: 5  
Tel.: 02-2227703/2  
Fax: 02-2229327  
Al-Shallaleh - Hebron P.O. Box 66

### 5. Haifa Street - Jenin

Number of employees: 17  
Tel.: 2418001  
Fax: 2439470  
Haifa Street - Jenin - P.O. 66

### 6. Al-Ersal Street - Ramallah

Number of employees: 10  
Tel.: 02-2948101  
Fax: 02-2951433  
Al-Ersal Street - Ramallah - P.O.  
Box 2123

### 7. Toulkarim

Number of employees: 14  
Tel.: 09-2688141  
Fax: 09-2672773  
Hospital Street P.O. Box 110

**8. Bab Al-Zuqaq – Bethlehem** Omar Al-Mukhtar – in front of Al-Juni Al-Majhoul P.O. Box 5350  
Number of employees: 12  
Tel.: 09-2756906  
Fax: 09-2757722  
Bab Al-Zoqaq – Hebron – Bethlehem P.O. Box 601

#### **9. Qalqilia**

Number of employees: 12  
Tel.: 09-2941117  
Fax: 09-2941119  
P.O. Box 43 Qalqilia

#### **10. Jericho**

Number of employees: 11  
Tel.: 02-2312910  
Fax: 02-2321982  
Ain Al-Sultan Street – Jericho – P.O. Box 55

#### **11. Faisal Street - Nablus**

Number of employees: 13  
Tel.: 09-2388671  
Fax: 09-2383256  
Faisal Street – Nablus – P.O. Box 1559

#### **12. Wadi Al-Tuffah – Hebron**

Number of employees: 11  
Tel.: 02-2226836  
Fax: 02-2225358  
Wadi Al-Tuffah – Hebron P.O. Box 662

#### **13. Khan Younis**

Number of employees: 8  
Tel.: 08-2065680  
Fax: 08-2054084  
P. O. Box 158 Khan Younis

#### **14. Al-Saraya - Gaza**

Number of employees: 9  
Tel.: 08-2832301  
Fax: 209-824830  
Omar Al-Mukhtar – Gaza – P.O. Box 167

#### **15. Deir Al-Balah**

Number of employees: 7  
Tel.: 08-2537770  
Fax: 08-2539947  
Main Street – Deir Al-Balah P.O. Box 6007

#### **16. Rafah**

Number of employees: 8  
Tel.: 08-2130777  
Fax: 08-2136250  
Bahar Street – Rafah P.O. Box 8205

#### **17. Al-Rimal - Gaza**

Number of employees: 11  
Tel.: 08822331  
Fax: 082821088

#### **18. Sahat Al-Mahd – Bethlehem**

Number of employees :10  
Tel.: 022757771  
Fax: 022744974  
Bethlehem – P.O. Box 709

#### **19. Ain Sarah –Hebron**

Number of employees: 10  
Tel.: 022216802  
Fax: 022221140  
Al-Haras – Hebron – P.O. Box 663

#### **20. Al-Bareed Suburb – Bait Hanina**

Number of employees: 7  
Tel.: 022365700  
Fax: 022977163  
Ramallah – Beit Hanina P.O. Box 60661

### **Offices**

#### **1. Al-Najah University**

Number of employees: 3  
Tel.: 092343550  
Fax: 022977167  
Al-Haram Al-Jadid Nablus P.O. Box 50

#### **2. Abu Baker Street – Jenin**

Number of employees: 11  
Tel.: 042505270  
Fax: 042503110  
Abu Baker Street – Jenin P.O. Box 67

### **Subsidiaries**

#### **1. Al-Safa Bank**

Number of employees: 104  
Tel.: 97022941333  
Fax: 97022957975  
P.O. Box 1313 Ramallah Palestine

#### **2. Al-Masioun-Ramallah**

Number of employees: 12  
Tel.: 022941333  
Fax: 022941344  
P.O. Box 1313

#### **3. Ain Sarah – Hebron**

Number of employees: 10  
Tel.: 02-2296631  
Fax: 02-2296632

#### **4. Nablus – Al-Basateen**

Number of employees: 12  
Tel.: 2331410 - Fax: 2331398

#### **5. Al-Najah Uni**

Number of employees: 4  
Tel.: 2354326 - Fax: 2331398

#### **6. Jenin**

Number of employees: 9  
Tel.: 2500666 - Fax: 2500802

#### **7. Al-Beereh**

Number of employees: 9  
Tel.: 2400555 - Fax: 2403405

#### **8. Jerusalem**

Number of employees: 4  
Tel.: 2354422 - Fax: 2354413

#### **9. Bethlehem**

Number of employees: 6  
Tel.: 2778095 - Fax: 2778093

#### **10. Al-Tahrir**

Number of employees: 6  
Tel.: 2239814 - Fax: 239817

#### **11. Al-Wataniya for Financial Services Company - Awraq Securities**

Number of employees: 20  
Tel.: +962 (6) 5503800  
Fax: +962(6)5503802

#### **12. Tamallak Lease Financing Company / Jabal Amman**

Number of employees: 13  
Tel.: +962 (6) 5006651  
Fax: +962 (6) 5201772  
P.O. Box 941715 Amman 11194 Jordan

#### **13. Tamallak Lease Financing Company / Ibad**

Number of employees: 4  
Tel.: 027263813 - Fax: 027241520  
P.O. Box 941715

#### **14. Al-Wataniya Securities Company**

Number of employees: 11  
Tel.: 97022980420  
Fax: 97022987277  
P.O. Box 1983 Ramallah Palestine



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