



بنك الاردن Bank of Jordan



# Annual Report 2024



## BOJ Rooted in growth

Bank of Jordan is a national financial banking institution with a long and proud history in the country. It was one of the first banks to be established in Jordan in 1960 and carries the name of its home. From the very beginning, the bank has adopted a sustainable development and improvement approach for all its financial and banking activities and operations. It has kept up with accelerating developments witnessed by the banking industry, both nationally and internationally. The bank has also participated in enhancing the investment sector and promoting economic development in Jordan and the countries in which the bank operates through its comprehensive banking products and services that fulfill client needs and requirements across all categories, including individuals, corporate clients and institutions. It has further effectively participated in national development projects as well as private sector projects.

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### Bank of Jordan

Public Shareholding Limited Company, established in 1960,  
Commercial Registration No. 13, Paid-up Capital JD 200,000,000  
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His Majesty King Abdullah II Bin Al Hussein





His Royal Highness Crown Prince Hussein Bin Abdullah II

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### **Our Vision**

To be a pioneering bank that excels in providing products and services, offers comprehensive financial solutions and acquires an advanced position in the Arab region.

### **Our Mission**

To build amicable relations with our customers, optimize the returns to shareholders and contribute to social advancement by providing comprehensive financial solutions through high-quality and efficient service channels and a modern business environment that comprises an excelling team of employees.

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## Board of Directors

### Chairman of the Board/ Dedicated

Mr. Shaker Tawfiq Fakhouri

### Vice Chairman

Mr. Walid Tawfiq Fakhouri

### Members

Dr. Yanal Mawloud Zakaria/ Representative of Al-Eqbal for General Investment.

Mr. "Shadi Ramzi" Abd Al-Salam Al-Majali/ Representative of Al Tawfiq Investment House – Jordan

Mr. Haitham Mohammed Samih Barakat/ Representative of Al Lu'lu'a For General Investments Co. Cayman Islands

Mr. Husam Rashed Manna'/ Representative of Al Yamama for General Investments Co. Cayman Islands

Mr. Walid Mohammad Al-Jamal/ Representative of Al Pharaenah Int'l for Industrial Investments Co.

Mr. Walid Rafiq Anabtawi

Mr. "Mohammad Sa-ed" Ishaq Jarallah

Mr. Youssef Jan Chamoun

Mr. "Emad Adeen" Jihad Al-Massri

## Chief Executive Officer

Mr. Saleh Rajab Hammad

## Auditors

Deloitte & Touche (M.E.) – Jordan

## Chairman's Letter

### Dear valued shareholders,

Fiscal Year 2024, our sixty-fourth, was marked by unique and unprecedented challenges. The ongoing war in Gaza, which extended into the West Bank, along with other regional developments, particularly toward the end of the year, cast a long shadow over the regional economy and directly impacted several of the key countries in which we operate.

Despite these headwinds, your Bank remained resilient and continued to perform steadily. Revenue grew by 1.7% to reach 170 million JOD, while net interest & commission income remained in line with 2023 levels at 160 million JOD, despite a decline in interest rates. However, the ongoing geopolitical situation necessitated additional precautionary measures, leading to the booking of 5.8 million JOD in expected credit loss (ECL) provisions—a 39% increase over 2023. Combined with additional costs, particularly related to the upcoming expansion into the Kingdom of Saudi Arabia, our net profit declined by 20.5%, reaching 35 million JOD.

This decline in profit occurred despite solid operational growth. Our total assets rose by 4% over 2023, reaching 3.2 billion JOD. Customer deposits increased by 3.8% to 2.3 billion JOD, and the loan portfolio expanded by 4.6%, reaching 1.5 billion JOD.

To further reassure you, even with the increased provisions, our capital adequacy ratio for 2024 stood at 20%, well above regulatory and Basel III requirements. In addition, our legal liquidity ratio was 151.1%, and our Liquidity Coverage Ratio (LCR) reached 449.2%, both significantly above mandated thresholds.

Your Bank not only stayed the course with its aggressive business transformation agenda but also accelerated its technology, data, and AI-driven initiatives. We advanced our plans to establish a presence in the Kingdom of Saudi Arabia with the opening of our first branch and expanded our footprint in Iraq by inaugurating three additional branches in Basra, Erbil, and Baghdad.

In short, your Bank remains financially strong and operationally sound.

### Dear shareholders,

Beyond our financial and operational performance, the Bank continued to execute its customer segmentation strategy. Our goal is to deliver tailored products and services that meet the current and future needs of each customer segment—retail and business alike—while exceeding expectations across the board.

We also made significant progress in integrating Environmental, Social, and Governance (ESG) principles across our organization. A comprehensive ESG transformation initiative was launched to institutionalize a sustainable culture throughout the Bank. This effort complements our ongoing philanthropic contributions, including a committed budget of 1 million USD in humanitarian aid to support affected communities in Gaza, in partnership with strategic local and international organizations.

### Dear shareholders,

The Board of Directors extends its sincere gratitude for the trust you have placed in them during their now-expiring tenure and for the ongoing support you have shown to the Bank and its leadership.

We also extend our deep appreciation to the Bank's management and staff, whose dedication and professionalism continue to steer the organization forward in uncertain times.

In light of the Bank's results, the Board of Directors is recommending a dividend distribution of 0.18 JOD per share, totaling 36 million JOD.

Yours very truly,  
**Shaker Tawfiq Fakhouri.**  
Chairman of the Board





# **Board of Directors' Report 2024**

**Economic Performance 2024**

**Achievements in 2024**

**Analysis of Financial Position and Business Results  
for the Year 2024**

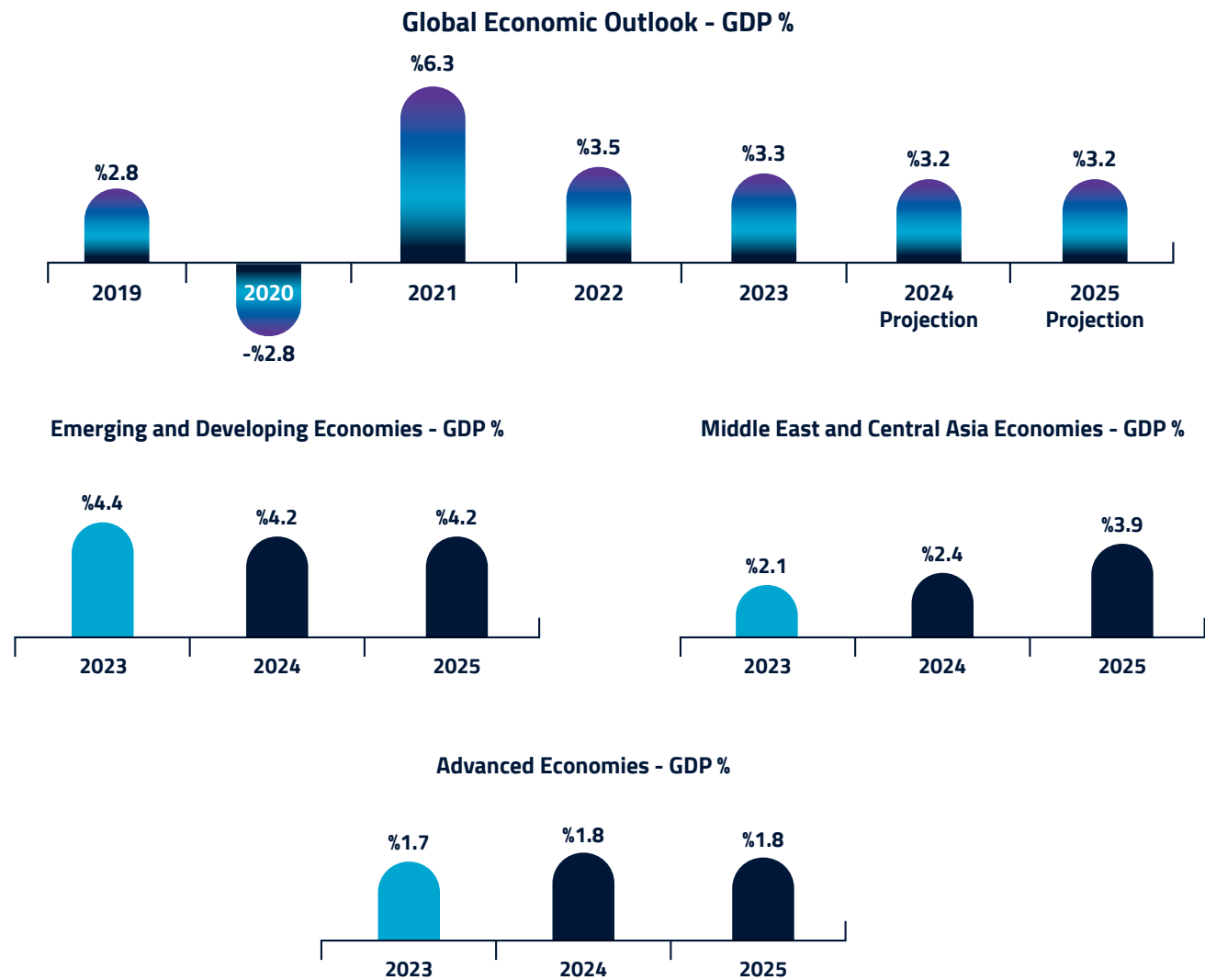
**Our Goals for 2025**

**Additional Information as Required by the Jordan  
Securities Commission 2024**



Economic Performance 2024

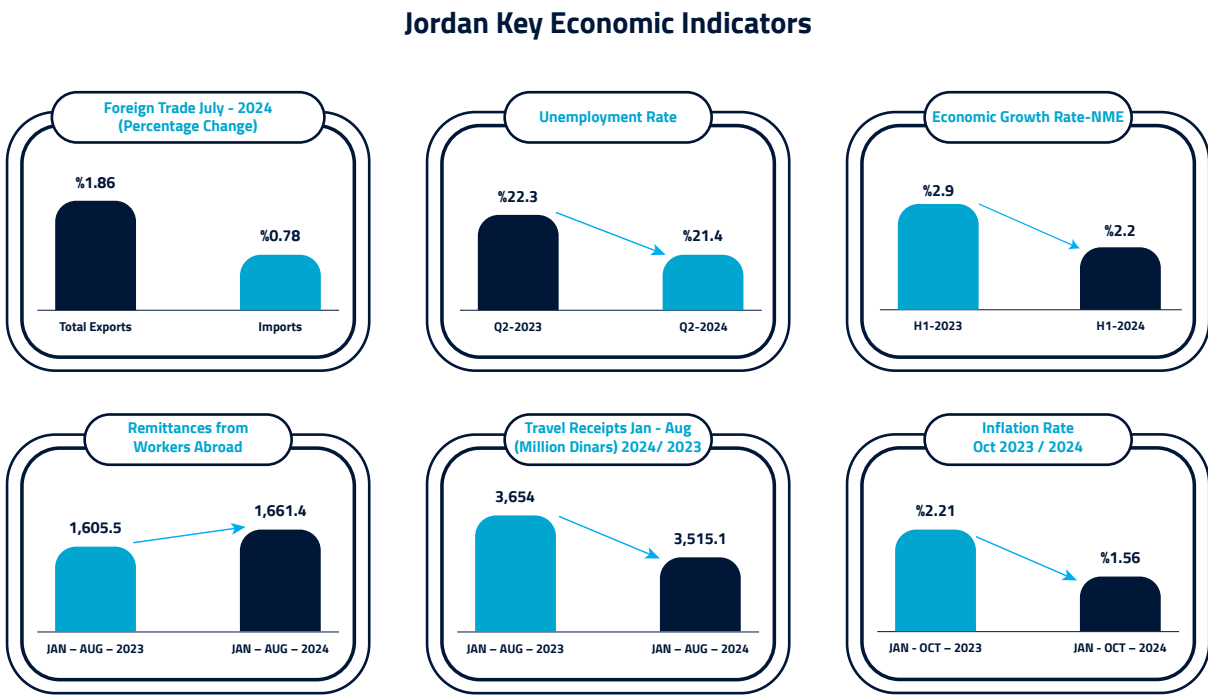
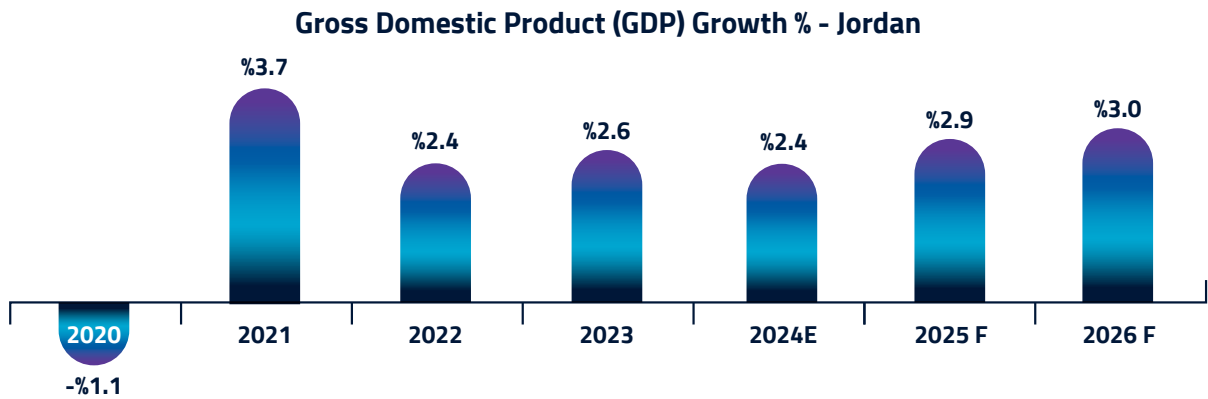
In 2024, the global economy faced ongoing challenges as growth continued to slow down. According to forecasts, this reflects the continued pressure from strict monetary policies adopted by many major countries to control inflation. While these measures are necessary to curb high inflation, their impact on economic activity may become more evident next year, raising concerns about declining investment and lower consumer spending in some economies. Global economic growth is expected to slow from 3.3% in 2023 to 3.2% in 2024 and remain at 3.2% in 2025. Meanwhile, global inflation is projected to decline from 6.7% in 2023 to 5.8% in 2024, before further decreasing to 4.3% in 2025. Overall, global economic performance in 2024 will be shaped by a combination of slowing growth and declining inflation. Policymakers will continue to face challenges in balancing price stability with sustainable economic growth, as interest rate trends remain a key focus. Major central banks are expected to maintain a cautious approach, closely monitoring inflation and growth developments to guide future monetary policy decisions.



At the local level, Jordan continues to demonstrate remarkable resilience in maintaining its economic stability despite growing external challenges resulting from escalating regional conflicts. According to the 2024 projections, the Jordanian economy is expected to grow by 2.4%, with the possibility of this rate increasing to 2.9% in 2025. Nonetheless, ongoing strong international support remains a critical factor in enabling Jordan to navigate external negative shocks, especially given the challenges of hosting a large number of refugees. According to the International Monetary Fund (IMF) statement, steering the Jordanian economy towards a stronger growth path is essential to stimulate job opportunities and improve prosperity levels. To achieve this, it is crucial to accelerate the pace of structural reforms while maintaining macroeconomic stability, along with advancing the implementation of the Economic Modernization Vision. The Fund highlighted that the resilience of the Jordanian economy, despite difficult regional conditions, reflects the authorities' commitment to implementing strong economic policies and impactful reforms. Jordan has experienced upgrades in its credit rating for the first time in over 20 years, reinforcing the credibility of these economic policies. In this context, Fitch Ratings confirmed Jordan's credit rating at -BB

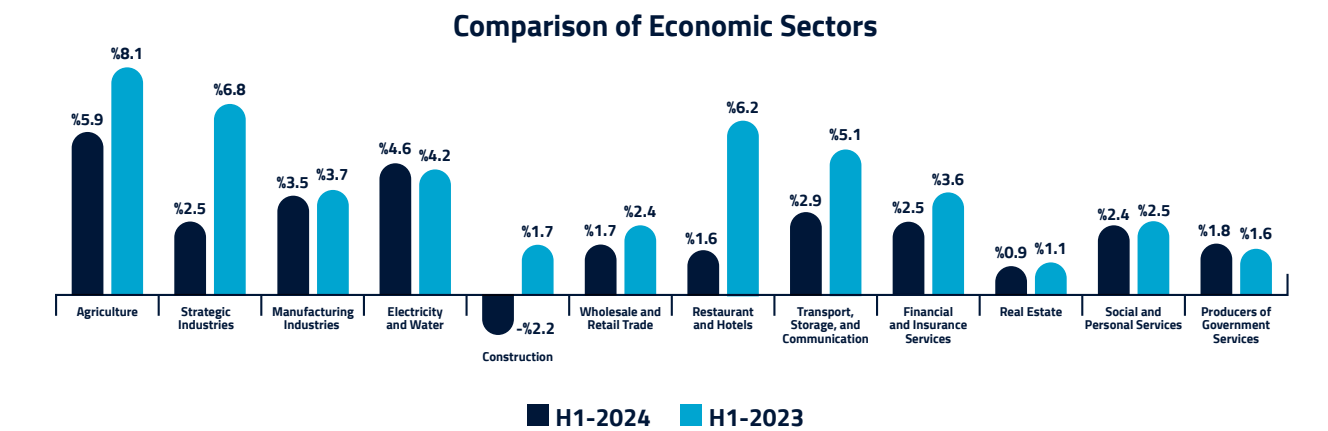
with a stable outlook, highlighting the country's ability to meet its long-term foreign currency obligations despite ongoing geopolitical risks due to the ongoing conflict in Gaza.

Regarding monetary policy, the Central Bank of Jordan will continue to maintain a fixed exchange rate system between the Jordanian dinar and the US dollar, with a focus on keeping inflation rates low. The Bank remains prepared to make any necessary adjustments to its monetary policy to safeguard financial and monetary stability in the country.



Gross Domestic Product (GDP)

Real GDP recorded a growth rate of 2.2% in the first half of 2024, which was lower than the 2.9% growth registered in the same period of 2023. According to the International Monetary Fund (IMF), the Jordanian economy is expected to grow by 2.9% in 2025 and 3% in 2026. The slowdown in real GDP growth was driven by a decline in the growth of most economic sectors during the first half of 2024 compared to the same period in 2023. Key sectors affected included strategic industries, financial and insurance services, restaurants and hotels, as well as transportation, storage, and communications. Additionally, the construction sector contracted by 2.2% in the first half of 2024, compared to a growth rate of 1.7% in the same period of 2023.



Regarding the general price level (inflation rate), the cumulative Consumer Price Index (CPI) recorded an increase of 1.65% by the end of September 2024 compared to the same period in 2023.

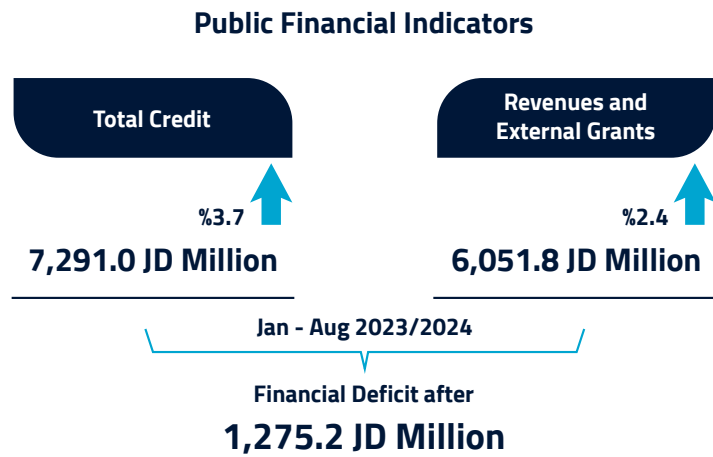
Public Finance

Local revenues during the first eight months of 2024 reached JOD 5.97 billion, compared to JOD 5.87 billion in the same period of 2023, marking an increase of JOD 100 million. This growth was driven by a rise in tax revenues by approximately JOD 14 million and an increase in non-tax revenues by around JOD 86.5 million.

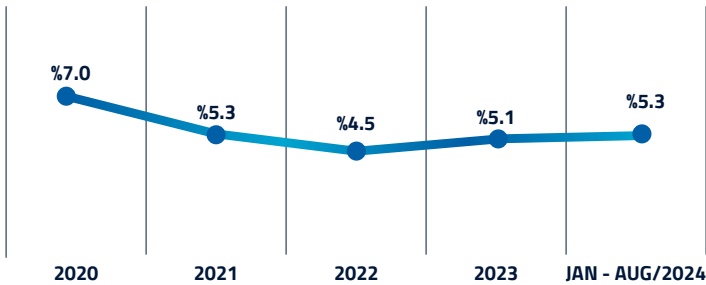
External grants during the first eight months of 2024 amounted to JOD 79.3 million, compared to JOD 36.2 million in the same period of the previous year, marking an increase of approximately JOD 43.1 million, or 119%, compared to the same period last year.

The total public revenues of the Central Government/Budget during the first eight months of 2024 amounted to JD 6.05 billion, compared to JD 5.9 billion during the same period in 2023—an increase of JD 143.6 million or 2.4%.

As a result of the previous developments, a fiscal deficit of approximately JOD 1.27 billion was recorded in the central government's budget during the first eight months of 2024 after grants, compared to a deficit of around JOD 1.18 billion in the same period of 2023. Meanwhile, the deficit before external grants amounted to approximately JOD 1.35 billion during the first eight months of 2024, compared to a deficit of around JOD 1.22 billion in the same period of 2023.



Percentage of the General Budget Deficit After Grants to GDP



The government debt balance during the first eight months of 2024, excluding the Social Security Investment Fund, reached JOD 33.8 billion, or 90.6% of the estimated GDP for August 2024. This represents an increase from JOD 32.3 billion at the end of 2023, or 89.2% of the GDP for that year. The total includes the debts of the National Electric Power Company and the Water Authority, which amount to approximately JOD 8.5 billion.

The external debt balance (budgeted and guaranteed), excluding the amounts held by the Social Security Investment Fund, reached approximately JOD 19 billion, or 51% of the estimated GDP for August 2024. This is compared to JOD 18.2 billion at the end of 2023, or 50.3% of the GDP for that year.

The domestic debt balance (budgeted and guaranteed), excluding the amounts held by the Social Security Investment Fund, stood at approximately JOD 14.8 billion, or 39.5% of the estimated GDP for August 2024. This compares to JOD 14.1 billion at the end of 2023, or 38.9% of the GDP for that year.

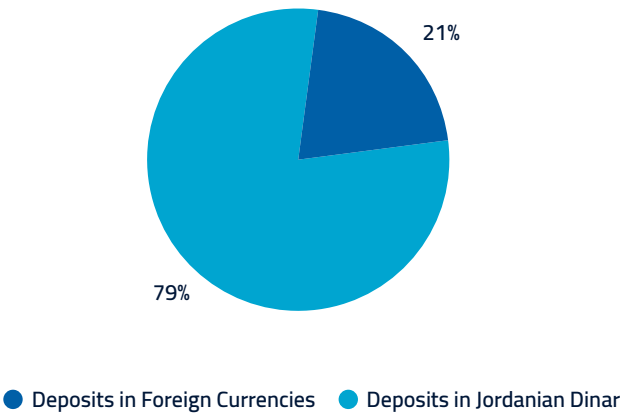
Monetary Banking Sector:

Deposits grew by 5.9% by the end of September 2024, while credit facilities increased by 4.0%. Credit facilities granted to the private sector (both resident and non-resident) accounted for 90.4% of the total credit facilities granted as of the end of September 2024. The Central Bank of Jordan continued to maintain monetary stability, which is a key pillar of macroeconomic stability, economic growth, and investment attraction. This was achieved through the prudent management of monetary policy tools, ensuring that the dinar remains an attractive currency for saving and investment.

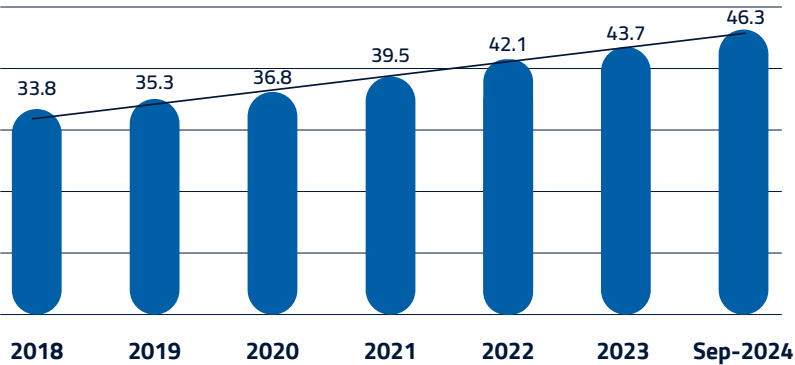
Key Financial Stability Indicators of Banks Operating in Jordan	First half 2023	First half 2024
<b>Capital adequacy ratio</b> The ratio is higher than the regulatory authorities' requirements.	17.4%	17.6%
<b>Legal liquidity ratio</b> The minimum required by the Central Bank of Jordan is 100%.	135.4%	138.8%
<b>Non-performing Loans to Total Credit Facilities Ratio</b> The ratio is considered low and within safe levels.	5.0%	5.6%
<b>The coverage ratio for non-performing loans, indicating a reduction in credit risks.</b>	78.9%	73.1%

Regarding the performance of the banking sector indicators, local liquidity reached JOD 44.9 billion by the end of September 2024, compared to JOD 42.7 billion at the end of 2023, reflecting a 5.2% increase. The total bank deposits increased by approximately JOD 2.6 billion, or 5.9%, by the end of September 2024 compared to the end of 2023, reaching JOD 46.3 billion, up from JOD 43.7 billion. The increase was primarily driven by Jordanian dinar deposits, which grew by 5.9% (JOD 2.0 billion) to reach JOD 36.5 billion. Meanwhile, foreign currency deposits rose by JOD 571.2 million (6.2%) to reach JOD 9.8 billion.

Deposits Distribution by Currency – September 2024



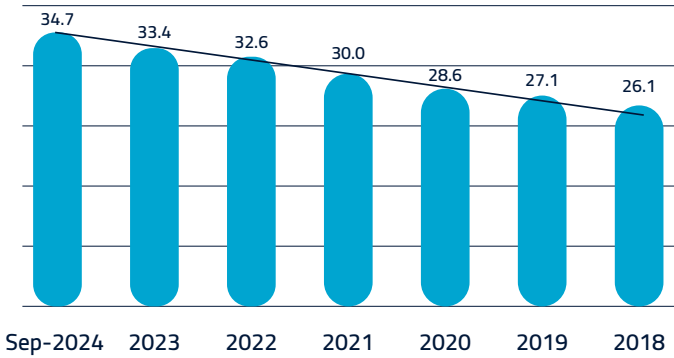
Total Customer Deposits with Licensed Banks in Billion JOD



Growth compared to the end of 2023	As of 30/09/2024	Key Banking Sector Indicators
5.9%	JOD 46.3 billion	Total Bank Deposits
4%	JOD 34.7 billion	Total Banking Sector Facilities
4.4%	JOD 69.1 billion	Total Assets of the Banking Sector

As of the end of September 2024, credit facilities recorded a growth of 1.35 billion dinars, an increase of 4% compared to their balance at the end of 2023, reaching approximately JOD 34.7 billion. The assets of the banking sector have increased, reaching approximately JOD 69.1 billion, reflecting a growth of 4.4% compared to their balance at the end of 2023.

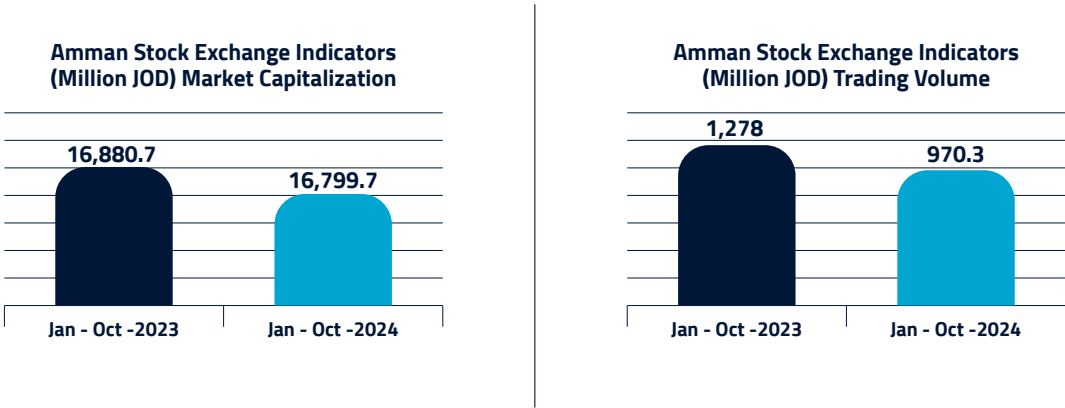
Direct Credit Facilities Granted by Licensed Banks - Billion Jordanian Dinars



Regarding the weighted average interest rates in the banking sector, there was an increase by September 2024, with the weighted average interest rate on term deposits reaching 6.12%, compared to 5.94% at the end of 2023. Meanwhile, the interest rate on loans and advances decreased to 8.4%, compared to 8.8% at the end of 2023.

Financial Market Activity

The performance of the Amman Stock Exchange in 2024 saw a decline in most of its indicators compared to 2023, as trading volume during the first ten months of 2024 decreased by JOD 307.5 million, a decrease of 24.1% compared to the same period in 2023. As for the market capitalization of the listed stocks on the stock exchange, it reached JOD 16.8 billion as of October 2024, down by 0.5% compared to the market capitalization during the same period in 2023. Meanwhile, the general index of stock prices, weighted by market capitalization, maintained the same levels achieved in the same period of 2023, recording 4401.3 points as of the end of October 2024. The contribution of non-Jordanian investors in the companies listed on the Amman Stock Exchange reached approximately 47.3% of the total market capitalization by the end of October 2024.





Foreign Trade:

Total exports increased by 1.9% during the first seven months of 2024 compared to the same period in 2023, reaching JOD 5.4 billion. The U.S. market ranked first among the countries receiving exports, accounting for 24.1% of total national exports, followed by the Saudi market with 11.8% and the Indian market with 9.5%. Imports recorded a slight increase during the first seven months of 2024, rising by 0.8% compared to the same period in 2023, reaching JOD 10.7 billion. The market of Mainland China ranked first among the countries from which imports came, with a share of 19%, followed by the Saudi market at 15.3% and the American market at 6.8%.

Outlook for Economic Performance in 2025

Global growth is expected to remain stable but below desired levels. The global economy is expected to grow by 3.2% in 2025, which is the same growth rate projected for the end of 2024. The reason for the lack of expected high growth is the continued factors of weak growth, such as disruptions in the production and shipping of primary goods—particularly oil—conflicts, internal disturbances, and severe climate fluctuations, which have led to downward revisions in growth forecasts for the Middle East, Central Asia, and Sub-Saharan Africa.

Regionally, the average growth in the Middle East and North Africa is expected to remain low at 2.4% in 2024, before accelerating to 3.9% in 2025, with economic growth anticipated to rise, though only to the extent that current challenges subside. The ongoing conflicts and oil production cuts weaken economic performance, and the medium-term growth outlook has already shown signs of weakness over the past two decades. In addition, a significant level of uncertainty looms on the horizon, with risks including the worsening of conflicts, increasing geographic-economic fragmentation, and fluctuations in commodity prices.

Regarding the growth of the Jordanian economy in 2025, it is expected to register a growth rate of 2.9%. However, continued strong international support remains a crucial factor in enabling Jordan to withstand negative external shocks, especially given the burdens associated with hosting a large number of refugees.

Locally, regarding the draft law of the general budget for government departments for the upcoming fiscal year 2025, public revenues have been estimated at JOD 10.2 billion, with a growth rate of 9.3%. These revenues are distributed as JOD 9.5 billion in domestic revenues, while foreign grants have been estimated at JOD 734 million. In the section on public expenditures, the draft budget for the upcoming fiscal year has estimated total spending at JOD 12.5 billion, reflecting a growth rate of 16.5%. The public expenditures are distributed as JOD 11.04 billion for current expenditures, with the remaining portion allocated for capital expenditures, which have been estimated in the 2025 draft budget at JOD 1.46 billion. And continuing to control the deficit within the targeted limits.

The deficit after grants and aid was estimated at JOD 2.27 billion. Regarding the independent government units, total revenues for 2025 were estimated at JOD 1.0 billion, while total expenditures for 2025 were estimated at approximately JOD 1.8 billion, with the deficit estimated at JOD 788 million. These estimates reflect the government's approach towards controlling the fiscal deficit and enhancing the efficiency of public spending.

Activities and Achievements 2024

In 2024, Bank of Jordan continued its journey toward excellence and continuous development, focusing on enhancing performance, expanding the range of its products and digital services, and improving internal processes. This ensures the provision of innovative banking solutions that contribute to increasing customer satisfaction and enhancing interaction with various segments of society. This approach was part of its strategy to ensure continued success and achieve sustainable market leadership.

As part of its expansion strategy and commitment to strengthening its regional presence, Bank of Jordan continues to implement its plans to expand into growing markets with promising opportunities. This expansion aligns with the Bank's commitment to providing innovative and high-quality banking services to its customers in regional markets. As part of this strategy, the Bank announced its plan to open three new branches in Iraq, located in Baghdad, Basra, and Erbil. This expansion will strengthen its presence in the growing Iraqi market and enhance its ability to extend its services to corporate clients in both Jordan and Iraq. By doing so, the Bank aims to meet their needs and provide exceptional banking solutions that support their business aspirations.

In line with the Bank's strategy to strengthen its regional position and diversify its market presence. The Bank aims to launch operations in Saudi Arabia, leveraging its promising investment and economic opportunities, along with the country's advanced technological infrastructure.

As part of its ongoing efforts to achieve excellence and sustainable growth, the Bank launched a comprehensive institutional transformation strategy in 2024. This initiative aims to strengthen its competitive position in the market and enhance operational efficiency across all levels and business sectors, including human resources, retail banking, and brand management. The strategy is designed to expand the Bank's global reach, build competitive capabilities, and keep pace with the rapidly evolving needs and expectations of customers.

In this regard, comprehensive awareness campaigns were prepared and implemented within the Bank to explain the importance of institutional transformation and clarify its objectives to employees, which helped enhance their understanding of the upcoming changes and their role in achieving this vision. This change is considered a fundamental part of the Bank's strategy to ensure the delivery of innovative, high-quality banking services while enhancing the internal work environment in line with the best global standards.

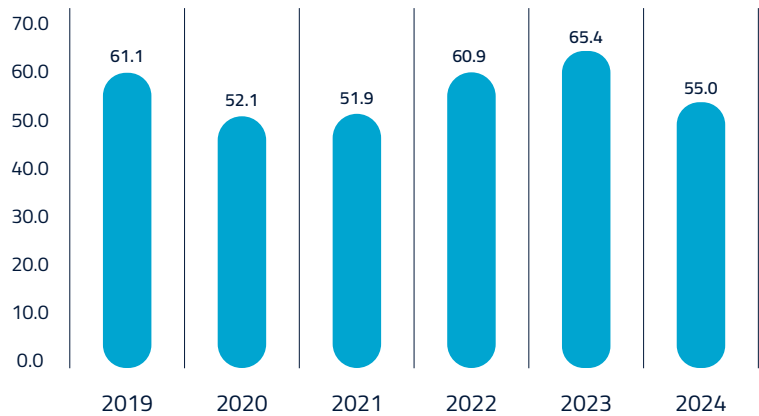
Building on Bank of Jordan's strategic direction to be a leader in environmental and social sustainability in the countries where it operates, and relying on governance principles, supported by the Board of Directors and the commitment of senior management, the Bank aims to implement the best practices in environmental and social governance (ESG) and corporate governance. In this regard, the Bank has formed a strategic partnership with a leading sustainability company to develop and implement sustainable business practices and corporate governance. The Bank has begun establishing and implementing a comprehensive program for managing environmental, social, and governance (ESG) standards, with the aim of integrating these standards into its strategies, operations, and procedures and making sustainability a fundamental approach that supports the Bank's operations, enabling it to explore opportunities, mitigate risks, and build the capabilities of its employees through a comprehensive implementation plan.

Financial Results:

Bank of Jordan continued to achieve financial results that reflect its strategy focused on sustainability, despite the changing economic challenges and increasing competition in the markets. The Bank was able to maintain its financial stability and enhance its risk management capabilities according to the highest standards. However, the impact of the operational environment was reflected on the net profit attributable to the Bank’s shareholders, which recorded JOD 35 million by the end of 2024, a decrease of 20.6% compared to 2023.

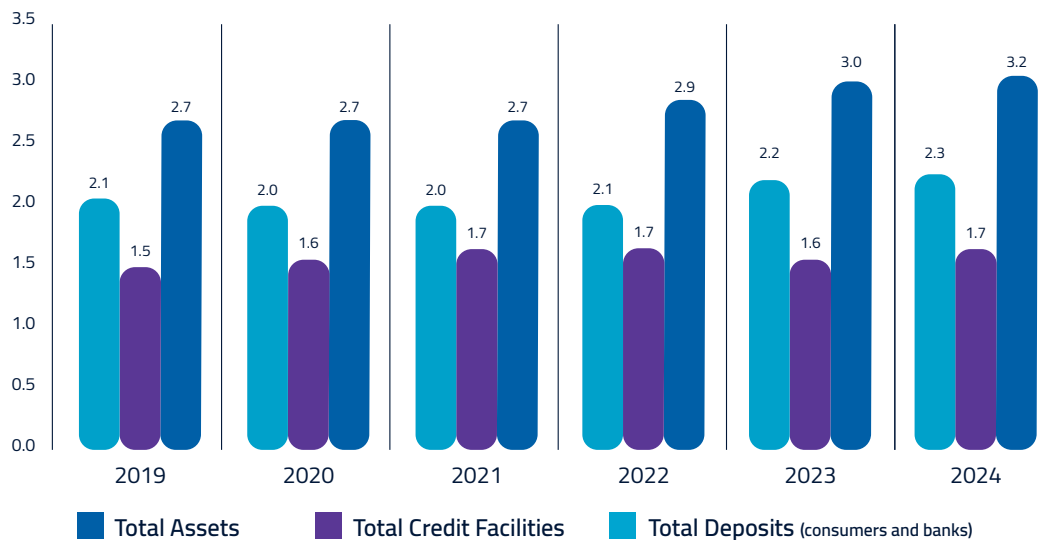
Despite this, the Bank continued to achieve growth in operating profit, with net interest and commission income increasing by 0.7%, reaching JOD 160.4 million compared to 2023, representing 94.1% of total income. This growth reflects the Bank’s ability to strengthen its core revenue sources while continuing to adopt strategies that support operational efficiency and sustainable growth.

The development of the net profit before tax (in million dinars)



Total assets grew to approximately JOD 3 billion by the end of 2024, reflecting an increase of 3.9% compared to the end of 2023. The shareholders' equity for the Bank amounted to JOD 528 million. In terms of the investment of funds, the Bank focused on diversifying its investments and expanding strategically within high-credit-quality portfolios. The securities portfolio increased by 3.3%, reaching JOD 416.7 million, while the net credit facilities portfolio amounted to approximately JOD 1.5 billion, reflecting a 4.6% growth. Regarding funding sources, customer deposits rose by JOD 82.3 million, or 3.8%, compared to 2023, reaching around JOD 2.25 billion by the end of 2024.

The development of the financial position items (in billion dinars)



The provision coverage ratio for non-performing facilities (after deducting accrued interest and collateral) reached approximately 89.84%, which is considered one of the best ratios in the banking sector. In terms of liquidity indicators, the Bank maintains comfortable liquidity levels exceeding the required ratios set by the regulatory authorities in the countries where it operates. The legal liquidity ratio reached 151.1% as of the end of 2024. Regarding the regulatory capital adequacy ratio, it reached 20%, which is higher than the required percentage according to Basel III and the regulatory authorities.

The Bank's Competitive Position:

Bank of Jordan has maintained its financial and competitive position despite economic and geopolitical challenges in the countries where it operates. The Bank has continued to implement its credit and investment policies while preserving the quality of its credit portfolio through effective investment and deployment of funds across various productive economic activities, in alignment with market dynamics. As of the end of September 2024, Bank of Jordan's market share in Jordan for customer deposits reached 3.76%, while its share in credit facilities stood at 3.71%. As for Bank of Jordan - Palestine, its market share in the Palestinian banking sector reached 3.78% for customer deposits and 3.82% for credit facilities as of the end of September 2024. As for Bank of Jordan - Syria, its market share among total private conventional banks reached 6.51% for customer deposits and 13.51% for credit facilities as of the end of June 2024.

Business sectors:

Retail Banking:

The Bank continued its development efforts to enhance products and services for retail customers, tailoring them to meet their needs and expectations. Additionally, it maintained its focus on providing innovative digital solutions and improving the customer experience in line with advancements in the banking sector.

In 2024, the Bank implemented a new strategy targeting young customers and high-net-worth clients, enhancing its modern image while catering to diverse customer needs. To achieve this goal, the Bank focused on launching comprehensive advertising campaigns for its products across all marketing channels.

In terms of products, the Bank launched the "Keep Your Eyes on Us" savings account campaign, which included a grand prize of JOD 500,000, distributed among five winners, with each receiving JOD 100,000. Additionally, the "Biggest Daily Prize" campaign was introduced, offering a daily prize of JOD 9,999 for one winner, along with a grand prize of JOD 200,000 at the end of June for two winners, each receiving JOD 100,000. Another grand prize of half a million dinars will be awarded at the end of the year to five winners, each receiving JOD 100,000. Furthermore, the Bank launched the Women's Month campaign, targeting female clients to encourage them to open new savings accounts and deposit funds. A draw was held for 20 winners, each receiving a JOD 2,000 shopping voucher. In addition to the Smart Saver Account savings product, which provides customers with the highest monthly returns along with many benefits, thereby promoting a savings culture among customers and rewarding them for their loyalty and trust, through the BOJ Mobile app. In addition to the time deposit products and certificates of deposit in Jordanian Dinar and US Dollar, with the aim of providing customers with a variety of savings products, the time deposits and certificates of deposit offer high and competitive return levels, along with flexible investment periods. Aiming to enhance financial literacy concepts for the future generation, the "Sanabel" children's savings account provides parents with an opportunity to save for their children's future quickly and easily in addition to the opportunity to enter the savings account draw and receive the highest return of up to 20%.

At the level of car loans, the "Fastest Car Loan" campaign was launched, which is the first of its kind in the Kingdom.

The Go Green campaign for financing the purchase of electric cars has been renewed with competitive benefits and flexible terms. Additionally, the network of approved partners has been expanded to include new showrooms, agencies, and inspection centers, further strengthening the Bank's presence in the car market. In addition, the Bank participated in specialized events in the automotive sector, which contributed to an increase in car loan sales.

In terms of mortgage loans, the "Home Renovation Campaign" was launched with a loan limit and repayment period tailored to meet the client's needs. Additionally, the Discount Campaign was launched in collaboration with furniture and electronics stores when obtaining a mortgage loan, providing added value to customers. Agreements were also signed with housing companies to increase collaboration opportunities and expand relationships in the real estate market.

Regarding personal loans, a campaign was launched offering loans secured by cash guarantees with the lowest margin in the banking market. This has led to an increase in the balances of deposit accounts and cash guarantees. Additionally, the specialized programs for doctors and dentists (for personal loans) were modified to better meet their needs and attract more customers from the targeted segments.

As part of its effort to offer valuable and exceptional deals to meet the lifestyle and needs of its customers, Bank of Jordan continued to enrich its Points Program, Installments Program, and Credit Card Cashback Program throughout 2024 by launching more than 20 campaigns. In addition, the Bank expanded the scope of its Discount Program for Direct Debit Cards.

The Bank continuously strives to enhance banking awareness and financial literacy among its customers and the community through a comprehensive strategy that includes interactive workshops, educational seminars, and awareness campaigns across social media platforms. The Bank also publishes periodic newsletters containing valuable financial tips and information about its services while promoting personal data protection.

The Bank places great emphasis on continuous communication with its customers across all digital channels, making financial information easily accessible and helping them make informed financial decisions. This approach enhances financial awareness and contributes to building a more financially literate society.

Regarding the Bank’s branches in Palestine, and given the current circumstances and the impact of the war on various sectors, promotional campaigns in 2024 were limited to card-related offers. These included discount campaigns, installment plans, and interest-free payment options for university and school tuition fees, aimed at easing the financial burden on citizens and helping them navigate these challenging times through accessible financial solutions. Among these initiatives were the Ramadan cashback campaign, the Back-to-University campaign, the summer cashback campaign, and several others within the same social responsibility framework.

Digital Services and Communication Channels:

As part of the Bank’s strategy to adopt the latest advancements in digital banking technology and leverage them effectively, Bank of Jordan has continued to enhance its digital services. This includes upgrading the Bank’s digital infrastructure and customer interaction tools, reinforcing its ongoing commitment to improving customer experience, streamlining banking processes, and elevating its suite of financial services to new levels of excellence.

The Bank has also continued to diversify and enhance its communication channels and digital services through:

- Offering the all-new BOJ Mobile app: As part of its ongoing commitment to enhancing digital services, the Bank launched a completely redesigned BOJ Mobile app in 2024, featuring a modern interface that provides users with a faster, more convenient, and secure banking experience. The app has been enhanced with numerous updates and new services, including the Digital Onboarding feature, which allows non-clients to open accounts easily and securely. Additionally, users can now update transfer limits for all available financial services through the app and utilize the loan calculator feature, enabling them to estimate loan values effortlessly without visiting a branch. This update reflects the Bank's commitment to applying the highest security standards in accordance with the Central Bank of Jordan’s regulations while enhancing the app's capabilities to meet the needs of its customers in an advanced digital environment. As part of its regional expansion, the Bank also launched the BOJ Mobile app in Palestine and Iraq. In Palestine, a new banking app was launched, featuring a range of services and updates, such as the E-SADAD bill viewing and payment service, which allows customers to inquire about and pay their bills electronically. Additionally, the iBURAQ service for instant transfers within Palestine was introduced, similar to the CliQ service in Jordan. In Iraq, the Bank is one of the leading institutions offering a mobile banking app, providing a range of financial and non-financial services to meet the needs of its customers in this market.
- The ATM service enables customers to perform financial and non-financial banking transactions with easy and advanced technologies around the clock, using the latest payment systems in the region. A customer satisfaction survey has also been added for ATM services, with follow-ups on all customer responses to continuously improve the service.
- The SMS service enables customers to stay directly connected with their financial and non-financial account activities and receive the latest offers through SMS sent to their registered phone numbers at the Bank. Efforts have also been made to introduce email communications for customers to promote the banking app and the Bank's products.
- Interactive ATM services allow customers to perform a wide range of financial and non-financial banking transactions in an easy, advanced, and secure manner using innovative interactive visual technology. This service integrates audio and video communication with a customer service representative, available during extended hours beyond regular working hours. Cash withdrawal and cheque encashment in Jordanian dinar denominations are offered, along with an updated deposit service allowing deposits using the fifth edition of Jordanian banknotes.
- The Phone Banking Center and IVR: The Bank provides the IVR service and the Phone Banking Center with the highest technical standards to meet the banking needs of customers and clients. These services enable them to perform a wide range of banking transactions 24/7 without the need to visit the branch.

- Banking Services via ZOOM: This service allows the customer to open a bank account by visiting the Bank's website and selecting the option to open an account via ZOOM. The customer has the option to complete this process through branch staff or the Phone Banking Center by using the call recording feature and fulfilling the necessary requirements to open the account without the need to visit the branch.
- Branch and ATM Expansion: The Bank is continuously exploring growth and expansion opportunities by opening new branches and installing ATMs in key and commercial areas to better serve customers. The BOJ Mobile app provides a service for locating and displaying details of branches and ATMs.

Geographical Presence of Bank of Jordan through Its Overseas Branches and Subsidiaries





## Corporate and Institutional Banking (CIB) Sector Management

Continuing its commitment to providing banking services and products for the corporate and institutional sector, the Bank has established the Corporate and Institutional Banking (CIB) sector to offer a distinguished range of integrated financing solutions and high-value banking services. These services are designed to align with and meet the activities and needs of the Bank's clients across various economic sectors, catering to all customer segments in Jordan, Palestine, Iraq, and Bahrain through the Bank's local and regional branch network, as well as its operations in future markets.

The Corporate and Institutional Banking (CIB) sector has successfully built a strong base of distinguished clients, creating a banking experience characterized by quality and excellence. By offering pioneering and dynamic financial solutions tailored to their needs, the sector complements the Bank's overall customer base. Clients in Jordan, Palestine, Iraq, and Bahrain receive the same level of service, professionalism, and transparency, ensuring consistently high service standards across all markets.

The Corporate and Institutional Banking (CIB) sector has expanded its scope to include services for large corporations, business development for companies, SME services, financial institutions and commercial banks, securities services, liability management, and banking transactions. This strategic expansion in services has led to outstanding financial performance and positive results, driven by prudent banking management, well-controlled credit risk levels, deep expertise in financial banking, and a strong focus on digitizing products and operational processes.

The Corporate Services sector places great emphasis on providing banking and financial services tailored to clients' financing needs, sector-specific requirements, and business activities. The primary focus is on service quality and efficiency, alongside financing clients' operations and projects while maintaining a high-quality credit portfolio. Additionally, the sector supports clients in making strategic and financial decisions through a highly skilled team of banking professionals. The Bank ensures that relationship managers are well-equipped to navigate market challenges and continuously develop their skills across all aspects. Additionally, their marketing capabilities are strengthened through the adoption of modern marketing methodologies and tools, enabling them to compete effectively and maintain the Bank's market share.

On another note, the Corporate Banking sector—which serves multinational corporations, government and semi-government entities, as well as public and private shareholding companies—successfully increased the Bank's market share in 2024 and expanded its credit portfolio by financing several major projects. The Bank has successfully built, developed, and enhanced business efficiency by offering a wide range of products under the umbrella of banking transactions and financial market sales.

The Bank has continued to meet the financing needs of the SME sector by providing integrated banking solutions tailored to clients' activities. This reflects the Bank's belief in the vital role these enterprises play in driving the national economy and creating job opportunities for citizens. The SME sector operates through a dedicated team of relationship managers across Amman, Zarqa, Irbid, and Aqaba, ensuring continuous engagement with clients and delivering services at the highest standards.

Given that the contracting sector in Jordan is a cornerstone of economic growth—contributing to job creation and infrastructure development—Bank of Jordan has placed special emphasis on this sector by establishing a dedicated unit to provide financing and technical support, helping contractors execute their projects efficiently and successfully.

The Bank has also worked on enhancing its regional presence through its branches in Palestine, Iraq, and Bahrain, thereby enabling the establishment of new regional partnerships. This expansion allows for the broader provision of financial solutions and commercial financing products to sovereign wealth funds, companies, and financial institutions by participating in syndicated loans and securities investments in the Middle East and North Africa region. As a result, the Bank has strengthened its position in the regional market and reinforced its relationships with both financial and banking institutions.

The Bank has placed significant emphasis on digitizing banking solutions and financial services for all CIB clients, in line with its plans to drive digital transformation. This is achieved by providing flexible, advanced, and comprehensive banking solutions for businesses, which is reflected in the BOJ Business Banking service. This service offers clients a complete banking experience, enabling them to easily and securely complete and track their banking transactions through account management, cash management services, and trade finance. This enhances the added value that Bank of Jordan offers in terms of presence, expansion, service, and the financial solutions provided. The BOJ Business Banking platform will be available to all CIB clients in the countries where the Bank operates, facilitating the movement of funds, cash management, and trade finance. This platform aims to enhance the efficiency of financial operations and provide seamless banking experiences across the Bank's regional presence.

## Leasing Services:

The Bank continued to offer leasing services based on the lease-to-own model, meeting the needs of clients who prefer not to engage in traditional financing methods. The leasing services have successfully expanded the range of offerings to include the purchase of assets such as production lines, trucks, buses, various types of vehicles, equipment, and machinery. Through Jordan Leasing Company, the Bank provides leasing services for real estate to individuals and companies across various sectors. Leasing services are available to individuals, institutions, and companies in many sectors, including healthcare, industrial, real estate, transportation, telecommunications, and other services.

## Regulation, Operations, and Technical Infrastructure:

Bank of Jordan continued to develop the course of its operations, technological systems, and the organization of its various sectors in Jordan, as well as in its branches and subsidiaries abroad, in order to keep up with the current and future market requirements and to achieve its strategic plans. This is done by improving the level of service provided to customers and ensuring its smooth flow across branches.

The Bank has provided all the required support, including human and financial resources, both internally and externally, to expedite the completion of strategic projects. In 2024, the Bank continued to prepare organizational studies, which led to the development of several departments and the creation of new sections in alignment with the Bank's strategic plans and best practices in this regard. This enables the Bank to enhance its operations and improve the quality of its services. The Bank has also worked on reorganizing business sectors across its branches in Jordan and abroad, given the significant role these sectors play in achieving the desired growth in both the domestic and international markets where the Bank operates. Furthermore, the Bank continued to develop its system within the framework of its external expansion plans. The Bank's efforts in this regard were based on the global best practices in process re-engineering, aiming to improve quality and efficiency and to implement time and motion techniques and process automation.

In line with our continuous efforts to meet business requirements and align with the Bank's vision and strategies, the Strategy and Projects Department has been reorganized within an operational model that aligns with best practices in institutional transformation management. This includes the restructuring of the Strategy and Institutional Evaluation Department and all its organizational units, covering the Planning and Corporate Performance Management Units, as well as the Brand Management and Corporate Communications Unit.

The operational model adopted for the Strategy and Institutional Evaluation Department includes the introduction of key and supportive tasks. New roles have been added to focus on strategic initiatives, which are responsible for identifying innovation opportunities within the Bank, developing and implementing innovation strategies, and fostering a culture of innovation. Additionally, these roles work closely with all relevant teams to lead various strategic initiatives. The new department model also includes the establishment of positions dedicated to institutional transformation. These roles are designed to support the Bank's business sectors by leading and creating transformation initiatives, mapping out roadmaps for their implementation based on the Bank's strategic directions, and developing initiative plans, timelines, budgets, and allocations for these sectors. Furthermore, these roles are responsible for setting objectives based on the strategic transformation roadmaps and establishing key performance indicators for tracking progress and assessing achievement levels. The tasks of the Brand Management and Corporate Communications Department have also been developed to align with the global best practices, enhancing its integration across the banking group. This development aims to strengthen the corporate identity and solidify the Bank's position in targeted markets, in addition to supporting growth strategies and regional expansion. It also contributes to enhancing effective communication with various stakeholders, reflecting the bank's commitment to transparency and innovation in delivering its services.

The adopted model for the Strategy and Corporate Transformation Department also included the establishment of the Corporate Environmental and Social Governance (ESG) Department, which is responsible for developing and implementing ESG strategies, as well as measuring and monitoring their performance. The model also integrates sustainability standards into the Bank's strategies and operations by developing and implementing strategies that consider environmental and social impact, as well as strong governance practices. This includes data analysis, reporting, and collaborating with stakeholders to ensure the bank's commitment to the best ESG goals and practices.

At the level of the Project Management Department, the organizational structure has been developed, and the department has been renamed the Enterprise Project Management Office (EPMO) to align with global best practices. This change supports the Bank's overarching strategy for managing its strategic projects. The organizational structure has been rebuilt to ensure the presence of all necessary project units within a broader scope that encompasses project responsibilities, intersections with relevant departments, and Project Governance. Additionally, new roles have been introduced to focus on measuring the earned value of projects and assessing the benefits realized.

Several organizational studies were conducted at the general management level, resulting in the restructuring of various departments and sections. Notably, multiple adjustments were made within business sectors, including the completion of the Bank of Jordan branch reorganization project under the Retail Banking Services Management (Clusters). In 2024, the model was finalized with the establishment of new units and roles focused on serving the Bank’s Prestige and Elite customers.

As part of the Bank’s strategy to enhance its corporate sector product offerings, the Corporate Product Development Unit was reorganized by adjusting its administrative affiliation and redesigning its roles. These changes aim to empower the corporate and financial institutions sector to achieve the defined objectives within the new operating model, in alignment with the Bank’s strategic goals. These measures also aim to enhance the quality of services and products offered to corporate sector clients, ensuring their needs are met and their satisfaction is strengthened.

At the level of international branches, the Bank continued in 2024 to reorganize its foreign branches by providing them with the necessary functions to meet business requirements and align with the Bank’s strategy. Additionally, the organizational structures for branches planned for opening in 2025 in the Republic of Iraq were prepared, with three branches set to open in Baghdad, Basra, and Erbil. Regarding the bank’s branches in Palestine, several updates were implemented at the departmental and sector levels, specifically within business sectors, by strengthening and equipping them with the necessary functions.

Regarding banking operations development, the Bank successfully completed its electronic archiving project in 2024 through its specialized team. This was achieved by implementing the bank’s plan using the Enterprise Content Management (ECM) system. During 2024, the Bank completed the electronic archiving of customer credit card files, integrating them with individual transaction records in secure storage. Additionally, the archiving of human resources files, supplier contracts, lease agreements, and external supplier guarantees was finalized. This initiative enhances accessibility to records from anywhere at any time, reduces costs associated with storing and managing physical documents, minimizes paper usage—contributing to environmental sustainability—and safeguards records against potential damage from external factors. Furthermore, electronic archiving was implemented for the daily transaction records of the Bank’s branches in Palestine, officially launched in 2024.

In terms of process re-engineering and operational excellence, the Bank continued in 2024 to enhance and redesign various services across branches and digital channels through the Enterprise Content Management (ECM) system. This was based on Time & Motion studies and leveraged the Business Process Management (BPM) capabilities of the system, offering a more advanced approach compared to traditional methods. Throughout the year, the Bank introduced and modified workflows aimed at improving customer experience, work environment, and associated costs while ensuring a more effective documentation mechanism. Notable improvements included the automation of account opening processes, data update workflows, fund transfer requests, and enhancements to certain call center services, making them faster and better aligned with customer needs.

In the same context, the Bank continued to enhance operations across its international branches by leveraging the Enterprise Content Management (ECM) system. At its Iraq branch, automated workflows were implemented for customer risk assessment within the system, ensuring compliance with central bank regulations, reducing risks, and enabling automated verification against locally and globally approved watchlists. Additionally, the bank introduced and launched an automated fund transfer workflow through the ECM system, streamlining the transfer process by automating required fields. This enhancement reduces manual workload, speeds up execution, and ultimately improves service quality and value for customers.

The Bank is currently preparing the 2025 action plan for the Enterprise Content Management (ECM) system to maximize its capabilities across all bank sectors, with the goal of achieving Operational Excellence.

The Bank continued to implement its IT strategy to ensure a seamless customer experience, aligning with its comprehensive institutional transformation strategy. This strategy aims to enhance its competitive position in the market, improve operational efficiency at all levels, and support its regional expansions. The Automated Systems Department played a key role in developing and launching the BOJ Mobile app, utilizing the latest technologies and security standards. This initiative aimed to enhance the bank’s internal capabilities and achieve a rapid response to market demands. The new app was launched in Jordan and Palestine, as well as in Iraq, for the first time. The app offers a wide range of banking features and services that have indirectly contributed to improving the efficiency of branches and the call center. Customers can now meet most of their banking needs digitally without the need to visit the branches.

The Bank’s Centralized Private Cloud was launched in 2024, which helped reduce reliance on external service providers. It also contributed to the unification of data centers and the disaster recovery center across the banking group, resulting in significant savings in operational costs, particularly those related to infrastructure, hardware, and energy requirements. The latest Virtualization technologies were also adopted, which helped improve resource consumption, reduce the need for cooling and energy, and enabled the bank to simulate disaster recovery scenarios and business continuity across the group with limited effort and time.

The IT Systems Department also contributed to the implementation of the electronic archiving project across the group in Jordan, Palestine, and Iraq, which helped reduce the time needed to retrieve documents and minimize the need for paper printing, aligning with the Bank’s direction towards digital transformation and sustainability. In parallel, the department also contributed to the digitization of operational processes in the branches through the ECM system, which helped streamline workflows, reduce transaction processing time, and eliminate the use of paper forms within the branches. This resulted in enhanced operational efficiency and a smoother banking experience for customers.

At the level of risk management system development, the Bank continued to implement best practices in risk monitoring and management. The Bank has an Enterprise Risk Management (ERM) framework, which consists of a set of methodologies, systems, and models at both the corporate and individual levels, developed in collaboration with Moody’s, including projects used for calculating economic capital, as well as monitoring country limits and exposures to banks.

To automate the credit process in granting facilities (Loan Origination Process), the implementation of the Credit Lens Phase II project for corporate and commercial transactions is underway across the Bank of Jordan Group within several credit tracks. This will enable relationship managers to access all client information through a single application, which will increase efficiency and time management by reducing the time required to complete any transaction, thereby enhancing the client experience.

At the individual level, work is underway to implement a behavior scorecard for customers based on the performance of their accounts with the bank, which will become part of the RAROC pricing mechanism for loans granted to these customers, based on the evaluation results.

A credit risk policy has been introduced, which includes all the regulatory tools used to adhere to best practices in this regard. It is worth mentioning that the final version of the Credit Exposure Classification and Provisioning Guidelines, No. (8/2024), has been issued, and the necessary measures have been taken to comply with the guidelines and meet the regulatory authorities’ requirements as well as the bank’s internal requirements.

On the information security front, risk standards for information security were adopted in collaboration with a consulting firm, and a comprehensive risk assessment of information security and cybersecurity has been completed. Key risk indicators and necessary control procedures were also developed, leading to the creation of a comprehensive cybersecurity risk management file for the Bank.

As part of strengthening the Bank’s capabilities in managing cybersecurity risks, an advanced methodology was developed in alignment with the Cybersecurity Framework issued by the Central Bank of Jordan and the regulatory instructions of the countries where the bank operates. This coincides with the implementation of the Careweb system project, which enhances the monitoring and measurement of risks at the operational level, linking risk measurement indicators with these operations to create an integrated supervisory environment across the group and all branches and departments.

In addition, the Bank has invested in establishing a new Security Operations Center (SOC) that utilizes the latest monitoring and analysis technologies in collaboration with IBM. This center aims to enhance the Bank’s capabilities in protecting its digital assets and ensuring a swift and integrated response to any potential security incidents.

The center relies on advanced tools for real-time monitoring and analysis of security events, enabling the detection and analysis of cyber threats in real time. This includes the ability to identify abnormal or suspicious activities within the networks and trigger automatic alerts for prompt investigation and response. The integration with IBM’s security solutions also contributes to providing comprehensive cybersecurity intelligence through behavior analysis, data collection, and the use of artificial intelligence and machine learning techniques to enhance the ability to predict and prevent threats before they impact banking operations.

The annual review of the individual credit policy and the commercial credit policy at the Bank of Jordan Group is currently underway. The aim is to ensure they remain up to date with the changes and developments occurring within the Bank and the banking sector, in line with best practices, while meeting the requirements of regulatory authorities at the Bank of Jordan Group level, including the new classification instructions.

Regarding market and liquidity risk management, the Bank has developed the “Treasury Risk Acceptance” document, which defines the acceptable limits and thresholds for managing market and liquidity risks, in addition to identifying the key risk indicators (KRIs). The role of the Treasury Middle Office has also been activated, which links the treasury department with treasury operations. This contributes to ensuring a balance between risks and returns, compliance with regulations, and facilitating daily operations. This enhances the stability of financial performance and reduces potential risks to the Bank.

In addition, there is an ongoing effort to develop regulatory systems for treasury risks, liquidity risks, and interest rates through collaboration with leading global companies in this field, ensuring the smoothness and integration of the regulatory system.

Periodic reviews and updates are also conducted for the market risk policies, liquidity risk policies, and the liquidity crisis management plan to ensure their alignment with the latest developments and their compatibility with both the internal and external working environment of the Bank at the Group level.

An internal capital adequacy assessment document (ICAAP) has also been prepared based on the financial data as of December 31, 2023. The results of the evaluation showed that the Bank maintains an adequate capital base to cover all types of risks it may face, not just those calculated within the first pillar.

Based on the Bank's Board of Directors' commitment to applying the best corporate governance practices, the Board has given due attention to sound governance practices and applications, in compliance with the regulations governing banking operations, the instructions of the Central Bank of Jordan, and the international best practices outlined by the Basel Committee on Corporate Governance, all in alignment with the banking environment and the legislative and legal frameworks governing the Bank's operations. The Bank's Corporate Governance Manual has been amended to align with the new instructions issued by the Central Bank of Jordan in this regard.

Plans for External Branches:

The Bank continued to enhance its operations in the Republic of Iraq through its branch in Baghdad, where the branch provides financial and banking services that meet the needs of customers in accordance with the best global practices in this field. The Bank's presence in Iraq allows it to expand the scope of its services to corporate clients in both Jordan and Iraq. Iraq is considered a promising market full of opportunities, and in 2024, the Bank worked on developing a comprehensive three-year strategy aimed at expanding its presence in Iraq by opening three new branches in Baghdad, Basra, and Erbil, reflecting its deep commitment to this promising market.

The Bank is moving forward with its external expansion plans by entering the Saudi market, where this expansion represents a key strategic step in its vision to enhance its regional presence and diversify its geographical footprint. This expansion serves as a fundamental pillar for achieving sustainable growth, capitalizing on the advanced technological infrastructure of the Saudi market. The Bank is currently working on completing all the necessary requirements to launch its operations, aiming to provide a comprehensive banking experience that meets the aspirations of the Saudi market. This will be achieved by leveraging the latest information technologies and digital solutions. The Bank is focused on enhancing the customer experience and improving service efficiency, taking advantage of the opportunities presented by Saudi Arabia's Vision 2030 and the accompanying economic transformations. The Bank is expected to begin its operations in the Kingdom of Saudi Arabia in 2025, marking a significant addition to its banking services at the regional level.

Through the diversification and expansion of its service channels, Bank of Jordan aims to offer comprehensive banking products and services that meet the needs and aspirations of customers from various segments, whether individuals, companies, or institutions. The Bank actively contributes to enhancing trade and investment flows between Jordan and Saudi Arabia, Iraq, Bahrain, Palestine, and Syria, adding real value for customers by providing integrated banking services through its regional network of branches.

Human Resources:

Continuing with the Bank's approach to continuous development of human resources, the Bank has maintained the application of best administrative practices aimed at developing its employees' capabilities and strengthening their role as a key element in the institution's success. In 2024, numerous initiatives and programs were carried out to develop employees' skills and competencies, achieving outstanding organizational performance.

**Workshops and Training Programs for Employees:**  
▪ "CIB/Credit Review Capacity Building Program for Credit, Corporate, and Financial Institutions Departments"  
The "CIB/Credit Review Capacity Building Program" was launched to foster a sustainable culture by training internal trainers and supervisors (Ambassadors) and designing a development program for outstanding fresh graduates (Fresh Graduate Development Program).

▪ **Data Culture Program**  
The "Data Culture" program was implemented to promote a data-driven culture among employees and enhance their awareness of using data to improve banking operations.

▪ **"Jadarati" Program**  
Continuing to develop behavioral competencies, the "Jadarati" program was implemented, featuring a specialized learning platform and short educational videos aimed at guiding employees towards expected behaviors at various job levels and strengthening the corporate culture. In addition, a field training program was implemented to strengthen relationships, foster harmony among employees, and enhance the culture of unified work within the framework of the Bank's established values.

▪ **"Sales Skills Development and Continuous Training" Training Course**  
As part of sales skills development, the Bank continued to implement the training course titled "Sales Academy," which focuses on training branch employees in sales skills. The program incorporates the coaching methodology as a fundamental element in enhancing sales strategies. Internal trainers for the Bank's employees were also prepared through intensive training on developing training materials and acquiring presentation skills. E-Learning programs also continued for all Bank employees, covering vital topics such as anti-money laundering and counter-terrorism financing, tax compliance (FATCA), and fraud prevention.

**Professional and Community Training Programs:**  
▪ **"Mihnati" Program**  
As part of the Bank's strategy to reinforce its commitment to creating a positive and sustainable impact on society, particularly in the educational sector, the Bank continues its efforts to empower young individuals and prepare them for the job market through specialized training programs. Building on this approach, the "Mihnati" program was developed to provide an interactive, hands-on experience that enhances the professional and cognitive skills of university and school students. This initiative aligns with the bank's vision of supporting education and sustainable development.

"Mihnati" serves as a cornerstone of the Bank's strategy for nurturing and developing the next generation of professionals in the banking sector and empowering university and school students. It reflects the Bank's commitment to social responsibility by providing comprehensive training experiences across various fields, allowing participants to engage in different departments and divisions of the bank. The program focuses on equipping trainees with essential skills, including financial analysis, project management, professional communication, and more. This helps bridge the gap between academic education and practical applications, preparing them to integrate into the job market with high efficiency. The "Mihnati" program in 2024 included the participation of 34 students from various local and international schools and universities. At the end of the six-week program, the Bank held a graduation ceremony for the participants, which featured the recognition of trainers from different departments, special segments where participants shared their experiences, and the distribution of graduation certificates.

In line with its future vision, the Bank is committed to continuously enhancing the "Mihnati" program by integrating opportunities for trainees to engage in cross-departmental projects. This enriches their experience, provides direct exposure to a real work environment, and enables them to contribute to the Bank's strategic objectives. These efforts are not only aimed at strengthening the Bank's market position but also reflect its deep commitment to social responsibility by delivering sustainable value and making a tangible positive impact on the community.

**Employee Engagement and Team Spirit Programs and Events**  
▪ As part of enhancing employee engagement, the Bank has implemented several initiatives that reflect positive interaction and a genuine commitment to employee well-being. Various occasions were celebrated, such as Mother's Day and Women's Day, with gifts distributed to female employees. The Bank also commemorated the 78th Independence Day of the Hashemite Kingdom of Jordan at its headquarters and organized an event to support the Jordanian Nashama national team during the AFC Asian Cup, fostering a strong sense of team spirit among employees.

▪ During the holy month of Ramadan, the Bank organized a special Iftar for employees, featuring activities designed to foster a positive and engaging atmosphere among staff.

▪ A team-building event was also organized in Aqaba for employees of the southern branches, featuring various recreational activities and interactive workshops aimed at enhancing collaboration and communication among staff.

▪ As part of the Bank's social commitment and focus on the health of its employees, the Bank launched an awareness campaign under the slogan "Power of Pink" during October to raise awareness about breast cancer. The campaign included awareness lectures and early screenings for female employees. The Bank also offered special promotions for employees and their relatives to undergo early detection tests. Additionally, comprehensive awareness content was shared on the Bank's internal platform.

▪ The Bank organized an internal football tournament for its employees, which saw participation from teams across various branches and departments.



- The Bank also honored outstanding employees in productivity by holding recognition ceremonies and distributing certificates of appreciation and awards, reflecting its commitment to supporting and developing its human resources.

The Bank also sponsored several career fairs at universities, such as the one organized by the University of Jordan and Princess Sumaya University for Technology, aiming to raise awareness of available job opportunities and promote the "Mihnati" program.

Sustainability at Bank of Jordan

Building on Bank of Jordan's strategic direction to be a leader in environmental and social sustainability in the countries where it operates, and relying on strong governance principles, with support from the Board of Directors and commitment from senior management, the Bank aims to implement the best practices in environmental and social governance (ESG) and corporate governance. In this context, the Bank has formed a strategic partnership with a leading sustainability company to develop and implement sustainable business practices and corporate governance.

In the fourth quarter of 2024, the Bank began establishing and implementing a comprehensive program for managing environmental, social, and governance (ESG) standards, with the aim of integrating these standards into its strategies, operations, and procedures. The goal of this program is to make sustainability a core approach that supports the bank's operations, enabling it to explore opportunities and mitigate risks while building the capabilities of its employees through a comprehensive implementation plan.

As part of this approach, the Bank conducted a comprehensive analysis and assessment of the gaps in its performance regarding environmental, social, and governance standards. It also reviewed its policies and procedures to identify areas needing improvement and allocated the necessary resources for this purpose. The evaluation methodology was based on global best practices in this field while ensuring compliance with local and international legal and regulatory requirements and meeting stakeholder expectations. Based on this evaluation, the Bank has developed a comprehensive action plan for 2025, which includes the formulation of a sustainable financing strategy aligned with environmental, social, and governance (ESG) standards.

To reaffirm the Bank's commitment to transparency and enhancing effective communication with all stakeholders, the Bank has been issuing its annual sustainability report since 2022, which is prepared in accordance with the principles of the Global Reporting Initiative (GRI). This report serves as a comprehensive tool that highlights the Bank's performance in environmental, economic, social, and corporate governance standards, aiming to provide a clear and transparent picture of its achievements, enhance stakeholder trust, and reaffirm its leadership role in driving sustainable development and adhering to global best practices.

In 2025, Bank of Jordan intends to strengthen its efforts to achieve excellence in applying the best sustainable practices and support its direction toward building a prosperous private sector that actively contributes to addressing the most pressing challenges. This will include offering sustainable financial products that meet customers' needs for transitioning to sustainable practices, supporting initiatives that contribute to environmental conservation, combating the effects of climate change, and enhancing financial stability and growth. The Bank also aims to support socially impactful initiatives with sustainable benefits, positioning itself at the forefront of global financial institutions that adopt a comprehensive sustainability vision through adherence to best practices in this field.

Social Responsibility:

Bank of Jordan has demonstrated a strong commitment to its social responsibility as a prominent and leading financial institution in Jordan and the Middle East. It has consistently strived to support the local communities it serves, contributing effectively to their progress and enhancing economic growth within them. By making a positive and valuable impact on individuals' lives, as well as the well-being and development of communities.

Bank of Jordan's social responsibility stems from the Bank's mission and its focus on environmental and social sustainability, aligning with the evolving needs of the communities in which it operates. This is done with the aim of achieving the highest levels of positive community impact through the initiatives, projects, and programs supported and implemented throughout the year. The 17 United Nations Sustainable Development Goals (UN-SDGs) serve as the cornerstone for Bank of Jordan's social responsibility initiatives. This reflects the Bank's unwavering commitment to achieving advanced levels of development across economic, social, and environmental dimensions. The Bank strives to build genuine and fruitful relationships and partnerships, making the necessary efforts to implement these goals responsibly and with high professionalism in order to address contemporary issues.



The year 2024 witnessed numerous initiatives aimed at achieving sustainable development in local communities and contributing to their prosperity through building fruitful partnerships and providing necessary support to national institutions, charitable organizations, and civil society organizations. This reflects the Bank's commitment and dedication to achieving the noble goal of advancing communities in various fields, including education, health, social affairs, and sports. This includes various sectors and segments of society, with priority given to marginalized and less fortunate groups in many initiatives that support their empowerment and capacity building, enabling them to become active members of their communities.

Key Initiatives of 2024:

Educational and cultural initiatives



Bank of Jordan strongly believes that quality education is the foundation for the advancement and prosperity of communities and contributes to poverty eradication. This includes both academic and vocational education, especially for youth, who are considered key partners in driving change and shaping a promising future. Based on this belief, Bank of Jordan has supported numerous initiatives and programs that help youth continue their educational journey, enhance their self-confidence, and develop various skills to help them build their future and smoothly enter the labor market. The following initiatives were supported:

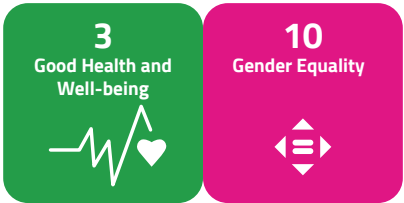
- **Scholarship Programs:**
  - The initiative of the Chairman of the Board to provide annual university scholarships for the children of employees who excel in the General Secondary Education Certificate (Tawjihi) results in Jordan and Palestine. Seven scholarships were awarded in 2024.
  - Renewing the partnership with the Elia Nuqul Foundation, which has lasted for more than eight years, through the provision of two new scholarships, which will continue for the next four academic years.
  - Covering one year of university tuition fees for six students benefiting from the Al-Aman Fund for the Future of Orphans, in addition to supporting the "Hope Initiative," the proceeds of which go to the students benefiting from the Al-Aman Fund for the Future of Orphans as well.
  - Support for the Arab Orphan Committee by establishing an educational fund named "Bank of Jordan" to support needy students in Jordan and Palestine.

Programs Supporting Education and Financial Inclusion:

- Providing support to the "Adopt a School" program in collaboration with the Injaz Foundation, aimed at improving the learning environment in schools, as well as building students' capacities and equipping them with personal, social, and professional skills. This was achieved through providing a range of training and educational programs, which were implemented by a number of volunteers from Bank of Jordan employees.
- Providing support for the "Career Day in the Financial Sector" activity in collaboration with the Injaz Foundation, aimed at enhancing students' knowledge of banking work and helping them in choosing their future careers.
- Providing support to the Aloun Humanitarian Club for the benefit of orphaned university students.
- Providing support to the Qawafel Al Khair Association for Emergency Relief and
- Development for the "Haqeebati 9" project, which includes the distribution of 400 school bags and stationery to students in underprivileged areas.
- Support for the Jordan National Gallery of Fine Arts, affiliated with the Royal Society of Fine Arts, to implement the "Traveling Museum" program, which offers educational and cultural workshops in visual arts for children and youth from public schools and charitable associations in underprivileged areas.
- Providing support for the National Financial Education Project, implemented in collaboration with the Jordan River Foundation and the Association of Banks in Jordan. The program aims to build and develop the financial capabilities of women through training programs for local community women, housewives, and female entrepreneurs in the governorates. It was implemented in three consecutive phases, with the participation of six Bank employees.



Sports Initiatives and Support for People with Disabilities



In line with Bank of Jordan's belief in the importance of supporting various sports activities and their strong connection to good health within communities, the Bank supports young Jordanian talents and stands alongside sports clubs to help them achieve their desired aspirations and ambitions. Moreover, the Bank places special focus on individuals with disabilities, encouraging them to move forward in their lives, engage with their communities, and create opportunities for them to become active and productive members of society. Bank of Jordan has provided its support to the following initiatives:

- Bank of Jordan supported the organization of a training workshop on "Resin Art" for 15 participants from the Jordanian Club for the Deaf.
- Bank of Jordan provided support for the El Hassan Youth Award to cover the costs of constructing 10 permanent tents within the El Hassan Youth Camp, which hosts around 2,000 students across the three award levels.

Environmental Initiatives and Conservation Efforts



Bank of Jordan continues its long-standing approach of supporting initiatives dedicated to environmental conservation, in line with the growing global and local focus on climate change issues and environmental conservation practices. Bank of Jordan strives to implement the highest standards for managing its environmental impacts (carbon footprint) through the efficient management of resources and waste and by adopting eco-friendly technologies, systems, and behaviors. Additionally, the Bank provides support to initiatives and projects focused on environmental conservation. In 2024, support was extended to the following entities and projects:

- The Bank provided silver sponsorship for the "Green Caravan" program, which it has supported for ten consecutive years, executed and coordinated by the Arab Group for the Protection of Nature. Volunteers from Bank of Jordan employees planted 500 fruitful trees on the agricultural lands of small farmers in the Central Jordan Valley, who cannot afford the costs of planting their lands, in order to help them generate an income for themselves and their families. In addition to contributing to the expansion of green spaces and the protection of Jordan's plant wealth.
- Providing support to The Assembly of Islamic Cemeteries Care to implement a project for establishing a solar energy system to generate electricity for the association's building.
- Training three Bank of Jordan employees in the PADI Open Water Diving Course in collaboration with the Royal Marine Conservation Society of Jordan. This enabled them to participate in various environmental activities, particularly underwater cleanup campaigns held in Aqaba during 2024, aimed at preserving Jordan's environmental heritage and biodiversity for future generations.
- Supporting the Environmental Drawing Competition launched by the Jordanian Friends of the Environment Society for students in public and private schools, as well as UNRWA schools, under the theme "Carbon Footprint." The winning drawings from the competition were printed in the 2025 calendar, encouraging students to express their perspectives on the environment through art.



Health Sector Initiatives



The need to support associations and institutions that provide healthcare services to citizens continues to grow year after year. Accordingly, Bank of Jordan strives to provide the necessary support as part of its social responsibility and in alignment with the humanitarian mission of these programs, which aim to ease the burden on those in need and patients, granting them the opportunity to receive essential medical treatment. Based on this commitment, support was provided in 2024 for the following programs and activities:

- Providing support for Medical Aid for Palestine to purchase medications for the association's clinics, covering supplies for six months.
- Covering the costs of palliative care for eight patients in collaboration with Al Malath Foundation for Palliative Care.

- Providing gold sponsorship for the 18th charity event organized by the Palestine International Foundation, with proceeds supporting the "Meeting Urgent Medical Needs in Palestine" program.
- Providing support to Ajjah Municipality in Jenin Governorate, Palestine, for the purchase of a stress test device for the cardiology department at the Ajja Emergency and Ambulance Center.
- Organizing and implementing a blood donation initiative for the bank's employees at the headquarters of Bank of Jordan in Amman, under the slogan "Your Blood, Your Support," in collaboration with the Blood Bank Directorate of the Jordanian Ministry of Health. Bank employees donated blood under the supervision of a specialized medical team.

Social Initiatives



Bank of Jordan continued to play its leading role in serving the local community by adopting numerous charitable initiatives, activities, and events that align with the Sustainable Development Goals, contributing to the creation of added and sustainable value for the concepts of social responsibility it offers. In this context, the Bank provided support to the following initiatives:

▪ Ramadan Initiatives:

- Providing financial support to the Royal Jordanian Air Force/Air Force Women's Club to distribute charity parcels during the holy month of Ramadan to underprivileged Jordanian families across the kingdom.
- Supporting the Jordanian Circassian Tribal Council/Circassian Tribes Leader to distribute in-kind assistance and Ramadan charity parcels to impoverished families during the holy month of Ramadan.
- Organizing several charity Iftar meals targeting underprivileged children and beneficiaries of charitable associations' services, in collaboration with the Haya Cultural Center and the Children's Museum Jordan.



▪ Initiatives to support charitable associations and national institutions:

- Providing financial support to the Ministry of Social Development through the initiative of the Association of Banks in Jordan to support the ministry's efforts in achieving its goals for sustainable social development.
- The strategic partnership with SOS Children's Villages in Jordan, by renewing the sponsorship of the operating expenses for one house for a year within the Amman village, aiming to provide a healthy and safe environment for children who have lost family support.
- The strategic partnership with SOS Children's Villages in Palestine was renewed through the sponsorship of one house's operating expenses for one year within the Bethlehem Village, aiming to provide a safe and healthy environment for children without family support.
- Providing support to the Kafr' Ana Association to assist the organization in achieving its goals related to providing financial and material aid to the families it cares for, as well as sponsoring orphans and university students in need.
- Providing support to the Zaha Cultural Center to organize the Independence Day Festival, coinciding with the Kingdom's celebrations of the Silver Jubilee of His Majesty the King's Accession.
- Providing support to the Assembly of Islamic Cemeteries Care - Islamic Funeral House to cover the expenses related to the burial of deceased individuals from poor and needy families.

- Providing financial support to the Royal Air Force/Air Force Women's Club to carry out charitable donation campaigns for distribution to underprivileged Jordanian families, the poor, and disadvantaged students across the Kingdom.



The Multiple Relief Umbrella Program for the Gaza Sector



In 2024, Bank of Jordan launched the Multiple Relief Umbrella Program to support the humanitarian situation in the Gaza Strip with a budget exceeding one million dollars. The program targeted several key areas based on the most urgent needs in the sector, including providing medication for cancer patients, supplying flour, establishing a water desalination station, offering health and hygiene supplies, providing baby formula, distributing hot meals, and caring for orphans. The program provides a comprehensive package of essential needs for citizens, contributing to alleviating their burdens and helping them overcome the difficult humanitarian conditions they are experiencing. The following components of the program were implemented in 2024:

- Providing financial support to the ATA'A Palestine Foundation for distributing food packages in the northern Gaza Strip. Hot meals were prepared in designated areas (kitchens) organized by the foundation for this purpose. The meals were distributed to approximately 28,000 beneficiaries who are suffering from severe hunger and a critical shortage of food and resources. The distribution took place in shelter schools, tent camps, and health centers in northern Gaza, with a focus on orphans, people with disabilities, the elderly, and the most vulnerable families.
- Providing financial support to the Mariam Foundation to supply urgent medications for cancer patients in the sector, who have suffered from a shortage of life-saving drugs amid their critical need to resume treatment. Efforts were coordinated through partners at the Mariam Foundation, partnering hospitals, and both internal and external medical entities to secure the patients' medication needs.
- Providing financial support to SOS Children's Villages in Palestine to sponsor 68 orphaned children and children without family support in Gaza, who were evacuated from the children's village in Rafah and relocated to the children's village in Bethlehem. The children range in age from 2 to 14 years. This strategic partnership includes securing the basic needs of the children for their livelihood in alternative family homes at SOS Children's Villages – Palestine, covering expenses for education, clothing, food, healthcare, and psychological care for the children, as well as the ongoing expenses for the household for one year.
- Providing financial support to the World Food Programme (WFP) to contribute to the importation of millions of tons of flour to support the recovery and sustainability of bakeries, which are the backbone of feeding citizens in the Gaza Strip. This support included providing bakeries with subsidized wheat flour, fuel, sugar, yeast, and iodized salt to produce bread. In addition to rehabilitating the bakeries and keeping them operational during the conflict, the support covered the cost of distributing 2,422,575 subsidized/free bread parcels to feed 485,000 internally displaced persons (approximately a quarter of Gaza's population) daily for a full month.



The Bank will continue working with partner institutions and associations to complete the implementation of the remaining components in 2025.



Employee Volunteering in Corporate Social Responsibility Initiatives:

In order to promote and enhance the culture of volunteering and teamwork among the bank's employees, and the positive impacts it has on both the community and the volunteers themselves, several volunteer initiatives and activities were carried out in 2024 with active participation from our employees. Among these, we highlight the following:

1. A group of employees participated in the Iftar tables organized by Tkiyet Um Ali during the blessed month of Ramadan, which served more than 3,000 individuals.
2. Participation in the Ramadan Iftar events organized by the Bank in collaboration with the Children's Museum Jordan and the Haya Cultural Center.
3. Wide participation in the "Green Caravan" program in collaboration with the Arab Group for the Protection of Nature, where our employees planted 500 fruit trees in 2024.
4. A group of employees participated as trainers in the National Financial Education Project, implemented in collaboration with the Jordan River Foundation and the Association of Banks in Jordan. The program aims to build and develop financial capabilities for women through training programs for local community women, housewives, and female entrepreneurs in the governorates.
5. A group of Bank employees participated in the training programs under the "Adopt a School" initiative, in collaboration with the Injaz Foundation.
6. A wide participation of Bank employees in the blood donation campaign "Your Blood, Your Support," organized by the Bank at its headquarters in collaboration with the Blood Bank Directorate of the Ministry of Health.

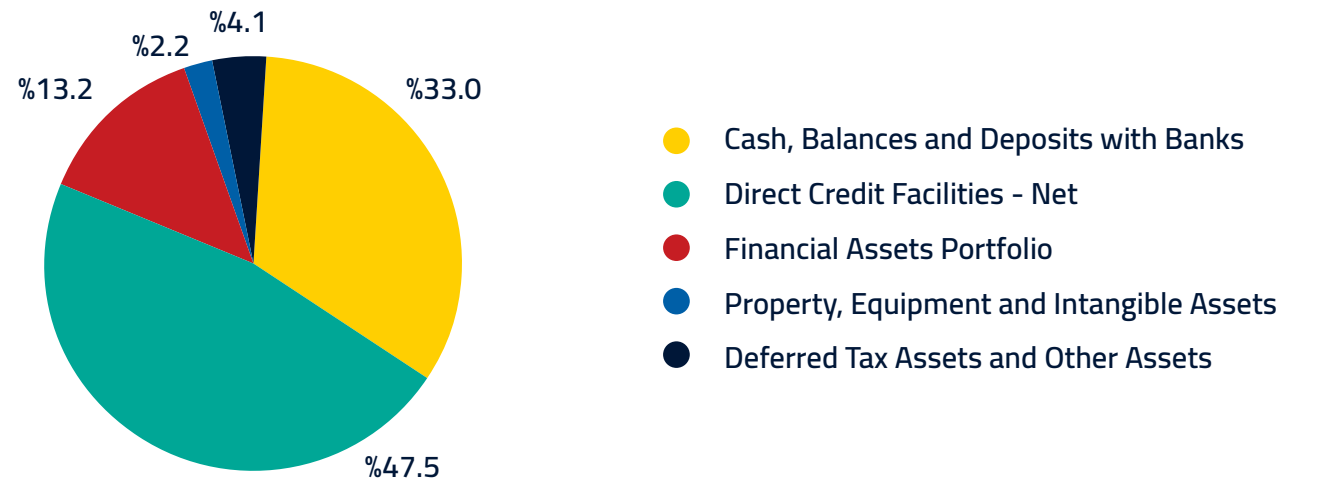


Analysis of Financial Position and Business Results for the Year 2024.

The Bank's assets increased to JOD 3,154.9 million at the end of 2024, compared to JOD 3,037.3 million at the end of 2023, reflecting a growth rate of 3.9%. Efforts continued to grow shareholders' equity, maintain a balance between profitability and secure investments, avoid high-risk investments, and ensure the necessary cash liquidity to meet financial obligations with various maturities. The optimal use of available funds was effectively implemented, reflected in maintaining the strength of the financial position and the growth of the Bank's revenue strength.

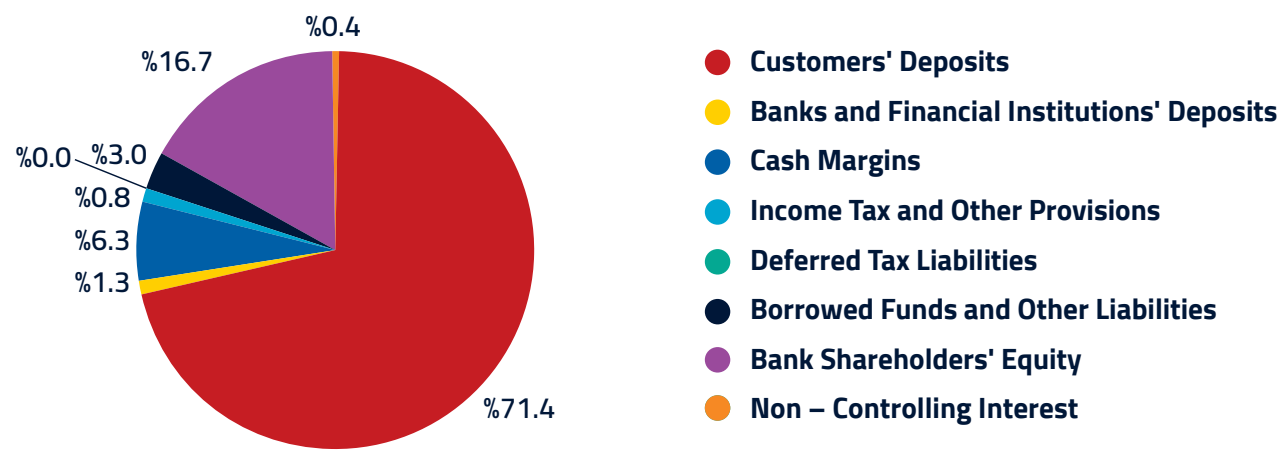
The Bank's Assets	JD (Millions)		Materiality %	
	2024	2023	2024	2023
Cash, Balances, and Deposits with Banks	1,040.2	1,011.4	33%	33.3%
Direct Credit Facilities at Amortized Cost	1,498.8	1,432.9	47.5%	47.2%
Financial Asset Portfolio	416.8	403.4	13.2%	13.3%
Property, Equipment, and Intangible Assets	69.6	65.9	2.2%	2.2%
Deferred Tax Assets and Others	129.6	123.6	4.1%	4.1%
Total Assets	3,154.9	3,037.3	100%	100%

The Relative Importance of the Bank's Assets for 2024



Liabilities and Equity	JD (Millions)		Materiality%	
	2024	2023	2024	2023
Customer Deposits	2,251.4	2,169.1	71.4%	71.4%
Deposits from Banks and Financial Institutions	42.3	71.4	1.3%	2.3%
Cash Collaterals	199.8	140.3	6.3%	4.6%
Income and Other Provisions	24.7	26.4	0.8%	0.9%
Deferred Tax Liabilities	0.230	0.472	0.0%	0.0%
Borrowed Funds and Other Liabilities	94.3	92.0	3.0%	3.0%
Equity - Bank Shareholders	528.3	524.0	16.7%	17.3%
Non-controlling Interests	13.9	13.7	0.4%	0.55
Total Liabilities and Equity	3,154.9	3,037.3	100%	100%

Relative Importance of Liabilities and Equity for 2024

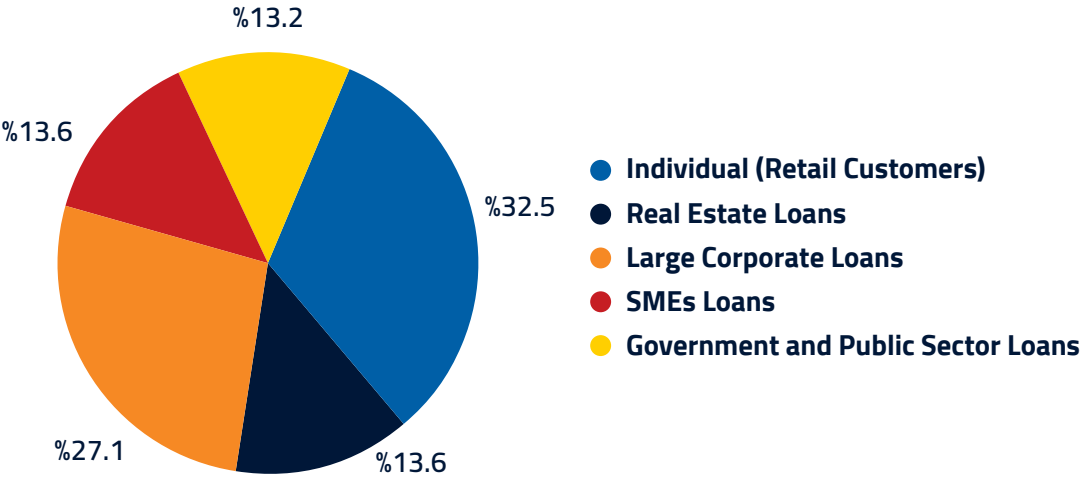


Direct Credit Facilities at Amortized Cost

The total direct credit facilities at amortized cost increased by JOD 85.9 million, or 5.4%, in 2024 compared to 2023, reaching JOD 1,687 million. The ratio of non-performing facilities to total facilities (after deducting accrued interest) was 8.7% compared to 8.5% in 2023, which is within the benchmark ratio.

Total Credit Facility Portfolio by Type (After Deducting Accrued Interest and Prepaid Commissions)	JD (Millions)		Materiality %	
	2024	2023	2024	2023
Retail (Individual) Facilities	548.8	543.6	32.5%	34.0%
Mortgage Loans	229.8	234.4	13.6%	14.6%
Corporate Loans	456.5	360.8	27.1%	22.5%
SME (Small and Medium Enterprises) Loans	229.3	232.9	13.6%	14.5%
Government and Public Sector Loans	222.6	229.4	13.2%	14.3%
Total Direct Credit Facilities	1,687.0	1,601.2	100%	100%

Relative Importance of the Credit Facilities Portfolio by Type for 2024



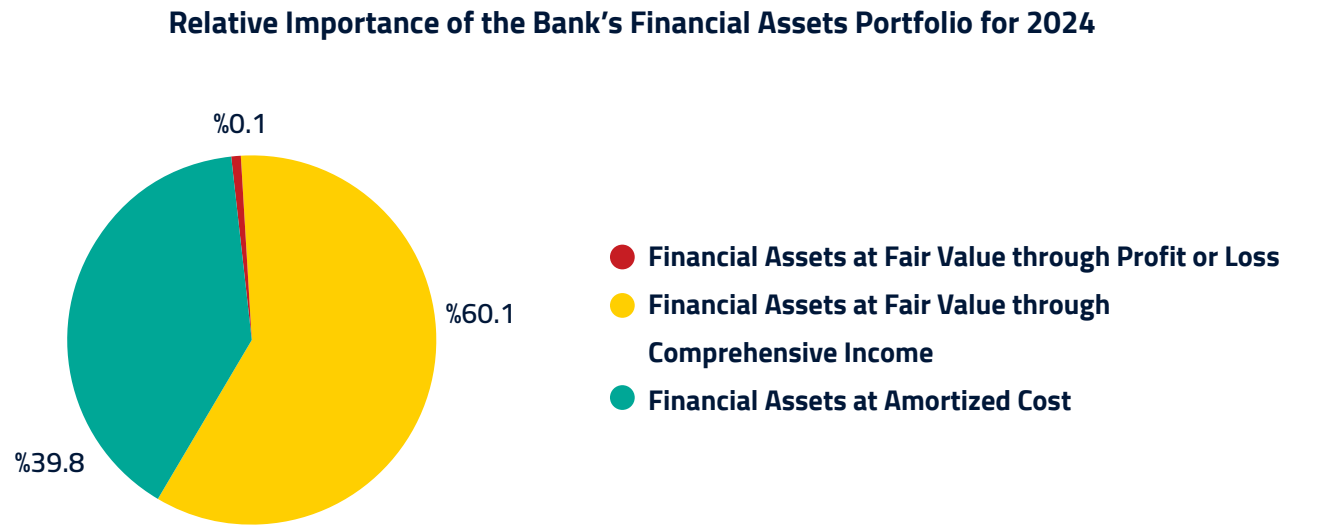
Expected Credit Loss Expense on Financial Assets

The Bank continued to follow a clear hedging policy in calculating expected losses, allocating impairment provisions for non-performing loans both individually and at the portfolio level. This was done in accordance with the International Financial Reporting Standards, regulatory authorities, and the Bank's auditors' recommendations. To further strengthen its financial position, the Bank achieved an impairment provision coverage ratio of 89.94% for the non-performing credit facilities portfolio in 2024, up from 88.07% in 2023, after deducting suspended interest and cash collaterals. The fair value of collateral provided against credit facilities amounted to JOD 468 million, compared to JOD 443 million in the previous year.

Financial Assets Portfolio

The financial assets portfolio increased by approximately JOD 13.3 million in 2024, reflecting a 3.3% growth compared to 2023. The financial assets measured at fair value through other comprehensive income increased by approximately JOD 11.6 million, an increase of 4.9%. Additionally, financial assets at amortized cost increased by approximately JOD 1.7 million, an increase rate of 1.1%. These represent the Bank's investments in debt instruments, including local treasury bills and bonds.

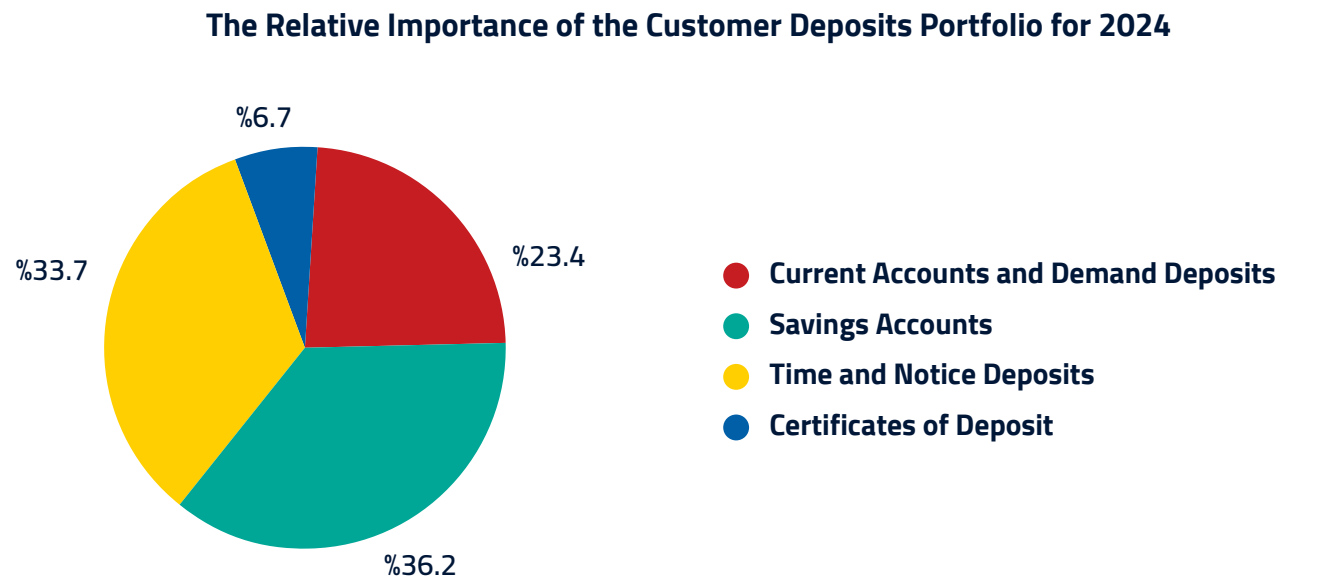
Financial Assets Portfolio	JD (Millions)		Relative Significance %	
	2024	2023	2024	2023
Financial Assets at Fair Value Through Profit or Loss	0.355	0.351	0.1%	0.1%
Financial Assets at Fair Value Through Net Income Statement	250.557	238.948	60.1%	59.2%
Financial Assets at Amortized Cost	165.860	164.127	39.8%	40.7%
Total	416.8	403.4	100%	100%



Customer Deposits

The Bank's customer deposits reached JOD 2,251.4 million at the end of 2024, compared to JOD 2,169.1 million at the end of 2023, reflecting a growth of JOD 82.3 million, or 3.8%. Efforts continued to attract savings deposits through ongoing campaigns, maintain fixed deposits with lower costs, and expand the depositor base. While savings deposits decreased by 1.9% in 2024 compared to 2023, current accounts and demand accounts increased by 2.3%. Similarly, time deposits and certificates of deposit rose by 10.5%. Meanwhile, non-interest-bearing deposits amounted to JOD 675 million, compared to JOD 683.86 million in the previous year.

Customer Deposits by Type and Their Relative Importance	JD (Millions)		Relative Significance %	
	2024	2023	2024	2023
Current Accounts in Demand	527.0	515.3	23.4%	23.8%
Savings Deposits	814.1	829.9	36.2%	38.3%
Time Deposits	759.8	700.3	33.7%	32.3%
Certificates of Deposits	150.5	123.5	6.7%	5.75
Total	2,251.4	2,169.1	100%	100%



Equity - Bank Shareholders

The Bank's shareholders' equity amounted to JOD 528 million in 2024, an increase of JOD 4.3 million, or 0.8%. The legal reserve rose to JOD 5.5 million in 2024, representing a 4.7% increase, while the fair value reserve (net) increased by JOD 5 million, or 17%, compared to the previous year. The Board of Directors has decided to raise its recommendation to the General Assembly to distribute cash dividends to shareholders at a rate of 18% of the capital, with the proposed amount to be distributed being JOD 36 million, and to retain the remaining profits.

Capital Adequacy

The capital adequacy ratio was 20% in 2024, compared to 21.43% in 2023, which is above the minimum requirement set by the Central Bank of Jordan according to Basel III regulations, which is 14%. The Common Equity Tier 1 (CET1) ratio for ordinary shareholders was 19.6% in 2024, compared to 20.77% in the previous year.



Bank's Performance Results

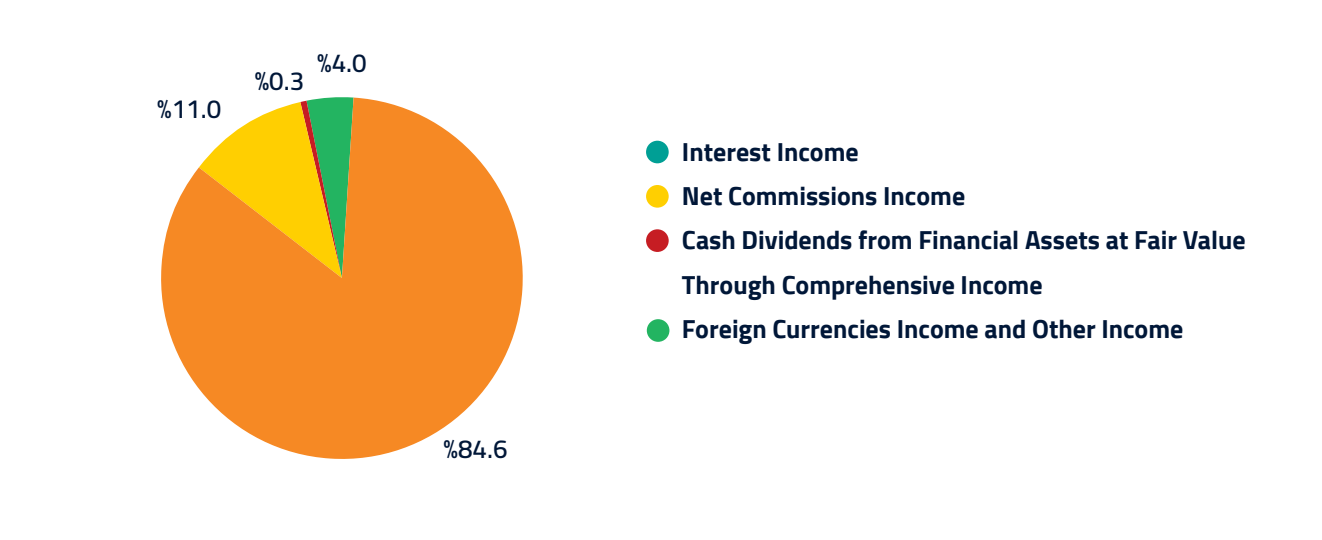
The Bank's total revenue for 2024 reached JOD 234.8 million, compared to JOD 219.7 million in the previous year, reflecting a growth rate of 7%. The total income amounted to JOD 170 million, compared to JOD 167.5 million in 2023, showing an increase of 1.7%. Meanwhile, the net interest and commission income reached JOD 160 million, showing an increase of approximately 0.7% compared to 2023.

The profit before tax and provisions amounted to JOD 76 million in 2024, compared to JOD 83 million in 2023. The expected credit loss expenses on financial assets, expenses related to properties acquired by the Bank, various provisions, and income tax expenses were deducted, resulting in a net profit of JOD 35.3 million for the Bank in 2024, compared to JOD 44.45 million in 2023, representing a decrease of approximately 20.6%.

Net Profit Before and After Taxes and Provisions			
	JD (Millions)		Change Amount
	2024	2023	2024
Net Profit Before Tax and Provisions	76.4	83.4	(7.1)
Provision for Expected Credit Losses on Financial Assets	20.5	14.7	5.8
Provision for Real Estate Acquired by the Bank	0.0	0.0	0.1
Miscellaneous Provisions	0.8	3.4	(2.5)
Net Profit Before Tax	55.0	65.4	(10.3)
Income Tax Expense	19.7	20.9	(1.2)
Net Profit After Tax	35.3	44.5	(9.2)

Total Revenues Achieved and Relative Importance				
	JD (Millions)		Materiality %	
	2024	2023	2024	2023
Interest Received	197.1	185.3	84.6%	84.9%
Net Commission Income	25.7	24.7	11%	11.3%
Profits from Financial Assets	0.7	1.0	0.3%	0.4%
Foreign Exchange Profits and Other Revenues	9.3	7.3	4%	3.3%
Total	232.8	218.2	100%	100%

The Relative Importance of the Bank's Realized Revenues for 2024



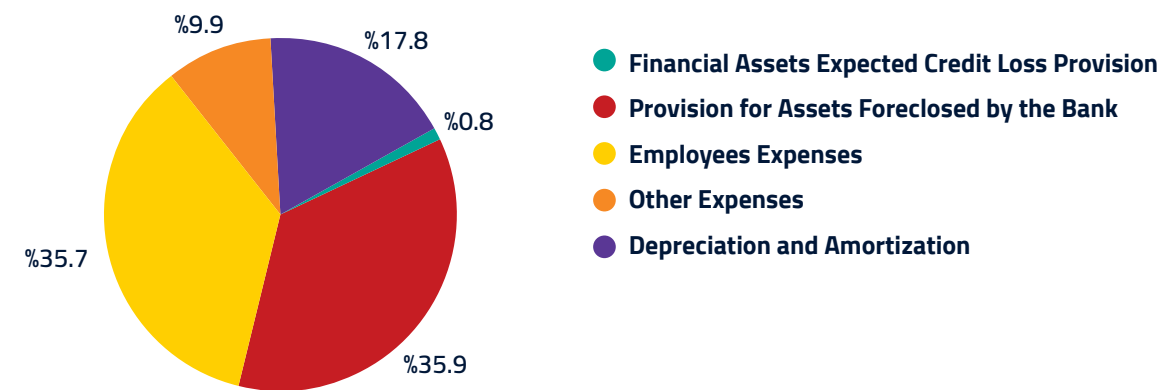
Expenses and Provisions

Total expenses and provisions increased in 2024 to reach JOD 115.4 million, marking an increase of approximately 13% compared to 2023. This was the result of an increase in the provision for expected credit losses on financial assets by JOD 5.8 million, offset by a decrease in the miscellaneous provisions by JOD 2.5 million. Meanwhile, employee expenses increased by JOD 5.9 million due to the opening of the Saudi branch. Other expenses also increased by approximately JOD 3.9 million due to higher advertising and subscription costs, as well as increased expenses for insurance, systems, and maintenance.

As for the salaries and bonuses of the senior executive management in 2024, they amounted to approximately JOD 3.3 million, while the audit fees for the Bank of Jordan Group totaled JOD 194 thousand.

Expenses, Provisions, and Relative Importance				
	JD (Millions)		Materiality %	
	2024	2023	2024	2023
Expected Credit Loss Provision on Financial Assets	20.48	14.73	17.8%	14.4%
Provision for Foreclosed Properties and Other Provisions	0.87	3.34	0.8%	3.3%
Staff Expenses	41.42	35.56	35.9%	34.8%
Other Expenses	41.16	37.29	35.7%	36.5%
Depreciation and Amortization	11.44	11.23	9.9%	11.0%
Total	115.37	102.15	100%	100%

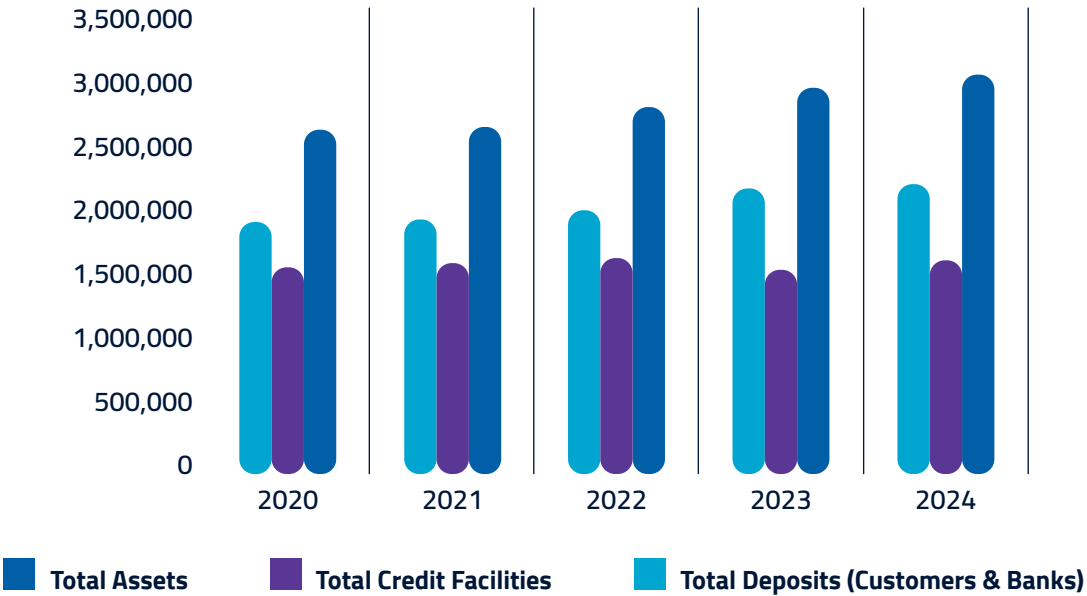
The Relative Importance of Expenses and Provisions for 2024



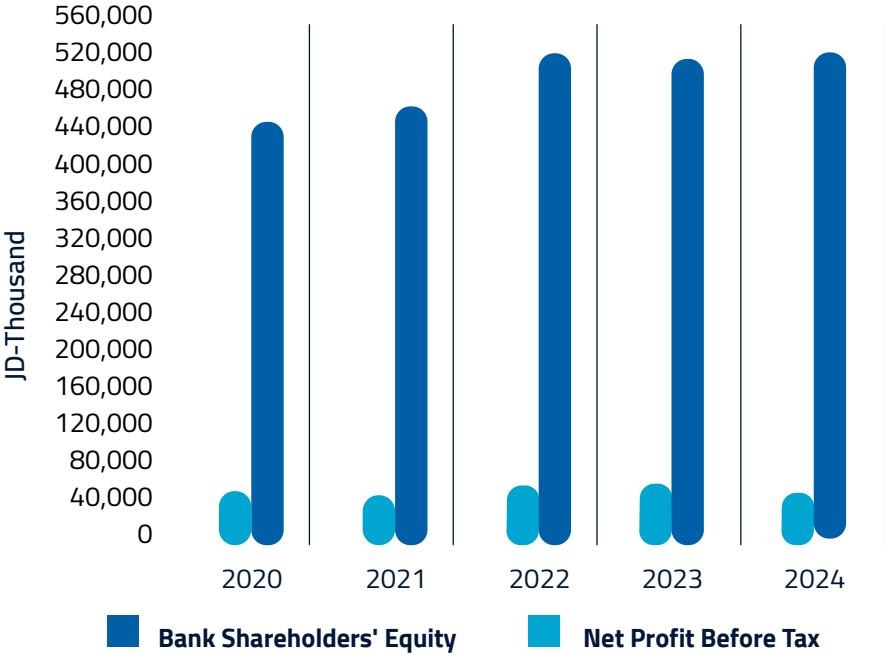
Key Financial Ratios		
	2024	2023
Return on Average Shareholders' Equity	6.66%	8.44%
Return on Capital	17.64%	22.23%
Return on Average Assets	1.14%	1.50%
Profit per Employee After Tax	JOD 16,307	JOD 21,518
Interest Income to Average Assets	6.36%	6.26%
Interest Expense to Average Assets	2.02%	1.71%
Interest Margin to Average Assets	4.35%	4.55%
Coverage of Impairment Provision for Net Non-Performing Loans	89.84%	88.07%
Non-Performing Loans to Total Loans Ratio (Net of Suspended Interest)	8.70%	8.50%

Financial Indicators for the Last Five Years (2020 - 2024)					
Financial Year	Amount in Thousands of Dinars				
	2020	2021	2022	2023	2024
Total Assets	2,712,413	2,740,204	2,884,730	3,037,252	3,154,928
Total Credit Facilities	1,619,616	1,658,186	1,689,949	1,601,164	1,687,021
Total Deposits (Customers and Banks)	1,979,950	2,001,826	2,102,610	2,240,409	2,293,710
Equity - Bank Shareholders	454,758	473,407	529,192	524,035	528,298
Non-Controlling Interests	7,649	12,658	13,152	13,676	13,931
Profit Before Tax	52,074	51,894	60,932	65,360	55,027

Financial Position Development



Development of Shareholder Equity and Profits



Bank of Jordan Group – Objectives of the Future Plan 2025

The Bank of Jordan Group (BOJ) aims to establish a comprehensive strategic framework designed to enhance its resilience and capability to achieve strong and sustainable growth in 2025, despite the ongoing economic and geopolitical challenges at both the regional and global levels. Guided by a firm commitment to delivering added value, Bank of Jordan remains focused on maintaining the balance between expansion and growth, capitalizing on promising opportunities, and strengthening effective risk management across all markets in which it operates.

In alignment with its ambitious vision, Bank of Jordan is advancing in the implementation of its comprehensive institutional transformation strategy, launched in 2024. This strategy seeks to diversify investments and placements, pursue regional expansion plans to reinforce its strategic presence, and consolidate its position as a leading financial institution capable of delivering an exceptional banking experience that aligns with customer aspirations and surpasses the conventional standards of the banking sector. Furthermore, the strategy places emphasis on redefining the Bank’s brand identity to reflect its organizational values and enhance its standing in the regional market as a modern and innovative financial entity. Bank of Jordan also aims to redefine the concept of banking services through smart digital transformation, leveraging advanced data analytics to deliver highly personalized and effective financial solutions that meet the evolving needs of both individuals and corporate clients.

Strategic Pillars and Organizational Transformation

- 1. Brand Identity: Redefining the Bank’s brand identity and delivering a unique and distinguished experience for both internal and external customers, thereby strengthening Bank of Jordan’s position in the regional market as an innovative and future-ready bank.
- 2. Retail Banking: Offering an innovative banking experience that is aligned with the evolving needs of customers, with a targeted focus on specific customer segments.
- 3. Corporate Banking: Positioning Bank of Jordan as a leading institution in the corporate banking sector by providing added value that empowers clients to excel and exceed expectations, making the Bank their preferred and trusted financial partner.
- 4. Human Resources: Advancing the human resources framework to enhance the employee experience, thereby supporting organizational performance and positioning Bank of Jordan as a preferred employer over the next three years.
- 5. Environmental and Social Sustainability: Enhancing the Bank of Jordan’s status as a leading financial institution through the integration of sustainability practices into its operations, while contributing to a positive impact that reflects excellence in institutional performance.

Financial Pillar

- Achieving Financial Growth: Increasing revenues and meeting financial targets by developing new strategies aimed at enhancing profitability.
- Reducing Financial Risks: Strengthening collection policies and credit provisioning to ensure financial sustainability.
- Enhancing Financial Management: Improving performance review mechanisms for budget analysis, and conducting monthly financial reviews to ensure the accuracy of financial planning.

Market and Customer Pillar

- Enhancing Customer Satisfaction and Market Share Through:
  - Improving banking service quality by enhancing operational performance and developing innovative services tailored to meet evolving customer expectations.
  - Supporting digital transformation through the implementation of data-driven strategies and artificial intelligence systems.
  - Developing products and services by offering comprehensive solutions and programs that effectively address the needs of various customer segments.
  - Designing marketing strategies that are data-driven to effectively reach and engage key target segments.
  - Loyalty programs: Launching innovative customer loyalty programs to foster long-term relationships and enhance customer retention.
- Implementation of Regional Expansion Plans in the Following Markets:
  - Opening three new branches in Iraq, specifically in Baghdad, Basra, and Erbil, to reinforce Bank of Jordan’s presence in the growing Iraqi market and extend services to corporate clients in both Jordan and Iraq.
  - Completing the necessary regulatory and operational requirements to commence Bank of Jordan’s operations in Saudi Arabia, initially targeting the small and medium-sized enterprises (SME) sector and commercial activity, as a first phase towards providing a fully integrated banking experience aligned with the needs of the Saudi market.

- Redefining Bank of Jordan’s Brand and Customer Experience
  - Developing a comprehensive strategy to reinforce Bank of Jordan’s brand identity and competitive positioning by conducting data-driven assessments to evaluate the effectiveness of the current brand and ensure alignment with the targeted customer segments.

Environmental and Social Sustainability

- Establishing and implementing a comprehensive program for managing environmental and social standards at Bank of Jordan, with the objective of integrating these standards into the Bank’s strategies, operations, and activities, ensuring that sustainability becomes a core component of its business practices.
- Developing a sustainability strategy that reflects Bank of Jordan’s commitment to sustainable development and the creation of added value for stakeholders.

Operations Pillar

- Launching an innovation center in partnership with local and regional financial technology companies to deliver value-added, innovative services to clients, thereby enhancing the Bank’s differentiation and responsiveness to changing market demands.
- Improving operational efficiency through the adoption of innovative technologies such as automation, data analytics, and artificial intelligence, which contribute to reducing processing times and improving the accuracy of decision-making.

Human Resources Pillar

- Implementing a talent management project Group-wide, aimed at supporting succession planning and mapping career paths for employees, thereby contributing to high-performance outcomes.
- Enhancing the performance evaluation framework to improve the Bank’s institutional performance and ensure the effective achievement of strategic goals.
- Developing employee capabilities to support performance excellence in line with the Bank’s institutional transformation efforts, which includes the establishment of a digital learning and development platform.
- Upgrading the electronic human resources management system to serve as a reliable data foundation for informed decision-making.



# **Consolidated Financial Statements and Independent Auditor's Report 2024**

**Independent Auditor's Report**

**Consolidated Statement of Financial Position**

**Consolidated Statement of Profit or Loss**

**Consolidated Statement of Comprehensive Income**

**Consolidated Statement of Changes in Owner's Equity**

**Consolidated Statement of Cash Flows**

**Notes to the Consolidated Financial Statements**





## Independent Auditor's Report

AM/009498

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

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

#### **Opinion**

We have audited the consolidated financial statements of Bank of Jordan **"The Bank"**, its subsidiaries and foreign branches (the **"Group"**), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in **owners' equity** and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a 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 December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) as adopted by the Central Bank of Jordan.

#### **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 Bank in accordance with the International Ethics Standards Board for **Accountants' Code of Ethics** for Professional Accountants together with the ethical requirements that are relevant to our audit of the **Bank's consolidated** financial statements in Jordan, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **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 year ended. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Key Audit Matters**

- 1. Allowance for Credit Losses on Credit Facilities**

As described in notes 10 and 21 to the consolidated financial statements, the Bank had gross direct credit facilities of JD 1,687 million as at 31 December 2024 representing 53% of total assets. The Bank also had indirect credit facilities of JD 679 million, which are not recognized in the Consolidated Statement of Financial Position. The total allowance for expected credit losses relating to these facilities was JD 180 million. The determination of the **Banks's expected credit losses for credit facilities** is a material and complex estimate requiring significant management judgement in the evaluation of the credit quality and the estimation of inherent losses in the portfolio.

The financial statement risk arises from several aspects requiring substantial judgement of management, such as the estimation of probabilities of default and loss given defaults for various stages, the determination of significant increase in credit risk (SICR) and credit-impairment status (default), the use of different modelling techniques and consideration of manual adjustments. In calculating expected credit losses, the bank considered credit quality indicators for each loan and portfolio, stratifies loans and advances by risk grade and estimates losses for each loan based upon their nature and risk profile.

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

#### **How our audit addressed the key audit matter**

We established an audit approach which includes both testing the design and operating effectiveness of internal controls over the determination of expected credit losses and risk-based substantive audit procedures. Our procedures over internal controls focused on the governance over the process controls around the ECL methodology, completeness and accuracy of credit facilities data used in the expected loss models, management review of outcomes, management validation and approval processes, the assignment of **borrowers' risk** classification, consistency of application of accounting policies and the process for calculating allowances.

The primary procedures which we performed to address this key audit matter included, but were not limited to, the following:

- For a risk-based sample of individual loans, we performed a detailed credit review, assessed the appropriateness of information for evaluating the credit-worthiness and staging classification of individual borrowers and challenged the assumptions underlying the expected credit loss allowance calculations, such as estimated future cash flows, collateral valuations and estimates of recovery as well as considered the consistency of **the Bank's application of its impairment policy**. Further, we evaluated controls over approval, accuracy and completeness of impairment allowances and governance controls, including assessing key management and committee meetings that form part of the approval process for credit impairment allowances;
- For credit facilities not tested individually, we evaluated controls over the modelling process, including model monitoring, validation and approval. We tested controls over model outputs and the mathematical accuracy and computation of the expected credit losses by re-performing or independently calculating elements of the expected credit losses based on relevant source documents with the involvement of our credit specialists. We challenged key assumptions, inspected the calculation methodology and traced a sample back to source data. We evaluated key assumptions such as thresholds used to determine SICR and including the related weighting;



Key Audit Matters	How our audit addressed the key audit matter
<p>Recognition of specific allowances on impaired facilities under the CBJ instructions is based on the rules prescribed by the CBJ on the minimum allowances to be recognised together with any additional allowances to be recognised based on <b>management's estimate of expected cash flows</b> related to those credit facilities.</p> <p>In calculating expected credit losses, the Bank considered credit quality indicators for each loan and portfolio, stratified credit facilities by risk grades and estimated losses for each facility based upon their nature and risk profile. Auditing these complex judgements and assumptions involves especially challenging auditor judgement due to the nature and extent of audit evidence and effort required to address these matters and therefore this item is considered to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>• We evaluated post-model adjustments and management overlays in the context of key model and data limitations identified by the Bank in order to assess these adjustments, focusing on PD and LGD used for corporate loans, and challenged their rationale;</li> <li>• We assessed the amendments made by management by evaluating the model adjustments in relation to macroeconomic factors and the forward-looking scenarios which were incorporated into the impairment calculations by utilizing our internal specialists to challenge the multiple economic scenarios chosen and weighting applied to capture non-linear losses; and</li> <li>• We determined if the amount recorded as the allowance for expected credit losses was determined in accordance with the instructions of the Central Bank of Jordan.</li> <li>• We assessed the disclosure in the consolidated financial statements relating to this matter against the requirements of IFRSs.</li> </ul>
<p><b>2. IT systems and controls over financial reporting</b></p> <p>The Bank is vitally dependent on its complex information technology environment for the reliability and continuity of its operations and financial reporting process due to the extensive volume and variety of transactions which are <b>processed daily across the Bank's businesses</b>; this includes cyber risks.</p> <p>Inappropriate granting of or ineffective monitoring of access rights to IT systems therefore presents a risk to the accuracy of financial accounting and reporting. Appropriate <b>IT controls are required to protect the Bank's IT</b> infrastructure, data and applications, ensure transactions are processed correctly and limit the potential for fraud and error as a result of change to an application or underlying data.</p> <p>Unauthorised or extensive access rights cause a risk of intended or unintended manipulation of data that could have a material effect on the completeness and accuracy of financial statements. Therefore, we considered this area as key audit matter.</p>	<p>Our audit approach depends to a large extent on the effectiveness of automated controls and IT-dependent manual controls and therefore we <b>performed an understanding of the Bank's IT related</b> control environment and identified IT applications, databases and operating systems that are relevant for the financial reporting process and to our audit:</p> <p>For relevant IT-dependent controls within the financial reporting process we identified, with the involvement of our internal IT specialist, supporting general IT controls and evaluated their design, implementation and operating effectiveness. We performed an understanding of applications relevant for financial reporting and testing key controls particularly in the area of access protection, integrity of system interfaces and linkage of such controls to the reliability, completeness and accuracy of financial reporting including computer-generated reports used in financial reporting. Our audit procedures covered, but were not limited to, the following areas relevant for financial reporting:</p>

Key Audit Matters	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li>• General IT controls relevant to automated controls and computer-generated information covering access security, program changes, data center and network operations.</li> <li>• Controls relating to access permissions to IT systems for new employees or employees changing roles, whether that access was subject to appropriate screening and approved by the authorized personnel.</li> <li>• Controls regarding the removal of an employee or former employee access rights within an appropriate period of time after having changed roles or leaving the Bank.</li> <li>• Controls regarding the appropriateness of system access rights for privileged or administrative authorizations (superusers) being subject to a restrictive authorization assignment procedure and regular review thereof.</li> <li>• Password protection, security setting regarding modification of applications, databases and operating systems, the segregation of department and IT user and segregation of employees responsible for program development and those responsible for system operations.</li> <li>• Key automated controls on significant IT systems relevant to business processes.</li> <li>• Computer generated information used in financial reports from relevant applications; and we performed journal entry testing as stipulated by International Standards on Auditing.</li> </ul>

#### Other Matter

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

#### Other Information

Management is responsible for other information. The other information comprises the other information in the annual report, excluding the consolidated financial statements and the **independent auditors' report thereon. We expect that the annual report will be made available to us after the date of our audit report.** Our opinion on the consolidated financial statements does not cover the other information, and we do not express any form of assurance or conclusion thereon.

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



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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- 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.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

**Report on Other Legal and Regulatory Requirements**

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

The engagement partner on the audit resulting in this independent auditor's report is: **Karim Bahaa Nabulsi**.

Amman – Jordan  
February 9, 2025

*Deloitte & Touche*  
Deloitte & Touche (M.E.) - Jordan

Karim Bahaa Nabulsi  
License Number (611)

Deloitte & Touche (M.E.)  
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## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<b>BANK OF JORDAN (PUBLIC SHAREHOLDING LIMITED COMPANY)</b>		December 31,	
<b>AMMAN – JORDAN</b>	Note	2024	2023
<b>Assets</b>		JD	JD
Cash and balances with central banks - Net	5	771,584,772	868,438,559
Balances with banks and financial institutions – Net	6	268,105,036	142,551,211
Deposits with banks and financial institutions -Net	7	467,946	447,949
Financial assets at fair value through profit or loss	8	355,198	350,797
Financial assets at fair value through other comprehensive income	9	250,556,714	238,948,463
Direct credit facilities at amortized cost - Net	10	1,498,774,211	1,432,871,078
Financial assets at amortized cost - Net	11	165,860,269	164,126,649
Property and equipment – Net	12	61,021,328	58,489,765
Intangible assets - Net	13	8,627,153	7,397,514
Deferred tax assets	19/B	25,128,242	23,472,437
Other assets	14	104,446,756	100,157,921
<b>Total Assets</b>		<b>3,154,927,625</b>	<b>3,037,252,343</b>
<b>Liabilities and Owners' Equity</b>			
<b>Liabilities:</b>			
Banks and financial institutions' deposits	15	42,336,104	71,354,418
Customers' deposits	16	2,251,373,695	2,169,054,732
Cash margins	17	199,786,362	140,274,558
Sundry provisions	18	5,532,276	7,147,192
Income tax provision	19/A	19,138,825	19,247,420
Deferred tax liabilities	19/C	229,911	471,683
Borrowed funds	20	39,822,768	36,250,546
Other liabilities	21	54,478,450	55,740,916
<b>Total Liabilities</b>		<b>2,612,698,391</b>	<b>2,499,541,465</b>
<b>Owners' Equity:</b>			
<b>Bank's Shareholders Equity</b>			
Paid-up capital	22	200,000,000	200,000,000
Statutory reserve	23	122,432,037	116,928,669
Voluntary reserve	23	109,206	74,876
General banking risks reserve	23	4,102,021	4,102,021
Special reserve	23	5,849,743	5,849,743
Foreign currency translation differences	24	(9,420,102)	(9,562,080)
Fair value reserve	25	37,056,092	31,794,224
Retained earnings	26	168,169,427	174,847,102
<b>Total Owner's Equity - Bank's Shareholders</b>		<b>528,298,424</b>	<b>524,034,555</b>
Non-controlling interests		13,930,810	13,676,323
<b>Total Owners' Equity</b>		<b>542,229,234</b>	<b>537,710,878</b>
<b>Total Liabilities and Owners' Equity</b>		<b>3,154,927,625</b>	<b>3,037,252,343</b>

THE ACCOMPANYING NOTES FROM (1) TO (46) CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE AUDIT REPORT



## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

BANK OF JORDAN (PUBLIC SHAREHOLDING LIMITED COMPANY) AMMAN – JORDAN	Note	For the Year Ended December 31,	
		2024	2023
		JD	JD
Interest income	28	197,063,601	185,298,959
Less: Interest expense	29	62,417,041	50,710,356
Net Interest Income		134,646,560	134,588,603
Net Commissions income	30	25,708,032	24,656,383
Net Interest and Commissions Income		160,354,592	159,244,986
Foreign currencies income	31	4,900,484	4,152,440
Gain from financial assets at fair value through profit or loss	32	8,851	50,392
Cash dividends from financial assets at fair value through other comprehensive income	9	568,139	761,894
Gain from sale of financial assets – debt instruments		150,552	160,589
Other income	33	4,418,885	3,136,698
<b>Total Income</b>		<b>170,401,503</b>	<b>167,506,999</b>
Employees expenses	34	41,423,839	35,561,371
Depreciation and amortization	12,13	11,444,421	11,227,211
Other expenses	35	41,155,492	37,288,731
Expected credit loss	36	20,483,280	14,725,442
(Recovered from) assets foreclosed by the Bank impairment provision	14	32,282	(40,161)
Sundry provisions	18	835,168	3,384,522
<b>Total Expenses</b>		<b>115,374,482</b>	<b>102,147,116</b>
Profit for the Year Before Income Tax		55,027,021	65,359,883
Less: Income tax	19	19,739,470	20,904,696
Profit for the Year		35,287,551	44,455,187
Attributable to:			
Bank's Shareholders		35,017,177	44,023,403
Non-controlling Interests		270,374	431,784
<b>Profit for the Year</b>		<b>35,287,551</b>	<b>44,455,187</b>
Earnings per share for the year attributable to the Banks' shareholders		Dinar/Fills	Dinar/Fills
	37	0.180	0.220

THE ACCOMPANYING NOTES FROM (1) TO (46) CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE AUDIT REPORT.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

BANK OF JORDAN (PUBLIC SHAREHOLDING LIMITED COMPANY) AMMAN – JORDAN	For the Year Ended December 31,	
	2024	2023
	JD	JD
Profit for the year	35,287,551	44,455,187
Add: Other comprehensive income items after tax which might be reclassified subsequently to the consolidated statement of profit or loss:		
Change in fair value reserve of debt instruments classified as financial assets at fair value through other comprehensive income - net of tax	(2,511,983)	2,713,218
Gain from sale of debt instruments classified as financial assets at fair value through other comprehensive income	(36,638)	(65,395)
Foreign currencies translation differences	(34,664)	3,421,332
	(2,583,285)	6,069,155
Add: Items that will not be reclassified subsequently to consolidated statement of profit or loss:		
(Loss) from sale of equity instruments classified as financial assets at fair value through other comprehensive income – net of tax		
Change in fair value reserve of equity instruments classified as financial assets at fair value through other comprehensive income - net of tax	7,810,489	(19,349,567)
	7,810,489	(19,349,567)
<b>Total Consolidated Comprehensive Income</b>	<b>40,514,755</b>	<b>31,174,775</b>
Total Consolidated Comprehensive Income attributable to:		
Bank's Shareholders	40,263,869	30,842,693
Non-controlling Interests	250,886	332,082
<b>Total Comprehensive income for the year</b>	<b>40,514,755</b>	<b>31,174,775</b>

THE ACCOMPANYING NOTES FROM (1) TO (46) CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE AUDIT REPORT.



## CONSOLIDATED STATEMENT OF CHANGES IN OWNER'S EQUITY

BANK OF JORDAN (PUBLIC SHAREHOLDING LIMITED COMPANY)  AMMAN – JORDAN	Reserves										
	Paid-up Capital	Statutory	Voluntary	General Banking Risks	Special	Foreign Currency Translation Differences	Fair Value Reserve	Retained Earnings	Total Equity Attributable to the Banks' Shareholders Equity	Non-Controlling Interests	Total Owners' Equity
	JD	JD	JD	JD	JD						
<b>For the Year Ended December 31, 2024</b>											
Balance at the beginning of the year	200,000,000	116,928,669	74,876	4,102,021	5,849,743	(9,562,080)	31,794,224	174,847,102	524,034,555	13,676,323	537,710,878
Foreign currency translation differences	-	(4,834)	(5,348)	-	-	141,978	-	(146,972)	(15,176)	(19,488)	(34,664)
Profit for the year	-	-	-	-	-	-	-	35,017,177	35,017,177	270,374	35,287,551
Realized loss from sale of financial instruments classified as financial assets at fair value through other comprehensive income - net of tax	-	-	-	-	-	-	(36,638)	-	(36,638)	-	(36,638)
The change in fair value of debt instruments included in financial assets at fair value through comprehensive income - net of tax	-	-	-	-	-	-	(2,511,983)	-	(2,511,983)	-	(2,511,983)
Change in fair value reserve of equity instrument classified as financial assets at fair value through other comprehensive income - Net of tax	-	-	-	-	-	-	7,810,489	-	7,810,489	-	7,810,489
Total Comprehensive Income	-	(4,834)	(5,348)	-	-	141,978	5,261,868	34,870,205	40,263,869	250,886	40,514,755
Transferred to reserves	-	5,508,202	39,678	-	-	-	-	(5,547,880)	-	-	-
Dividends distributed *	-	-	-	-	-	-	-	(36,000,000)	(36,000,000)	-	(36,000,000)
Increase in the capital of subsidiary companies	-	-	-	-	-	-	-	-	-	3,601	3,601
<b>Balance - End of the Year</b>	<b>200,000,000</b>	<b>122,432,037</b>	<b>109,206</b>	<b>4,102,021</b>	<b>5,849,743</b>	<b>(9,420,102)</b>	<b>37,056,092</b>	<b>168,169,427</b>	<b>528,298,424</b>	<b>13,930,810</b>	<b>542,229,234</b>
<b>For the Year Ended December 31, 2023</b>											
<b>Balance at the beginning of the year</b>	<b>200,000,000</b>	<b>110,452,964</b>	<b>86,363</b>	<b>4,102,021</b>	<b>5,849,743</b>	<b>(13,033,639)</b>	<b>48,495,968</b>	<b>173,238,442</b>	<b>529,191,862</b>	<b>13,151,924</b>	<b>542,343,786</b>
Foreign currency translation differences	-	(65,783)	(65,783)	-	-	3,471,559	-	181,041	3,521,034	(99,702)	3,421,332
Profit for the year	-	-	-	-	-	-	-	44,023,403	44,023,403	431,784	44,455,187
Realized loss from sale of financial instruments classified as financial assets at fair value through other comprehensive income - net of tax	-	-	-	-	-	-	(65,395)	-	(65,395)	-	(65,395)
The change in fair value of debt instruments included in financial assets at fair value through comprehensive income - net of tax	-	-	-	-	-	-	2,713,218	-	2,713,218	-	2,713,218
Change in fair value reserve of equity instrument classified as financial assets at fair value through other comprehensive income - Net of tax	-	-	-	-	-	-	(19,349,567)	-	(19,349,567)	-	(19,349,567)
Total Comprehensive Income	-	(65,783)	(65,783)	-	-	3,471,559	(16,701,744)	44,204,444	30,842,693	332,082	31,174,775
Transferred to reserves	-	6,541,488	54,296	-	-	-	-	(6,595,784)	-	-	-
Dividends distributed *	-	-	-	-	-	-	-	(36,000,000)	(36,000,000)	-	(36,000,000)
Increase in the capital of subsidiary companies	-	-	-	-	-	-	-	-	-	192,317	192,317
<b>Balance - End of the Year</b>	<b>200,000,000</b>	<b>116,928,669</b>	<b>74,876</b>	<b>4,102,021</b>	<b>5,849,743</b>	<b>(9,562,080)</b>	<b>31,794,224</b>	<b>174,847,102</b>	<b>524,034,555</b>	<b>13,676,323</b>	<b>537,710,878</b>

## \* Dividends distribution

According to the decision of the General Assembly in its meeting held on March 21, 2024 it was approved to distribute cash dividends in the amount of JOD 36,000,000 to the Bank's Shareholders which equals to 18 % of the paid-up capital on that date.

According to the decision of the General Assembly in its meeting held on March 23, 2023, it was approved to distribute cash dividends in the amount of JOD 36,000,000 to the Bank's Shareholders which equals to 18 % of the paid-up capital on that date.

## \*\* According to the instructions of the regulatory bodies:

- The general banking risks reserve and special reserve cannot be utilized without a prior approval from the Palestine Monetary Authority.
- Retained earnings include a restricted amount of JOD 26,116,242 against deferred tax benefits as of December 31, 2024, This restricted amount cannot be utilized through capitalization or distribution unless actually realized based on the Central Bank of Jordan's instructions.

- Retained earnings include an amount of JD 227,598 as of December 31, 2024, which are restricted amounts and represents the effect of early adoption of IFRS (9). These restricted amounts cannot be utilized unless realized through actual sale.

- The fair value reserve cannot be utilized through capitalization, distribution, losses write-off or any other commercial acts unless realized through actual sale as instructed by the Central Bank of Jordan and Jordan Securities Commission, retained earnings balance also includes JD 813,437 as of December 31 2023 that cannot be utilized through distribution or any other purposes unless there is a prior approval from the Central Bank of Jordan based on Central Bank of Jordan Circular no .10/1/1359 dated January 25, 2018 and the Central Bank of Jordan Circular No. 13/2018 dated June 6, 2018.

THE ACCOMPANYING NOTES FROM (1) TO (46) CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE AUDIT REPORT.

CONSOLIDATED STATEMENT OF CASH FLOWS

BANK OF JORDAN (PUBLIC SHAREHOLDING LIMITED COMPANY)		For the Year Ended December 31,	
AMMAN - JORDAN	Note	2024	2023
Operating Activities:		JD	JD
Profit before income tax		55,027,021	65,359,883
Adjustments for Non-Cash Items:			
Depreciation and amortization	12,13	11,444,421	11,227,211
Expected credit loss on financial instruments	36	23,483,280	14,725,442
(Gain) from sale of property and equipment	33	(91,950)	(267,206)
Unrealized (Gain) from financial assets at fair value through profit or loss	32	(4,401)	(33,797)
Effect of exchange rate fluctuations	31	(4,617,674)	(3,543,115)
Sundry provisions	18	835,168	3,384,522
(Reversal from) provision for impairment of assets foreclosed by the Bank	14	32,282	(40,161)
Foreign currency exchange differences		272,083	13,015,194
Profit before changes in Assets and Liabilities		83,380,230	103,827,973
Changes in Assets and Liabilities:			
Decrease (Increase) in restricted balances		(8,776,807)	10,076,921
Decrease in deposits at banks and financial institutions (Maturing over three months)		(20,000)	492,000
Decrease in financial assets at fair value through profit or loss		-	15,000,000
(Increase) Decrease in direct credit facilities at amortized cost		(84,485,904)	52,439,469
Decrease (Increase) in other assets		(4,285,391)	(9,294,875)
(Decrease) in banks deposits and other financial institutions (maturing over three months)		260,000	(25,235,000)
Increase (Decrease) in customers' deposits		82,318,963	152,758,941
Increase (Decrease) in cash margins		59,511,804	30,651,472
(Decrease) in borrowed funds		3,479,927	(24,779,077)
Increase in other liabilities		(7,039,949)	3,900,014
Net Change in Assets and Liabilities	19/C	40,962,643	206,009,865
Net Cash Flows from Operating Activities before Income Taxes,End of Service Indemnity and lawsuit Provisions Paid		124,342,873	309,837,838
Paid from end of service indemnity, lawsuits provisions	18	(2,449,258)	(467,094)
Income tax settlements	19	(21,503,870)	(21,300,695)
Net Cash Flows from Operating Activities		100,389,745	288,070,049
Investing Activities:			
(Purchase) of financial assets at amortized cost		(42,932,044)	(6,107,609)
Maturity of financial assets at amortized cost		41,102,200	78,778,446
(Purchase) of financial assets at fair value through other comprehensive income		(14,279,483)	(151,275,621)
Sale of financial assets at fair value through other comprehensive income		7,690,475	9,732,513
Change in financial derivatives		(181,003)	263,740
(Purchase) of property and equipment and advance payments to acquire property and equipment		(8,267,991)	(3,471,664)
Proceeds from sale of property and equipment		170,006	354,795
(Purchase) of intangible assets	13	(2,841,359)	(1,527,714)
Net Cash Flows (Used in) from Investing Activities		(19,539,199)	(73,253,114)
Financing Activities:			
Foreign currencies differences		(34,664)	3,421,332
Minority Rights		3,601	192,317
Dividends distributed to shareholders		(35,842,462)	(35,694,965)
Net Cash Flows (Used in) Financing Activities		(35,873,525)	(32,081,316)
Effect of exchange rate fluctuations on cash and cash equivalents	31	4,617,674	3,543,115
Net increase in cash and cash equivalents		49,594,695	186,278,734
Cash and cash equivalents - beginning of the year	38	816,045,300	629,766,566
Cash and Cash Equivalents - End of the Year	38	865,639,995	816,045,300

THE ACCOMPANYING NOTES FROM (1) TO (46) CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE AUDIT REPORT.

1.General

- Bank of Jordan was established in 1960 as a public shareholding limited company with headquarters in Amman – Jordan. On March 3, 1960, it was registered under number (1983) according to the Companies Law No. 33 for the Year 1962 with an authorized capital of JD 350,000 represented by 70,000 shares at a par value of JD 5 per share. The Bank’s authorized and paid-up capital was increased in several stages, the last of which took place in accordance to the resolution of the general assembly in their extraordinary meeting held on April 9, 2016 where the Bank’s capital was increased from JD 155/1 million to become JD 200 million by capitalizing JD 13,702,858 from the optional reserve and capitalizing JD 31,197,142 from the retained earnings, and for which all the legal procedures related to this decision were completed on April 19, 2016.
- The Bank provides all financial and banking services within its scope of activities. Those services are offered at its (82) branches across Jordan, (19) branches across Palestine, the Bank branch in the Kingdom of Bahrain, the Bank branch in Iraq and its subsidiaries in Jordan and Syria (Bank of Jordan – Syria, Excel for Financial Investments Company and Jordan Leasing Company).
- The consolidated financial statements have been approved by the Board of Directors in its meeting No. (662) held on January 30, 2025 and it is subject to the approval of the Central Bank of Jordan and the General Assembly of the Shareholders.

2.Significant Accounting Policies

Basis of preparation of Consolidated Financial Statement

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

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

- Expected credit losses allowances are calculated in accordance with the Central Bank of Jordan (CBJ) instructions No. (13/2018) “International Financial Reporting Standard No. (9) Implementation” dated June 6, 2018 and in accordance with the regulatory authorities instructions in the countries where the Bank operates whichever is more strict, the main significant differences are as follows:
  - Debt instruments issued or guaranteed by the Jordanian government are excluded, so that credit exposures issued or guaranteed by the Jordanian government are treated with no credit losses.
  - When calculating credit losses against credit exposures, the results of the calculation are compared in accordance with IFRS no. (9) with the instructions of the Central Bank of Jordan no. (4/7/2009) dated December 10,2009 for each stage separately and considering the extreme outcome.
  - The provision for expected credit loss is amended, taking into consideration any special instructions from the Central Bank, (if applicable).
- Interests, and commissions are suspended on non-performing credit facilities in accordance with the instructions of the Central Bank of Jordan and according to the instructions of the controlling regulators whichever is stricter.
- Assets seized by the Bank are shown in the consolidated statement of financial position among other assets at the value when seized by the Bank or at fair value, whichever is lower, and are individually reassessed on the date of the consolidated financial statements. Any impairment loss is recorded in the consolidated statement of profit or loss and consolidated financial statements while any increase in the value is not recorded as revenue. Subsequent increase is taken to the consolidated statement and statement of profit or loss to the extent of not exceeding the previously recorded impairment. In accordance to the instructions of the Central Bank of Jordan no.10/3/16234 dated October 10,2022, no further calculation for a gradual provision is recorded against real estate that is seized by the bank against debts provided keeping the balance of provisions for seized real estate which violate banks instructions, the provisions should be released against seized real estates that have been disposed.
- Additional provisions have been calculated in the consolidated financial statement against the bank’s foreign investments in foreign countries according to the expected credit loss.
- The net outcome of the differences between the Central Bank of Jordan instructions and the International Financial Reporting Standards represented by having the Bank to book additional provisions to comply with these instructions.
- The consolidated financial statements were prepared following the historical cost basis except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial derivatives measured at fair value at the date of the consolidated financial statements. Moreover, hedged financial assets and financial liabilities are stated at fair value.
- The reporting currency of the consolidated financial information is the Jordanian Dinar, which is the functional currency of the Bank.
- Disclosures about the consolidated financial statements of the group have been presented according to the instructions issued and the forms required by the Central Bank of Jordan.
- The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those applied in the year ended December 31, 2021, except for the impact of adopting the new and revised International Financial Reporting Standards, which became effective for the financial period started on or after the 1st of January 2022 as mentioned in Note (3-A). In addition to the improvements that are made on the models for calculating expected credit loss which are shown in the notes to the consolidated financial statements.

Basis of Financial Statements Consolidation

The consolidated financial statements comprise the financial statements of the Bank and its subsidiaries controlled. Control exists when the Bank controls the subsidiaries significant and relevant activities and is exposed, or has rights, to variable returns from its involvement with the subsidiaries.

The consolidated financial statements include the financial statements of the Bank and its subsidiaries that are under its control, and control is achieved when the company has control over the investee company and the company is exposed to variable returns or has rights in exchange for its participation in the investee company and the Bank can use its power over the investee company in a way that affects Its revenue.

- The Bank reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.
- When the Bank has less than the majority of the voting rights of an investee, it considers that it has control over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. In this regard, the Bank considers all relevant facts and circumstances in assessing whether or not the Bank’s voting rights in an investee are sufficient to give it power, including:
  - The size of the Bank’s ownership of voting rights compared to the size and dispersion of ownership relating to other vote holders.
  - Potential voting rights held by the Bank.
  - Rights arising from other contractual arrangements.
  - Any additional facts and circumstances that indicate that the Bank has, or does not have, the current ability to direct the relevant activities at the time decisions need to be made, including voting patterns at previous shareholders’ meetings.
- The subsidiaries’ financial statements are prepared under the same accounting policies adopted by the Bank. If the subsidiaries apply different accounting policies than those used by the Bank, the necessary modifications shall be made to the subsidiaries’ financial statements to comply with the accounting policies used by the Bank.
- The differences between the policies and frameworks of the subsidiary companies that follow the International Financial Reporting Standards were shown without taking into account the amendment of the Central Bank of Jordan which were tracked in the consolidated financial statements.

The Bank owns the following subsidiaries as of December 31, 2024:					
Company’s Name	Paid-up Capital	Ownership Percentage	Nature of Operation	Country of Operation	Ownership Date
	JD	%			
Excel for Financial Investment Company	3.5 Million Jordanian Dinar	100	Brokerage and investment management	Jordan	23 <sup>rd</sup> of March 2006
Bank of Jordan – Syria	15 Billion Syrian Lira	49	Banking	Syria	17 <sup>th</sup> of May 2008
Jordan Leasing Company	20 Million Jordanian Dinar	100	Finance Leasing	Jordan	24 <sup>th</sup> of October 2011

Company’s Name	December 31 2024		For the year 2024	
	Total Assets	Total Liabilities	Total Revenue	Total Expense
	JD	JD	JD	JD
Excel for Financial Investment	6,505,551	247,065	480,343	275,003
Bank of Jordan – Syria	70,325,516	50,815,802	3,192,180	2,662,034
Jordan Leasing Company	28,423,643	4,402,704	1,902,436	640,983
Company’s Name	December 31 2023		For the year 2023	
	Total Assets	Total Liabilities	Total Revenue	Total Expense
	JD	JD	JD	JD
Excel for Financial Investment	7,155,920	1,102,772	463,812	262,689
Bank of Jordan – Syria	68,127,386	49,116,668	2,052,068	1,205,436
Jordan Leasing Company	32,027,055	4,501,138	1,911,994	1,436,943

The results of the subsidiaries’ operations are shown in the consolidated statement of profit or loss effective from their acquisition date, which is the date on which control over the subsidiaries is effectively transferred to the Bank. Furthermore, the results of the disposed-of subsidiaries are consolidated in the consolidated statement of profit or loss up to the date of their disposal, which is the date on which the Bank loses control over the subsidiaries.

Control is achieved when the Bank:

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

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

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

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

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

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary.
- Derecognizes the book value of any non-controlling interests.
- Derecognizes the cumulative translation difference recorded in Equity.
- Derecognizes the fair value of the consideration received by the controlling party.
- Derecognizes the fair value of any investment retained.
- Derecognizes any surplus or deficit in the statement of profit or loss.
- Reclassification of the Bank’s equity previously retained in other comprehensive income to the consolidated statement of profit or loss, or the consolidated statement of changes in equity as appropriate.

The subsidiaries’ financial statements are prepared under the same accounting policies adopted by the Bank. If the subsidiaries apply different accounting policies than those used by the Bank, the necessary modifications shall be made to the subsidiaries’ financial statements to comply with the accounting policies used by the Bank.

The non-controlling interest represent the portion not owned by the Bank to in the equity of the subsidiaries.



Segmental Reporting

- Business segments represent a group of assets and operations that jointly provide products or services subject to risks and returns different from those of other business sectors which are measured in accordance with the reports sent to the operations management and decision makers in the Bank.
- The geographical sector relates to providing products or services in a specific economic environment subject to risk and returns different from those of sectors functioning in other economic environments.

Net Interest Income

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

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

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

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

Net Commission Income

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

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

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

Net Trading Income

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

Net Income from Other Financial Instruments at Fair Value through Profit or Loss

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

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

Dividend Income

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

The distribution of dividends in the consolidated statement of profit or loss depends on the classification and measurement of the investment in shares i.e:

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

Financial Instruments

Initial recognition and measurement:

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

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

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

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

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

Financial Assets

Initial Recognition

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

Subsequent Measurement

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

Specifically:

- Debt instruments held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortized cost;
- Debt instruments held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are SPPI, are subsequently measured at fair value through other comprehensive income;
- All other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at fair value through profit or loss.
- However, the Bank may irrevocably make the following selection /designation at initial recognition of a financial asset on an asset-by-asset basis:
- The Bank may irrevocably select to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, in other comprehensive income; and
- The Bank may irrevocably designate a debt instrument that meets the amortized cost or fair value through other comprehensive income criteria as measured at fair value through profit or loss, if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

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

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

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

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

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

Assessment of Business Models

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Bank determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Bank’s business model does not depend on management’s intentions for an individual instrument; therefore, the business model assessment is evaluated based on collective level and not on an instrument-by-instrument bases.

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

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

The stated policies and objectives of the portfolio and application of those policies whether the management strategy focuses on obtaining contractual revenues, maintaining specific profit rate matching the profit of financial assets with the period of financial liabilities that finance those assets.

- The method of the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity’s key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- The method the business managers are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

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

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

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

Financial Assets at fair Value through Profit or Loss

Financial assets at fair value through profit or loss are:

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

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

Reclassifications

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

Foreign Exchange Gains and Losses

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

- For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in the consolidated statement of profit or loss; and
- For debt instruments measured at fair value through other comprehensive income that are not part of a designated hedging relationship, exchange differences on the amortized cost of the debt instrument are recognized in the consolidated statement of profit or loss. Other exchange differences are recognized in other comprehensive income in the investment’s revaluation reserve.
- For financial assets measured at fair value through profit and loss that are not part of a designated hedge accounting relationship, exchange differences are recognized in the consolidated statement of profit or loss ;
- For equity instruments measured at fair value through other comprehensive income, exchange differences are recognized in consolidated statement of other comprehensive income in the change in fair value reserve.

**Fair Value Option**

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

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

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

**Impairment**

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

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

No impairment loss is recognized on equity investments. With the exception of purchased or originated credit-impaired (POCI) financial assets (which are considered separately below), ECL is required to be measured through a loss allowance at an amount equal to:

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

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECL is measured at an amount equal to the 12-month ECL.

Expected credit losses are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Bank under the contract and the cash flows that the Bank expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset’s effective interest rate.

For unutilized loan limits, the expected credit loss is the difference between the present value of the difference between the contractual cash flows that are due to the Bank if the holder of the commitment draws down the loan and the cash flows that the Bank expects to receive if the loan is utilized; and For financial guarantee contracts, the expected credit loss is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Bank expects to receive from the holder, the client, or any other party.

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

Provisions for expected credit losses are established in accordance with the instructions of CBJ No. (13/2018). Implementation of IFRS9 dated June 6th 2018 in accordance with the instructions of the regulatory authorities in the countries in which the Bank operates, whichever is more severe, the essential differences are as follows:

- Debt instruments issued or guaranteed by the Jordanian Government are excluded so that credit exposures are dealt with by the Jordanian Government and guaranteed without credit losses.
- When calculating the credit losses against credit exposures, a calculation comparison according to IFRS 9 with Central Bank of Jordan instructions No. (2009/47) dated December 10, 2009 for each stage individual, the most restrictive are taken.

**Credit-impaired Financial Assets**

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

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

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

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

**Purchased or Originated Credit-Impaired (POCI) Financial Assets**

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

**Definition of Default**

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

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

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

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

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

**Significant Increase in Credit Risk**

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

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



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

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

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

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

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

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

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

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

**Modification and De-recognition of Financial Assets**

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

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

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

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

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

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

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

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

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

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

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

**Write-off**

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

**Presentation of the Allowance for Expected Credit Loss in the Consolidated Statement of Financial Position**

Loss allowances are presented in the statement of financial position as follows:

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

**Financial Liabilities and Equity**

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

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

**Equity Instruments**

**Paid up Capital**

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

**Treasury Shares**

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

**Compound Instruments**

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

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

**Financial Liabilities**

Financial liabilities are classified as either financial liabilities ‘at fair value through profit or loss or ‘other financial liabilities.

**Financial Liabilities at Fair Value through Profit or Loss**

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

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition, it is part of a portfolio of identified financial instruments that the Bank manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.
- A financial liability, other than a financial liability held for trading, or contingent consideration that may be paid by an acquirer as part of a business combination, may be designated as at fair value through profit or loss upon initial recognition if:
- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

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

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

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

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

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

**Other Financial Liabilities**

Other financial liabilities, including deposits and borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. For details on EIR, see the “net interest income section” above.

**Derecognition of Financial Liabilities**

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

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

**Derivative Financial Instruments**

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

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

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

**Embedded derivatives**

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

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

**Financial Guarantee Contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at fair value through profit or loss and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

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

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

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

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

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

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

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

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

**Financial Derivatives and Hedge Accounting**

**Derivatives for Trading**

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

**Hedge Accounting**

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

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

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

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

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

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

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

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

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

**Fair Value Hedges**

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

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

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

The Bank discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively.



The fair value adjustment to the carrying amount of hedged items for which the EIR method is used (i.e. debt instruments measured at amortized cost or at fair value through other comprehensive income) arising from the hedged risk is amortized to profit or loss commencing no later than the date when hedge accounting is discontinued.

Cash Flow Hedges

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

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

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

Hedges of Net Investments in Foreign Operations

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

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

Offsetting

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

Managed Accounts for the Benefit of Clients

The accounts that are managed by the Bank on behalf of clients and at their own risk, are not considered assets of the Bank, and a provision is prepared against the decrease in the value of the capital – guaranteed portfolios managed in favor of clients for their capital.

Management fees and commission are shown in the consolidated statement of profit or loss.

Fair value

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

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

Level (1) inputs:	inputs derived from quoted (unadjusted) prices of identical assets or liabilities in active markets that an enterprise can obtain on the measurement date;
Level (2) inputs:	inputs derived from data other than quoted prices used at level 1 and observable for assets or liabilities, either directly or indirectly;
Level (3) inputs:	are inputs to assets or liabilities that are not based on observable market prices.

Provisions

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

End-of-Service Indemnity

The basis for the computation of the provision for end of service indemnity is one month for each year of service for employees not covered by social security law regulations.

Compensation to employees is recorded in the provision for end of service indemnity when paid, and the obligation provision incurred by the Bank for the end of service indemnity for employees is recorded in the consolidated statement of profit or loss.

Income Tax

- Tax expense comprises accrued tax and deferred taxes.
- Accrued tax is based on taxable profits, which may differ from accounting profits published in the consolidated financial statements. Accounting profits may include non-taxable profits or tax non- deductible expenses which may be exempted in the current or subsequent financial years, or accumulated losses that are tax acceptable or items not subject to deduction for tax purposes.
- Tax is calculated based on tax rates and laws that are applicable in the country of operation.
- Deferred tax is the tax expected to be paid or recovered due to temporary differences between the tax bases of assets and liabilities in the consolidated financial statements and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates expected to be applied in the period when the asset is realized or the liability is settled, based on the laws enacted or substantially enacted at the date of the consolidated statement of financial position.
- The carrying values of deferred tax assets are reviewed at the date of the consolidated financial statement and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.
- The Bank calculated deferred taxes according to the requirements of IFRS (12).

Assets Seized by the Bank

Assets seized by the Bank are recorded in the consolidated statement of financial position among other assets at seized value or at fair value, whichever is least. At the date of the consolidated financial statements seized assets are revalued individually at fair value; any impairment loss is recorded in the consolidated statement of profit or loss while any increase in the value is not recorded as revenue; any subsequent increase in value is recognized only to the extent of not exceeding the previously recorded impairment losses. In addition, according to the instructions of the Central Bank of Jordan, the Bank started booking gradual provisions against seized assets which violated the requirements of article number (48) of the Banking Law at an annual rate of 5% from its net book value for the previous years and for the current year until October 10, 2022, where, Central Bank of Jordan issued new circular that cancelled the previous requirements, in relation to sized assets additional provisions, however, required maintaining the booked additional provisions and allowed reversing it only upon the disposal of the related asset.

Mortgaged Financial Assets

These financial assets are mortgaged to third parties with the right to (sell or re-mortgage). These financial assets are revalued according to the accounting policies at the date of initial classification.

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 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.

Property and Equipment

Property and equipment are measured at cost less accumulated depreciation and any impairment. Property and equipment (except land) are depreciated when ready for use using the straight-line method over their expected useful life. The depreciation rates used are as follows:

	%
Buildings	2-10
Equipment, furniture and fixtures	9-20
Vehicles	15-20
Computer	15-20
Improvements and Decroations	15-20

- If such indication exists and when the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount, and the impairment is charged to consolidated statement of profit or loss.
- The useful life of property and equipment is reviewed at each year end, and changes in the expected useful life are treated as changes in accounting estimates.
- An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Intangible Assets

- Intangible assets acquired through a business combination are recorded at their fair value on that date. Other intangible assets are measured on initial recognition at cost.
- Intangible assets are classified on the basis of their useful life as definite and indefinite useful lives. Intangible assets with finite lives are amortized over the useful economic life and the amortized amount will be reported in the consolidated statement of profit or loss, while intangible assets with indefinite useful lives are assessed for impairment amount at each consolidated financial statement reporting date and the amortization amount will be reported in the consolidated statement of profit or loss.
- Internally generated intangible assets are not capitalized and are expensed in the consolidated statement of profit or loss in the same period.
- Indications of impairment of intangible assets are reviewed for and their useful economic lives are reassessed at each reporting date of the consolidated financial statements. Adjustments are reflected in the current and subsequent periods.
- Computer’s software and applications are amortized according to the straight-line method over their estimated economic useful lives at an annual amortization rate of 15%-20%.

Foreign Currencies

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

The standalone financial statements of the Bank’s subsidiaries are prepared. Moreover, the standalone financial statements of each entity of the Group are presented in the functional currency in which it operates. Transactions in currencies other than the functional currency of the Bank are recorded at the rates of exchange prevailing at the dates of those transactions. At the consolidated financial

position date, financial assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates at the date when the fair value was determined. Non-monetary items measured at historical cost in a foreign currency are not reclassified.

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

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

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

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

Cash and Cash Equivalents

Cash and cash equivalents represents items that mature within a period of three months, including cash and balances with central banks and balances at banks and financial, less banks and financial institutions deposits that mature within three months and restricted balances.

Leases

The Bank as a lessee

The Bank should be evaluating whether the leasing contract included while starting the contract. The right of use assets and leasing obligations should be recognized by the bank regarding all leasing obligations, except for short-term leasing contracts (12 months or less) and the leasing contracts with low value, in regards to these contracts the bank should recognized to these leases as operating expense using the straight-line method over the life of the lease. The initial direct costs incurred in the discussion and arrangement of the operating contract are added to the carrying amount of the leased assets and recognized in accordance with the straight-line method over the lease term.

Leases are classified as finance leases when the terms of the lease provide for substantially all the risks and rewards of ownership of the lessee. All other leases are classified as operating leases.

Leasing payments included in the rental obligation measurement include:

- Fixed leasing payments (essentially included on fixed payments), minus lease incentives receivable;
- Variable rental payments based on an indicator or rate, initially measured using the index or rate at the start date of the contract;
- The amount expected to be paid by the lessor under the remaining value guarantees;
- The price of buying options, if the lessor is reasonably sure of practicing the options; and
- Pay termination fines, if the leasing contract was reflected the terminating the lease.

Leasing obligations has to be presented as separate item to the consolidated statement of financial position.

Lease obligations are subsequently measured by increasing the book value to reflect interest on rental obligations (using the effective interest method) and by reducing the book value to reflect rental payments.

Lease obligations are premeasured (and a similar adjustment to the relevant right of use assets) whenever:

- The period of lease has been changed or there has been an event or change in circumstances that lead to a change in the evaluation of the practice of purchase, in which case the lease obligations are re-assessed by the way adjusted rental payments are deducted using the adjusted discount rate.
- Rental payments change due to changes in index, rate or change in expected payments under the guaranteed remaining value, in which case the rental obligation is remeasured by deducting adjusted rental payments using a non-variable discount rate (unless rental payments change due to change in the floating interest rate, in which case the adjusted discount rate is used).
- The lease contract is adjusted and the lease adjustment is not accounted for as a separate lease, in which case the lease obligation is remeasured based on the duration of the adjusted lease by deducting adjusted rental payments using the adjusted rate discount rate at the actual rate on the date of the amendment.

The assets of the right of use are consumed over the duration of the lease or the productive life of the asset (which is shorter). If the lease transfers ownership of the underlying asset or the cost of the right of use, which reflects that the bank expects to exercise the purchase option, the value of the relevant right of use is consumed over the productive life of the asset.

Right of use assets has to be presented as separate item to the consolidated statement of financial position.

The Bank applies IAS No. (36) To determine whether the value of the right of use has depreciated and calculates any impairment losses as described in the “Property and Equipment” policy.

Variable rents that do not rely on an indicator or rate are not included in the measurement of rental obligations and right-of-use assets. Related payments are listed as an expense in the period in which the event or condition that leads to these payments occurs and is included in the “Other Expenses” line in the profit or loss consolidated statement.

**The Bank as a lessor**

The Bank enters into lease contracts as a lessor in regard with some investment properties.

Leases in which the bank is leased are classified as financing or operating leases. If the terms of the lease transfer all the risks and benefits of the property to the tenant, the contract is classified as a financing lease and all other leases are classified as operating leases.

When the Bank is an intermediate, it represents the main lease and subcontract as separate contracts. The sub-lease is classified as financing or an operating lease by reference to the origin of the right of use arising from the main lease.

Lease income from operating leases is recognized on a straight-line basis over the relevant lease period. The initial direct costs incurred in the negotiation and arrangement of an operating lease are added to the book value of the leased asset and are recognized on straight-line basis over the lease period.

The amounts that dues by lessors under the leases are recognized as dues by the amount of the company’s net investment in leases. The income of the financing leases is allocated to the accounting periods to reflect a fixed periodic return rate on the bank’s existing net investment in relation to leases.

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

**Cash and Cash Equivalents**

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

**Earning per share**

Earning per share are calculated by dividing the ptofit of loss for the year attributable to the company’s shareholders by the weighted avaergae number of ordinary shares during the year. The diluted earning per share is calculated by adjusting the profit or loss for the year attributable to the Banks’s shareholders and the weighted average number of ordinary shares so as to show the effect on the shares of all ordinary shares tarded during the year and the potential decline in its return.

**3. Summary of Material Accounting Policy Information**

The accounting policies used in the preparation of the condensed consolidated interim financial information for the period ended on September 30, 2024 are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2023. However, the Group has adopted the following amendments and interpretations that apply for the first time in 2024 and have not materially affected the amounts and disclosures in the condensed consolidated interim financial information for the period and prior years, which may have an impact on the accounting treatment of future transactions and arrangements:

**Adoption of new and revised Standards**

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

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2024, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- Amendments to IFRS 16 Leases – Lease Liability in as Sale and Leaseback
- Amendments to IAS 1 Presentation of Financial Statements relating to classification of liabilities as current or non-current.
- Amendments to IAS 1 Presentation of Financial Statements – Non-current Liabilities with Covenants
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements
- IFRS S1 – General Requirements for Disclosure of Sustainability – related financial information\*
- IFRS S2 – Climate Related Disclosures\*

\* Provided that the regulatory authorities in the countries in which the Group operates approve its application, noting that no instructions have been issued regarding it until the date of the condensed interim consolidated financial information.

**b. New IFRS Accounting Standards in issue but not yet effective**

The Group has not applied the new and revised IFRS Accounting Standards that have been issued but are not yet effective, management is in the process of assessing the impact of the new requirements.

New and revised IFRS Accounting Standards	Effective for annual periods beginning on or after
Amendments to the Sustainability Accounting Standards Board “SASB” standards to enhance their international applicability	January 1, 2025
Amendments to IAS 21 – Lack of Exchangeability	January 1, 2025
Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Annual Improvements to IFRS Accounting Standards — Volume 11	January 1, 2026
IFRS – 18 Presentation and Disclosures in Financial Statements	January 1, 2027
IFRS – 19 Subsidiaries without Public Accountability	January 1, 2027

\* The management anticipates adopting these new standards, interpretations, and amendments in the Group’s consolidated financial statements during the initial application period. Furthermore, they expect that adopting these new standards, interpretations, and amendments will not have any significant impact on the Group’s consolidated financial statements during the initial application period.

**4. Significant Accounting Judgments and key Sources of Uncertainty Estimates**

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

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

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



Critical judgements in applying the Bank’s accounting policies

The following are the critical judgements, apart from those involving estimations (which are disclosed below), that the managements have made in the process of applying the Bank’s accounting policies and that have the most significant effect on the amounts recognized in consolidated financial statements:

Business Model Evaluation

The classification and measurement of financial assets depends on the results of the principal and interest payments test results and business model testing. The Bank defines a business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment that reflects all relevant evidence including how the asset’s performance is evaluated and measured, the risks that affect the performance of the assets and how they are managed and how asset managers are compensated. The Bank monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to maturity to understand why they have been derecognized and whether the reasons are consistent with the objective of the business being retained. Monitoring is part of the Group’s ongoing assessment of whether the business model under which the remaining financial assets are held is appropriate and, if not, whether there has been a change in the business model and therefore a future change to the classification of those assets is introduced.

Significant increase in credit risk

The expected credit loss is measured as a provision equal to the expected credit loss for a period of (12) months for the assets of the first stage, or the credit loss over the life of the assets of the second stage or the third stage. The asset moves to stage 2 if the credit risk has increased significantly since initial recognition. IFRS 9 does not specify what constitutes a significant increase in credit risk. In assessing whether the credit risk of any of the assets has increased significantly, the Bank considers quantitative and qualitative information that is reasonable and supportable. The estimates used by the bank’s management related to the significant change in credit risk that lead to a change in rating within the three stages (1, 2 and 3) are detailed in the notes to the consolidated financial statements.

Establish groups of assets with similar credit risk characteristics

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

Re-division of portfolios and movements between portfolios

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

Models and assumptions used

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

a. Classification and measurement of financial assets and liabilities:

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

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

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

b. Fair value measurement:

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

c. Derivative financial instruments:

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

- The expected timing and probability of future cash flows on the instrument where such cash flows are generally subject to the terms of the instrument, although Management’s judgment may be required where the counterparty’s ability to repay the instrument in accordance with contractual terms is in doubt; and
- An appropriate discount rate for the instrument. Management determines the instrument discount rate at a rate higher than the non-risk rate. In assessing the instrument by reference to comparative instruments, Management considers the maturity, structure, and degree of classification of the instrument based on the system in which the existing position is compared. When evaluating tools on a model basis using the fair value of the main components, Management also considers the need to make adjustments for a number of factors, such as bid differences, credit status, portfolio service costs, and uncertainty about the model.

Determining the duration of the lease

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

The main sources of uncertainty estimates

The following are the key estimates made by management in the process of applying the Bank’s accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements:

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

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

Probability of default

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

Loss given default

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

Fair value measurement and valuation procedures

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

Provision for expected credit losses

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

Decline in the value of owned property

The decline in the value of owned property is recorded based on recent real estate appraisals approved by accredited appraisers for the purposes of calculating the decline in the value of the asset, and this decline is reviewed periodically.

Productive lifespan of tangible assets and intangible assets

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

Income tax

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

Litigation provision

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

Assets and liabilities at cost

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

Extension and termination options in leases

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

Discounting of lease payments

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

5. Cash and Balances with Central Banks		December 31,	
This item consists of the following:		2024	2023
		JD	JD
Cash at vaults		112,799,554	86,111,540
Balances at Central Banks:			
- Current accounts and demand deposits		158,446,303	205,101,939
- Term and notice deposits		312,862,131	312,817,999
- Certificates of deposit		73,358,855	158,289,763
- Cash reserve required		114,772,162	106,410,620
Balances at Central Banks		659,439,451	782,620,321
Less: Expected credit loss		(654,233)	(293,302)
Balances at Central Banks - Net		658,785,218	782,327,019
Total		771,584,772	868,438,559

The balances were distributed according to the credit stages as follows:	Item	As of December 31, 2024				As of December 31, 2023	
		Stage Two		Stage Three		Total	
		JD	JD	JD	JD	JD	JD
Balance at the beginning of the year		-	-	-	-	782,620,321	593,267,402
New balances during the year		-	-	-	-	-	214,708,917
Settled balances		(117,674,772)	-	-	(117,674,772)	-	-
		664,945,549	-	-	664,945,549	807,976,319	
		-	-	-	-	-	
Transferred to stage one		(66,576,939)	66,576,939	-	-	-	-
Transferred to stage two		-	-	-	-	-	-
Transferred to stage three		-	(2,438,040)	-	(2,438,040)	-	-
Changes due to the adjustments		-	-	-	-	-	6,330,863
Adjustments due to exchange rates fluctuations		-	-	-	(3,068,058)	(3,068,058)	(31,686,861)
Balance at the End of the Year		64,138,899	64,138,899	-	-	659,439,451	782,620,321

Distribution of the total balances with central banks according to the Banks internal credit rating categories was as follows:										As of December 31, 2024				As of December 31, 2023			
Item	Stage One				Stage Two				Stage Three		Total		Total				
	Individual Level		Collective Level		Individual Level		Collective Level		Stage Three		Total		Total				
Credit risk rating based on the Bank's internal credit rating system:										JD		JD		JD		JD	
1	510,501,741				-		-		-		510,501,741		611,039,837				
2	-				-		-		-		-		-				
3	-				-		-		-		-		-				
4	-				-		-		-		-		-				
5	81,757,565				-		-		-		81,757,565		-				
6	3,041,246				-		64,138,899		-		67,180,145		171,580,484				
7	-				-		-		-		-		-				
8	-				-		-		-		-		-				
9	-				-		-		-		-		-				
10	-				-		-		-		-		-				
Total	595,300,552				-		64,138,899		-		659,439,451		782,620,321				

The expected credit loss allowance movement summary was as follows:				As of December 31, 2024				As of December 31, 2023	
Item	Stage One		Stage Two		Stage Three		Total		Total
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	JD	JD	
Balance at the beginning of the year	293,302	-	-	-	-	-	293,302	206,907	
Expected credit loss on new balances during the year	-	-	-	-	-	-	-	102,213	
Expected credit loss reversal on Paid balances	(157,558)	-	-	-	-	-	(157,558)	(2,147)	
Transferred to stage one	135,744	-	-	-	-	-	135,744	306,973	
Transferred to stage two	(54,031)	-	54,031	-	-	-	-	-	
Transferred to stage three	-	-	-	-	-	-	-	-	
The effect of changes in classification between the three stages during the period	-	-	519,365	-	-	-	519,365	-	
Changes due to the adjustments	-	-	-	-	-	-	-	(17,389)	
Adjustments due to exchange rates fluctuations	(876)	-	-	-	-	-	(876)	3,718	
Balance at the End of the Year	80,837	-	573,396	-	-	-	654,233	293,302	

- Statutory cash reserve, amounted to JD 114,772,162 as of December 31, 2024 (JD 106,410,620 as of December 31, 2023).
- Restricted balances other than cash reserve amounted to JD 2,227,131 as of December 31, 2024 (JD 2,182,999 as of December 31, 2023).
- Term and notice Deposit balance includes JD 10,635,000 as December 31, 2024 (JD 10,635,000 maturing within a period exceeding three months as of December 31, 2023).
- Expected credit losses allowance was not calculated in accordance with the requirements of the International Financial Reporting Standard (9) on the Central Bank of Jordan balances as at December 31, 2024 and 2023 that is in accordance with the Central Bank of Jordan Instructions No.13/2018 dated June 6, 2018, regarding the application of International Financial Reporting Standard No. (9).



6. Balances at Banks and Financial Institutions - Net									
This item consists of the following:	Local Banks and Financial Institutions				Foreign Banks and Financial Institutions				Total
	As of December 31,								
	2024	2023	2024	2023	2024	2023	2024	2023	
	JD	JD	JD	JD	JD	JD	JD	JD	
Current accounts and demand deposits	-	-	35,231,380	60,189,408	35,231,380	60,189,408	35,231,380	60,189,408	
Deposits maturing within 3 months or less	128,270,000	54,725,000	104,706,072	27,707,000	232,976,072	82,432,000			
Total balances at bank and financial institutions	128,270,000	54,725,000	139,937,452	87,896,408	268,207,452	142,621,408			
Less: Expected credit loss	(2,870)	(127)	(99,546)	(70,070)	(102,416)	(70,197)			
Total	128,267,130	54,724,873	139,837,906	87,826,338	268,105,036	142,551,211			

Distribution of the total balances with banks and financial institutions according to the banks internal credit rating categories was as follows:									
Item	As of December 31, 2024								As of December 31, 2023
	Stage One		Stage Two		Stage Three		Total		Total
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	JD	JD	JD
Credit risk rating based on the Bank's internal credit rating system:									
1	-	-	-	-	-	-	-	-	-
2	14,167,828	-	-	-	-	-	14,167,828	51,821,177	
3	35,726,886	-	-	-	-	-	35,726,886	50,492,698	
4	23,344,966	-	-	-	-	-	23,344,966	31,354,839	
5	76,498,749	-	-	-	-	-	76,498,749	271,376	
6	118,371,045	-	-	-	-	-	118,371,045	8,582,036	
7	-	-	-	-	-	-	-	-	
8	-	-	-	-	97,379	97,379	97,379	-	
9	-	-	-	-	-	-	-	-	
10	-	-	-	-	599	599	599	99,282	
Total	268,109,474	-	-	-	97,978	268,207,452	268,207,452	142,621,408	

Balances at Banks' and financial institutions credit stages distribution was as follows:									
As of December 31, 2024									
Item	Stage One		Stage Two		Stage Three		Total		As of December 31, 2023
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	142,522,126	-	-	-	99,282	-	142,621,408	-	150,844,506
Impairment loss for new balances during the year	138,577,220	-	-	-	15	-	138,577,235	-	73,775,297
Settled Balances	(27,558,831)	-	-	-	(1,274)	-	(27,560,105)	-	(66,857,552)
	253,540,515	-	-	-	98,023	-	253,638,538	-	157,762,251
Transferred to Stage One	-	-	-	-	-	-	-	-	-
Transferred to Stage Two	-	-	-	-	-	-	-	-	-
Transferred to Stage Three	-	-	-	-	-	-	-	-	-
Impact on allowance - at year end due to adjustments among stages during the year	-	-	-	-	-	-	-	-	-
Changes due to adjustments	15,196,449	-	-	-	-	-	15,196,449	-	(8,806,460)
Adjustment due to exchange rates fluctuations	(627,490)	-	-	-	(45)	-	(627,535)	-	(6,334,383)
<b>Balance at the End of the Year</b>	<b>268,109,474</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>97,978</b>	<b>-</b>	<b>268,207,452</b>	<b>-</b>	<b>142,621,408</b>

The movement on the provision for expected credit loss is as follows :									
As of December 31, 2024									
Item	Stage One		Stage Two		Stage Three		Total		As of December 31, 2023
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	7,817	-	-	-	62,380	-	70,197	-	105,772
Credit loss on new balances during the year	4,315	-	-	-	21,034	-	25,349	-	5,705
Expected credit loss reversal- Paid balances	(167)	-	-	-	-	-	(167)	-	(36,456)
	11,965	-	-	-	83,414	-	95,379	-	75,021
Transferred to Stage One	-	-	-	-	-	-	-	-	-
Transferred to Stage Two	-	-	-	-	-	-	-	-	-
Transferred to Stage Three	-	-	-	-	-	-	-	-	-
Impact on allowance - at year end due to adjustments among stages during the year	-	-	-	-	-	-	-	-	-
Changes due to adjustments	6,133	-	-	-	-	-	6,133	-	(65)
Adjustment due to exchange rates fluctuations	949	-	-	-	(45)	-	904	-	(4,759)
<b>Balance at the End of the Year</b>	<b>19,047</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83,369</b>	<b>-</b>	<b>102,416</b>	<b>-</b>	<b>70,197</b>

- Non-interest bearing balances at banks and financial institutions amounted to JD 23,004,463 as of December 31, 2024 (JD 34,583,213 as of December 31, 2023).  
- Restricted balances at banks and financial institutions amounted to JD 5,096,065 as of December 31, 2024 (JD 4,724,932 as of December 31, 2023).

7. Deposits with Banks and Financial Institutions - Net									
This item consists of the following:	Local Banks and Financial Institutions			Foreign Banks and Financial Institutions			Total		
	2024		2023	2024		2023	2024		2023
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Deposits maturing within 3 to 6 months	-	-	-	312,000	280,000	280,000	312,000	312,000	280,000
Deposits maturing within 6 to 9 months	-	-	-	104,000	112,000	112,000	104,000	104,000	112,000
Deposits maturing within 9 months to a year	-	-	-	52,000	56,000	56,000	52,000	52,000	56,000
Deposits maturing after 1 year	-	-	-	-	-	-	-	-	-
Total deposits with banks and financial institutions	-	-	-	468,000	448,000	448,000	468,000	468,000	448,000
Less: Expected credit loss	-	-	-	(54)	(51)	(51)	(54)	(54)	(51)
Total	-	-	-	467,946	447,949	447,949	467,946	467,946	447,949

Distribution of the total deposits with banks and financial institutions according to the banks internal credit rating categories was as follows:							
As of December 31, 2024							
Item	Stage One		Stage Two		Stage Three		Total
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	
Credit rating categories based on the Bank's rating system:							
1	-	-	-	-	-	-	-
2	468,000	-	-	-	-	468,000	448,000
3	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-
Total	468,000	-	-	-	-	468,000	448,000



- Deposits with banks and financial institutions credit stages distribution was as follows:							
Item	As of December 31, 2024						As of December 31, 2023
	Stage One		Stage Two		Stage Three		Total
	Individual Level	Collective Level	Individual Level	Collective Level		Total	
Balance at the beginning of the year	448,000	-	-	-	-	448,000	940,000
New balances during the year	104,000	-	-	-	-	104,000	336,000
Settled Balances	(52,000)	-	-	-	-	(52,000)	(112,000)
	500,000	-	-	-	-	500,000	1,164,000
Transferred to Stage One	-	-	-	-	-	-	-
Transferred to Stage Two	-	-	-	-	-	-	-
Transferred to Stage Three	-	-	-	-	-	-	-
Changes due to adjustments	-	-	-	-	-	-	-
Written off- balances	-	-	-	-	-	-	-
Adjustment due to exchange rates fluctuations	(32,000)	-	-	-	-	(32,000)	(716,000)
<b>Balance at the End of the Year</b>	<b>468,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>468,000</b>	<b>448,000</b>

The movement on the expected credit loss provision was as follows:							
Item	As of December 31, 2024						As of December 31, 2023
	Stage One		Stage Two		Stage Three		Total
	Individual Level	Collective Level	Individual Level	Collective Level		Total	
Balance at the beginning of the year	51	-	-	-	-	51	53
Credit loss on new balances during the year	11	-	-	-	-	11	41
Expected credit loss reversal- Paid balances	(4)	-	-	-	-	(4)	(3)
	58	-	-	-	-	58	91
Transferred to Stage One	-	-	-	-	-	-	-
Transferred to Stage Two	-	-	-	-	-	-	-
Transferred to Stage Three	-	-	-	-	-	-	-
Changes due to adjustments	-	-	-	-	-	-	-
Adjustment due to exchange rates fluctuations	(4)	-	-	-	-	(4)	(40)
<b>Balance at the End of the Year</b>	<b>54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54</b>	<b>51</b>

There are no restricted deposits for banks and financial institutions as of December 31, 2024 and 2023.

8. Financial Assets at Fair Value through Profit or Loss		As of December 31,	
This item consists of the following:		2024	2023
		JD	JD
Quoted shares in local active markets		145,550	132,986
Unquoted shares in local active markets *		209,648	217,811
		355,198	350,797

\* The fair value for unlisted investments had been calculated in accordance with the Bank’s share of the net assets of these Investments based on the latest audited financial statements for the Company in which the Bank invested.

9. Financial Assets at Fair Value through Other Comprehensive Income		As of December 31,	
This item consists of the following:		2024	2023
		JD	JD
Quoted shares in local active markets		4,781,747	5,154,157
Unquoted shares in local active markets*		2,246,774	1,634,279
Quoted shares in foreign active markets		6,799,654	8,094,956
Unquoted shares in foreign active markets*		90,122,007	79,873,069
Total of equity instruments		103,950,182	94,756,461
Government bonds		146,606,532	144,192,002
Total of debt instruments		146,606,532	144,192,002
Total		250,556,714	238,948,463

- Total cash dividends from financial assets at fair value through other comprehensive income amounted to JD 568,139 for the year ended December 31, 2024 (JD 761,894 for the year ended December 31, 2023).

- \* The fair value calculations related to the unlisted investments was based on the following methods:
- The bank’s share from the net assets value for the Company in which the Bank invested based on the latest Company’s audited financial statements.
  - The market multiples and discounted cash flows methods which is considered one of level three methods according to the requirements of International Financial Reporting Standard No. (13).
  - The observable market inputs.

Total Distribution of Debt Instruments within Financial Assets at Fair Value through Comprehensive Income by Internal Credit Rating Categories for the Bank:						
Item		As of December 31, 2024			As of December 31, 2023	
		Stage 1 Individual Level	Stage 2 Individual Level	Stage 3	Total	Total
		JD	JD	JD	JD	JD
Credit Rating Categories based on Internal Bank System:						
1		146,606,532	-	-	146,606,532	144,192,002
2		-	-	-	-	-
3		-	-	-	-	-
4		-	-	-	-	-
5		-	-	-	-	-
6		-	-	-	-	-
7		-	-	-	-	-
8		-	-	-	-	-
9		-	-	-	-	-
10		-	-	-	-	-
Total		146,606,532	-	-	146,606,532	144,192,002

Movement on Debt Instruments within Financial Assets at Fair Value through Comprehensive Income during the Year:						
		As of December 31, 2024			As of December 31, 2023	
Item		Stage 1	Stage 2	Stage 3	Total	Total
		Individual Level	Individual Level			
		JD	JD	JD	JD	JD
Fair Value at the Beginning of the Year		144,192,002	-	-	144,192,002	-
New Investments during the Year		12,017,042	-	-	12,017,042	144,192,002
Investments Due during the Year		(9,602,512)	-	-	(9,602,512)	-
		146,606,532	-	-	146,606,532	144,192,002
Transferred to Stage 1		-	-	-	-	-
Transferred to Stage 2		-	-	-	-	-
Transferred to Stage 3		-	-	-	-	-
Changes Resulting from Adjustments		-	-	-	-	-
Total Balance at the End of the Year		146,606,532	-	-	146,606,532	144,192,002

Credit Loss Allowance Calculation for Debt Instruments within Financial Assets at Fair Value through Comprehensive Income:								
		As of December 31, 2024			As of December 31, 2023			
Item		Stage 1 Individual Level		Stage 2 Individual Level	Stage 3		Total	
		JD		JD	JD	JD	JD	JD
Total		-		-	-	-	-	-
Beginning of the Year		-		-	-	-	-	-
Impairment Loss on New Investments		-		-	-	-	-	-
Recovered from Impairment Loss on Due Investments		-		-	-	-	-	-
Transferred to Stage 1		-		-	-	-	-	-
Transferred to Stage 2		-		-	-	-	-	-
Transferred to Stage 3		-		-	-	-	-	-
Changes Resulting from Adjustments		-		-	-	-	-	-
Adjustments due to Exchange Rate Changes		-		-	-	-	-	-
Total Balance at the End of the Year		-		-	-	-	-	-
The Credit Loss Allowance above is not included in the Unified Financial Statements because the book value of investments in bonds at fair value through comprehensive income represents their fair value.								



10. Direct Credit Facilities at amortized cost		December 31,	
This item consists of the following:		2024	2023
		JD	JD
Individual (Retail Customers):		548,806,740	543,613,039
Overdraft accounts		25,359,314	18,950,368
Loans and bills*		481,642,523	490,143,712
Credit cards		41,804,903	34,518,959
Real estate loans		229,784,378	234,448,839
Corporate:		685,796,875	593,656,680
Large corporate		456,521,740	360,784,681
Overdraft accounts		50,516,340	45,169,563
Loans and bills*		406,005,400	315,615,118
SMEs		229,275,135	232,871,999
Overdraft accounts		41,213,639	42,608,864
Loans and bills*		188,061,496	190,263,135
Government and public sector		222,633,454	229,445,084
Total		1,687,021,447	1,601,163,642
Less: expected credit loss provision		(170,038,654)	(152,244,689)
Less: Interest in suspense		(18,208,582)	(16,047,875)
Net Direct Credit Facilities at amortized cost		1,498,774,211	1,432,871,078

\* Net of interest and commission received in advance amounting to JD 18,139,627 as of December 31, 2024 (JD 13,988,254 as of December 31, 2023).

- Stage 3 credit facilities amounted to JD 163,422,800 representing 9.7% of the direct credit facilities balance as of December 31, 2024 (JD 150,296,318 representing 9.4% as of December 31, 2023).

- Stage 3 credit facilities after deducting the suspended interest amounted to JD 145,256,793 representing 8.7% of direct credit facilities after deducting the suspended interest as of December 31, 2024 (JD 134,248,443 representing 8.5% as of December 31, 2023).

- Credit facilities granted to and guaranteed by the Jordanian Government amounted to JD 349,968 representing 0.02% of total direct credit facilities as of December 31, 2024 (JD 957,567 representing 0.06% as of December 31, 2023). Moreover, credit facilities granted to the public sector in Palestine amounted to JD 69,554,742 as of December 31, 2024 (JD 52,687,587 as of December 31, 2023) in addition to credit facilities granted to foreign governments amounted to 0 as of December 31, 2024 (JD 27,556,405 as of December 31, 2023).

Total direct credit facilities credit stages distribution was as follows:		As of December 31, 2024						
Item		Stage One		Stage Two		Stage Three		Total
		Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	
		JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year		713,742,596	635,712,518	41,843,994	59,568,216	150,296,318		1,601,163,642
New facilities during the year		144,644,941	94,627,148	4,467,645	5,367,124	6,105,071		255,211,929
Facilities settled		(76,753,975)	(71,699,841)	(13,570,078)	(2,702,446)	(11,315,268)		(176,041,608)
		781,633,562	658,639,825	32,741,561	62,232,894	145,086,121		1,680,333,963
Transferred to Stage One		5,176,596	18,904,772	(5,130,260)	(18,250,129)	(700,979)		-
Transferred to Stage Two		(114,482,483)	(120,770,770)	116,691,924	121,433,370	(2,872,041)		-
Transferred to Stage Three		(5,602,023)	(5,825,967)	(3,758,375)	(8,279,336)	23,465,701		-
Effect as a result of classification changes between the three stages during the year		1,241,096	(1,265,030)	22,924,630	(2,299,238)	(374,120)		20,227,338
Changes due to adjustments		18,314,850	(25,784,381)	(3,734,532)	(691,380)	(306,033)		(12,201,476)
Written-off Balances and transferred off the consolidated statements of financial position		-	-	-	-	(1,053,553)		(1,053,553)
Adjustment due to exchange rates fluctuations		(452,014)	(7,311)	(3,088)	(116)	177,704		(284,825)
Balance at the End of the Year		685,829,584	523,891,138	159,731,860	154,146,065	163,422,800		1,687,021,447

- The movement the total expected credit loss allowance on a collective basis was as follows:						
Item	Stage One			Stage Two		
	As of December 31, 2024		Total	As of December 31, 2024		Total
	Individual Level	Collective Level		Individual Level	Collective Level	
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	16,859,326	5,401,063	8,443,104	4,663,379	116,877,817	152,244,689
Credit loss on new balances during the year	419,013	718,896	145,901	7,788,358	9,887,720	18,959,888
Expected credit loss reversal of matured facilities	(4,128,191)	(346,424)	(6,794,192)	(3,392,214)	(7,319,631)	(21,980,652)
	13,150,148	5,773,535	1,794,813	9,059,523	119,445,906	149,223,925
Transferred to Stage One	208,861	644,940	(163,771)	(198,754)	(491,276)	-
Transferred to Stage Two	(1,033,670)	(3,965,457)	2,263,415	4,362,288	(1,626,576)	-
Transferred to Stage Three	(14,760)	(39,328)	(797,521)	(179,625)	1,031,234	-
Effect as a result of classification changes between the three stages during the year	(196,562)	(599,064)	1,018,522	7,903,243	11,306,604	19,432,743
Changes due to the adjustments	(503,088)	89,452	2,067,248	360,990	(88,771)	1,925,831
Written-off Balances and transferred off the consolidated statements of financial position	-	-	-	-	(503,981)	(503,981)
Adjustment due to exchange rates fluctuations	(851)	(98)	(31)	(64)	(38,820)	(39,864)
Balance at the End of the Year	11,610,078	1,903,980	6,182,675	21,307,601	129,034,320	170,038,654

Total direct credit facilities credit stages distribution was as follows:						
Item	Stage One			Stage Two		
	As of December 31, 2023		Total	As of December 31, 2023		Total
	Individual Level	Collective Level		Individual Level	Collective Level	
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	693,455,209	759,905,629	55,478,241	31,829,258	149,280,799	1,689,949,136
New facilities during the year	176,311,940	68,590,552	1,365,291	3,914,991	4,896,995	255,079,769
Facilities settled	(97,550,892)	(100,468,242)	(10,477,098)	(3,286,017)	(9,072,112)	(220,854,361)
	772,216,257	728,027,939	46,366,434	32,458,232	145,105,682	1,724,174,544
Transferred to Stage One	8,746,910	22,809,515	(8,746,910)	(21,771,861)	(1,037,654)	-
Transferred to Stage Two	(38,698,913)	(51,746,066)	39,022,649	52,810,619	(1,388,289)	-
Transferred to Stage Three	(267,487)	(9,550,061)	(24,982,228)	(2,181,616)	36,981,392	-
Effect as a result of classification changes between the three stages during the year	(1,154,099)	(1,661,849)	(8,153,364)	(1,581,835)	(2,197,885)	(14,749,032)
Changes due to adjustments	(15,639,612)	(51,870,917)	(1,314,493)	(164,303)	202,632	(68,786,693)
Written-off Balances and transferred off the consolidated statements of financial position	-	-	-	-	(26,290,892)	(26,290,892)
Adjustment due to exchange rates fluctuations	(11,460,460)	(296,043)	(348,094)	(1,020)	(1,078,668)	(13,184,285)
Balance at the End of the Year	713,742,596	635,712,518	41,843,994	59,568,216	150,296,318	1,601,163,642

- The movement the total expected credit loss allowance on a collective basis was as follows:									
Item	Stage One			Stage Two			Total		
	Individual Level		Collective Level	Individual Level		Collective Level	Stage Three		Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	3,205,580	3,647,762		25,970,008	4,512,884		125,066,641		162,402,875
Credit loss on new balances during the year	14,417,182	479,754		66,217	96,062		5,688,484		20,747,699
Expected credit loss reversal of matured facilities	(261,400)	(350,954)		(14,760,485)	(100,590)		(9,578,956)		(25,052,385)
	17,361,362	3,776,562		11,275,740	4,508,356		121,176,169		158,098,189
Transferred to Stage One	57,899	1,410,932		(57,899)	(910,970)		(499,962)		-
Transferred to Stage Two	(261,313)	(225,249)		517,538	994,138		(1,025,114)		-
Transferred to Stage Three	(1,629)	(32,705)		(3,567,066)	(62,603)		3,664,003		-
Effect as a result of classification changes between the three stages during the year	(35,099)	(740,809)		213,951	98,890		18,263,510		17,800,443
Changes due to the adjustments	(241,104)	1,215,576		65,334	36,282		(374,927)		701,161
Written-off Balances and transferred off the consolidated statements of financial position	-	-		-	-		(23,827,346)		(23,827,346)
Adjustment due to exchange rates fluctuations	(20,790)	(3,244)		(4,494)	(714)		(498,516)		(527,758)
Balance at the End of the Year	16,859,326	5,401,063		8,443,104	4,663,379		116,877,817		152,244,689

Expected credit loss allowance against credit facilities									
The following is the movement on the expected credit loss allowance againsts direct credit facilities:	As of December 31, 2024								
	Individual (Retail Customers)		Real Estate Loans		Corporates		Government and Public sector		Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance – Beginning of the year	57,755,481	9,125,152	45,878,846	38,337,910	1,147,300				152,244,689
Impairment loss of new facilities during the year	12,418,819	2,374,186	2,058,139	2,108,744	-				18,959,888
Reversed from impairment loss on settled balances	(5,549,323)	(1,112,486)	(4,987,960)	(10,060,208)	(270,675)				(21,980,652)
	64,624,977	10,386,852	42,949,025	30,386,446	876,625				149,223,925
Effect as a result of classification changes between the three stages during the year	14,332,202	1,008,670	329,205	2,760,187	1,002,479				19,432,743
Changes due to the adjustments	382,944	47,203	1,183,348	312,336	-				1,925,831
Written-off or transferred to off balance sheet items	(95,385)	-	(232,237)	(176,359)	-				(503,981)
Adjustment due to exchange rates fluctuations	(6,051)	(139)	(29,598)	(4,076)	-				(39,864)
Balance at the End of the Year	79,238,687	11,442,586	44,199,743	33,278,534	1,879,104				170,038,654
Distributed as follow:									
Allowance on individual level	934,252	1,683,521	44,130,972	32,979,397	1,879,104				81,607,246
Allowance on collective level	78,304,435	9,759,065	68,771	299,137	-				88,431,408
Balance at the End of the Year	79,238,687	11,442,586	44,199,743	33,278,534	1,879,104				170,038,654



As of December 31, 2023							
	Corporates						
	Individual (Retail Customers)		Real Estate Loans	Large Corporate	SMEs	Government and Public sector	Total
	JD	JD	JD	JD	JD	JD	JD
Balance – Beginning of the year	49,927,693	7,363,213	62,624,478	42,288,771	198,720	162,402,875	
Impairment loss of new facilities during the year	3,498,323	854,093	14,228,831	1,349,355	817,097	20,747,699	
Reversed from impairment loss on settled balances	(1,967,561)	(1,271,438)	(19,271,402)	(2,537,176)	(4,808)	(25,052,385)	
	51,458,455	6,945,868	57,581,907	41,100,950	1,011,009	158,098,189	
Effect as a result of classification changes between the three stages during the year	5,356,528	2,167,534	7,348,090	2,801,015	127,276	17,800,443	
Changes due to the adjustments	1,182,487	17,807	(502,114)	(6,034)	9,015	701,161	
Written-off or transferred to off balance sheet items	(202,051)	-	(18,142,774)	(5,482,521)	-	(23,827,346)	
Adjustment due to exchange rates fluctuations	(39,938)	(6,057)	(406,263)	(75,500)	-	(527,758)	
Balance at the End of the Year	57,755,481	9,125,152	45,878,846	38,337,910	1,147,300	152,244,689	
Distributed as follow:							
Allowance on individual level	899,483	2,056,225	45,804,185	37,924,101	1,147,300	87,831,294	
Allowance on collective level	56,855,998	7,068,927	74,661	413,809	-	64,413,395	
Balance at the End of the Year	57,755,481	9,125,152	45,878,846	38,337,910	1,147,300	152,244,689	

The following are the details for each business segment :									
A. Individual Portfolio (Retail)	As of December 31, 2024								
	Stage One			Stage Two		Stage Three		Total	
Item	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	JD	JD	JD
Credit risk rating based on the Bank's internal credit rating system:									
1	-	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-	-
4	120,609	-	-	-	-	-	120,609	261,373	
5	2,172,628	-	-	-	-	-	2,172,628	2,293,460	
6	40,999	-	-	32,391	-	-	73,390	299,247	
7	-	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	1,664,317	1,664,317	1,482,578
Unclassified	-	360,542,907	-	-	122,368,991	61,863,898	544,775,796	539,276,381	
Total	2,334,236	360,542,907	32,391	122,368,991	63,528,215	548,806,740	543,613,039		

Related Facilities Movement Disclosure:									
Item	As of December 31, 2024						As of December 31, 2023		
	Stage One		Stage Two		Stage Three		Total		Total
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	JD	JD	JD
Balance at the beginning of the year	2,746,345	450,228,021	107,735	36,073,944	54,456,994	54,456,994	543,613,039	594,825,426	
New facilities during the year	194,297	76,937,765	-	4,949,793	1,854,684	1,854,684	83,936,539	64,992,930	
Facilities setteled	(140,610)	(51,670,830)	(45,817)	(2,105,976)	(2,158,561)	(2,158,561)	(56,121,794)	(73,259,789)	
	2,800,032	475,494,956	61,918	38,917,761	54,153,117	54,153,117	571,427,784	586,558,567	
Transferred to Stage One	-	9,505,730	-	(8,965,622)	(540,108)	(540,108)	-	-	
Transferred to Stage Two	-	(100,567,616)	-	101,095,423	(527,807)	(527,807)	-	-	
Transferred to Stage Three	-	(4,241,852)	(9,626)	(6,044,913)	10,296,391	10,296,391	-	-	
The as a result of a change in classification between the three stages during the year	-	(833,661)	-	(1,951,203)	344,399	344,399	(2,440,465)	(2,959,860)	
Changes due to the adjustments	(465,796)	(18,811,060)	(19,901)	(682,340)	601	(19,978,496)	(39,591,376)		
Written-off or transferred to off balance sheet items	-	-	-	-	(197,548)	(197,548)	(253,197)		
Adjustments due to changes in exchange rates	-	(3,590)	-	(115)	(830)	(4,535)	(141,095)		
Total Balance at the End of the Year	2,334,236	360,542,907	32,391	122,368,991	63,528,215	548,806,740	543,613,039		

Expected credit loss allowance movement:									
Item	As of December 31, 2024						As of December 31, 2023		
	Stage One		Stage Two		Stage Three		Total		Total
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	JD	JD	JD
Balance at the beginning of the year	2,593	5,094,433	882	4,438,748	48,218,825	48,218,825	57,755,481	49,927,693	
Impairment Loss of new balances during the year	313	699,266	-	7,748,956	3,970,284	3,970,284	12,418,819	3,498,323	
Recoveries from impairment loss on facilities due	(384)	(209,728)	-	(3,389,115)	(1,950,096)	(1,950,096)	(5,549,323)	(1,967,561)	
	2,522	5,583,971	882	8,798,589	50,239,013	50,239,013	64,624,977	51,458,455	
Transferred to Stage One	-	551,216	-	(120,117)	(431,099)	(431,099)	-	-	
Transferred to Stage Two	-	(3,904,355)	-	4,285,869	(381,514)	(381,514)	-	-	
Transferred to Stage Three	-	(33,931)	(36)	(140,362)	174,329	174,329	-	-	
The as a result of a change in classification between the three stages during the year	-	(513,319)	-	7,645,322	7,200,199	14,332,202	5,356,528		
Changes due to the adjustments	(1,489)	68,396	(467)	316,504	-	382,944	1,182,487		
Written-off or transferred to off balance sheet items	-	-	-	-	(95,385)	(95,385)	(202,051)		
Adjustments due to changes in exchange rates	(1)	(59)	-	(64)	(5,927)	(6,051)	(39,938)		
Total Balance at the End of the Year	1,032	1,751,919	379	20,785,741	56,699,616	79,238,687	57,755,481		

As of December 31, 2024												As of December 31, 2023	
B. Real Estate Loan Portfolio													
Item	Stage One			Stage Two			Stage Three			Total			
	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	JD	JD		
Credit risk rating categories based on the Bank's internal credit rating system:													
1	-	-	-	-	-	-	-	-	-	-	-		
2	10,722	-	-	-	-	-	-	-	-	10,722	-		
3	19,628	-	-	-	-	-	-	-	-	19,628	667,110		
4	2,665,741	-	-	-	-	-	-	-	-	2,665,741	2,711,155		
5	5,654,019	-	-	993,542	-	-	-	-	-	6,647,561	6,305,751		
6	5,770,976	-	-	813,153	-	-	-	-	-	6,584,129	2,943,485		
7	-	-	-	75,564	-	-	-	-	-	75,564	105,695		
8	-	-	-	-	-	-	2,699,197	-	-	2,699,197	2,692,149		
9	-	-	-	-	-	-	-	-	-	-	-		
10	-	-	-	-	-	-	1,155,390	-	-	1,155,390	1,576,832		
Unclassified	-	162,222,220	-	-	31,630,780	-	16,073,446	-	-	209,926,446	217,446,662		
Total	14,121,086	162,222,220	1,882,259	1,882,259	31,630,780	19,928,033	229,784,378	234,448,839					

As of December 31, 2024										As of December 31, 2023	
Related facilities movement disclosure:											
Item	Stage One			Stage Two			Stage Three			Total	
	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	JD	Total
Balance at the beginning of the year	9,725,655	181,214,989		3,007,541	23,416,538		17,084,116	234,448,839		271,477,666	
New facilities during the year	5,216,933	16,601,928		810,565	417,328		413,864	23,460,618		13,765,105	
Facilities settled	(692,018)	(16,547,812)		(1,940,649)	(595,478)		(1,323,018)	(21,098,975)		(36,601,642)	
Transferred to Stage One	14,250,570	181,269,105		1,877,457	23,238,388		16,174,962	236,810,482		248,641,129	
Transferred to Stage Two	-	9,322,300		-	(9,207,765)		(114,535)	-		-	
Transferred to Stage Three	(150,875)	(20,053,755)		150,875	20,188,548		(134,793)	-		-	
The effect as a result of a change in classification between the three stages during the year	(8,999)	(1,555,404)		-	(2,234,423)		3,798,826	-		-	
Changes due to the adjustments	-	(484,465)		(35,548)	(344,927)		203,556	(661,384)		152,393	
Written-off or transferred to off balance sheet items	37,772	(6,271,840)		(110,525)	(9,040)		348	(6,353,285)		(13,805,211)	
Adjustments due to changes in exchange rates	-	-		-	-		-	-		-	
Total Balance at the End of the Year	14,121,086	162,222,220		1,882,259	31,630,780		19,928,033	229,784,378		234,448,839	



Expected credit loss allowance movement:										As of December 31, 2024		As of December 31, 2023	
Item	Stage One			Stage Two			Stage Three			Total		Total	
	Individual Level		Collective Level	Individual Level		Collective Level	Individual Level		Collective Level	Total		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	18,939	181,361	181,361	53,562	224,404	224,404	8,646,886	8,646,886	9,125,152	9,125,152	7,363,213	7,363,213	
Impairment Loss of new balances during the year	19,174	16,848	16,848	11,220	39,402	39,402	2,287,542	2,287,542	2,374,186	2,374,186	854,093	854,093	
Recoveries from impairment loss on facilities due	(1,250)	(13,928)	(13,928)	(31,649)	(2,976)	(2,976)	(1,062,683)	(1,062,683)	(1,112,486)	(1,112,486)	(1,271,438)	(1,271,438)	
	36,863	184,281	184,281	33,133	260,830	260,830	9,871,745	9,871,745	10,386,852	10,386,852	6,945,868	6,945,868	
Transferred to Stage One	-	93,620	93,620	-	(78,533)	(78,533)	(15,087)	(15,087)	-	-	-	-	
Transferred to Stage Two	(2,100)	(60,813)	(60,813)	2,100	76,130	76,130	(15,317)	(15,317)	-	-	-	-	
Transferred to Stage Three	(16)	(5,366)	(5,366)	-	(39,263)	(39,263)	44,645	44,645	-	-	-	-	
The effect as a result of a change in classification between the three stages during the year	-	(86,081)	(86,081)	954	255,251	255,251	838,546	838,546	1,008,670	1,008,670	2,167,534	2,167,534	
Changes due to the adjustments	(8,591)	22,647	22,647	(11,339)	44,486	44,486	-	-	47,203	47,203	17,807	17,807	
Written-off or transferred to off balance sheet items	-	-	-	-	-	-	-	-	-	-	-	-	
Adjustments due to changes in exchange rates	(14)	(39)	(39)	-	-	-	(86)	(86)	(139)	(139)	(6,057)	(6,057)	
<b>Total Balance at the End of the Year</b>	<b>26,142</b>	<b>148,249</b>	<b>148,249</b>	<b>24,848</b>	<b>518,901</b>	<b>518,901</b>	<b>10,724,446</b>	<b>10,724,446</b>	<b>11,442,586</b>	<b>11,442,586</b>	<b>9,125,152</b>	<b>9,125,152</b>	

C. Large corporates portfolio:										As of December 31, 2024		As of December 31, 2023	
Item	Stage One			Stage Two			Stage Three			Total		Total	
	Individual Level		Collective Level	Individual Level		Collective Level	Individual Level		Collective Level	Total		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Credit risk rating categories based on the Bank's internal credit rating system:													
1	-	-	-	-	-	-	-	-	-	-	-	-	-
2	77,477	-	-	-	-	-	-	-	-	77,477	7,518,463	7,518,463	
3	24,113,607	-	-	-	-	-	-	-	-	24,113,607	14,234,625	14,234,625	
4	166,510,664	-	-	5,049,498	-	-	-	-	-	171,560,162	214,692,309	214,692,309	
5	143,208,669	-	-	863,260	-	-	-	-	-	144,071,929	60,155,709	60,155,709	
6	26,799,971	-	-	50,281,338	-	-	-	-	-	77,081,309	20,956,573	20,956,573	
7	-	-	-	3,018,507	-	-	-	-	-	3,018,507	7,260,592	7,260,592	
8	-	-	-	-	-	-	-	-	-	160,784	1,771,428	1,771,428	
9	-	-	-	-	-	-	-	-	-	1,649,061	43,683	43,683	
10	-	-	-	-	-	-	-	-	-	33,876,237	34,063,253	34,063,253	
Unclassified	-	837,969	837,969	-	-	-	74,698	74,698	912,667	912,667	88,046	88,046	
<b>Total</b>	<b>360,710,388</b>	<b>837,969</b>	<b>837,969</b>	<b>59,212,603</b>	<b>-</b>	<b>-</b>	<b>35,760,780</b>	<b>456,521,740</b>	<b>360,784,681</b>	<b>360,784,681</b>	<b>360,784,681</b>	<b>360,784,681</b>	

Related facilities movement disclosure:										As of December 31, 2024		As of December 31, 2023	
Item	Stage One			Stage Two			Stage Three			Total		Total	
	Individual Level		Collective Level	Individual Level		Collective Level	Individual Level		Collective Level	Total		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	310,632,382	-	-	14,185,889	-	-	35,966,410	-	-	360,784,681	355,062,498		
New facilities during the year	97,874,858	837,969	837,969	786,629	-	-	2,419,632	101,919,088	106,805,527				
Facilities setteled	(11,486,084)	-	-	(3,785,715)	-	-	(2,141,108)	(17,412,907)	(50,943,596)				
	397,021,156	837,969	837,969	11,186,803	-	-	36,244,934	445,290,862	410,924,429				
Transferred to Stage One	606,174	-	-	(606,174)	-	-	-	-	-				
Transferred to Stage Two	(44,565,288)	-	-	44,588,767	-	-	(23,479)	-	-				
Transferred to Stage Three	(211,569)	-	-	-	-	-	211,569	-	-				
The effect as a result of a change in classification between the three stages during the year	(51,667)	-	-	6,269,899	-	-	39,428	6,257,660	(9,358,284)				
Changes due to the adjustments	8,346,957	-	-	(2,223,847)	-	-	(307,370)	5,815,740	(8,750,521)				
Written-off or transferred to off balance sheet items	-	-	-	-	-	-	(585,649)	(585,649)	(19,903,048)				
Adjustments due to changes in exchange rates	(435,375)	-	-	(2,845)	-	-	181,347	(256,873)	(12,127,895)				
Total Balance at the End of the Year	360,710,388	837,969	837,969	59,212,603	-	-	35,760,780	456,521,740	360,784,681				

Expected credit loss allowance movement:										As of December 31, 2024		As of December 31, 2023	
Item	Stage One			Stage Two			Stage Three			Total		Total	
	Individual Level		Collective Level	Individual Level		Collective Level	Individual Level		Collective Level	Total		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	15,442,359	-	-	207,275	-	-	30,229,212	45,878,846	62,624,478				
Impairment Loss of new balances during the year	159,845	2,691	2,691	22,044	-	-	1,873,559	2,058,139	14,228,831				
Recoveries from impairment loss on facilities due	(3,998,712)	-	-	(33,585)	-	-	(955,663)	(4,987,960)	(19,271,402)				
	11,603,492	2,691	2,691	195,734	-	-	31,147,108	42,949,025	57,581,907				
Transferred to Stage One	109,603	-	-	(109,603)	-	-	-	-	-				
Transferred to Stage Two	(47,620)	-	-	56,464	-	-	(8,844)	-	-				
Transferred to Stage Three	(383)	-	-	-	-	-	383	-	-				
The effect as a result of a change in classification between the three stages during the year	(107,015)	-	-	247,413	-	-	188,807	329,205	7,348,090				
Changes due to the adjustments	(445,637)	-	-	1,717,756	-	-	(88,771)	1,183,348	(502,114)				
Written-off or transferred to off balance sheet items	-	-	-	-	-	-	(232,237)	(232,237)	(18,142,774)				
Adjustments due to changes in exchange rates	(811)	-	-	(29)	-	-	(28,758)	(29,598)	(406,263)				
Total Balance at the End of the Year	11,111,629	2,691	2,691	2,107,735	-	-	30,977,688	44,199,743	45,878,846				

As of December 31, 2024												As of December 31, 2023	
D. SME's portfolio:													
Item	Stage One			Stage Two			Stage Three			Total			
	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	JD	JD		
Credit risk rating categories based on the Bank's internal credit rating system:													
1	-	-	-	-	-	-	-	-	-	-	-		
2	729,813	-	-	-	-	-	-	-	-	729,813	-		
3	4,204,042	-	-	-	-	-	-	-	-	4,204,042	1,356,736		
4	47,499,221	-	-	1,063,617	-	-	-	-	-	48,562,838	44,775,027		
5	64,539,780	-	-	5,580,412	-	-	-	-	-	70,120,192	77,107,656		
6	38,612,306	-	-	5,414,260	-	-	-	-	-	44,026,566	49,463,972		
7	-	-	-	16,991,576	-	-	-	-	-	16,991,576	13,032,568		
8	-	-	-	-	-	-	-	1,946,842	-	1,946,842	2,238,617		
9	-	-	-	-	-	-	-	-	-	5,623,100	-		
10	-	-	-	-	-	-	-	-	-	36,140,687	40,068,743		
Unclassified	-	288,042	-	-	146,294	-	495,143	-	-	929,479	4,828,680		
Total	155,585,162	288,042	-	29,049,865	146,294	-	44,205,772	-	-	229,275,135	232,871,999		

Related facilities movement disclosure:										As of December 31, 2024				As of December 31, 2023	
Item	Stage One			Stage Two			Stage Three			Total		Total			
	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	JD	JD	JD			
Balance at the beginning of the year	168,278,889	4,269,508		17,457,070		77,734	42,788,798			232,871,999		243,344,265			
New facilities during the year	36,631,553	249,486		2,870,451		3	1,416,891			41,168,384		41,097,165			
Facilities settled	(43,114,937)	(3,481,199)		(712,138)		(992)	(5,692,581)			(53,001,847)		(55,086,334)			
	161,795,505	1,037,795		19,615,383		76,745	38,513,108			221,038,536		229,355,096			
Transferred to Stage One	4,570,422	76,742		(4,524,086)		(76,742)	(46,336)			-		-			
Transferred to Stage Two	(17,078,733)	(149,399)		19,264,695		149,399	(2,185,962)			-		-			
Transferred to Stage Three	(5,381,455)	(28,711)		(3,748,749)		-	9,158,915			-		-			
The effect as a result of a change in classification between the three stages during the year	1,292,763	53,096		(176,876)		(3,108)	(961,503)			204,372		(2,588,008)			
Changes due to the adjustments	10,395,917	(701,481)		(1,380,259)		-	388			8,314,565		12,615,381			
Written-off or transferred to off balance sheet items	-	-		-		-	(270,356)			(270,356)		(6,134,647)			
Adjustments due to changes in exchange rates	(9,257)	-		(243)		-	(2,482)			(11,982)		(375,823)			
Total Balance at the End of the Year	155,585,162	288,042		29,049,865		146,294	44,205,772			229,275,135		232,871,999			



Expected credit loss allowance movement:				As of December 31, 2024				As of December 31, 2023			
Item	Stage One		Stage Two		Stage Three		Total	Total	Total	Total	
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level					
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Balance at the beginning of the year	463,600	125,269	7,965,920	227	29,782,894	38,337,910	42,288,771				
Impairment Loss of new balances during the year	239,681	91	112,637	-	1,756,335	2,108,744	1,349,355				
Recoveries from impairment loss on facilities due	(72,635)	(122,768)	(6,513,493)	(123)	(3,351,189)	(10,060,208)	(2,537,176)				
	630,646	2,592	1,565,064	104	28,188,040	30,386,446	41,100,950				
Transferred to Stage One	99,258	104	(54,168)	(104)	(45,090)	-	-				
Transferred to Stage Two	(107,325)	(289)	1,328,226	289	(1,220,901)	-	-				
Transferred to Stage Three	(14,361)	(31)	(797,485)	-	811,877	-	-				
The effect as a result of a change in classification between the three stages during the year	(89,547)	336	(232,324)	2,670	3,079,052	2,760,187	2,801,015				
Changes due to the adjustments	(47,371)	(1,591)	361,298	-	-	312,336	(6,034)				
Written-off or transferred to off balance sheet items	-	-	-	-	(176,359)	(176,359)	(5,482,521)				
Adjustments due to changes in exchange rates	(25)	-	(2)	-	(4,049)	(4,076)	(75,500)				
Total Balance at the End of the Year	471,275	1,121	2,170,609	2,959	30,632,570	33,278,534	38,337,910				

As of December 31, 2024										As of December 31, 2023	
E. Government and the Public Sector portfolio :											
Item	Stage One			Stage Two			Stage Three		Total		
	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	JD	JD	JD	Total	
Credit risk rating categories based on the Bank's internal credit rating system:											
1	153,078,712	-	-	-	-	-	-	153,078,712	-	149,201,092	
2	-	-	-	-	-	-	-	-	-	-	
3	-	-	-	-	-	-	-	-	-	-	
4	-	-	-	-	-	-	-	-	-	-	
5	-	-	-	-	-	-	-	-	-	20,470,646	
6	-	-	-	69,554,742	-	-	-	69,554,742	-	52,687,587	
7	-	-	-	-	-	-	-	-	-	7,085,759	
8	-	-	-	-	-	-	-	-	-	-	
9	-	-	-	-	-	-	-	-	-	-	
10	-	-	-	-	-	-	-	-	-	-	
Unclassified	-	-	-	-	-	-	-	-	-	-	
Total	153,078,712	-	-	69,554,742	-	-	-	222,633,454	-	229,445,084	

Credit facilities movement disclosure:										As of December 31, 2024		As of December 31, 2023		
Item											Total		Total	
	Stage One				Stage Two				Stage Three					
	Individual Level	Collective Level	JD	JD	Individual Level	Collective Level	JD	JD	Individual Level	Collective Level	JD	JD	JD	JD
Balance at the beginning of the year			222,359,325	-			7,085,759	-			-	-	229,445,084	225,239,281
New facilities during the year			4,727,300	-			-	-			-	-	4,727,300	28,419,042
Facilities settled			(21,320,326)	-			(7,085,759)	-			-	-	(28,406,085)	(4,963,000)
			205,766,299	-			-	-			-	-	205,766,299	248,695,323
Transferred to Stage One			-	-			-	-			-	-	-	-
Transferred to Stage Two			(52,687,587)	-			52,687,587	-			-	-	-	-
Transferred to Stage Three			-	-			-	-			-	-	-	-
The effect as a result of a change in classification between the three stages during the year			-	-			16,867,155	-			-	-	16,867,155	4,727
Changes due to the adjustments			-	-			-	-			-	-	-	(19,254,966)
Written-off or transferred to off balance sheet items			-	-			-	-			-	-	-	-
Adjustments due to changes in exchange rates			-	-			-	-			-	-	-	-
Total Balance at the End of the Year			153,078,712	-			69,554,742	-			-	-	222,633,454	229,445,084

Expected credit loss allowance movement:										As of December 31, 2024				As of December 31, 2023				
Item											Stage One		Stage Two		Stage Three		Total	
	Individual Level		Collective Level		Collective Level		Individual Level		Collective Level		Collective Level		Individual Level		Total			
	JD		JD		JD		JD		JD		JD		JD		JD			
Balance at the beginning of the year	931,835		-		215,465		-		-		-		-		1,147,300		198,720	
Impairment Loss of new balances during the year	-		-		-		-		-		-		-		-		817,097	
Recoveries from impairment loss on facilities due	(55,210)		-		(215,465)		-		-		-		-		(270,675)		(4,808)	
	876,625		-		-		-		-		-		-		876,625		1,011,009	
Transferred to Stage One	-		-		-		-		-		-		-		-		-	
Transferred to Stage Two	(876,625)		-		876,625		-		-		-		-		-		-	
Transferred to Stage Three	-		-		-		-		-		-		-		-		-	
The effect as a result of a change in classification between the three stages during the year	-		-		1,002,479		-		-		-		-		1,002,479		127,276	
Changes due to the adjustments	-		-		-		-		-		-		-		-		9,015	
Written-off or transferred to off balance sheet items	-		-		-		-		-		-		-		-		-	
Adjustments due to changes in exchange rates	-		-		-		-		-		-		-		-		-	
Total Balance at the End of the Year	-		-		1,879,104		-		-		-		-		1,879,104		1,147,300	

Interest in Suspense:		As of December 31, 2024							
The following is the movement on the interest in suspense:	Individual (Retail Customers)		Real Estate Loans		Large Corporate Customers		SMEs		Total
	JD	JD	JD	JD	JD	JD	JD	JD	
Balance at the Beginning of the Year	2,700,170		2,787,959		3,870,605		6,689,141		16,047,875
Add: Interest suspended during the year	665,203		820,867		650,672		1,427,547		3,564,289
Less: Interest in suspense reversed to revenues	(189,067)		(52,629)		(48,330)		(511,979)		(802,005)
Translation differences	(604)		(441)		(46,708)		(4,250)		(52,003)
Written off or transferred to off balance sheet items	(102,165)		-		(353,412)		(93,997)		(549,574)
Balance at the End of the Year	3,073,537		3,555,756		4,072,827		7,506,462		18,208,582
	As of December 31, 2023								
	Individual (Retail Customers)		Real Estate Loans		Large Corporate Customers		SMEs		Total
	JD	JD	JD	JD	JD	JD	JD	JD	
Balance at the Beginning of the Year	2,421,522		2,183,241		4,799,075		5,983,214		15,387,052
Add: Interest suspended during the year	455,256		760,610		2,085,128		1,591,218		4,892,212
Less: Interest in suspense reversed to revenues	(121,768)		(148,785)		(70,453)		(185,034)		(526,040)
Translation differences	(3,848)		(7,107)		(214,245)		(48,140)		(273,340)
Written off or transferred to off balance sheet items	(50,992)		-		(2,728,900)		(652,117)		(3,432,009)
Balance at the End of the Year	2,700,170		2,787,959		3,870,605		6,689,141		16,047,875

Direct credit facilities are distributed in accordance with geographical distribution and economic sectors as following:					Total As of December 31,	
Inside the Kingdom		Outside the Kingdom			2024	2023
JD		JD			JD	JD
Financial	3,597,325		4,802,460		8,399,785	9,466,407
Industrial	136,347,844		25,348,464		161,696,308	152,930,830
Trading	255,984,513		79,008,392		334,992,905	289,101,616
Real estate	210,758,701		19,025,677		229,784,378	234,448,839
Constructions	20,045,291		15,862,867		35,908,158	32,238,542
Agriculture	6,558,060		8,123,940		14,682,000	16,953,774
Tourism, restaurants and public facilities	73,121,937		46,735,216		119,857,153	80,317,933
Shares	11,912,891		-		11,912,891	13,697,616
Individuals	447,202,674		99,951,741		547,154,415	542,563,001
Government and public sector	153,078,712		69,554,742		222,633,454	229,445,084
Total	1,318,607,948		368,413,499		1,687,021,447	1,601,163,642

11. Financial Assets at Amortized Cost - Net		December 31,	
This item consists of the following:		2024	2023
Quoted Financial Assets		JD	JD
Governmental bonds and bills guaranteed by the Government		117,240,001	117,982,301
Corporates and banks bonds and debentures		12,187,903	19,399,922
Foreign governmental bonds		15,493,710	10,672,547
Total financial assets quoted in the market		144,921,614	148,054,770
Unquoted Financial Assets			
Corporate bonds and debentures		21,270,000	16,307,000
Total financial assets unquoted in the market		21,270,000	16,307,000
Total Financial Assets at Amortized Cost		166,191,614	164,361,770
Less: Allowance for expected credit loss		(331,345)	(235,121)
Net financial assets at amortized cost		165,860,269	164,126,649

Analysis of bonds and bills:		December 31,	
		2024	2023
		JD	JD
Financial assets with fixed-interest rate		166,191,614	164,361,770
Financial assets with floating interest rate		-	-
		166,191,614	164,361,770

-Distribution of financial assets at amortized cost according to the Bank's internal credit rating categories as of December 31, 2024 and 2023 was as follows:						
	As of December 31, 2024		As of December 31, 2023			
	Stage One		Stage Two		Stage Three	
Item	Individual Level	Collective Level	Individual Level	Collective Level	Total	Total
1	117,240,000	-	-	-	117,240,000	117,982,304
2	709,205	-	-	-	709,205	712,949
3	709,437	-	-	-	709,437	712,770
4	-	-	-	-	-	2,836,000
5	30,733,173	-	-	-	30,733,173	24,351,757
6	13,471,000	-	-	-	13,471,000	7,093,342
7	-	-	3,328,799	-	3,328,799	10,672,648
8	-	-	-	-	-	-
9	-	-	-	-	-	-
10	-	-	-	-	-	-
Total	162,862,815	-	3,328,799	-	166,191,614	164,361,770



Financial assets at amortized cost credit stages distribution was as follows:										As of December 31, 2024		As of December 31, 2023	
Item	Stage One		Stage Two		Stage Three		Total		Total	As of December 31, 2024		As of December 31, 2023	
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level		Individual Level	Collective Level	Individual Level	Collective Level
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance – Beginning of the year	153,689,122	-	-	-	10,672,648	-	-	-	164,361,770	237,032,607			
New investment during the year	42,931,630	-	-	-	-	-	-	-	42,931,630	19,477,690			
Matured investments	(33,646,442)	-	-	-	(7,107,474)	-	-	-	(40,753,916)	(91,970,144)			
	162,974,310	-	-	-	3,565,174	-	-	-	166,539,484	164,540,153			
Transferred to stage one	-	-	-	-	-	-	-	-	-	-			
Transferred to stage two *Add Amaunt	-	-	-	-	-	-	-	-	-	-			
Transferred to stage three	-	-	-	-	-	-	-	-	-	-			
The effect of changes in classification between the three stages during the period	-	-	-	-	-	-	-	-	-	(5,278)			
Changes resulting from adjustments	(111,495)	-	-	-	(236,375)	-	-	-	(347,870)	(173,105)			
Balance – End of the year	162,862,815	-	-	-	3,328,799	-	-	-	166,191,614	164,361,770			

The movement on the expected credit loss provision was as follows:										As of December 31, 2024		As of December 31, 2023	
Item	Stage One		Stage Two		Stage Three		Total		Total	As of December 31, 2024		As of December 31, 2023	
	Stage One	Stage Two	Stage Three	Stage Three	Stage Three	Stage Three	Stage Three	Stage Three		Stage One	Stage Two	Stage Three	Stage Three
Balance – Beginning of the year	143,038	92,083	-	-	-	-	-	-	372,177	143,038	92,083	-	-
Credit loss on investments balances during the year	55,151	-	-	-	-	-	-	-	53,119	55,151	-	-	-
Expected credit loss reversal on matured investments	(27,192)	-	-	-	-	-	-	-	(122,094)	(27,192)	-	-	-
	170,997	92,083	-	-	-	-	-	-	303,202	170,997	92,083	-	-
Transferred to stage one	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to stage two	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to stage three	-	-	-	-	-	-	-	-	-	-	-	-	-
Effect as a result of classification changes between the three stages during the year	-	-	-	-	-	-	-	-	(11,197)	-	-	-	-
Changes due to adjustments	134,961	(66,696)	-	-	-	-	-	-	(56,884)	134,961	(66,696)	-	-
Balance – End of the year	305,958	25,387	-	-	-	-	-	-	331,345	305,958	25,387	-	-

The maturities of financial assets at amortized cost are as follows:														
	Up to 1 Month		1 Month and Up to 3 Months		3 Months and Up to 6 Months		6 Months and Up to 1 Year		1 Year and Up to 3 Years		Over 3 Years		Total	
	JD		JD		JD		JD		JD		JD		JD	
December 31, 2024	709,205		709,437		18,329,710		2,112,637		115,371,316		28,959,309		166,191,614	
December 31, 2023	17,107,450		-		11,498,654		12,092,374		46,895,681		76,767,611		164,361,770	

**12. Property and Equipment<sub>Net</sub>**

The details of this item are as follows:

	Lands	Buildings	Equipment Furniture and Fixtures	Vehicles	Computers	Decorations and Improvements	Total
For the year ended December 31, 2024	JD	JD	JD	JD	JD	JD	JD
Cost:							
Balance - Beginning of the year	4,656,314	19,451,093	29,670,390	1,141,483	17,447,133	29,738,785	102,105,198
Additions	1,229,455	1,209,452	723,982	3,129	3,183,110	847,875	7,197,003
(Disposals)	-	-	(192,859)	-	(587,560)	(162,092)	(942,511)
Foreign currencies differences	(389)	(9,249)	(7,607)	(307)	(17,029)	(2,203)	(36,784)
Balance - End of the year	5,885,380	20,651,296	30,193,906	1,144,305	20,025,654	30,422,365	108,322,906
Accumulated depreciation:							
Balance - Beginning of the year	-	7,734,731	21,546,044	968,544	11,670,497	23,351,314	65,271,130
Depreciations for the year	-	273,393	1,538,320	47,325	1,748,946	1,758,778	5,366,762
(Disposals)	-	-	(176,231)	-	(573,722)	(114,502)	(864,455)
Foreign currencies differences	-	(1,238)	(2,407)	(109)	(3,001)	(1,345)	(8,100)
Balance - End of the year	-	8,006,886	22,905,726	1,015,760	12,842,720	24,994,245	69,765,337
Net book value of property and equipment	5,885,380	12,644,410	7,288,180	128,545	7,182,934	5,428,120	38,557,569
Payments on acquisition of property and equipment*	-	78,234	261,719	211,413	764,367	264,669	1,580,402
Right of use of assets**	-	-	-	-	-	-	20,883,357
<b>Net Property and Equipment at End of the Year</b>	<b>5,885,380</b>	<b>12,722,644</b>	<b>7,549,899</b>	<b>339,958</b>	<b>7,947,301</b>	<b>5,692,789</b>	<b>61,021,328</b>
For the year ended December 31, 2023							
Cost:							
Balance - Beginning of the year	4,672,933	19,818,306	29,099,339	1,077,619	16,195,912	29,646,292	100,510,401
Additions	793	63,414	1,157,241	69,138	3,066,575	429,012	4,786,173
(Disposals)	-	(218,123)	(448,303)	-	(1,723,289)	(267,208)	(2,656,923)
Foreign currencies differences	(17,412)	(212,504)	(137,887)	(5,274)	(92,065)	(69,311)	(534,453)
Balance - End of the year	4,656,314	19,451,093	29,670,390	1,141,483	17,447,133	29,738,785	102,105,198
Accumulated depreciation:							
Balance - Beginning of the year	-	7,702,308	20,269,627	889,939	11,907,954	21,773,954	62,543,782
Depreciations for the year	-	252,587	1,782,418	82,576	1,520,512	1,888,475	5,526,568
(Disposals)	-	(172,249)	(424,056)	-	(1,719,936)	(253,093)	(2,569,334)
Foreign currencies differences	-	(47,915)	(81,945)	(3,971)	(38,033)	(58,022)	(229,886)
Balance - End of the year	-	7,734,731	21,546,044	968,544	11,670,497	23,351,314	65,271,130
Net book value of property and equipment	4,656,314	11,716,362	8,124,346	172,939	5,776,636	6,387,471	36,834,068
Payments on acquisition of property and equipment*	-	-	258,432	-	224,470	26,512	509,414
Right of use of assets**	-	-	-	-	-	-	21,146,283
<b>Net Property and Equipment at End of the Year</b>	<b>4,656,314</b>	<b>11,716,362</b>	<b>8,382,778</b>	<b>172,939</b>	<b>6,001,106</b>	<b>6,413,983</b>	<b>58,489,765</b>

\* The financial obligations relating to the acquisition of property and equipment amounted to JD 332,087 for the year 2024, and will be settled in accordance with the contractual conditions on the purchase of these assets.

- Fully depreciated property and equipment cost amounted to JD 42,486,118 for the year 2024 (JD 39,507,708 for the year 2023).

<b>** This item represents the effect application of IFRS (16), as follows:</b>	December 31,	
	2024	2023
	JD	JD
Balance - Beginning of the year	21,146,283	17,768,842
Additions	4,286,871	7,698,493
(Disposals)	(81,158)	(204,241)
(Depreciation) for the year	(4,467,653)	(4,102,373)
Foreign currencies differences	(986)	(14,438)
<b>Balance - End of the year</b>	<b>20,883,357</b>	<b>21,146,283</b>

<b>13. Intangible Assets – Net</b>	December 31,	
This item consists of computer software's amortized at an annual rate ranging from 15% to 20%, the details are as follows:	2024	2023
	JD	JD
Balance at the Beginning of the Year	7,397,514	7,482,126
Additions during the year	2,841,359	1,527,714
Amortization for the year	(1,610,006)	(1,598,270)
Foreign currencies differences	(1,714)	(14,056)
<b>Balance at the End of the Year</b>	<b>8,627,153</b>	<b>7,397,514</b>

<b>14. Other Assets</b>	December 31,	
This item consists of the following:	2024	2023
	JD	JD
Accrued interest and commission income	11,641,936	10,311,658
Prepaid expenses	3,319,845	2,864,657
Assets seized by the Bank in repayment of non-performing debts*	74,077,931	72,783,742
Clearing cheques	2,636,026	2,917,895
Advanced payments on the acquisition of land and real estates	2,694,074	2,713,303
Paid guarantee	227,911	247,240
Prepaid tax expenses	2,934,480	2,212,534
Financial derivatives – Note (39)	35,726	-
Accounts receivables and other debit balances	6,878,827	6,106,892
	<b>104,446,756</b>	<b>100,157,921</b>

<b>* The following is the movement on the assets seized by the Bank in repayment of non-performing debts:</b>	Seized Assets	
	2024	2023
	JD	JD
Balance at the Beginning of the Year	82,312,612	76,212,320
Additions	5,612,157	6,747,690
Disposals	(4,285,686)	(647,398)
End of the year balance	83,639,083	82,312,612
Impairment provision of assets seized by the Bank**	(9,561,152)	(9,528,870)
<b>Balance at the End of the Year</b>	<b>74,077,931</b>	<b>72,783,742</b>

\* The Central Bank of Jordan regulations require a disposal of these assets during a maximum period of two years from the date of foreclose. In exceptional cases, the Central Bank may extend this period to maximum two consecutive years.

\*\* As of the beginning of the year 2015, a gradual provision was calculated for the expropriated real estate against debts that hadbeen expropriated for a period of time more than 4 years based on the Central Bank of Jordan Circular No. 10/1/4076 dated March 27, 2014 and No. 10/1/2510 dated February 14, 2017. noting that the Central Bank of Jordan has issued Circular No. 10/1/13967 on October 25, 2018, approving the extension of the circular. No. 10/1/16607 dated December 17, 2017, in which confirmed the deferred of calculating the allowance until the end of the year 2019, In accordance with the circular of the Central Bank of Jordan NO. 10/3/16234 dated October 10, 2022, the gradual provision for the seized assets was suspended, provided that the allocated provisions for the expropriated real estate in violation of the provisions of the Banking Law are maintained, and only the allocated provision is released against any of the violating real estate that are disposed of.

	December 31,	
	2024	2023
	JD	JD
Opening balance	9,528,870	9,569,031
Recovered from the reserve during the year	32,282	(40,161)
<b>Ending balance</b>	<b>9,561,152</b>	<b>9,528,870</b>

15. Banks and Financial Institutions' Deposits						
This item consists of the following:	December 31, 2024			December 31, 2023		
	Inside The kingdom		Outside The kingdom	Inside The kingdom		Outside The kingdom
	JD	JD	JD	JD	JD	JD
Current and demand accounts	-	7,679,465	7,679,465	-	9,964,116	9,964,116
Deposits maturing within 3 months	-	34,396,639	34,396,639	1,418,000	59,972,302	61,390,302
Deposits maturing within 3-6 months	-	260,000	260,000	-	-	-
Deposits maturing within 6-9 months	-	-	-	-	-	-
Deposits maturing within 9-12 months	-	-	-	-	-	-
Deposits maturing within more than a year	-	-	-	-	-	-
Total	-	42,336,104	42,336,104	1,418,000	69,936,418	71,354,418

16. Customer Deposits						
Details of this item are as follows:	December 31, 2024			December 31, 2023		
	Individuals		Corporations	SME's		Government and Public sector
	JD	JD	JD	JD	JD	JD
Current and demand accounts	329,794,430	45,602,693	45,602,693	145,072,184	6,557,462	527,026,769
Saving deposits	812,311,933	5,469	5,469	1,774,559	11,457	814,103,418
Term deposits	609,253,983	103,152,935	103,152,935	30,616,941	16,740,471	759,764,330
Certificates of deposits	149,934,329	-	-	544,849	-	150,479,178
Total	1,901,294,675	148,761,097	148,761,097	178,008,533	23,309,390	2,251,373,695
Description	Individuals		Corporations	SME's		Government and Public sector
	JD	JD	JD	JD	JD	JD
	JD	JD	JD	JD	JD	JD
Current and demand accounts	330,357,339	41,729,628	41,729,628	136,270,338	6,923,984	515,281,289
Saving deposits	828,153,368	5,176	5,176	1,743,585	13,612	829,915,741
Term deposits	494,550,198	107,968,859	107,968,859	23,070,396	74,738,226	700,327,679
Certificates of deposits	123,085,772	-	-	444,251	-	123,530,023
Total	1,776,146,677	149,703,663	149,703,663	161,528,570	81,675,822	2,169,054,732

\* The Government of Jordan and the public sector deposits inside the Kingdom amounted JD 16,311,683 equivalent to 0.72% of total deposits as of December 31, 2024 (JD 74,554,432 equivalent to 3.44% of total deposits as of December 31, 2023).

\* Non-interest-bearing deposits amounted to JD 675,284,676 equivalent to 29.99% of total deposits as of December 31, 2024 (JD 683,270,673 equivalent to 31.50% of total deposits as of December 31, 2023).

\* Restricted deposits amounted to JD 21,189,006 equivalent to 0.94% of total deposits as of December 31, 2024 (JD 22,961,742 equivalent to 1.06% of total deposits as of December 31, 2023).

\* Dormant deposits amounted to JD 58,228,677 as of December 31, 2024 (JD 59,078,155 as of December 31, 2023).



17. Cash Margins		December 31,			
The details of this item are as follows:		2024	2023		
		JD	JD		
Cash margins against direct credit facilities		129,691,320	123,571,783		
Cash margins against indirect credit facilities		70,095,042	16,702,775		
		199,786,362	140,274,558		
18. Sundry Provisions					
The details of this item are as follows:					
December 31, 2024	Beginning Balance	Provision Created During the Year	Provision Used During the Year	Foreign Currencies Differences	Ending Balance
	JD	JD	JD	JD	JD
Provision for end-of-service indemnity	4,182,879	676,825	(234,407)	(751)	4,624,546
Provision for lawsuits raised against the Bank	293,464	156,627	(5,891)	-	444,200
Sundry provisions	2,670,849	1,716	(2,208,960)	(75)	463,530
	7,147,192	835,168	(2,449,258)	(826)	5,532,276
December 31, 2023					
Provision for end-of-service indemnity	3,870,675	674,335	(362,182)	51	4,182,879
Provision for lawsuits raised against the Bank	357,275	41,101	(104,912)	-	293,464
Sundry provisions	7,390	2,669,086	-	(5,627)	2,670,849
	4,235,340	3,384,522	(467,094)	(5,576)	7,147,192

19. Income Tax		
A. Income tax provision:	2024	2023
The movement on the income tax provision was as follows:	JD	JD
Balance at the Beginning of the Year	19,247,420	21,497,785
Income tax paid	(21,503,870)	(21,300,695)
Accrued Income tax	21,395,275	19,050,330
Balance at the end of the year	19,138,825	19,247,420
Income tax presented in the consolidated statement of profit or loss represents the following:		
	2024	2023
Income tax on current year's profit	21,395,275	19,050,330
Prior years income tax	-	164,668
Deferred tax assets for the year	(6,994,526)	(2,821,967)
Amortization of deferred tax assets	5,338,721	4,511,665
	19,739,470	20,904,696
<div>- The statutory income tax rate in Jordan is 38% for banks, noting that the legal income tax rate in Palestine in which the bank has investments and branches is 15%, and in Iraq 15% and in Syria (a subsidiary company) 25% and subsidiaries in Jordan 28%.</div> <div>- A final settlement has been reached with the Income and Sales Tax Department in Jordan until the end of 2018. However, for the years 2019 and 2020, a final settlement has not been reached, and they are under objection with the Tax Court of First Instance. The bank has also submitted self-assessment statements for the years 2021, 2022 and 2023 and has paid the required amounts according to the law, with no final settlement reached with the Income and Sales Tax Department for those years yet. In the opinion of management, legal advisors, and tax advisors, the bank will not incur any obligations beyond the provisions made in the financial statements.</div> <div>- A final settlement has been reached with both the Income Tax Department and the Value Added Tax Department regarding the bank's business results in Palestine until the end of 2022. In the opinion of management and the tax advisor, the provisions allocated in the consolidated financial statements are sufficient to settle the tax liabilities.</div> <div>- A final settlement has been reached with the Income and Sales Tax Department in Jordan regarding Excel Financial Investments Company (a subsidiary) until the end of 2022, except for the year 2021. The company has submitted a self-assessment statement for the year 2021 and 2023 and paid the taxes, which have not yet been reviewed by the Income and Sales Tax Department. In the opinion of the company's management and tax advisor, the provisions allocated in the consolidated financial statements are sufficient to settle the tax liabilities.</div> <div>- Jordan Leasing Company (a subsidiary) has reached a final settlement with the Income and Sales Tax Department until the end of 2020. Additionally, it has submitted self-assessment statements for the years 2021, 2022 and 2023, paid the declared taxes, which have not yet been reviewed by the Income and Sales Tax Department. In the opinion of management and the tax advisor, the provisions allocated in the consolidated financial statements are sufficient to settle the tax liabilities.</div> <div>- The tax due on the bank, its subsidiaries, and foreign branches has been accounted for in the consolidated financial statements for the year ending December 31, 2024. In the opinion of management and the tax advisor, these provisions are sufficient to meet the tax obligations as of that date.</div>		
The following is a summary of the reconciliation between accounting profit and taxable profit:		
	2024	2023
	JD	JD
Accounting income	55,027,021	65,359,883
Income untaxable	(42,342,375)	(33,713,945)
undetectable tax expenses	51,847,460	30,189,264
Taxable profit	64,532,106	61,835,202
Income tax rate	33.2%	30.8%
Income tax accrued on the profits for the year	21,395,275	19,050,330

b. Deferred Tax Assets:	December 31, 2024						December 31, 2023	
	Beginning Balance		Amounts released		Additions		Year-end balance	
	JD	JD	JD	JD	JD	JD	Deferred Tax	JD
Accounts included								
Deferred Tax Assets								
Provision for non-performing loans	23,152,318	13,821,430	6,458,972	15,789,860	5,405,469	8,797,881		
Prior years' provision for non-performing loans	2,130,653	2,567	187,545	2,315,631	750,398	679,869		
Provision for end-of-service indemnity	4,027,076	199,661	614,176	4,441,591	1,291,213	1,167,084		
Interest in suspense	507,466	-	66,253	573,719	162,892	144,341		
Provision for lawsuits raised against Bank	293,464	5,891	156,627	444,200	143,937	101,464		
Provision for seized assets	9,528,870	18,459	-	9,510,411	3,387,597	3,380,002		
Impairment for assets available for sale	62,831	-	-	62,831	23,876	23,876		
Seized assets valuation	837,287	-	-	837,287	318,169	318,169		
Expected credit loss provision	22,095,636	71,137	15,564,151	37,588,650	12,357,407	7,571,270		
Other allocations	3,625,427	4,160	-	3,621,267	1,287,284	1,288,481		
	66,261,028	14,123,305	23,047,724	75,185,447	25,128,242	23,472,437		
c. Deferred Tax Liabilities:								
Fair value reserve	2,140,736	907,530	83,471	1,316,677	229,911	471,683		

The movement on the deferred tax assets and liabilities accounts is as follows:	Deferred tax assets		Deferred tax liabilities	
	2024	2023	2024	2023
	JD	JD	JD	JD
Balance -Beginning of year	23,472,437	25,162,135	471,683	107,367
Addition during the year	6,994,526	2,821,967	8,242	364,316
Amortized during the year	(5,338,721)	(4,511,665)	(250,014)	-
Balance -end of year	25,128,242	23,472,437	229,911	471,683

\* The rate used in calculating the deferred taxes is the effective unified rate in the country where the Bank is located.

20. Borrowed Funds		Number of Installments				
The details of this item are as follows:	Amount	In Total	The Remaining	Periodic Installments Maturity	Collaterals	Price of Borrowing Interest
December 31, 2024	JD					
Borrowing from Central Banks*	18,998,947	6-120	4-120	Monthly	Treasury Bonds and bills	Zero -1%
Lease liabilities ***	20,823,821	1115	537	Annual	None	Average 6,48%
Total	39,822,768					
December 31, 2023	JD					
Borrowing from Central Banks*	15,519,020	24-108	1-96	Monthly	Treasury Bonds and bills	Zero -1%
Lease liabilities ***	20,731,526	1083	600	Annual	None	Average 6,72%
Total	36,250,546					

\* The above balances has been re-financed to the Bank's customers classified under small and medium seized entities and corporates with an interest rate ranging from 2% - 6.83%

- This balance is borrowed at a fixed interest rate, and there is no borrowing at floating interest rates, non - interest bearing borrowings related to loans issued by the Central Bank of Jordan amounted to JD 3,434,381 as of December 31, 2024 ( JD 7,495,250 as of December 31, 2023 ).

\*\* This item represents the amount borrowed from Jordan Mortgage Refinance Company which is due in one payment within three years.

*** Lease liabilities – Against right of use of assets – leased:	December 31, 2024	December 31, 2023
Maturity analysis - undiscounted contractual cash flows	JD	JD
Less than one year	5,200,480	4,200,790
Year to five years	15,675,180	15,897,488
More than five years	5,302,527	6,229,764
Total undiscounted lease liabilities	26,178,187	26,328,042
Discounted lease liabilities included in the consolidated statement of financial position	20,823,821	20,731,526
Within one year	3,548,432	2,228,757
More than one year	17,275,389	18,502,769

21. Other Liabilities	December 31,	
The details of this item are as follows:	2024	2023
	JD	JD
Accrued interest payable	14,894,390	13,059,616
Deferred cheques	7,131,898	14,010,417
Temporary deposits	10,052,288	8,302,174
Dividends payable	3,201,826	3,044,288
Deposits on safe boxes	185,508	176,636
Margins against sold real estate	340,932	402,240
Financial derivatives - Note (39)	-	145,277
Expected credit loss provision against indirect credit facilities **	10,334,067	8,682,263
Other liabilities*	8,337,541	7,918,005
	54,478,450	55,740,916

* The details of other liabilities are as follows:	December 31,	
	2024	2023
	JD	JD
Social security deposits	406,581	312,717
Income tax deposits	554,578	492,855
Accrued expenses	6,309,850	6,350,089
Incoming transfers	200,415	265,257
Board of Directors’ remuneration	55,000	55,000
Other credit balances	811,117	442,087
	8,337,541	7,918,005

* Indirect credit facilities credit stages distribution was as follows:	Item	As of December 31, 2024						As of December 31, 2023					
		Stage One			Stage Two			Stage Three			Total		
		Individual		Collective	Individual		Collective	Individual		Total	Total		Total
		JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the Beginning of the Year		479,978,932	71,650,708	12,221,486	9,091,690	607,513	6,948,487	11,438,109	-	201,861,027	579,107,926	497,311,621	
New exposures during the year		188,042,888	12,221,486	(6,107,335)	607,513	989,140	989,140	-	-	219,590,509	219,590,509		
Accrued exposures		(67,182,381)	(6,107,335)	(6,107,335)	(700,088)	(660,961)	(660,961)	(388,363)	(75,039,128)	(123,745,219)	(123,745,219)		
		600,839,439	77,764,859	77,764,859	8,999,115	7,276,666	7,276,666	11,049,746	705,929,825	593,156,911			
Transferred to stage one		4,646,765	3,149,652	(4,416,150)	(3,149,652)	(230,615)	-	-	-	-	-	-	-
Transferred to stage two		(15,459,135)	(6,605,362)	(6,605,362)	15,724,354	6,605,362	(265,219)	(265,219)	-	-	-	-	-
Transferred to stage three		(1,851,696)	(258,080)	(258,080)	(214,966)	(142,909)	(142,909)	2,467,651	-	-	-	-	-
Effect as a result of classification changes between the three stages during the year		(1,755,402)	246,480	(4,093,311)	4,920,453	(1,717,879)	(2,399,659)	(2,399,659)	(2,525,056)	(6,367,861)			
Changes due to the adjustments		(28,446,391)	3,972,583	368,510	755,837	-	(23,349,461)	(23,349,461)	(5,156,068)	(5,156,068)			
Adjustments due to exchange rates fluctuations		(744,338)	-	(1,668)	-	(4,197)	(750,203)	(750,203)	(750,203)	(750,203)			
Balance at the End of the Year		557,229,242	78,270,132	16,365,884	16,265,757	11,299,487	679,430,502	679,430,502	579,107,926	579,107,926			

** Total expected credit loss provision distribution against indirect credit facilities was as follows:							As of December 31, 2023	
Item	Stage One		Stage Two		Stage Three		Total	Total
	Individual	Collective	Individual	Collective	Individual	Collective		
Balance at the Beginning of the Year	833,046	42,111	325,781	12,132	7,469,193		8,682,263	8,069,724
Credit loss on new exposures during the period	237,614	7,625	4,959	1,786	1,846,804		2,116,788	444,735
Impairment loss over accrued exposures	(156,356)	(4,220)	(26,174)	(1,258)	(253,670)		(441,678)	(219,813)
	914,304	45,516	304,566	12,660	9,080,327		10,357,373	8,294,646
Transferred to stage one	222,408	4,429	(70,527)	(4,429)	(151,881)		-	-
Transferred to stage two	(30,624)	(5,374)	207,552	5,374	(176,928)		-	-
Transferred to stage three	(7,454)	(263)	(49,106)	(746)	57,569		-	-
Effect as a result of classification changes between the three stages during the year	(210,718)	(3,591)	(62,427)	36,416	512,290		271,970	577,378
Changes due to the adjustments	(261,449)	(490)	(33,565)	4,541	-		(290,963)	(188,619)
Adjustments due to exchange rates fluctuations	(125)	-	(6)	-	(4,182)		(4,313)	(1,142)
Balance at the End of the Year	626,342	40,227	296,487	53,816	9,317,195		10,334,067	8,682,263

Indirect credit facilities distribution was as follows:												As of December 31, 2023	
A. Letter of credit	As of December 31, 2024												
	Stage One		Stage Two		Stage Three		Total						
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	
Item	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Credit risk rating based on the Bank's internal credit rating system:													
1	-	-	-	-	-	-	-	-	-	-	-	-	
2	-	-	-	-	-	-	-	-	-	-	-	-	
3	1,142,114	-	-	-	-	-	-	-	1,142,114	-	6,139,917	-	
4	52,525,794	-	-	-	-	-	-	-	52,525,794	-	26,486,491	-	
5	4,460,024	-	422,377	-	-	-	-	-	4,882,401	-	1,763,883	-	
6	1,741,067	-	971,483	-	-	-	-	-	2,712,550	-	291,815	-	
7	-	-	-	-	-	-	-	-	-	-	-	-	
8	-	-	-	-	-	-	-	-	-	-	-	-	
9	-	-	-	-	-	-	-	-	-	-	-	-	
10	-	-	-	-	-	-	-	-	-	-	-	-	
Total	59,868,999	-	1,393,860	-	-	-	-	-	61,262,859	-	34,682,106	-	



Indirect facilities movement disclosure:										As of December 31, 2024		As of December 31, 2023	
Item	Stage One			Stage Two			Stage Three			Total		Total	
	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	JD	JD	JD	JD
Balance at the beginning of the year			34,643,820	-	-	38,286			38,286		34,682,106		18,452,935
New facilities during the year			6,831,480	-	-	372,748			372,748		7,204,228		24,882,622
Facilities paid			1,514,609	-	-	-			-		1,514,609		(960,056)
			42,989,909	-	-	411,034			-		43,400,943		42,375,501
Transferred to Stage One			38,286	-	-	(38,286)			-		-		-
Transferred to Stage Two			(583,535)	-	-	583,535			-		-		-
Transferred to Stage Three			-	-	-	-			-		-		-
The effect on the provision at the end of the year as a result of changes in classification between the three stages during the year			(38,286)	-	-	437,577			-		399,291		-
Changes due to the adjustments			17,462,625	-	-	-			-		17,462,625		(7,693,395)
Adjustments due to changes in exchange rates			-	-	-	-			-		-		-
Total Balance at the End of the Year			59,868,999	-	-	1,393,860			-		61,262,859		34,682,106

Impairment provision movement disclosure:										As of December 31, 2024		As of December 31, 2023	
Item	Stage One			Stage Two			Stage Three			Total		Total	
	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	JD	JD	JD	JD
Balance at the beginning of the year			45,538	-	-	178			-		45,716		42,557
Loss on new balances during the year			12,935	-	-	1,541			-		14,476		33,713
Recoveries from impairment on investments due			(18,462)	-	-	-			-		(18,462)		(12,570)
			40,011	-	-	1,719			-		41,730		63,700
Transferred to Stage One			178	-	-	(178)			-		-		-
Transferred to Stage Two			(1,267)	-	-	1,267			-		-		-
Transferred to Stage Three			-	-	-	-			-		-		-
The effect as a result of the reclassification between the three stages during the year			(178)	-	-	5,421			-		5,243		-
Changes due to the adjustments			2,209	-	-	-			-		2,209		(17,984)
Adjustments due to changes in exchange rates			-	-	-	-			-		-		-
Total Balance at the End of the Year			40,953	-	-	8,229			-		49,182		45,716

As of December 31, 2024										As of December 31, 2023	
B. Acceptances											
	Stage One					Stage Two					
	Individual Level		Collective Level			Individual Level		Collective Level		Total	Total
Item	JD		JD		JD	JD		JD		JD	JD
Credit risk rating based on the Bank's internal credit rating system:											
1	-		-		-		-	-		-	-
2	-		-		-		-	-		-	-
3	1,340,719		-		-		-	-		1,340,719	1,732,442
4	158,015,052		-		-		-	-		158,015,052	73,201,306
5	6,810,803		-		-		-	-		6,810,803	16,349,535
6	1,990,783		-		1,226,747		-	-		3,217,530	169,508
7	-		-		-		-	-		-	-
8	-		-		-		-	-		-	-
9	-		-		-		-	-		-	-
10	-		-		-		-	-		-	-
Total	168,157,357		-		1,226,747		-	-		169,384,104	91,452,791

As of December 31, 2024										As of December 31, 2023	
Indirect facilities movement disclosure:											
	Stage One					Stage Two					
	Individual Level		Collective Level			Individual Level		Collective Level		Total	Total
Item	JD		JD		JD	JD		JD		JD	JD
Balance at the Beginning of the year	91,434,889		-		17,902		-	-		91,452,791	19,602,186
New facilities during the year	81,584,515		-		-		-	-		81,584,515	88,442,132
Facilities settled	(15,651,812)		-		(17,902)		-	-		(15,669,714)	(15,430,043)
	157,367,592		-		-		-	-		157,367,592	92,614,275
Transferred to Stage One	-		-		-		-	-		-	-
Transferred to Stage Two	(1,697,051)		-		1,697,051		-	-		-	-
Transferred to Stage Three	-		-		-		-	-		-	-
The effect as a result of reclassification between the three stages during the year	-		-		(470,304)		-	-		(470,304)	-
Changes due to the adjustments	12,486,816		-		-		-	-		12,486,816	(1,161,484)
Written off facilities	-		-		-		-	-		-	-
Adjustments due to changes in exchange rates	-		-		-		-	-		-	-
Total Balance at the End of the Year	168,157,357		-		1,226,747		-	-		169,384,104	91,452,791

Impairment provision movement disclosure:										As of December 31, 2024		As of December 31, 2023	
Item	Stage One			Stage Two			Stage Three			Total		Total	
	Individual Level		Collective Level	Individual Level		Collective Level	Individual Level		Collective Level	Total		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the Beginning of the year	96,327	-	-	83	-	-	-	-	-	96,410	-	24,743	92,029
Impairment Loss of new balances during the year	79,065	-	-	-	-	-	-	-	-	79,065	-	(15,039)	(15,039)
Recoveries from impairment loss on facilities due	(47,765)	-	-	(83)	-	-	-	-	-	(47,848)	-	101,733	101,733
Transferred to Stage One	127,627	-	-	-	-	-	-	-	-	127,627	-	-	-
Transferred to Stage Two	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to Stage Three	(1,851)	-	-	1,851	-	-	-	-	-	-	-	-	-
The effect as a result of reclassification between the three stages during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes due to the adjustments	(8,320)	-	-	-	-	-	-	-	-	(8,320)	-	(5,323)	(5,323)
Adjustments due to changes in exchange rates	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Balance at the End of the Year	117,456	-	-	8,222	-	-	-	-	-	125,678	-	96,410	96,410

C. Letters of guarantee										As of December 31, 2024		As of December 31, 2023	
Item	Stage One			Stage Two			Stage Three			Total		Total	
	Individual Level		Collective Level	Individual Level		Collective Level	Individual Level		Collective Level	Total		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Credit risk rating based on the Bank's internal credit rating system:													
1	-	-	-	-	-	-	-	-	-	-	-	-	-
2	300,570	-	-	-	-	-	-	-	-	300,570	-	392,475	392,475
3	8,461,404	-	-	50,000	-	-	-	-	-	8,511,404	-	18,398,303	18,398,303
4	16,452,091	-	-	208,000	-	-	-	-	-	16,660,091	-	14,929,851	14,929,851
5	31,800,470	-	-	346,180	-	-	-	-	-	32,146,650	-	22,972,734	22,972,734
6	12,620,807	-	-	1,497,411	-	-	-	-	-	14,118,218	-	15,812,492	15,812,492
7	-	-	-	1,511,492	-	-	-	-	-	1,511,492	-	1,603,516	1,603,516
8	-	-	-	-	-	-	-	-	-	59	-	-	-
9	-	-	-	-	-	-	-	-	-	163	-	-	-
10	-	-	-	-	-	-	-	-	-	11,299,265	-	11,438,109	11,438,109
Unclassified	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	69,635,342	-	-	3,613,083	-	-	-	-	-	11,299,487	-	85,547,480	85,547,480

Indirect facilities movement disclosure:										As of December 31, 2024		As of December 31, 2023	
Item	Stage One			Stage Two			Stage Three			Total		Total	
	Individual Level		Collective Level	Individual Level		Collective Level	Individual Level		Collective Level	Total		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	71,269,574	-	-	2,839,797	-	-	11,438,109	-	-	85,547,480	-	78,883,452	-
New facilities during the Year	13,618,619	-	-	129,934	-	-	-	-	-	13,748,553	-	11,940,379	-
Facilities settled	(9,349,907)	-	-	(434,222)	-	-	(388,363)	-	-	(10,172,492)	-	(3,772,821)	-
	75,538,286	-	-	2,535,509	-	-	11,049,746	-	-	89,123,541	-	87,051,010	-
Transferred to Stage One	1,537,533	-	-	(1,306,918)	-	-	(230,615)	-	-	-	-	-	-
Transferred to Stage Two	(3,248,084)	-	-	3,513,303	-	-	(265,219)	-	-	-	-	-	-
Transferred to Stage Three	(588,231)	-	-	(182,513)	-	-	770,744	-	-	-	-	-	-
The effect as a result of reclassification between the three stages during the year	(110,348)	-	-	(926,992)	-	-	(20,972)	-	-	(1,058,312)	-	(303,037)	-
Changes due to the adjustments	(2,788,744)	-	-	(17,638)	-	-	-	-	-	(2,806,382)	-	2,897,500	-
Adjustments due to changes in exchange rates	(705,070)	-	-	(1,668)	-	-	(4,197)	-	-	(710,935)	-	(4,097,993)	-
Total balance at the end of the year	69,635,342	-	-	3,613,083	-	-	11,299,487	-	-	84,547,912	-	85,547,480	-

Impairment provision movement disclosure:										As of December 31, 2024		As of December 31, 2023	
Item	Stage One			Stage Two			Stage Three			Total		Total	
	Individual Level		Collective Level	Individual Level		Collective Level	Individual Level		Collective Level	Total		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	220,615	-	-	166,984	-	-	7,469,193	-	-	7,856,792	-	7,292,159	-
Impairment Loss of new balances during the year	38,820	-	-	2,501	-	-	1,864,804	-	-	1,906,125	-	56,865	-
Recoveries from impairment loss on facilities due	(17,054)	-	-	(20,798)	-	-	(253,670)	-	-	(291,522)	-	(86,764)	-
	242,381	-	-	148,687	-	-	9,080,327	-	-	9,471,395	-	7,262,260	-
Transferred to Stage One	198,257	-	-	(46,376)	-	-	(151,881)	-	-	-	-	-	-
Transferred to Stage Two	(10,820)	-	-	187,748	-	-	(176,928)	-	-	-	-	-	-
Transferred to Stage Three	(1,325)	-	-	(44,186)	-	-	45,511	-	-	-	-	-	-
The effect as a result of reclassification between the three stages during the year	(189,167)	-	-	(101,020)	-	-	524,348	-	-	234,161	-	581,168	-
Changes due to the adjustments	(43,724)	-	-	30,704	-	-	-	-	-	(13,020)	-	14,047	-
Adjustments due to changes in exchange rates	(94)	-	-	(6)	-	-	(4,182)	-	-	(4,282)	-	(683)	-
Total balance at the end of the year	195,508	-	-	175,551	-	-	9,317,195	-	-	9,688,254	-	7,856,792	-



As of December 31, 2024												As of December 31, 2023	
D. Unutilized facilities limits													
Item	Stage One			Stage Two			Stage Three			Total			
	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	JD	JD		
Credit risk rating based on the Bank's internal credit rating system:													
1	5,138	-	-	-	-	-	-	-	-	5,138	5,138		
2	335,660	-	-	-	-	-	-	-	-	335,660	-		
3	46,730,302	-	-	-	-	-	-	-	-	46,730,302	77,674,420		
4	113,173,802	-	-	122,969	-	-	-	-	-	113,296,771	90,098,347		
5	75,684,376	-	-	494,242	-	-	-	-	-	76,178,618	92,178,893		
6	23,638,266	-	-	5,408,286	-	-	-	-	-	29,046,552	24,309,051		
7	-	-	-	4,106,697	-	-	-	-	-	4,106,697	4,560,505		
8	-	-	-	-	-	-	-	-	-	-	-		
9	-	-	-	-	-	-	-	-	-	-	-		
10	-	-	-	-	-	-	-	-	-	-	-		
Unclassified	-	78,270,132	-	-	16,265,757	-	-	94,535,889	-	78,599,195			
Total	259,567,544	78,270,132	10,132,194	16,265,757	-	364,235,627	-	367,425,549					

Unutilized facilities movement disclosure:				As of December 31, 2024				As of December 31, 2023	
Item	Stage One			Stage Two		Stage Three		Total	
	Individual Level	Collective Level	JD	Individual Level	Collective Level	JD	JD	JD	JD
Balance at the Beginning of the year	282,630,649	71,650,708		6,195,705	6,948,487		-	367,425,549	380,373,048
New facilities during the year	86,008,274	12,221,486		104,831	989,140		-	99,323,731	94,325,376
Facilities paid	(43,695,271)	(6,107,335)		(247,964)	(660,961)		-	(50,711,531)	(103,582,299)
	324,943,652	77,764,859		6,052,572	7,276,666		-	416,037,749	371,116,125
Transferred to Stage One	3,070,946	3,149,652		(3,070,946)	(3,149,652)		-	-	-
Transferred to Stage Two	(9,930,465)	(6,605,362)		9,930,465	6,605,362		-	-	-
Transferred to Stage Three	(1,263,465)	(258,080)		(32,453)	(142,909)		1,696,907	-	-
The effect as a result of reclassification between the three stages during the year	(1,606,768)	246,480		(3,133,592)	4,920,453		(1,696,907)	(1,270,334)	(2,222,019)
Changes due to the adjustments	(55,607,088)	3,972,583		386,148	755,837		-	(50,492,520)	(410,482)
Written off facilities	-	-		-	-		-	-	-
Adjustments due to changes in exchange rates	(39,268)	-		-	-		-	(39,268)	(1,058,075)
Total Balance at the End of the Year	259,567,544	78,270,132		10,132,194	16,265,757		-	364,235,627	367,425,549

Impairment provision movement disclosure:				As of December 31, 2024				As of December 31, 2023					
Item	Stage One				Stage Two				Stage Three				
	Individual Level		Collective Level		Individual Level		Collective Level		Individual Level		Collective Level		
	JD		JD		JD		JD		JD		JD		
Balance at the Beginning of the year	470,566		42,111		158,536		12,132		-		683,345		710,265
Impairment Loss of new balances during the year	106,794		7,625		917		1,786		-		117,122		262,128
Recoveries from impairment loss on investments due	(73,075)		(4,220)		(5,293)		(1,258)		-		(83,846)		(105,440)
	504,285		45,516		154,160		12,660		-		716,621		866,953
Transferred to Stage One	23,973		4,429		(23,973)		(4,429)		-		-		-
Transferred to Stage Two	(16,686)		(5,374)		16,686		5,374		-		-		-
Transferred to Stage Three	(6,129)		(263)		(4,920)		(746)		12,058		-		-
The effect as a result of reclassification between the three stages during the year	(21,373)		(3,591)		26,801		36,416		(12,058)		26,195		(3,790)
Changes due to the adjustments	(211,614)		(490)		(64,269)		4,541		-		(271,832)		(179,359)
Written off facilities	-		-		-		-		-		-		-
Adjustments due to changes in exchange rates	(31)		-		-		-		-		(31)		(459)
Total Balance at the End of the Year	272,425		40,227		104,485		53,816		-		470,953		683,345

22. Paid-Up Capital

The authorized capital of the Bank is JD 200 million as of December 31, 2024 and 2023.

The authorized capital of the Bank is JD 200 million by year end, divided into 200 million shares at a par value of JD 1 each.

23. Reserves

- Statutory Reserve

The amount accumulated in this account is transferred at 10% from the annual net income before tax during the year and previous years according to the Banks Law and Companies Law. This reserve cannot be distributed to shareholders.

- Voluntary Reserve

The amounts accumulated in this account are transferred at 10% from the annual net income before taxes during the previous years. This reserve will be used for the purposes approved by the Board of Directors. Moreover, the General Assembly of Shareholders has the right to capitalize or distribute the whole reserve or part thereof as dividends.

- General Banking Risks Reserve

This item represents the general banking risks reserve in line with the instructions of the Central Bank of Jordan. The balance of the general bank risk reserve has been transferred to retained earnings as of January 1ST 2018 based on Central Bank of Jordan Circular No. 1359/1/10 dated January 25, 2018 and Central Bank Instructions No. 13/2018 dated June 6, 2018 and other regulatory authorities.

- Special Reserve

This reserve represents the periodic fluctuation reserve calculated according to the instructions of the Palestinian Monetary Authority concerning the Bank's branches operating in Palestine.

The restricted reserves are as follows:		Amount	Nature of Restriction
Reserve		JD	
Statutory reserve	122,432,037		Banking and corporate law
General banking risks reserve	4,102,021		Regulatory authorities
Special reserve	5,849,743		Regulatory authorities

24. Foreign Currency Translation Differences

This item represents the differences resulting from the translation of net investment in foreign subsidiary (Bank of Jordan – Syria) upon consolidating the financial statements.

The movement on this item during the year is as follows:		2024	2023
		JD	JD
Balance at the Beginning of the Year	(9,562,080)		(13,033,639)
Changes in the translation of net investment in the subsidiary Company during the year*	141,978		3,471,559
Balance at the End of the Year	(9,420,102)		(9,562,080)

25. Fair Value Reserve		
The details of the fair value reserve are as follows:	2024	2023
	JD	JD
Balance - Beginnings of the Year	31,794,224	48,495,968
Unrealized gains – Equity instruments	7,787,119	(19,339,618)
Unrealized (losses) – debt instruments	(2,730,384)	3,067,585
Expected credit loss – debt instruments		
Debt instruments at fair value through comprehensive income transferred to profit or loss as a result of sale	(36,638)	(65,395)
Equity instruments at fair value through comprehensive income transferred to retained earnings as a result of sale		-
Deferred Tax Liabilities	241,771	(364,316)
Balance at the End of the Year*	37,056,092	31,794,224

\* Net after deferred tax which amounted to JD 229,911 for the year 2024 (JD 471,683 for the year 2023).

26. Retained Earnings		
The details of this item are as follows:	2024	2023
	JD	JD
beginning balance	174,847,102	173,238,442
Dividends distributed to shareholders	(36,000,000)	(36,000,000)
Profit for the year	35,017,177	44,023,403
Transferred (to) reserves	(5,547,880)	(6,595,784)
Profit transferred as a result of sale of financial assets through comprehensive income*		-
Foreign currency translation differences	(146,972)	181,041
Balance at the End of the Year	168,169,427	174,847,102

- Retained earnings include an amount of JD 25,128,242 restricted against deferred tax assets as of December 31, 2024 (JD 23,472,437 as of December 31, 2023).
- Retained earnings include an amount of JD 227,598 as of December 31, 2024, which represents the effect of early adoption of IFRS (9). These restricted amounts cannot be utilized unless realized as instructed by Jordan Securities Exchange Commission. Also retained earnings include an amount of JD 813,437 as of December 31, 2024 that cannot be utilized by distribution or any purpose unless there is a formal approval from Central Bank of Jordan resulting from the application of Central Bank of Jordan circular No. 10/1/1359 dated January 25, 2018.

\* Presented net of Income tax.

27. Declared Dividends

The Bank’s Board of Directors recommended in its meeting held in January 30, 2024 the distribution of 18% of the Bank’s capital as cash dividends to the shareholders, this is subject to the General Assembly and Central Bank of Jordan approvals.

28. Interest Income		For the Year Ended December 31,	
The details of this item are as follows:	2024	2023	
	JD	JD	
Direct Credit Facilities at amortized cost:			
Individual (retail customers):	52,274,910	53,386,694	
Overdraft accounts	1,305,596	1,262,393	
Loans and discounted bills	45,507,623	47,576,491	
Credit cards	5,461,691	4,547,810	
Real estate loans	17,691,053	20,104,893	
Corporate Entities:	43,032,876	39,591,699	
Large corporate customers:	26,776,281	24,544,272	
Overdraft accounts	3,035,227	2,853,282	
Loans and discounted bills	23,741,054	21,690,990	
SMEs:	16,256,595	15,047,427	
Overdraft accounts	2,389,019	2,458,929	
Loans and discounted bills	13,867,576	12,588,498	
Government and Public Sector	19,215,487	19,164,745	
Other items:			
Balances with central banks	34,611,339	27,956,952	
Balances and deposits with banks and financial institutions	10,078,931	9,220,525	
Financial assets at amortized cost	9,331,324	10,257,344	
Financial assets at fair value through comprehensive income	10,827,681	5,616,107	
Total	197,063,601	185,298,959	

29. Interest Expense		For the Year Ended December 31,	
The details of this item are as follows:	2024	2023	
	JD	JD	
Banks and financial institution deposits	1,403,295	3,902,956	
Customers’ deposits:			
Current and demand deposits	2,290	5,269	
Saving accounts	2,577,114	3,363,285	
Time and notice deposits	41,763,612	31,135,083	
Certificates of deposit	9,288,005	5,547,491	
Borrowed funds	92,828	706,174	
Cash margins	3,718,125	2,700,340	
Deposits insurance fees	2,281,002	2,111,825	
Interest on lease liabilities	1,290,770	1,237,933	
	62,417,041	50,710,356	

30. Net – Commission Income		For the Year Ended December 31,	
The details of this item are as follows:		2024	2023
		JD	JD
Commission Income:			
Direct credit facilities commission		3,918,073	3,881,801
Indirect credit facilities commission		4,637,753	5,093,356
Other commission		19,167,278	17,119,564
<b>Total</b>		<b>27,723,104</b>	<b>26,094,721</b>
Less: Commission Expense		2,015,072	1,438,338
Net Commission Income		25,708,032	24,656,383

31. Foreign Currencies Income		For the Year Ended December 31,	
The details of this item are as follows:		2024	2023
		JD	JD
From trading / dealing		282,810	609,325
From revaluation		4,617,674	3,543,115
		<b>4,900,484</b>	<b>4,152,440</b>

32. Gain from Financial Assets at Fair Value Through Profit or Loss				
The details of this item are as follows:				
	Realized Gain	Unrealized Gain	Shares Dividends	Total
During the Year 2024	JD	JD	JD	JD
Local shares	-	4,401	4,450	8,851
	-	4,401	4,450	<b>8,851</b>
During the Year 2023				
Local shares	-	33,797	16,595	50,392
	-	33,797	16,595	<b>50,392</b>

33. Other Income		For the Year Ended December 31,	
The details of this item are as follows:		2024	2023
		JD	JD
Revenues recovered from prior years		528,741	472,415
Gain from the sale of assets seized by the Bank		208,625	238,349
Revenue from telephone, post, and swift		389,779	292,889
Rent income received from the Bank's real estate		222,248	189,254
Gain from the sale of property and equipment		91,950	267,206
Interest in suspense reversed to revenue		802,005	526,040
Other revenue		2,175,537	1,150,545
		<b>4,418,885</b>	<b>3,136,698</b>

34. Employees Expenses		For the year ended December 31,	
The details of this item are as follows:		2024	2023
		JD	JD
Salaries, bonuses, and employees' benefits		33,382,288	28,620,068
Bank's contribution to social security		2,677,219	2,392,952
Bank's contribution to provident fund		2,041,530	1,859,306
Medical expenses		1,513,600	1,245,914
Staff training expenses		589,225	372,417
Transportation and travel expenses		968,217	809,201
Life insurance		251,760	261,513
		<b>41,423,839</b>	<b>35,561,371</b>



35. Other Expenses		For the year ended December 31,	
The details of this item are as follows:		2024	2023
		JD	JD
Rent		175,064	458,147
Printing and stationery		724,255	818,420
Telephone, post and swift		2,483,418	2,419,011
Maintenance, repairs, and cleaning		9,327,116	7,416,954
Fees, taxes, and licenses		4,851,936	4,293,367
Advertisements and subscriptions		12,153,826	10,000,806
Insurance expenses		5,474,338	5,183,737
Electricity and heating		769,024	629,435
Donations		864,019	1,425,988
Hospitality		395,383	358,984
Professional, consultancy and legal fees		2,466,497	2,229,134
Board of Directors members remunerations		55,000	55,000
Miscellaneous		1,415,616	1,999,748
		41,155,492	37,288,731

36. Financial Assets Expected Credit Losses Expenses		For the year ended December 31,	
The details on this item are as follows:		2024	2023
		JD	JD
Balances central banks		361,807	82,677
Balances at banks and financial institutions		31,315	(30,816)
Deposits at banks and financial institutions		7	38
Direct credit facilities at amortized cost		18,337,810	14,196,918
Financial assets at amortized cost		96,224	(137,056)
Off statement of financial position items		1,656,117	613,681
		20,483,280	14,725,442

37. Earnings Per Share from Profit for the Year		
The details of this item are as follows:		
	2024	2023
	JD	JD
Profit for the year (Bank's shareholders)	35,017,177	44,023,403
Weighted average number of shares *	200,000,000	200,000,000
Net income for the year/share (Bank's shareholders)		
	JD/FILLS	JD/FILLS
Basic and diluted	0.180	0.220

The average price of their shares is calculated from the average return, based on the number of authorized shares for the years ending on December 31, 2024, and 2023 in accordance with the requirements of International Accounting Standard No. 33.

38. Cash and Cash Equivalents		December 31,	
The details of this item are as follows:		2024	2023
		JD	JD
Cash and balances with Central Banks maturing within 3 months		761,604,005	858,096,861
Add: Balances with banks and other financial institutions maturing within 3 months		268,207,452	142,621,408
Less: Banks and financial institutions' deposits maturing within 3 months		(42,076,104)	(71,354,418)
Restricted balances		(122,095,358)	(113,318,551)
		865,639,995	816,045,300

39. Financial Derivatives	Positive Fair Value	Negative Fair Value	Total Nominal Value	Nominal Value Maturities		
The details of financial derivatives at year-end are as follows:				Within 3 Months	From 3 To 12 Months	Total
December 31, 2024	JD	JD	JD	JD	JD	JD
Foreign currencies forward contracts	35,726	-	63,205,374	55,079,470	8,125,904	63,205,374
Total	35,726	-	63,205,374	55,079,470	8,125,904	63,205,374
December 31, 2023	JD	JD	JD	JD	JD	JD
Foreign currencies forward contracts	-	(145,277)	48,688,028	44,721,147	3,966,881	48,688,028
Total	-	(145,277)	48,688,028	44,721,147	3,966,881	48,688,028

Nominal value indicates the value of transactions at year-end and does not relate to market risk or credit risk.

#### 40. Related parties Transactions

Within its normal activities, the Bank entered into transactions with its major shareholders, members of the Board of Directors, executive management and the associate Company at the commercial rates of interest and commission. Moreover, all loans and advances with related parties are performing, and no provision for probable credit losses has been taken thereon.

The following are summaries of balances and transactions with related parties:	Related party							Total	
	Subsidiaries*	Board of Directors Members	Executives Management	Staff Provident Fund	Other Parties	2024	2023	2024	2023
Consolidated Statement of Financial Position Items:									
Assets:									
Investments	45,627,636	-	-	-	-	45,627,636	45,627,636		
Credit Facilities	-	1,185,490	792,117	-	1,097,804	3,075,411	4,096,282		
Current accounts and Deposits	10	-	-	-	-	10	10		
Cash Margins	3,982,000	-	-	-	-	3,982,000	3,982,000		
Liabilities:									
Customer Deposits and Margins	14,235,491	826,354	5,251,926	341,133	17,866,017	38,520,921	37,918,630		
Bank Deposits	7,798,232	-	-	-	-	7,798,232	7,535,829		
Borrowed funds	2,989,024	-	-	-	-	2,989,024	3,149,221		
Off-consolidated balance sheet items									
Letters of guarantee	450,000	-	50,000	-	76,550	576,550	538,970		
Acceptances and credits	-	-	-	-	-	-	-		
Consolidated Statement of Profit or Loss Items:									
Credit interest and commission	-	80,715	37,893	-	66,329	184,937	445,983		
Debit interest and commission	1,840,077	23,316	204,060	90,801	852,142	3,010,396	3,361,184		
Total									
for the Year Ended December 31,									
2024									
2023									

#### Interest rates:

- Credit interest rates against facilities in JOD range from 1 % (minimum price represent interest rate against cash margin amounted to 100%) to 11%.
  - No Credit interests in foreign currency due to the fact that there is no credit facilities granted in foreign currencies .
  - Debit interest rates for JOD range from 0.0025% to 6 %.
  - Debit interest rates for foreign currency range from 3.10% to 5.25%.
- \* Balances and transacations with subsidiary companies are excluded from the consolidated financial statements, but presented for clarification purposes only.
- Investment in subsidiary - Syria is shown at cost, noting that the bank has hedged against the impairment of this investment in its records.
  - Related parties number that have been granted facilities is 34 customers as of Dec 31, 2024.

Bank's Executive Management Salaries and Remunerations Summary is as follows:	For the Year Ended December 31,	
	2024	2023
	JD	JD
Salaries and executive benefits	3,306,532	2,918,212
Transportation and board secretary	18,000	18,000
Board of directors membership, transportation and bonuses	658,076	659,366
<b>Total</b>	<b>3,982,608</b>	<b>3,595,578</b>

#### 41. Risk Management

##### First: Qualitative Disclosures

The Bank continuously develops the risk management structure to ensure effective management of all of its operations, the efficiency of the risk management process, and proper application of the regulatory controls across all of the Bank's operations (Execution). The Bank has created a risk management committee emanated from the Board of Directors, which in its turn works to ensure the existence of an effective internal control system and to verify its good performance. The Board also approves risk management policies in general and defines their framework.

\*Risk management department takes the responsibility of managing different types of risks from which:

- Preparing the policies and approve on it from the board of directors.
- Analysing all the risk types (credit, market, liquidity, operations, information security....)
- Develop measurement and control methodologies for each type of risk.
- Providee the Board of Directors and upper management with statements and information on measuring risks in the bank in a qualitative and quantitative manner.

\* The Bank has applied a set of automatic systems to measure and control risks such as capital adequacy ratios, liquidity risk and ratios (LCR / NSFR), operational risks, operational production, and market risks.

##### Credit Risk:

Credit risks arise from the possibility of the inability and/or unwillingness of the borrower or the third party to fulfil its obligations at the agreed times. These risks include items within the financial statements such as loans and bonds, and items outside the financial statements such as guarantees and/or documentary credits, which leads to financial losses to the bank.

In this context, the Bank is strengthening the institutional frameworks that govern credit management through the following:

1. A set of independent specialized departments to manage credit risks are as follows:

- Corporate Credit Department (deals with corporate credit risk management)
- Small and Medium Credit Department (SME's) deals with managing the credit risks of small and medium sized entities.
- Individual Credit Department (deals with the individuals credit portfolios).
- Credit Portfolio Risk Department: which is mainly deals with preserving the quality of credit granted to bank customers (Corporates, SME's and Individual) and studying key risk indicators, and studying key performance indicators, through preparing studies and reports on the performance of economic sectors and industries, and comparing them with the performance of portfolios, provisions, and Preparing the necessary recommendations. In this regard, so that it helps in directing the business development departments towards expansion in the economic sectors and/or promising industries, or in not expanding them. It also prepares studies and medical reports concerned with the following:
  - The credit concentrations of the portfolio at the level of economic activity.
  - Credit concentrations of the portfolio at the product level.
  - Reports on default rates, coverage ratios, and their comparison with the performance of the banking sector.
  - Reports on the performance of credit portfolios by portfolio (SME, government, corporate and individuals) and a comparison of growth and profitability rates with the performance of the banking sector.
  - Applying International Financial Reporting Standard IFRS9 through the reports and scenarios necessary to comply with the application of the standard at the beginning of the year 2018.
  - The implementation of the Customer Risk Rating System (Risk Rating Systems) is performed by classifying customers into ten levels according to the following:
    - a) Obligor Risk Rating (economic sector, management, financial status, experience, etc.).
    - b) Facility Risk Rating (risk weight is given according to the nature of the credit type).
    - c) Guarantee Classification (risk weight is given according to the nature of the provided guarantee and its type) which directly affects the recovery ratio, and thus the calculation of the loss given default LGD.

2. Separation between the different business development departments and credit risk departments.

3. Set of approved policies and procedures that determine the basis for defining, measuring, and managing this type of risks.

4. Determining credit concentrations at the level of credit type, economic sector, geographical distribution and credit portfolios...etc.  
The credit risk department, each within its competence, monitors these concentrations.

5. System of authorization and relationship management:

Bank of Jordan adopts a system of authorization that includes a mechanism for granting, delegating, supervising, and managing the relationship for different credit activities.

6. Determine risk mitigation methods:

- The Bank follows a different methods to mitigate the credit risks which represents in the following:
- Provide an appropriate structure for credit, consistent with its purpose and for its repayment.
- Ensure the completion of all control aspects on the use of credit and sources of repayment
- Fulfillment of appropriate guarantees in order to hedge against any risks in this regard.
- Studying and evaluating credit transactions by credit risk departments.
- Periodic assessment of guarantees according to the nature, quality and degree of guarantee risks enhancing it and ensure its coverage for the credit granted up to date.
- Specialized committees for the credit approval.

7. Credit execution departments which include monitoring credit execution, in addition to a unit concerned with documentation, completing legal audits, and implementation.

8. Implementation of an electronic system to manage credit (Crems, E-loan).

9. Specialized departments to follow up the collection of receivables and bad debts.

10. Risk Management Committee at the management level to review credit, investment and risk policies and strategies.

11. Determine the tasks of the different credit departments in terms of the mechanism and periodicity of monitoring and extracted statements and the mechanism of escalation to senior management and the board of directors.

12. Economic fluctuations analysis in changes in the structure and quality of the credit portfolio.

13. Preparation of Reports for Country and Counterparty Limits:

The banks are required to prepare reports for monitoring country and counterparty limits. These reports ensure adherence to guidelines set by the Central Bank, specifically addressing exposure limits to individual countries and counterparties. The purpose is to maintain effective control and oversight, in line with regulatory requirements.

14. Preparation of Reports on Economic Capital:

The banks must prepare reports detailing economic capital, providing insights into its allocation and utilization. These reports are crucial for evaluating the financial strength of the banks and ensuring robust risk management.

15. Preparation and Conducting Stress Tests (Stress Testing) and (ICAAP):

Banks are responsible for preparing and conducting stress tests as part of the Internal Capital Adequacy Assessment Process (ICAAP). These tests evaluate the resilience of the banks under adverse conditions, helping identify vulnerabilities and ensuring adequate capital for various stress scenarios.

16. Credit Oversight Reports:

Credit departments, within their respective jurisdictions, undertake the monitoring and evaluation of all credit operations through a set of supervisory reports.

**Daily Monitoring:**

This involves overseeing credit breaches, outstanding limits that are not renewed, overdue accounts, and other related matters.

**Quality Control and Portfolio Distribution Monitoring:**

Ensuring the quality and distribution of the credit portfolio are maintained and adhered to.

**Credit Risk Classification:**

Analyzing credit risks based on economic sectors, credit types, collateral, concentrations, trends in the quality of credit assets, and more.

**Credit Exposure Monitoring (Total Exposure):**

Monitoring total exposure at various levels, including client-specific, geographical, credit type, economic sector, maturity date, type of collateral, and other relevant factors.

And these reports are submitted on a monthly basis to the Risk Management Committee, a subcommittee of the Board of Directors. As for daily operations, they are promptly submitted to the General Manager.

17. Early Warning Signals (EWS):

The Early Warning Signals (EWS) account contains indicators of potential risks or weaknesses requiring closer monitoring, supervision, or stronger management attention. EWS points, if left unaddressed, may decrease the likelihood of repayment, categorizing them as non-performing and suspicious accounts (B&D). Credit review departments conduct examinations, evaluations, and studies on early warning indicators. Coordination with business development departments determines whether these indicators significantly impact a client's business, its sustainability, and its ability to fulfill commitments to the bank. In case of alignment with the Business Development Department that there is no significant impact, these accounts are added to the Green Accounts list, referring to clients showing early warning signals without being presented to the Early Warning Indicators Committee.

**Operational Risks:**

Operational risk is defined as the risk of loss resulting from failure or inadequacy of internal processes, people or systems, or from an external event which includes legal risks where the operational risk department was established since 2003 as it was filled with the qualified human resources and automatic systems since that date it is managerially related to the risk management.

The Bank manages the operational risks within the following principles:

1. Preparing an operational risk policy and adopting it by the Board of Directors to apply it on the ground, which included the principles for defining, measuring, and monitoring risks, in addition to the level of acceptance of this type of risk.
2. Implementing an automatic system to manage operational risks (CAREWEB).
3. Updating risk profile files so that they include all types of operational risks and control procedures that limit them, and the periodicity of examining them to ensure their efficiency and continuity of work at the level of each of the Bank's units. Reports are submitted to the Risk Management Committee to approve these files.

4. The Internal Audit Department is responsible for evaluating the validity of monthly self-assessment checks for the various units of the Bank, classifying these units within the approved classification criteria in this regard, and including them in the internal audit report. And provide the audit committee with it firstly. A report is prepared showing the results of the self-assessment, the results of the internal audit assessment for all the Bank's units and submitting it to the Audit Committee on a quarterly basis.
5. Continuous assessment of operational risk profiles.
6. Applying the methodology of self-assessment of risks and control procedures (CRSA) as a tool for managing operational risks and evaluating them continuously to identify new risks in addition to ensuring the efficiency of the work of control measures to reduce these risks and updating these files firstly to reflect the actual reality of the work environment.
7. Building a database of operational errors, analyzing them, and submitting periodic reports on the concentration and quality of these errors to the Risk Management Committee / Board of Directors.
8. Applying classification standards and evaluating the bank's units within international principles and standards according to the control environment.
9. Building, defining, and monitoring key risk indicators at the bank level and submitting reports to the concerned bank units on the results of these indicators to be followed up by them and applying corrective measures to address risks before they occur.
10. Preparing and conducting stress testing for operational risks.
11. Providing the Risk Management Committee / Board of Directors with periodic statements (monthly and quarterly) that reflect the reality of the control environment for the various units of the Bank.
12. Evaluate work procedures and policies and ensure that control gaps in control procedures are identified and corrected.
13. Training and educating the Bank's employees on operational risks and how to manage them to improve the control environment in the Bank.
14. The enterprise risk file has been updated in coordination with the Internal Audit Department to identify the risks that the facility may be exposed to and negatively affect the achievement of the enterprise's objectives, strategy and profits. Any modifications to the enterprise's risk profile are presented to the Risk Management Committee to be approved by them. It manages the internal audit on an annual base to evaluate the control procedures of the facility and present the results of the examinations to the Audit Committee and the Risk Management Committee.

**Liquidity and market risk**

**Liquidity Risk:**

These are the risks that arise from the possibility of the bank's inability to provide the necessary financing to perform its obligations on their due dates or to finance its activities without incurring high costs or incurring losses. Liquidity risks are divided into:

Funding Liquidity Risk:

It is the risk of the bank's inability to convert assets into cash - such as collecting receivables - or obtain financing to pay off obligations.

**Market Liquidity Risks:**

It is the risk of not being able to sell the asset in the market or selling it with incurring a large financial loss as a result of weak liquidity or demand in the market.

**Market Risks**

These are the risks of exposure of positions inside and outside the financial position to losses as a result of fluctuating prices and rates of return in the market, and the risks that arise from banking risks resulting from all types of investments / investments and investment aspects of the bank. Market risks include the following :

- Interest rate risks
- Exchange rate risks (Deals in foreign currencies)
- Financial securities pricing risks.
- Products risks.

**Market risk arises from:**

- Changes that may occur in the political and economic conditions in the market.
- Interest rate fluctuations.
- Fluctuations in the prices of future financial instruments, buying and selling.
- Gaps in the maturity of assets, liabilities, and re-pricing.
- Possession of uncovered positions

**The basic tools used in measuring and managing market risks are the following:**

- Basis Point Value
- Value at Risk
- Stress Testing

**The bank manages market and liquidity risks within the following information:**

- A set of policies and procedures approved by the Board of Directors that determine the basis for defining the measurement, monitoring, follow-up and management of market and liquidity risks.
- Implementing an Asset and Liabilities Management System to measure liquidity risk and interest rates.
- Preparing a liquidity crisis management plan that includes:
  - Specialized procedures for liquidity crisis management.
  - A specialized committee to manage the liquidity crisis.
  - Liquidity Contingency Plan.
- Develop tools for measuring, managing and monitoring market and liquidity risks through:
  - Liquidity risk report according to maturity scale.
  - Monitoring the limits and quality of the investment portfolio.
  - Identifying, classifying and analyzing sources of funds according to their nature.
  - Monitoring the process of applying the Liquidity Coverage Ratio (LCR) and compliance with the minimum limits.
  - Monitoring legal and cash liquidity, which is maintaining a sufficient amount of liquid assets (monetary and semi-liquid assets) to meet liabilities.
  - Aligning the terms of assets and liabilities and taking into consideration all cash inflows and outflows.
  - Stress Testing.
  - Conducting periodic studies on developments in the global and local markets.
  - Monitoring investment tools and studying their compatibility with the investment limits set in the investment policy and the permissible stop-loss limits.
  - Studying investment limits and recommending amending them in line with the developments and conditions of the global and local markets and the risks surrounding them, and diversifying investment in order to achieve the best returns with the lowest possible risks.
  - Studying investment concentrations on an instrument basis.
  - Review and evaluation of portfolios of assets and liabilities.
  - Studying the credit rating of local and international banks according to the financial situation, the extent of its vulnerability to economic crises, and the extent of global spread.
  - Monitoring the volume of deposits, terms of deposit, the maturity date and the interest rates on them.
  - Preparing a report on the level of an excess in investment tools.
  - Monitor interest rate changes at the local and international markets level.
  - Monitoring the sensitivity of investment tools to changes in interest rates at the level of each investment performance.
  - Monitoring the pricing of lending and borrowing/investment limits.
  - Monitoring concentrations at market/instrument level and geographical distribution.
  - Submitting periodic reports to the Investments Committee and the Risk Management and Compliance Committee / Board of Directors.

**Information Security**

These are the risks that arise from threatening the bank's private information in terms of confidentiality, integrity and availability. The information security and protection unit was established to provide protection for information, users and assets alike by providing policies and procedures that ensure the continuity of achieving protection and through the use of means and requirements that detect, examine and develop the work environment to be more safe.

**In order to enhance information security and protection, the Bank manages information security and protection risks within the following principles:**

1. Reviewing and updating information security policies in line with international standards.
2. Compliance with PCI-DSS requirements.
3. Adherence to information security standards in accordance with ISO 27001 system.
4. Reviewing and monitoring powers and distributing them in accordance with policies, nature of work, job title, and approved approvals.
5. Perform periodic checks on systems and review security vulnerabilities.
6. Reviewing the work continuity plan, crisis management and evacuation plan, and preparing studies showing the current situation.
7. Continuing to conduct follow-up and periodic evaluation specialized in aspects of physical security.
8. Training and educating the bank's employees on the risks of information security and protection and how to deal with this issue through giving training courses and awareness brochures.
9. Submitting reports to the Risk Management Committee of the Board of Directors on a regular basis to keep abreast of business and developments.
10. Work to meet the requirements of SWIFT-CSP.
11. Preparing a guide to the governance of information management and its associated technology and publishing it on the bank's website.
12. Work on implementing the framework for the governance and management of information and the associated technology COBIT 2019



Compliance Risks.

Compliance risks are defined as the risks that arise from the bank’s possible compliance with applicable laws, legislations, and instructions, professional and ethical banking laws and regulations issued by local and international regulatory authorities, including the bank’s internal policies.

Bank of Jordan believes that compliance with regulations, standards, and instructions is one of the most important foundations and factors for the success of financial institutions. It provides them with protection from statutory penalties and preserves their reputation and credibility. It realizes the impact of this in preserving the interests of shareholders, depositors, and stakeholders. Bank of Jordan considers compliance as an institutional culture and responsibility that is comprehensive and multifaceted, and it is the responsibility of all parties in the bank, starting from the Board of Directors and executive management, and ending with all employees, each according to his powers and tasks entrusted for him.

Based on this, the Bank of Jordan established the Compliance Department as an independent department affiliated to the Compliance Committee emanating from the Board of Directors, where the department submits its periodic reports to the Compliance Committee on topics related to all business axes described within the units that fall within the organizational structure of the department, and this department has been provided with qualified and trained human cadres and systems The necessary mechanism for it to achieve its objectives and to grant the department’s employees and the powers that enable them to perform their duties with complete independence and to allocate the necessary budgets for them. Compliance officers are appointed in all of the bank’s subsidiaries and foreign branches, and they are followed up and supervised on their work through the Compliance Department in the General Administration.

Compliance risk is managed within the following scenarios:

- **Risks of non-compliance with instructions, laws and regulations**
  - These risks are managed by the Compliance Unit as an independent unit affiliated to the Compliance Department and manage compliance risks at the bank level according to the following principles:
  - Preparing, developing and developing a compliance policy at the level of the Banking Group and having it approved by the Bank’s Board of Directors, circulating it to all employees of the Bank and reviewing it periodically.
  - Applying an automated system for managing compliance risks based on the risk based approach.
  - Providing advice and advice to the Board of Directors and to the rest of the executive departments in the Bank regarding the proper application of instructions and laws (including internal laws and policies).
  - Preparing the Compliance Monitoring Program to provide management with reasonable assurance that key compliance risks are being appropriately managed by the relevant authorities.
  - Communicate changes related to the instructions to achieve common goals and share them with the business sector in a timely manner.
  - The Compliance Department is the point of contact with the regulatory authorities and is responsible for assisting senior management in maintaining good relations with the regulatory authorities.
  - Helping to promote a culture of compliance by acting in the role of advice, guidance and clarification of laws.
  - Providing training and awareness to management and employees regarding compliance requirements on an ongoing basis and developing training programs according to developments.
  - Coordinating with other oversight functions such as the internal audit department and risk departments, and coordinating the work carried out by these functions.
- **Risks of money laundering and terrorist financing**
  - These risks are managed through the Anti-Money Laundering and Terrorist Financing Operations Unit, as an independent unit and administratively affiliated to the Compliance Department. The unit manages the risks of money laundering and terrorist financing operations at the group level within the following bases:
  - A policy to combat money laundering and terrorist financing at the Group Policy AML level approved by the Bank’s Board of Directors and circulated to all employees of the Bank of all their job duties and all their administrative levels.
  - Appointing a Money Laundering Reporting Officer MLRO who independently handles the reporting process to the Financial Intelligence Unit (FIU) about any suspicion related to money laundering, terrorist financing or tax evasion, and appointing a deputy for him.
  - Implementing a program to identify customers (KYC) in line with the requirements of various regulatory authorities and applying customer due diligence procedures based on the risk-based approach so that enhanced customer due diligence is carried out for customers of natural and legal persons who are classified as high-risk customers. According to the bank’s approved methodology for classifying the risks of money laundering and terrorist financing. These procedures include the prohibition of dealing with any of the names on the international ban lists, the most important of which are the Security Council resolutions, as well as the prohibition of opening anonymous accounts or digital accounts or dealing with fictitious banks.
  - Adopt procedures that help the bank to identify the real beneficiary owner and the ultimate beneficiary owner when establishing the relationship and / or when conducting any financial transaction for the benefit of any customer through the bank.

- Adopt procedures for continuous follow-up and monitoring of financial movements and customer activities carried out through the Bank’s various channels on an ongoing basis in accordance with the Risk Based Approach “RBA” to detect any suspicious activity that falls under the suspicion of money laundering, terrorist financing or tax evasion, and Notify about it immediately in accordance with the laws and instructions in force that apply to the bank according to the judicial sector in which the bank carries out business.
- It is the responsibility of the Compliance Department to study the products before they are offered, as well as to evaluate the service delivery channels before making them available to the bank’s customers, and to assess the risks of exploiting them for money laundering and terrorism financing operations, and to set mitigating controls and develop control procedures.
- Allocate channels for the bank’s employees to report any suspicion that falls within the framework of money laundering, terrorist financing, or tax evasion, encourage them to report, and provide them with protection based on the bank’s policy of early warning, Whistleblowing Policy.
- Develop deterrent measures for any default or non-compliance with the requirements of the Bank’s program to combat money laundering and CFP financing, and document this within the Code of Conduct.
- Conducting a periodic assessment of money laundering and terrorist financing risks faced by the bank at the level of the banking group, Self-Risk Assessment, taking into account customer risks - product risks - service delivery channels risks - risks of external branches, as well as the results of the National Risk Assessment process.
- Establishing procedures for dealing with foreign banks, including taking due diligence measures according to the degree of risk, evaluating compliance programs and anti-money laundering and terrorist financing programs in these banks, obtaining the approval of the Director General before any dealings, and following up the bank’s dealings with these banks on an ongoing basis.
- Establishing a continuous training program that includes all the Bank’s employees at all levels of management, including the Bank’s Board of Directors, and developing this program on an ongoing basis.
- Documentation and record-keeping according to the instructions of the supervisory authorities in the judicial sectors in which the bank carries out business in accordance with the bank’s procedures and mechanisms designated for this purpose.
- Conducting an independent audit by the Internal Audit Department and submitting the results and recommendations to the Audit Committee of the Board of Directors.

▪ **Foreign Account Tax Compliance Act FATCA**

Subsequently, Jordan has entered into an agreement with the United States of America and the government (partner countries in the agreement) regarding cooperation in order to facilitate the implementation of the Foreign Account Tax Compliance Act (FATCA) and Jordan adopting the government approach **IGA model 2**

As part of Bank of Jordan’s compliance program, members of Bank of Jordan Group completed registration procedures with the US Treasury Department - Internal Revenue Service (IRS) as a participating foreign financial institution (PFFI), as part of efforts to comply with the requirements of the US Foreign Account Tax Compliance Act issued in 2010. (FATCA).

The Financial and Tax Verification Unit / FATCA unit takes the necessary measures to meet the requirements of the Foreign Account Tax Compliance Act for American Clients (FATCA) for all members of Bank of Jordan Group, according to the methodology and agreement signed with the Government of the United States of America IGA model 2, where Bank of Jordan / Jordan is The lead of the group and thus be responsible for the disclosure process for the entire group “except for the Bank of Jordan / Bahrain, which is subject to the methodology and agreement of the “IGA model 1”.

Based on the FATCA compliance policy approved by the Board of Directors, which is reviewed periodically, the compliance program has been developed within the following main axes:

- Due Diligence and Documentation axis
- Reporting axis
- Certificate axis
- Withholding according to the agreement requirements axis

▪ **Risks of fraud and corruption**

Based on the caution of the bank’s management to enhance the principles of integrity, integrity and teamwork, a special department was established to deal with fraud and corruption risks under the umbrella of the Compliance Department. The department was provided with human resources that have high skills and competencies.

The fraud risk management program at Bank of Jordan is based on the following principles:

- Adopting a unified policy to combat fraud and corruption at the level of the Aden Bank Group and its approval by the Bank's Board of Directors.
- Provide the necessary systems and powers for the Compliance Department that enable it to manage this type of risk and work on its continuous development.
- Adopting a KYE employee recognition policy that includes verifying people nominated for jobs in the bank in terms of integrity and the absence of negative indicators related to their behavior and continuing to verify the bank employees after appointment by employing mechanisms to verify the absence of negative indicators related to their behavior and performance.
- Adopting mechanisms to verify suppliers before dealing and after contracting.
- Adopt a policy to manage conflicts of interest and put in place mechanisms and work procedures to avoid any conflict of interests and monitor compliance with them on an ongoing basis.
- Adopting a Code of Conduct and circulating it to all employees and educating them on its most important principles on an ongoing basis.
- Provide a channel for reporting "Whistleblowing" about any breaches or suspicions and make this channel available to all stakeholders including employees / customers / shareholders / suppliers around the clock and make it available on the bank's official website.
- Setting specific paths for escalation with regard to employee violations according to the data of each case (Compliance Department / Human Resources Department / Internal Audit Department / Audit Committee - Board of Directors).
- Adopting an early warning policy by which the bank guarantees protection for whistleblowers and enables them to confidentially report any information related to the existence of violations or breaches.
- Adopting the principle of transparency so that the Central Bank of Jordan and the concerned authorities are informed of any verified cases that have been dealt with.

■ **Managing and handling customer complaints:**

The Bank of Jordan attaches special importance to dealing with customers with fairness and transparency, and this is clearly reflected in the daily business practiced by the bank, starting with product approval, offering and pricing, drafting contracts and forms, as well as advertisements and promotional campaigns. Dealing with customers with fairness and transparency No. 56/2012 issued by the Central Bank of Jordan on 10/31/2012 and administratively affiliated to the Compliance Department as a supervisory department is an indication of the importance that the bank attaches to its dealings with customers with fairness and transparency, as the Bank of Jordan believes that customer complaints are possible to be a very important tool for monitoring any violations in the bank's general policies and procedures and a means for development by receiving complaints, analyzing them, finding out their causes, and addressing any defect that may have caused the customer's complaint. Focusing on the role of customer complaints in improving the quality of service provided to customers through coordination between the unit Customer complaints and the daily service quality unit for the purposes of handling customer complaints.

Customer complaints are managed and handled according to the following:

- Preparing, developing, and approving a policy for dealing with customer complaints by the Bank's Board of Directors, circulating it to all employees of the Bank, and reviewing it periodically.
- Preparing a policy for dealing with customers fairly and transparently, developing and approving it by the Bank's Board of Directors, circulating it to all employees of the Bank, and reviewing it periodically.
- Providing various communication channels to receive customer complaints 24 hours a day, seven days a week.
- Preparing a mechanism for managing and handling customer complaints, approving them and reviewing them periodically.
- Providing automated systems within the CX system to manage and follow-up customer complaints.
- Complaints received from the Bank's customers, its subsidiaries and external branches are dealt with by finding out their causes, addressing them and ensuring that they are not repeated, within a time frame specified by the banking operational service level agreements that specify the time frame for handling complaints and in a manner that guarantees independence and impartiality.
- Keeping records of customer complaints, including recording calls and keeping them in accordance with the time frames required by the instructions.
- Submit periodic reports to the Board of Directors regarding customer complaints and the measures taken to deal with them
- Providing the Central Bank of Jordan with quarterly reports that include statistical data on the nature and type of complaints submitted to the bank.

■ **Managing the risks of compliance with international sanctions programs**

Proceeding from the bank's faith in its role in the local and global economic system, the bank seeks to comply with the resolutions issued by the United Nations Security Council and ratified by the Hashemite Kingdom of Jordan related to terrorist lists and preventing the proliferation of weapons of mass destruction. It is also complying with any resolutions issued by international committees ratified by the Kingdom of Jordan. The Hashemite States, as well as the countries in which the bank carries out business, and the penalties and restrictions imposed by the countries in which the Bank of Jordan has dealings with correspondent banks subject to their jurisdiction and within the limits of dealing with the correspondent bank.

Bank of Jordan has established an independent function within the organizational structure of the Compliance Department, which is responsible for verifying the implementation of the bank's compliance program with international sanctions, following up on international developments in this regard, and reflecting them within the requirements of the international sanctions compliance program.

**Bank of Jordan implements a program to comply with international sanctions at the banking group level, which includes the following:**

A policy to comply with international sanctions at the group level, the Sanction Compliance Group Policy approved by the Bank's Board of Directors, which has been circulated to all employees of the Bank with different job duties and at all administrative levels in general. The Bank has followed a Zero Tolerance Approach with any form of Non-compliance with the financial penalties imposed by the international committees, which were previously referred to.

- According to the mentioned policy, Bank of Jordan is committed to the following:
  - The bank refuses to deal with any persons or entities listed in accordance with the resolutions issued by the Security Council.
  - Immediate freezing of the assets of any government, body, individual or institution within the sanctions lists issued by the decisions of the sanctions committees of the Security Council and informing the technical committee.
  - Not passing any currency to and from countries with which dealing is prohibited and in accordance with the sanctions programs imposed on these countries.ü
  - Not passing any transactions related to specific types of economic and commercial activities within a country subject to sanctions within the limits binding on the bank in this regard.
  - Compliance with the sanctions issued by the Office of Foreign Assets Control OFAC of the US Treasury within the limits binding on the bank in this regard.
  - Compliance with the sanctions issued by the European Union within the limits binding on the bank in this regard.
  - Employing automated systems that provide a database that includes all the global lists of persons and entities that are prohibited to deal with, and that have been updated on a daily basis.
- Verifying that none of the potential customers has been listed as Customer Onboarding before establishing the relationship and activating the account through "Integration work" of the global lists with the approved bank systems for opening accounts from various channels so that the name of the customer and the real beneficiary (partner / authorize) agent/guardian/guardian) is automatically verified.
- Verifying on an ongoing basis that any of the bank's existing pre-existing clients were not included in the lists after opening the account during the relationship, and this is done through the implementation of periodic automated surveys according to the degree of risk RBA.
- The automated system issues Alert alerts in the event of any similarity between the name of any of the bank's potential or current customers, individuals or legal persons, or the name of any authorized person under the agency, or the registration certificate within the basic files associated with the account, with the name of a listed person, so that the necessary investigation process is conducted by before the compliance department.
- ✓ Clear work procedures that clearly indicate the procedures to be followed in the event that it is found that any of the clients has become included in the lists in terms of escalation and reporting procedures.
- ✓ Verifying the parties to any financial transaction before executing it.
- ✓ Adopting **Online Safe Watch**, which is a system directly linked to the Swift system, which directly scans all fields of the Swift message, and verifies that no party is included in the fields of the message before issuing or receiving it, which ensures that no financial transactions are passed through banks The message contains no name listed.
- ✓ Periodically updated circulars at the level of the banking group that include the names of countries with high risks under Security Council resolutions and international sanctions programs, for the purpose of taking enhanced due diligence measures before executing any transaction to which one of these countries is a party.
- ✓ A continuous examination process to verify the compliance of all Bank employees with the requirements of the international sanctions compliance program within the compliance verification programs conducted by the Compliance Department on a regular basis.
- ✓ Internal audit programs to independently verify the adequacy of the measures taken to meet the requirements of the International Sanctions Compliance Program and that the Compliance Department plays the required role in this regard.
- ✓ Continuous training programs that include training courses and awareness brochures for employees at all levels of management, including the Bank's Board of Directors, and the continuous development of these programs.

It should be mentioned that all the activities of the Compliance Department are subject to continuous scrutiny and review by the Internal Audit Department as an independent entity, and the Internal Audit Department submits its reports in this regard to the Audit Committee of the Board of Directors.

**Disclosures related to the implementation of International Financial Reporting Standard No. (9) as adopted by the Central Bank of Jordan**

**First: Qualitative disclosures**

On July 24, 2014, the International Accounting Standards Committee issued the final version of International Financial Reporting Standard (9) related to financial instruments and provisions, and this standard replaced International Accounting Standard No. (39), and the standard includes the following:

- Initial recognition and measurement for financial instruments.
- Expected credit losses provisions
- Hedge accounting

This standard came in response to the results of the lessons taken from the global financial crisis, as it became clear that one of the reasons for the extension of the crisis was the delay in recognizing debt losses, as losses were recognized when they were realised. Non-payment by the borrower.

This standard introduces radical amendments to the methods used in calculating provisions in banks, as the current concept of setting provisions is based on monitoring actual provisions for losses incurred as a result of bad debts, while the new standard is based on setting provisions based on future expectations of credit exposures. It is called an expected credit loss. The Bank of Jordan, in cooperation with Moody's, carried out the implementation of International Financial Reporting Standard No. 9, where the historical data of the Bank of Jordan Group was employed in measuring expected credit losses weighted by the impact of economic scenarios.

The Central Bank of Jordan instructions as well as the Bank's business Model, risk departments (risk framework) and supervisory departments were all taken into consideration when forming Bank of Jordan IFRS (9) methodology. The Bank's management ensured that the methodology emulate the Bank's business model and apply the best practices, quantitative methods and statistical models to produce the components of the expected credit loss formula in:

**Expected Credit Loss = Probability of Default x Exposure at Default x Loss Given Default**

**IFRS (9) Scope of Implementation:**

Bank of Jordan IFRS (9) methodology catered for applying the standard on group level (foreign branches) and its subsidiaries and in line with the host country laws and regulations. The model of Expected Credit Loss calculation covers the following:

- Loans and credit facilities (direct and indirect).
- Debt instruments carried at amortized cost.
- Financial guarantees (as per the standards requirements).
- Credit claims on banks and financial institutions (excluding current accounts used to cover the bank operations such as remittances, Letters of Guarantee and Letters of Credit) which falls within a short period of time (days).

**The following are the main information and definitions used by the Bank to implement this standard:**

1. **Default:** The occurrence of 90 days or more past due where such event indicates the obligor inability to meet the contractual obligations in full with the Bank.
2. **Probability of Default PD:** Probability of Default represent the risk of the customer's inability to meet its obligations toward the bank.

Determination of PD for Corporate and SME Portfolios: through mapping the obligors ratings generated by the internal risk rating system with it's equivalent Probability of Default at this level of risk, taking into account that each risk rate reflects a certain level of risk and weighted by the portfolios historical default events (Corporates and SMEs).

Determination of PD for Retail Portfolio: these PDs were established based on the historical product default data (collective level) for each product, where the Observed Default Rate is calculated by applying a statistical model (Autoregressive Model) for evaluating the default rate for each product.

3. **Exposure at Default:** represent the borrower outstanding indebtedness toward the bank when default takes place.

The calculation of exposure at default were carried out in line with the historical utilization for the credit facilities and according to its nature (direct, indirect, revolving and/or amortizing) thus the basis for calculating the exposure at default was set based on the facility nature and age.

4. **Loss Given Default:** represent the bank loss resulted from non-performing credit loss impairment, in other terms (1- Recovery Ratio).

At the level of corporate and SME portfolios: The Bank determine LGDs for credit instruments under Corporate and SME portfolios through using Moody's RiskCalc the LGD model, the model depends on the availability of several input such as obligor PD, business sector in addition to credit facility nature (revolving, amortizing) and takes into consideration the availability of tangible collaterals (secured or unsecured) and the collateral type and value. In addition to the above, the risk calculation LGD model avails LGD results according to credit maturity and its stage (12 months LGDs and the lifetime LGDs) accompanied with recovery ratios for each credit instrument.

At the level of the collective portfolio: the rate of loss was determined at the product level based on industry- standards and observed magnitudes in the region, in addition to business input from the Bank of Jordan.

Zero LGDs was assigned for 100% cash collateralized facilities (dominated in the same currency) and for facilities availed for the Government of Jordan and, or backed by the Government of Jordan (regardless of credit facilities currency).

**Calculating the Expected Credit Loss ECL for Time Deposits Held with Other Banks:**

Using the Banks Risk Calculation model, the probability of default and default due to default has been reached. Through Banks Risk Calculation, the called Expected Default Frequency EDF is produced, which is equivalent to the probability of default for the banks with which deposits are held. The risk of default in the inputs of the Risk Calculation LGD model Loss due to default and then the balance is calculated at default on the assumption of the entire deposit value without any modification to the possibility of default as the deposits can be subject to the calculation of the possibility of default for a period of time adjustment.

**Calculating the Expected Credit Loss ECL for Bonds:**

- The largest share of the bond portfolio is bonds guaranteed by the Government of Jordan and are not subject to the expected credit loss.
- The PDs calculated by using Banks Risk Calculation model to cater for banks bonds while PDs for corporate bonds generated by mapping the Internal Risk Rate for the subject companies with the equivalent PDs. LGDs determination by using the Risk Calculation LGD model (same as other assets subject to ECL). Bond value at reporting date represent EAD. Once the ECL formula components defined, the Bank executes the calculations to define the ECL for bonds.

**Internal Credit Risk Rating:**

Bank of Jordan applies an internal risk rating system to classify the risks of corporate and small and medium-sized companies (SMEs) on a scale of 1-10, so each degree reflects the risk of default, thus identifying the possibility of the customer's failure through its risk rating.

The customer risk rating process includes the study and analysis of the customer's quantitative data so that the financial performance of the client is evaluated, the financial performance of the client, the business activity and its relationship with the Bank as well as industry risks.

The risk rating table consists of 10 grades, each of which internally reflects the degree of risk associated with the customer. The higher the level of the customer's risk, the greater the risk of default. Consequently, more control is imposed on the client's account and more stringent procedures are followed. The grades from 1 to 6 generally reflect relatively acceptable risks (hence credit is included in the first stage), Grade 7 reflects a significant increase in the degree of risk to the client (therefore included in the second stage/watchlist), finally grades 8-10 reflects the customer's entry in the default case, accordingly to be classified within stage as a non-performing classification.

**Calculating Obligors Risk Rating and the Expected Credit Loss on Individual Basis:**

The customer credit evaluation system is relied on by giving a score to each customer through the results of the application scorecard and behavioural scorecard, which depends mainly on the basic data of the customer, the product granted, and the customer's performance in terms of commitment to repayment in the loans granted, the possibility of default is determined Depending on the historical default rates (Observed Default Rate) at the level of the accounts so that the Vintage PD curve is built and the curve is modified taking into account the credit evaluation of customers in addition to the economic scenarios, accordingly the expected credit losses are calculated at the level of the account and according to the probability of default and the specified percentage of loss when default the nature of the facilities and the credit age are considered.

**IFRS (9) as Adopted by the Central Bank of Jordan Implementation Governance:**

Bank of Jordan IFRS (9) methodology covers the Governance procedures followed in applying the standard which summarize the roles and responsibilities for all parties involved in implementation works in addition to data checking mechanisms applied in checking the data used in the standard implementation.



Governance procedures covers audit role and the validation of expected credit loss adequacy allocated by the Bank. In addition to the above Audit is also responsible for conducting periodic review to ensure data accuracy used in applying the standard in order to meet the regulator requirements. Furthermore, Audit are in charge of monitoring involved units and evaluate the standard implementation by generating periodic reports to the board who in turn approve the results and role responsible for applying effective monitoring through defining committees and unit roles in the Bank to unit roles in the Bank to provide the proper infrastructure and ensure work integration between these units ensure work integration between these units.

Changes in Credit Risk and Determinants Followed by the Bank’s in Calculation of Expected Credit Loss:

Adopting the Internal Credit Rating System adopted by the Bank of Jordan in addition to the decisions of the Credit Committee. For the purpose of determining a significant change in the classification of a customer’s risk rating, by comparing the customer current staging with the previous year customer staging (December data as a base for each year) where a decrease in customer’s rating by two full grades is customer risk increase indicator or (due appearance) for 30 days or more, which requires the transfer of the customer from Stage 1 to Stage 2 while a decline in customer rating (two notches) indicates a substantial change in the credit type.

For the purpose of transfer of credit claims between the stages, the following controls have been set:

1. Adoption of a standard (30-day due period) since the inception of the application as an indication of an increase in credit risk.
2. If there is a maturity of more than 30 days and up to 59 days at the account level, all the facilities granted to the customer are classified as Stage 2.
3. Client classified under watch list, all it’s products granted shall remain within Stage 2 until the customer is obliged to pay (3) monthly instalments, two quarterly instalments or one semi-annual premium. In the case of a customer’s commitment and the transfer of its classification to a regular transaction, the customer is treated according to the base number of days due only.
4. If the classified client is not performing all the products granted to him remain within Stage 3. If the account is settled, the client is transferred to Stage 2, the classification of the customer will be under watch list transferred from non performing and the client will stay under this classification until point 3 is met.
5. The customer classified as non-working, all the products granted to him remain within Stage 3, and in the event that the account status is corrected, the customer will be moved to Stage 2, since the customer’s classification will be under monitoring, transferred from non-working, and will remain in it until clause No. 4 is fulfilled.

Applying Macroeconomic Scenarios on the Expected Credit Loss (ECL) Results:

The ECL result is a weighted average of 3 scenarios (40% of baseline scenario + 30% of downside scenario + 30% of upside scenario) on the final result of the expected credit loss at the facility/instrument level and the expected credit loss is the result of the maturity of each facility and the stage at which the customer is classified (Stage 1, Stage2 & Stage3).

Several factors were used to predict the expected future events and to use more than one scenario (basic, negative and positive). These factors were summarized in the adoption of the impact of change in GNP, the performance of the financial market (for the corporate portfolio and SMEs) and the change in the consumer price index, Domestic demand and borrowing, the real estate price index and the unemployment rate (for the individual portfolio) are indicators after studying their correlation with default rates according to historical data.

As a result of the war on Gaza and the resulting developments, the Bank has taken a series of measures and precautions since the beginning of the war, in addition to developing scenarios for stress situations. Some adjustments have been made to the expected credit loss calculation by modifying the weights assigned to economic scenarios for exposures in the West Bank or Gaza. A weight of 40% for the downturn scenario and 60% for the baseline scenario was adopted in the West Bank, while 100% was adopted for the downturn scenario for exposures in Gaza. Individual portfolios were studied and divided into segments based on sources of income, with some segments upgraded in their classifications based on the impact of repayment sources. Regarding corporate and commercial portfolios, customer situations were assessed after studying various indicators, including the degree of impact on business activity (economic sector), supply chain impact (purchasing), distribution chain impact (sales), debt collection impact, cash flows for activity, and operational impact of activity. Based on this, classification grades were downgraded for clients in Gaza affected by the war.

Employing the impact of economic scenarios in calculating the expected credit loss:

Corporates and SMEs Portfolio	The most statistically relevant model is one that includes the performance of the financial market Equity and GDP as independent variables having an impact on credit quality (dependent variable). Whenever one of these variables changes, it will affect the quality of credit (negatively or positively).  Based on the results of the statistical test (t-statistics), the economic variables (the performance of the financial market and the GDP) were adopted as they were considered the most appropriate to determine the change in the credit quality of the customer.
Collective Portfolio	The economic indicators adopted in the calculation of the credit loss are the Consumer Price Index (CPI) and the Stock Prices Proxies Index (SPI) as an indicator that reflects the position of the labor market. These indicators were selected after studying the extent of their correlation with default rates according to historical data.
Bonds	The probability of default PD and the loss given default: financial data were entered for the Banks bonds purchased as this process produces Expected Default Frequency which is equivalent to the probability of default.Then LGD is generated after that exposure at default EAD is calculated assuming the full bond value. The expected ECL loss is calculated using statistcal calculation model.
Jordan Leasing Company	- EAD for Leasing Loan is calculated based on ( Net Investment + unutilized portion of limit for stage1 and 2. - LGD (loss given default) for Wholesale is calculated using RiskCalc system taking into consideration the value of collateral/real estate for Wholesale Portfolio. - LGD for Retail was applied on Product level. - Linking customers probability of default (PD) with point in time propability of default (PIT PD) to be subject to economic scenarios. Accordingly, the expected credit loss results have been produced at customer’s level by classifying them within the Wholesale or individval portfolios.
Excel for Financial invesmnet	- EAD is calculated on the gross limits although the utilization is tied to the deposit of shares (it is not possible to utilize without a contribution from the customer). - Calculation of the LGD according to the value of the stock guarantee received by the company (the market value) and according to the system calculation - Giving customers in the portfolio a risk score of (5). - Linking the customer’s portfolio propability of default with the point in time propability of default PIT PD to be subject to the economic scenarios and will therefore produce the expected credit loss at the client and portfolio levels.
Bank’s Deposits	Calculating the probability of default and the loss given default LGD for the production of Expected Default Frequency EDF, which is equivalent to the probability of default for the banks whose deposits are held. The LGD is then generated and then EAD is calculated assuming the full deposit value then ECL is calculated using the statistical calculation model.



Second: Quantitative Disclosures:  
(4.1/A) Credit Risk

Exposure to credit risk (net of expected credit losses provisions and interest in suspense and before collateral held or other mitigation factors):		
Consolidated Statement of Financial Position items	2024 JD	2023 JD
Balances at central banks	658,785,218	782,327,019
Balances at banks and financial institutions	268,105,036	142,551,211
Deposits at banks and financial institutions	467,946	447,949
Financial assets through other comprehensive income – debt instruments at fair value	146,606,532	144,192,002
Credit facilities:	1,498,774,211	1,432,871,078
Individuals (retail customers)	466,494,516	483,157,388
Real estate loans	214,786,036	222,535,728
Corporates	596,739,309	498,880,178
Large corporate customers	407,049,170	311,035,230
SMEs	188,490,139	187,844,948
Government and public sector	220,754,350	228,297,784
Financial assets at amortized cost (Bonds & Treasury Bills)	165,860,269	164,126,649
	2,738,599,212	2,666,515,908
consolidated off statement of financial position		
Letters of guarantee	74,859,658	77,690,688
Letters of credit	61,213,677	34,636,390
Acceptances	169,258,426	91,356,381
Un-utilized direct and indirect facilities limits	363,764,674	366,742,204
Total	3,407,695,647	3,236,941,571

The guarantees and mitigating credit risk factors against credit exposure mentioned above include the following:

- Obtaining suitable guarantees and recording them correctly against any potential risks. These guarantees represent cash guarantees, and non-cash guarantees such as real estate, vehicles, equipment and stock mortgages in addition to guarantees and credit derivatives binding to all parties involved and legally exercisable at all competent courts.
- Having a credit rating system for the Bank's customers and relying on the credit ratings issued by international credit agencies for banks and corporates.
- Performing periodic evaluations of guarantees according to the nature, type and degree of risk to regularly ensure their adequacy against the credit granted.
- Conducting a legal audit of all contracts and documents their applicability according to the Bank's system, laws and regulations.
- Having financial derivatives that mitigate market risks.

Distribution of collaterals fair value against total credit exposures:											
Item	December 31, 2024										
	Fair value of collaterals			Accepted Letter of Guaranteed			Quoted Stocks			Total Exposure Value	
	Real Estate	Cars and Mechanics	Others	JD	JD	JD	JD	Cash Collaterals	JD	JD	JD
Balances with central banks	-	-	-	-	-	-	-	-	659,439,451	-	654,233
Balances with banks and financial institutions	-	-	-	-	-	-	-	-	268,207,452	-	102,416
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	468,000	-	54
Credit facilities at amortized cost:											
Individuals	10,088,635	53,183,194	-	-	-	-	-	39,444,383	545,733,203	-	79,238,687
Real estate loans	196,572,781	26,006	-	-	-	-	-	310,213	226,228,622	-	11,442,586
Corporate:	-	-	-	-	-	-	-	-	-	-	-
Large corporate customers	30,941,919	3,767,657	-	-	-	-	-	16,844,704	452,448,913	10,752,354	44,199,743
SMEs	80,889,356	7,758,239	-	-	-	-	-	17,079,206	221,768,673	351,526	33,278,534
Government and Public Sector	-	-	-	-	-	-	-	-	222,633,454	-	1,879,104
Bonds and Treasury Bills:											
Within financial assets at amortized cost	-	-	-	-	-	-	-	-	166,191,614	-	331,345
Within financial assets at fair value through comprehensive income - debt	-	-	-	-	-	-	-	-	146,606,532	-	-
Total	318,492,691	64,735,096	-	-	-	-	11,103,880	73,678,506	2,909,725,914	2,441,715,741	171,126,702
Financial Guarantees	6,505,397	45,488	-	-	-	-	11,165	2,474,962	84,547,912	75,510,900	9,688,254
Letters of Credit and acceptances	122,631	-	-	-	-	-	-	5,504	230,646,963	230,518,828	174,860
Other Liabilities	-	-	-	-	-	-	-	-	364,235,627	364,235,627	470,953
Total	325,120,719	64,780,584	-	-	-	-	11,115,045	76,158,972	3,589,156,416	3,111,981,096	181,460,769

Distribution of collaterals fair value against total credit exposures:												
Item	December 31, 2023											
	Total Exposure Value			Fair value of collaterals			Accepted Letter of Guarantee			Others		
	JD	JD	JD	Cash Collaterals	Quoted Stocks	Real Estate	Cars and Mechanics	JD	JD	JD	JD	JD
Balances with central banks	782,620,321	-	-	-	-	-	-	-	-	-	-	293,302
Balances with banks and financial institutions	142,621,408	-	-	-	-	-	-	-	-	-	-	70,197
Deposits with banks and financial institutions	448,000	-	-	-	-	-	-	-	-	-	-	51
Credit facilities at amortized cost:												
Individuals	540,912,869	31,341,867	-	-	-	11,013,979	43,435,886	-	-	85,791,732	455,121,137	57,755,481
Real estate loans	231,660,880	758,417	-	-	-	200,625,646	25,909	-	-	201,409,972	30,250,908	9,125,152
Corporate:												
Large corporate customers	356,914,076	14,950,442	10,383,494	-	-	35,308,618	1,175,901	-	-	61,818,455	295,095,621	45,878,846
SMEs	226,182,858	15,551,212	1,780,994	2,194	69,746,280	6,812,566	-	-	-	93,893,246	132,289,612	38,337,910
Government and Public Sector	229,445,084	-	-	-	-	-	-	-	-	-	229,445,084	1,147,300
Bonds and Treasury Bills:												
Within financial assets at amortized cost	164,361,770	-	-	-	-	-	-	-	-	-	164,361,770	235,121
Within financial assets at fair value through comprehensive income - debt	144,192,002	-	-	-	-	-	-	-	-	-	144,192,002	-
Total	2,819,359,268	62,601,938	12,164,488	2,194	316,694,523	51,450,262	-	-	-	442,913,405	2,376,445,863	152,843,360
Financial Guarantees	85,547,480	1,939,365	7,074	-	5,584,843	48,134	-	-	-	7,579,416	77,968,064	7,856,792
Letters of Credit and acceptances	126,134,897	8,152	-	-	23,729	-	-	-	-	31,881	126,103,016	142,126
Other Liabilities	367,425,549	-	-	-	-	-	-	-	-	-	367,425,549	683,345
Total	3,398,467,194	64,549,455	12,171,562	2,194	322,303,095	51,498,396	-	-	-	450,524,702	2,947,942,492	161,525,623

Exposures classified under stage 3:												
Item	December 31, 2024											
	Total Exposure Value			Fair value of collaterals			Accepted Letter of Guarantees			Others		
	JD	JD	JD	Cash Collaterals	Quoted Stocks	Real Estate	Cars and Mechanics	JD	JD	JD	JD	JD
Direct credit facilities at amortized cost:												
Individual (retail customers)	60,454,678	189,822	-	-	-	4,837,134	167,718	-	-	5,194,674	55,260,004	56,699,616
Real estate Loans	16,372,277	-	-	-	-	5,134,214	-	-	-	5,134,214	11,238,063	10,724,446
Corporate:												
Large corporate customers	31,708,016	22,049	-	-	-	1,541,777	21,784	-	-	1,585,610	30,122,406	30,977,688
SMEs	36,699,310	364,159	-	-	-	10,685,930	2,156,568	-	-	13,206,657	23,492,653	30,632,570
Government and Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
Total	145,234,281	576,030	-	-	-	22,199,055	2,346,070	-	-	25,121,155	120,113,126	129,034,320
Financial Guarantees	11,299,487	82	-	-	-	162,915	11,129	-	-	174,126	11,125,361	9,317,195
Total	156,533,768	576,112	-	-	-	22,361,970	2,357,199	-	-	25,295,281	131,238,487	138,351,515

Exposures classified under stage 3:												
Item	December 31, 2023											
	Total Exposure Value	Fair value of collaterals					Expected Credit Loss (ECL)					
		Cash Collaterals	Quoted Stocks	Accepted Letter of Guarantees	Real Estate	Cars and Mechanics		Others	Total Value of Collaterals	Net Exposure after Collaterals		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Direct credit facilities at amortized cost:												
Individual (retail customers)	51,756,824	278,302	-	-	-	5,305,513	78,661	-	5,662,476	46,094,348	48,218,825	
Real estate Loans	14,296,157	-	-	-	-	3,943,407	-	-	3,943,407	10,352,750	8,646,886	
Corporate:												
Large corporate customers	32,095,805	-	-	-	-	2,629,680	20,375	-	2,650,055	29,445,750	30,229,212	
SMEs	36,099,657	395,727	-	2,194	10,036,665	2,439,629	-	-	12,874,215	23,225,442	29,782,894	
Government and Public Sector	-	-	-	-	-	-	-	-	-	-	-	
Total	134,248,443	674,029	-	2,194	21,915,265	2,538,665	-	-	25,130,153	109,118,290	116,877,817	
Financial Guarantees	11,438,109	62	-	-	13,400	11,115	-	-	24,577	11,413,532	7,469,193	
Total	145,686,552	674,091	-	2,194	21,928,665	2,549,780	-	-	25,154,730	120,531,822	124,347,010	

1. Rescheduled Loans

These represent loans classified previously as non-performing, removed from non-performing credit facilities according to proper scheduling, and reclassified as debts under watch list. Total rescheduled loans amounted to JD 3,437,045 as of December 31, 2024 (JD 3,179,800 as of December 31, 2023).

This balance represents the rescheduled loans either classified as watch list or returned to performing loans.

2. Restructured Loans

Restructuring means to rearrange facilities installments by increasing their duration, postponing some installments or increasing their grace period, and classifying them as debts under watch list. Total restructured loans amounted to JD 106,859,437 as of December 31, 2024 (JD 69,653,111 as of December 31, 2023).

3. Bonds, Debentures and Treasury Bills

The schedule below shows the distribution of bonds, debentures and bills according to the international agencies' classification:

Rating Grade	Rating Agency	Classification	Included within financial assets at fair value through other comprehensive income	Within Financial Assets at Amortized Cost	Total
			JD	JD	JD
Foreign Bank Bonds	Fitch	AA -	-	709,205	709,205
Foreign Bank Bonds	Fitch	A +	-	709,437	709,437
Foreign Bank Bonds	Fitch	BB +	-	10,769,261	10,769,261
Foreign Bank Bonds	Fitch	BB-	146,606,537	117,240,001	263,846,533
Jordanian Government Bonds and bills	Fitch	B-	-	3,328,799	3,328,799
Foreign Government Bonds	Fitch	NR	-	12,164,911	12,164,911
Unrated Bonds	Fitch	NR	-	21,270,000	21,270,000
Total			146,606,537	166,191,614	312,798,151

4. Concentration in credit exposure according to geographical distribution was as follows:																		
A. Gross Distribution Exposures Based on Geographic Areas:		December 31, 2024																
		Inside the Kingdom		Other Middle East Countries		Europe		Asia		Africa		America		Other Countries		Total		
		JD		JD		JD		JD		JD		JD		JD		JD		
Item		JD		JD		JD		JD		JD		JD		JD		JD		JD
Balances at central banks		476,586,549		182,198,669		-		-		-		-		-		658,785,218		782,327,019
Balances at banks and financial institutions		128,267,130		113,988,120		13,669,203		2,637,426		-		9,543,157		-		268,105,036		142,551,211
Deposits at banks and financial institutions		-		467,946		-		-		-		-		-		467,946		447,949
Direct credit facilities		1,165,077,102		328,902,082		-		-		4,795,027		-		-		1,498,774,211		1,432,871,078
Bonds and Treasury Bills:		-		-		-		-		-		-		-		-		-
Within financial assets at amortized cost		122,172,722		43,687,547		-		-		-		-		-		165,860,269		164,126,649
Within financial assets at fair value through comprehensive income - fair value		146,606,532		-		-		-		-		-		-		146,606,532		144,192,002
Total/Current year		2,038,710,035		669,244,364		13,669,203		2,637,426		4,795,027		9,543,157		-		2,738,599,212		2,666,515,908
Financial Guarantees		57,928,675		14,378,599		1,910,377		8,929		71,208		561,870		-		74,859,658		77,690,688
Letters of Credit		58,896,895		2,316,782		-		-		-		-		-		61,213,677		34,636,390
Acceptances		136,954,859		32,303,567		-		-		-		-		-		169,258,426		91,356,381
Un-utilized balances		234,351,544		119,535,783		9,877,347		-		-		-		-		363,764,674		366,742,204
Total		2,526,842,008		837,779,095		25,456,927		2,646,355		4,866,235		10,105,027		-		3,407,695,647		3,236,941,571

B. Exposure Distribution According to Stages Classification as Per IFRS (9) as adopted by the Central Bank of Jordan:												
Item	December 31, 2024											
	Stage One				Stage two				Stage Three		Total	
	Individual Level		Collective Level		Individual Level		Collective Level		Individual Level		Collective Level	
	JD		JD		JD		JD		JD		JD	
Inside Jordan	1,835,956,963		572,273,800		32,692,459		69,691,613		16,227,173		2,526,842,008	
Other middle east countries	524,732,376		27,943,263		203,774,975		79,358,792		1,969,689		837,779,095	
Europe	25,456,927		-		-		-		-		25,456,927	
Asia	2,646,355		-		-		-		-		2,646,355	
Africa	4,866,235		-		-		-		-		4,866,235	
America	10,105,027		-		-		-		-		10,105,027	
Other Countries	-		-		-		-		-		-	
Total	2,403,763,883		600,217,063		236,467,434		149,050,405		18,196,862		3,407,695,647	
											3,236,941,571	



5. Concentration in credit exposure according to the economic sector as follows:														
A. Gross distribution exposures based on financial instruments:														
Item	December 31, 2024										As of December 2023			
	Financial	Industrial	Trading	Real Estate	Agriculture	Restaurants Public Facilities	Stock	Individuals	Government and Public Sector	Total	Total	Total	Total	Total
Balances with central banks	658,785,218	-	-	-	-	-	-	-	-	658,785,218	-	-	782,327,019	
Balances with banks and financial institutions	268,105,036	-	-	-	-	-	-	-	-	268,105,036	-	-	142,551,211	
Deposits with banks and financial institutions	467,946	-	-	-	-	-	-	-	-	467,946	-	-	447,949	
Direct credit facilities	8,321,260	144,058,376	288,498,867	236,998,406	12,118,506	111,769,241	11,905,644	464,349,561	220,754,350	1,498,774,211	1,432,871,078			
Bonds and Treasury Bills:														
Within financial assets at amortized cost	12,167,432	18,181,933	2,827,349	-	-	-	-	-	132,683,555	165,860,269	164,126,649			
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	146,606,532	146,606,532	144,192,002			
<b>Total current year</b>	<b>947,846,892</b>	<b>162,240,309</b>	<b>291,326,216</b>	<b>236,998,406</b>	<b>12,118,506</b>	<b>111,769,241</b>	<b>11,905,644</b>	<b>464,349,561</b>	<b>500,044,437</b>	<b>2,738,599,212</b>	<b>2,666,515,908</b>			
Financial Guarantees	14,864,827	5,682,083	26,676,137	12,131,846	135,974	13,729,567	46,850	1,592,374	-	74,859,658	77,690,688			
Letters of Credit	2,652,991	1,405,948	57,050,614	104,124	-	-	-	-	-	61,213,677	34,636,390			
Acceptances	1,420	32,705,641	131,761,707	-	4,789,658	-	-	-	-	169,258,426	91,356,381			
Un-utilized balances	26,116,592	119,146,146	91,267,293	11,905,397	1,408,277	15,946,725	1,650,660	94,441,846	1,881,738	363,764,674	366,742,204			
<b>Gross Total</b>	<b>991,482,722</b>	<b>321,180,127</b>	<b>598,081,967</b>	<b>261,139,773</b>	<b>18,452,415</b>	<b>141,445,533</b>	<b>13,603,154</b>	<b>560,383,781</b>	<b>501,926,175</b>	<b>3,407,695,647</b>	<b>3,236,941,571</b>			

B. Exposure Distribution According to Stages Classification as Per IFRS (9) as adopted by the Central Bank of Jordan:														
As of December 2024														
Item	Stage One				Stage Two				Stage Three				Total	
	Individual Level		Collective Level		Individual Level		Collective Level		Individual Level		Collective Level		Total	
	JD		JD		JD		JD		JD		JD		JD	
Financial	927,762,698		-		63,654,070		-		65,954		991,482,722		989,706,367	
Industrial	316,360,332		64,455		3,080,384		-		1,674,956		321,180,127		246,768,570	
Trade	513,838,074		456		79,291,657		-		4,951,780		598,081,967		533,248,566	
Real estates	55,971,032		162,200,562		5,553,408		31,111,878		6,302,893		261,139,773		265,002,638	
Agriculture	17,180,038		-		1,264,764		-		7,613		18,452,415		17,855,520	
Tourism, restaurants and public facilities	128,109,869		1,219,629		10,671,043		117,468		1,327,524		141,445,533		104,656,738	
Stocks	13,538,205		64,949		-		-		-		13,603,154		14,544,602	
Individuals	1,933,212		436,667,012		96,356		117,821,059		3,866,142		560,383,781		564,100,779	
Government and Public Sector	429,070,423		-		72,855,752		-		-		501,926,175		501,057,791	
Total	2,403,763,883		600,217,063		236,467,434		149,050,405		18,196,862		3,407,695,647		3,236,941,571	

6. Re-classified credit exposures									
December 31, 2024									
A. Total re-classified credit exposure:									
Item	Stage Two		Stage Three		Total reclassified exposures		Percentage of Reclassified Exposures		
	Total Exposure Value	Reclassified exposures	Total Exposure Value	Reclassified exposures	Total reclassified exposures	JD	JD	JD	
Cash and balances at central banks	64,138,899	64,138,899	-	-	64,138,899	-	64,138,899	100.00%	
Balances at banks and financial institutions	-	-	97,978	-	-	-	-	0.00%	
Deposits at banks and financial institutions	-	-	-	-	-	-	-	0.00%	
Financial assets through comprehensive income - debt instruments	-	-	-	-	-	-	-	0.00%	
Direct credit facilities at amortized cost	313,877,925	223,332,586	163,422,800	19,518,561	242,851,147			50.88%	
Bonds and Treasury Bills within financial assets at amortized cost	3,328,799	-	-	-	-	-	-	0.00%	
<b>Total</b>	<b>381,345,623</b>	<b>287,471,485</b>	<b>163,520,778</b>	<b>19,518,561</b>	<b>306,990,046</b>			<b>56.34%</b>	
Letters of guarantees	3,613,083	1,096,880	11,299,487	253,938	1,350,818			9.06%	
Letters of credit	1,393,860	982,826	-	-	982,826			70.51%	
Acceptances	1,226,747	1,226,747	-	-	1,226,747			100.00%	
Un-utilized balances	26,397,951	11,926,728	-	-	11,926,728			45.18%	
<b>Gross total</b>	<b>413,977,264</b>	<b>302,704,666</b>	<b>174,820,265</b>	<b>19,772,499</b>	<b>322,477,165</b>			<b>54.77%</b>	

December 31, 2024									
B. Expected credit loss against reclassified exposures:									
Item	Reclassified exposures		Expected credit loss for reclassified exposures						
	Gross Reclassified Exposure from Stage Two	Gross Reclassified Exposure from Stage Three	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	
Cash and balances at central banks	573,396	-	573,396	-	-	-	-	-	573,396
Balances at banks and financial institutions	-	-	-	-	-	-	83,369	-	83,369
Deposits at banks and financial institutions	-	-	-	-	-	-	-	-	-
Financial assets through comprehensive income - debt instruments	-	-	-	-	-	-	-	-	-
Direct credit facilities at amortized cost	14,207,797	10,219,986	6,182,675	21,307,601	129,034,320	-	-	-	156,524,596
Bonds and Treasury Bills within financial assets at amortized cost	-	-	25,387	-	-	-	-	-	25,387
<b>Total</b>	<b>14,781,193</b>	<b>10,219,986</b>	<b>6,781,458</b>	<b>21,307,601</b>	<b>129,117,689</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>157,206,748</b>
Letters of guarantees	(3,834)	241,050	175,551	-	9,317,195	-	-	-	9,492,746
Letters of credit	6,510	-	8,229	-	-	-	-	-	8,229
Acceptances	8,222	-	8,222	-	-	-	-	-	8,222
Un-utilized balances	51,209	-	104,485	53,816	-	-	-	-	158,301
<b>Gross total</b>	<b>14,843,300</b>	<b>10,461,036</b>	<b>7,077,945</b>	<b>21,361,417</b>	<b>138,434,884</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>166,874,246</b>

6. Re-classified credit exposures									
December 31, 2023									
A. Total re-classified credit exposure:									
Item	Stage Two		Stage Three		Total reclassified exposures		Total reclassified exposures		Percentage of Reclassified Exposures
	Total Exposure Value	Reclassified exposures	Total Exposure Value	Reclassified exposures	JD	JD	JD	JD	
Cash and balances at central banks	-	-	-	-	-	-	-	-	0.00%
Balances at banks and financial institutions	-	-	99,282	-	-	-	-	-	0.00%
Deposits at banks and financial institutions	-	-	-	-	-	-	-	-	0.00%
Financial assets through comprehensive income - debt instruments	-	-	-	-	-	-	-	-	0.00%
Direct credit facilities at amortized cost	101,412,210	24,778,377	150,296,318	32,357,564	57,135,941	57,135,941	57,135,941	57,135,941	22.70%
Bonds and Treasury Bills within financial assets at amortized cost	10,672,648	10,672,648	-	-	10,672,648	10,672,648	10,672,648	10,672,648	100.00%
<b>Total</b>	<b>112,084,858</b>	<b>35,451,025</b>	<b>150,395,600</b>	<b>32,357,564</b>	<b>67,808,589</b>	<b>67,808,589</b>	<b>67,808,589</b>	<b>67,808,589</b>	<b>25.83%</b>
Letters of guarantees	2,839,797	(2,145,452)	11,438,109	893,487	(1,251,965)	(1,251,965)	(1,251,965)	(1,251,965)	-8.77%
Letters of credit	38,286	-	-	-	-	-	-	-	0.00%
Acceptances	17,902	-	-	-	-	-	-	-	0.00%
Un-utilized balances	13,144,192	(6,469,089)	-	-	(6,469,089)	(6,469,089)	(6,469,089)	(6,469,089)	-49.22%
<b>Gross total</b>	<b>128,125,035</b>	<b>26,836,484</b>	<b>161,833,709</b>	<b>33,251,051</b>	<b>60,087,535</b>	<b>60,087,535</b>	<b>60,087,535</b>	<b>60,087,535</b>	<b>20.72%</b>

B. Expected credit loss against reclassified exposures:									
December 31, 2023									
Item	Reclassified exposures		Expected credit loss for reclassified exposures		Total		Total		Percentage of Reclassified Exposures
	Gross Reclassified Exposure from Stage Two	Gross Reclassified Exposure from Stage Three	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	
Cash and balances at central banks	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-
Deposits at banks and financial institutions	-	-	-	-	-	-	-	-	-
Financial assets through comprehensive income - debt instruments	-	-	-	-	-	-	-	-	-
Direct credit facilities at amortized cost	(2,768,883)	20,402,437	17,633,554	8,443,104	4,663,379	116,877,817	116,877,817	116,877,817	129,984,300
Bonds and Treasury Bills within financial assets at amortized cost	92,083	-	92,083	103,280	-	-	-	-	103,280
<b>Total</b>	<b>(2,676,800)</b>	<b>20,402,437</b>	<b>17,725,637</b>	<b>8,546,384</b>	<b>4,663,379</b>	<b>116,877,817</b>	<b>116,877,817</b>	<b>116,877,817</b>	<b>130,087,580</b>
Letters of guarantees	(18,392)	596,604	578,212	166,984	-	7,469,193	-	-	7,636,177
Letters of credit	-	-	-	178	-	-	-	-	178
Acceptances	-	-	-	83	-	-	-	-	83
Un-utilized balances	9,898	-	9,898	158,536	12,132	-	-	-	170,668
<b>Gross total</b>	<b>(2,685,294)</b>	<b>20,999,041</b>	<b>18,313,747</b>	<b>8,872,165</b>	<b>4,675,511</b>	<b>124,347,010</b>	<b>124,347,010</b>	<b>124,347,010</b>	<b>137,894,686</b>

41/B Market Risks:

Qualitative Disclosure:

These risks arise from the fluctuations in the fair values or the future cash flows of financial instruments due to the changes in market prices such as (interest rate, currency exchange rate, and shares prices). Moreover, market risks arise from the existence of open positions in interest rates, currency exchange rates, and investments in shares. These risks are monitored according to specific policies and procedures through special committees and associated work centres and include the following:

- Interest rate risks.
- Currency exchange rate risks.
- Fluctuation in share prices risks.
- Market risks: are the risks of exposure of the positions on and off the Bank’s Consolidated Statement of Financial Position to losses as a result of price fluctuations in the market. This includes the risks arising from the volatility of interest rates and stock prices of investment portfolios, both for the purpose of trading or exchange.

Market risks arise from:

- Changes that may occur in the political and economic conditions in markets.
- Fluctuations in interest rates.
- Fluctuations in the prices of financial instruments held for future buying and selling.
- Foreign currency fluctuations.
- Gaps in maturities of assets and liabilities and interest rate re-pricing.
- Creation of uncovered positions.

Interest Rate Risks

Interest rate risks arise from the probable impact of changes in interest rates on the value of other financial assets. The Bank is exposed to the risk of interest rates due to a mismatch or a gap in the amounts of assets and liabilities, according to the various time limits or review of interest rates in a certain period. Moreover, the Bank manages these risks through reviewing the interest rates on assets and liabilities based on the risk management strategy undertaken by the Asset and Liability Management Committee. The Bank follows a policy of hedging all financial assets and financial liabilities whenever the need arises. Hedging is against anticipated future risks.

The Bank has developed analysis scenarios to measure the sensitivity of interest rate risk in addition to providing a system for controlling the difference in the history of re-pricing. This ensures control, reduces risk, and takes into account acceptable risk and balancing maturities of assets with liabilities, as well as the gaps and benefits of hedging their prices.

Foreign Currency Risks

Foreign currency risks are the risks arising from changes in the values of financial instruments as a result of fluctuations in the prices of foreign currencies.

The Bank’s investment policy includes a set of controls that limit this type of risk monitored by a market risk unit such as follows:

- Exceeding limits is not allowed, and any currency excess is settled immediately.
- Any dealer should close the position immediately when the loss reaches the allowed maximum limit.

The Treasury and Investment Department analyses and controls open positions daily. It closes the positions in case of excesses of ceiling, loss limits or heightened risks due to market fluctuations.

The following is the net foreign currency positions at the Bank:		
December 31,		
	2024	2023
Currency Type	JD	JD
USD	(4,372,767)	(13,308,860)
GBP	18,857	(6,299,486)
Euro	344,888	467,976
JPY	577	99
Other currencies	(53,478,655)	(63,483,332)
	(57,487,100)	(82,623,603)

Share Prices Risks

Share prices risks result from the changes in the fair values of investments in shares. The Bank manages these risks through diversifying investments across various geographical areas and economic sectors. Most of the shares investments held by the Bank are listed in Amman Stock Exchange.

Market Risk Management

The Bank follows financial and investment policies for risk management within a specified strategy. Moreover, the Bank has an Asset and Liability Management Committee that supervises, and controls risks and performs the optimal strategic distribution of assets and liabilities both on and off the Consolidated Statement of Financial Position. Moreover, a market risk unit was established, staffed with qualified human resources, and equipped with electronic systems. These risk management procedures include the following:

- Preparation and implementation of an investment policy approved by the Board of Directors and the Central Bank of Jordan.
- Preparation and application of a market risk management policy approved by the Board of Directors including the criteria for the definition, measurement, and monitoring of this type of risk.
- Implementation of (Reuters) Application to monitor continuity risk in the global capital market, cash markets and currency exchange.
- Preparation of a mechanism for management of ceilings of local and foreign investments.
- Development of market risk measurement, management, and monitoring tools through:
  - Value at risk (VAR).
  - Basis point analysis.
  - Stress testing.
  - Defining stop loss limit.
  - Preparation of investment concentration reports (geographical distribution, economic sector, currency, tool, etc.).
  - Controlling investment ceilings.
  - Controlling investment operations (based on financial positions, local and international stocks and bonds).
- Preparation of periodic reports, to be presented to the Investment Committee and Risk Management Committee /Board of Directors.



Quantitative Disclosures:

1. Interest Rate Risks			
December 31, 2024			
Currency	Increase in Interest Rate (%)	Sensitivity of Interest Revenue Analysis (Profits and Losses)	Sensitivity of Equity
		JD	JD
USD	2%	(87,455)	-
GBP	2%	377	-
Euro	2%	6,898	-
JPY	2%	12	-
Other Currencies	2%	(1,066,111)	-
Currency	Decrease in Interest Rate (%)	Sensitivity of Interest Revenue Analysis (Profits and Losses)	Sensitivity of Equity Analysis
		JD	JD
USD	2%	87,455	-
GBP	2%	(377)	-
Euro	2%	(6,898)	-
JPY	2%	(12)	-
Other Currencies	2%	1,066,111	-
December 31, 2023			
Currency	Increase in Interest Rate (%)	Sensitivity of Interest Revenue Analysis (Profits and Losses)	Sensitivity of Equity
		JD	JD
USD	2%	(266,586)	-
GBP	2%	(125,990)	-
Euro	2%	9,360	-
JPY	2%	2	-
Other Currencies	2%	(1,269,668)	-
Currency	Decrease in Interest Rate (%)	Sensitivity of Interest Revenue Analysis (Profits and Losses)	Sensitivity of Equity Analysis
		JD	JD
USD	2%	266,586	-
GBP	2%	125,990	-
Euro	2%	(9,360)	-
JPY	2%	(2)	-
Other Currencies	2%	1,269,668	-

2. Foreign Currency Risks			
December 31, 2024			
Currency	Increase in Currency Exchange Rate (%)	Effect on Profits or Losses	Effect on Equity
		JD	JD
USD	5%	(218,638)	-
GBP	5%	943	-
Euro	5%	17,244	-
JPY	5%	29	-
Other Currencies	5%	(2,665,278)	-
December 31, 2023			
Currency	Increase in Currency Exchange Rate (%)	Effect on Profits or Losses	Effect on Equity
		JD	JD
USD	5%	(666,465)	-
GBP	5%	23,399	-
Euro	5%	(314,974)	-
JPY	5%	5	-
Other Currencies	5%	(3,174,169)	-
3. Fluctuation in Share Prices Risks			
December 31, 2024			
Indicator	Increase in Index	Effect on Profits or Losses	Effect on Equity
		JD	JD
Amman Stock Exchange	5%	7,277	239,087
Palestine Stock Exchange	5%	-	339,983
December 31, 2023			
Indicator	Increase in Index	Effect on Profits or Losses	Effect on Equity
		JD	JD
Amman Stock Exchange	5%	6,649	257,708
Palestine Stock Exchange	5%	-	404,748

4. Concentration of Foreign Currency Risk													
Currency		December 31, 2024											
		USD		GBP		Euro		JPY		Other		Total	
Item		JD		JD		JD		JD		JD		JD	
Assets:													
Cash and balances at Central Banks		121,540,106		724,672		3,435,733		195		165,117,009		290,817,715	
Balances at banks and financial institutions		140,092,931		6,576,379		6,270,376		190,807		8,529,032		161,659,525	
Financial assets through comprehensive income		69,085,188		-		-		-		33,040		69,118,228	
Direct credit facilities at amortized cost		231,582,949		10		2,792,233		-		227,398,296		461,773,488	
Financial assets (at amortized cost and at fair value and associates)		67,439,182		-		3,328,900		-		12,140,040		82,908,122	
Other assets		9,874,093		1,652		177,987		9		12,419,754		22,473,495	
Total assets		639,614,449		7,302,713		16,005,229		191,011		425,637,171		1,088,750,573	
Liabilities:													
Banks and financial institutions' deposits		4,057,853		20,065		518,537		-		33,462,199		38,058,654	
Customers' deposits		457,558,039		7,216,585		14,809,151		85,509		316,286,950		795,956,234	
Cash margins		78,474,069		5,755		304,807		104,925		14,060,706		92,950,262	
Other liabilities		103,897,255		41,451		27,846		-		115,132,883		219,099,435	
Total Liabilities		643,987,216		7,283,856		15,660,341		190,434		478,942,738		1,146,064,585	
Net concentration in the consolidated statement of financial position for the year 2024		(4,372,767)		18,857		344,888		577		(53,305,567)		(57,314,012)	
Commitments and contingent liabilities off balance sheet for the year 2024		243,895,541		-		3,174,102		4,701,298		3,692,670		255,463,611	
		December 31, 2023											
		USD		GBP		Euro		JPY		Other		Total	
Item		JD		JD		JD		JD		JD		JD	
Total assets		594,471,774		1,857,884		16,119,762		59,302		388,150,547		1,000,659,269	
Total Liabilities		607,801,076		8,157,370		15,651,786		59,203		451,633,922		1,083,303,357	
Net concentration in the consolidated statement of financial position for the year 2023		(13,329,302)		(6,299,486)		467,976		99		(63,483,375)		(82,644,088)	
Commitments and contingent liabilities off balance sheet for the year 2023		139,628,686		-		6,194,897		70,293		3,768,708		149,662,584	

5. Interest Re-pricing Gap									
Classification is based on periods of interest re-pricing or maturity									
Year 2024									
Assets	Less Than 1 Month	From 1 to 3 Months	From 3 to 6 Months	From 6 Months to 1 Year	From 1 to 3 Years	More Than 3 Years	Items Without Interests	Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cash and balances with Central Banks	375,585,986	-	-	-	-	10,635,000	385,363,786	771,584,772	
Balances and deposit with banks and financial institutions	231,826,105	873,068	311,968	155,977	-	-	35,405,864	268,572,982	
Financial assets at fair value	-	50,078,000	12,901,523	-	68,142,455	15,484,554	104,305,380	250,911,912	
Direct credit facilities at amortized cost	55,200,309	243,617,750	126,692,611	198,998,870	410,444,510	463,823,161	-	1,498,774,211	
Financial assets at amortized cost	709,198	709,398	3,303,514	2,836,000	129,373,126	28,929,033	-	165,860,269	
Property and equipment – Net	-	-	-	-	-	-	61,021,328	61,021,328	
Intangible assets	-	-	-	-	-	-	8,627,153	8,627,153	
Deferred tax assets	-	-	-	-	-	-	25,128,242	25,128,242	
Other assets	-	-	-	-	-	-	104,446,756	104,446,756	
Total Assets	663,321,598	295,278,216	143,209,616	201,990,847	607,957,091	518,871,748	724,298,509	3,154,927,625	
Liabilities									
Banks and financial institutions' deposits	34,537,381	-	-	260,000	-	-	7,538,723	42,336,104	
Customers' deposits	680,335,789	330,931,162	210,853,064	189,077,825	164,891,172	-	675,284,683	2,251,373,695	
Cash margins	19,502,131	6,275,612	16,171,059	15,876,466	22,183,188	3,899,597	115,878,309	199,786,362	
Sundry provisions	-	-	-	-	-	-	5,532,276	5,532,276	
Income tax provision	-	-	-	-	-	-	19,138,825	19,138,825	
Borrowed funds	1,207,834	1,457,716	2,354,747	3,798,216	14,968,432	12,601,441	3,434,382	39,822,768	
Deferred tax liabilities	-	-	-	-	-	-	229,911	229,911	
Other liabilities	-	-	-	-	-	-	54,478,450	54,478,450	
Total liabilities	735,583,135	338,664,490	229,378,870	209,012,507	202,042,792	16,501,038	881,515,559	2,612,698,391	
Interest Re-pricing Gap	(72,261,537)	(43,386,274)	(86,169,254)	(7,021,660)	405,914,299	502,370,710	(157,217,050)	542,229,234	
Year 2023									
Total Assets	670,165,063	154,147,610	155,077,240	181,635,107	573,595,564	583,979,399	718,652,358	3,037,252,343	
Total liabilities	550,366,630	250,032,718	250,246,024	324,230,446	262,180,009	17,480,330	845,005,308	2,499,541,465	
Interest Re-pricing Gap	119,798,433	(95,885,108)	(95,168,784)	(142,595,339)	311,415,555	566,499,069	(126,352,950)	537,710,878	

Liquidity Risk

First: this table summarizes the (undiscounted) liabilities on the remaining period for contractual maturities at the date of consolidated financial statements:

December 31, 2024																
Liabilities	Within 1 Month		From 1 to 3 Months		From 3 to 6 Months		From 6 Months to 1 Year		From 1 to 3 Years		Over 3 Years		Without Maturity		Total	
	JD		JD		JD		JD		JD		JD		JD		JD	
Banks and financial institutions' deposits	34,572,063	-	-	-	260,000	-	-	-	-	-	-	-	7,504,041	-	42,336,104	-
Customers' deposits	797,828,157	477,434,052	316,993,230	269,169,369	389,948,887	-	-	-	-	-	-	-	-	-	2,251,373,695	-
Cash margins	21,755,807	6,526,053	16,171,059	50,612,697	104,720,746	-	-	-	-	-	-	-	-	-	199,786,362	-
Borrowed funds	1,417,389	1,949,779	3,032,415	4,811,508	15,817,713	12,793,964	-	-	-	-	-	-	-	-	39,822,768	-
Sundry provisions	-	-	-	-	-	-	-	-	-	-	-	-	5,532,276	-	5,532,276	-
Income tax provision	4,435,859	-	10,649,600	1,992,221	-	-	-	-	-	-	-	-	2,061,145	-	19,138,825	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-	-	229,911	-	229,911	-
Other liabilities	5,470,859	3,647,375	3,388,752	3,770,829	7,467,778	87,861	-	-	-	-	-	-	30,644,996	-	54,478,450	-
Total liabilities	865,480,134	489,557,259	350,235,056	330,616,624	517,955,124	12,881,825	-	-	-	-	-	-	45,972,369	-	2,612,698,391	-
Total Assets (According to expected maturity)																
	779,740,798	296,653,796	143,870,425	200,035,669	570,019,209	640,479,857	524,127,871	-	-	-	-	-	-	-	3,154,927,625	-
December 31, 2023																
Liabilities	Within 1 Month		From 1 to 3 Months		From 3 to 6 Months		From 6 Months to 1 Year		From 1 to 3 Years		Over 3 Years		Without Maturity		Total	
	JD		JD		JD		JD		JD		JD		JD		JD	
Banks and financial institutions' deposits	20,958,803	40,218,800	-	177,250	-	-	-	-	-	-	-	-	9,999,565	-	71,354,418	-
Customers' deposits	607,754,662	360,342,193	354,393,746	394,236,694	452,327,437	-	-	-	-	-	-	-	-	-	2,169,054,732	-
Cash margins	18,746,133	4,356,083	10,761,742	35,794,867	66,011,021	4,604,712	-	-	-	-	-	-	-	-	140,274,558	-
Borrowed funds	1,388,835	2,058,069	3,001,299	3,824,038	15,437,260	10,541,045	-	-	-	-	-	-	-	-	36,250,546	-
Sundry provisions	-	-	-	-	-	-	-	-	-	-	-	-	7,147,192	-	7,147,192	-
Income tax provision	3,648,146	-	10,121,870	1,834,139	-	-	-	-	-	-	-	-	3,643,265	-	19,247,420	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-	-	471,683	-	471,683	-
Other liabilities	3,305,383	1,989,685	2,976,030	3,719,754	6,058,082	51,748	-	-	-	-	-	-	37,640,234	-	55,740,916	-
Total liabilities	655,801,962	408,964,830	381,254,687	439,586,742	539,833,800	15,197,505	-	-	-	-	-	-	58,901,939	-	2,499,541,465	-
Total Assets (According to expected maturity)																
	741,106,376	154,775,980	155,668,167	182,565,388	578,387,739	656,986,274	567,762,419	-	-	-	-	-	-	-	3,037,252,343	-

42. Bank’s Business Segments

1. Information about the Bank’s business segments:
- The Bank is organized for management purposes in a manner that allows measurement of its segments according to reports used by its Chief Executive Officer and main decision-makers through the following main segments:
  - Retail Banking (individual): includes following up on individual customers’ accounts, granting them loans, credit, credit cards, and other services.
  - Corporate Banking: includes following up on deposits, credit facilities, and other banking services pertinent to corporate customers.
  - Treasury: includes providing dealing and treasury services and management of the Bank’s funds.
  - Financial Brokerage Services: includes providing purchase services and sale of customers’ portfolios on their behalf, custody of investments, financial consultations, custody service, and management of initial public offerings.

Information about Bank business segments distributed according to the activities are as follows :	Total						
	Individual (Retail Customers)	Corporation	Treasury	Financial Brokerage	Other	2024	2023
	JD	JD	JD	JD	JD	JD	JD
Total Revenue	94,131,012	33,713,367	41,242,114	480,344	834,666	170,401,503	167,506,999
Expected credit loss allowance	(23,848,672)	3,854,706	(490,249)	935	-	(20,483,280)	(14,725,442)
Segments operations results	70,282,340	37,568,073	40,751,865	481,279	834,666	149,918,223	152,781,557
Other expenses	(62,007,359)	(19,463,511)	(4,645,745)	(176,584)	(8,598,003)	(94,891,202)	(87,421,674)
Profit before tax	8,274,981	18,104,562	36,106,120	304,695	(7,763,337)	55,027,021	65,359,883
Income tax	(4,162,860)	(6,333,572)	(8,208,505)	(79,871)	(954,662)	(19,739,470)	(20,904,696)
Net profit for the Year	4,112,121	11,770,990	27,897,615	224,824	(8,717,999)	35,287,551	44,455,187
Other information							
Capital Expenditures	1,974,030	185,046	-	100	6,108,815	8,267,991	3,471,664
Depreciation and amortization	7,097,205	168,993	10,518	15,686	4,152,019	11,444,421	11,227,211
Total Assets	699,023,863	891,961,665	1,463,435,035	2,255,176	98,251,886	3,154,927,625	3,037,252,343
Total Liabilities	1,972,989,047	515,802,885	32,788,902	211,751	90,905,806	2,612,698,391	2,499,541,465

2. Information about geographical distribution
- This disclosure represents the geographical distribution for Bank’s business. The Bank performs its main business activities in Jordan which represents the local business and also performs international business through its branches in Palestine and its subsidiary companies.

Following is the distribution of Revenues, Assets and Capital Expenditure according the geographical sector:						
	In the country		Overseas		Total	
	2024	2023	2024	2023	2024	2023
	JD	JD	JD	JD	JD	JD
Total Revenue	189,551,848	181,103,178	45,281,769	38,552,515	234,607,987	219,655,693
Total Assets	2,257,123,284	2,167,332,073	897,804,341	869,920,270	3,154,927,625	3,037,252,343
Capital expenditures	5,122,110	2,599,536	3,145,881	872,128	8,267,991	3,471,664

43. Analysis of Assets and Liabilities Maturities:

The table below shows assets and liabilities analysis according the expected recovery or settlement period:

	December 31, 2024		
	Up to 1 Year	Over 1 Year	Total
	JD	JD	JD
Assets			
Cash on hand and balances at Central Banks	760,949,772	10,635,000	771,584,772
Balances at banks and financial institutions	268,105,036	-	268,105,036
Deposits at banks and financial institutions	467,946	-	467,946
Financial assets at fair value through profit or loss	355,198	-	355,198
Financial assets at fair value through comprehensive income	62,979,523	187,577,191	250,556,714
Direct credit facilities at amortized cost	624,509,540	874,264,671	1,498,774,211
Financial assets at amortized cost	7,558,110	158,302,159	165,860,269
Property and equipment – Net	-	61,021,328	61,021,328
Intangible assets	-	8,627,153	8,627,153
Deferred tax assets	-	25,128,242	25,128,242
Other Assets	27,583,206	76,863,550	104,446,756
Total Assets	1,752,508,331	1,402,419,294	3,154,927,625
Liabilities			
Banks and financial institutions’ deposits	42,336,104	-	42,336,104
Customers’ deposits	1,861,424,808	389,948,887	2,251,373,695
Cash margins	95,065,616	104,720,746	199,786,362
Other provisions	-	5,532,276	5,532,276
Income tax provision	17,077,680	2,061,145	19,138,825
Borrowed funds	11,211,091	28,611,677	39,822,768
Deferred tax liabilities	-	229,911	229,911
Other liabilities	49,497,025	4,981,425	54,478,450
Total Liabilities	2,076,612,324	536,086,067	2,612,698,391
Net	(324,103,993)	866,333,227	542,229,234



	December 31, 2023		
	Up to 1 Year	Over 1 Year	Total
	JD	JD	JD
<b>Assets</b>			
Cash on hand and balances at Central Banks	857,498,267	10,940,292	868,438,559
Balances at banks and financial institutions	142,551,211	-	142,551,211
Deposits at banks and financial institutions	447,949	-	447,949
Financial assets at fair value through profit or loss	350,797	-	350,797
Financial assets at fair value through comprehensive income	-	238,948,463	238,948,463
Direct credit facilities at amortized cost	553,579,455	879,291,623	1,432,871,078
Financial assets at amortized cost	40,698,478	123,428,171	164,126,649
Property and equipment – Net	-	58,489,765	58,489,765
Intangible assets	-	7,397,514	7,397,514
Deferred tax assets	-	23,472,437	23,472,437
Other Assets	22,358,874	77,799,047	100,157,921
<b>Total Assets</b>	<b>1,617,485,031</b>	<b>1,419,767,312</b>	<b>3,037,252,343</b>
<b>Liabilities</b>			
Banks and financial institutions' deposits	71,354,418	-	71,354,418
Customers' deposits	1,716,727,295	452,327,437	2,169,054,732
Cash margins	69,658,824	70,615,734	140,274,558
Other provisions	-	7,147,192	7,147,192
Income tax provision	15,604,155	3,643,265	19,247,420
Borrowed funds	10,272,240	25,978,306	36,250,546
Deferred tax liabilities	-	471,683	471,683
Other liabilities	11,990,852	43,750,064	55,740,916
<b>Total Liabilities</b>	<b>1,895,607,784</b>	<b>603,933,681</b>	<b>2,499,541,465</b>
<b>Net</b>	<b>(278,122,753)</b>	<b>815,833,631</b>	<b>537,710,878</b>

#### 44. Fair Value Hierarchy

##### A. The Fair Value of Financial Assets and Financial Liabilities of the Bank Specified at Fair Value on an Ongoing Basis:

Some financial assets and liabilities of the Bank are evaluated at fair value at the end of each fiscal period, the following table shows the information about how to determine the fair value of these financial assets and liabilities (evaluation methods and inputs used).

Fair Value							Fair Value and the Important Intangible Inputs
Financial Assets/Financial Liabilities	December 31,		December 31,		The Level of Fair Value	Evaluation Method and Inputs Used	
	2024	2023	2024	2023			
Financial Assets at Fair Value	JD		JD				
Financial Assets at Fair Value Through Income Statement							
Quoted Shares	145,550		132,986		Level One	Stated Rates in financial markets	
Unquoted Shares	209,648		217,811		Level Two	Financial Statements issued by companies	
Total	355,198		350,797				
Financial Assets at Fair Value through Comprehensive Income							
Quoted Shares	11,581,400		13,249,113		Level One	Stated Rates in financial markets	
Unquoted Shares	2,668,299		2,326,678		Level Two	Financial Statements issued by companies or observable market input	
Unquoted Shares	89,700,483		79,180,670		Level Three	Evaluation methods using inputs that are not dependent on available market information	
Quoted debt	146,606,532		144,192,002		Level One	Stated Rates in financial markets	
Total	250,556,714		238,948,463				
Forward foreign currency contracts	35,726		-		Level One	Stated Rates in financial markets	
Total Financial Assets at Fair Value	250,947,638		239,299,260				
Financial Liabilities at Fair Value:							
Forward foreign currency contracts	-		145,277		Level One	Stated Rates in financial markets	
Total	-		145,277				

There were no transfers between level 1 and level 2 during the year of 2024. market multiples and discontinued cash flows methods were used to evaluate the bank's investment in foreign shares that do not have available market price classified within level three, by comparing them with the results of similar companies operating in the same field as the investee company.

B . The Fair Value of Financial Assets and Financial Liabilities of the Bank Non-Specific Fair Value on an Ongoing Basis:

Except as detailed in the table below, we believe that the carrying amount of financial assets and liabilities shown in the consolidated financial statements of the Bank approximate their fair value, because the Bank management believes that the carrying value of the items is equivalent to the fair value, and this is due to either its short-term maturity or having interest rates that have been repriced during the year.

	December 31, 2024		December 31, 2023		The Level of
	Fair Value		Fair Value		
	Book Value	JD	Book Value	JD	
Financial Assets of Non-Specified Fair Value					
Balances at central banks	659,439,451	659,493,105	782,620,321	782,882,301	Level Two
Balances at banks and financial institutions	268,207,452	268,505,692	142,621,408	142,691,096	Level Two
Deposits at banks and financial institutions	468,000	491,456	448,000	476,230	Level Two
Loans, bills and other	1,470,076,728	1,475,318,967	1,416,003,634	1,420,017,661	Level Two
Financial assets at amortized cost	166,191,614	168,574,470	164,361,770	166,958,169	Level Two
Total Financial Assets of non-specified Fair Value	2,564,383,245	2,572,383,690	2,506,055,133	2,513,025,457	
Financial Liabilities of Non-Specified Fair Value					
Deposits at banks and financial institutions	42,336,104	42,402,500	71,354,418	72,050,772	Level Two
Customers' deposits	2,251,373,695	2,266,193,418	2,169,054,732	2,181,414,333	Level Two
Cash insurance	199,786,362	199,801,245	140,274,558	140,278,219	Level Two
Total Financial Liabilities of Non-Specified Fair Value	2,493,496,161	2,508,397,163	2,380,683,708	2,393,743,324	

The fair value for the financial assets and liabilities that are in level 2 and level 3 were determined in accordance to agreed pricing models, which reflect the credit risk of the parties dealing with it.

C. Non-Financial Assets and Liabilities not Measured at Fair Value disclosed in the Consolidated Financial Statements:

	December 31, 2024		December 31, 2023		The Level of Fair Value
	Fair Value		Fair Value		
	Book Value	JD	Book Value	JD	
Other assets	83,639,082	129,576,242	82,312,612	128,409,791	Level Two
	83,639,082	129,576,242	82,312,612	128,409,791	

The above items set out the fair value of non-financial assets that are determined on the basis of prices of similar instruments in an inactive market.

45. Capital Management and liquidity

Capital Components:

- Paid-Up Capital:  
The paid-up capital of Bank of Jordan consists of (200) million ordinary shares at a nominal value of JD 1 per share. The Bank maintains capital, statutory reserves, and retained earnings to meet the growth in its operations and the requirements of local and regional expansion.
- Regulatory Capital:  
Regulatory capital is considered a control tool according to the requirements of regulatory authorities and Basel (III) for the purposes of achieving control over the adequacy of capital and the ratio of regulatory capital to risky and weighted assets and market risk. Regulatory capital according to Basel (III) consists of:
- Ordinary shares, retained earnings, accumulated comprehensive income items, declared reserves, minority interest and profit after tax and expected distributions and regulatory adjustments.
- Regulatory Authorities Requirements:  
The instructions of the regulatory authorities require that the minimum capital be (100) million dinars, as well as the capital adequacy ratio not less than 12% according to the instructions of the Central Bank of Jordan, and for the purposes of classifying the bank within the first category, the capital adequacy ratio must not be less than 14%, and in In the event that the bank is classified within D-SIBS banks, the capital adequacy ratio must not be less than (14%, + the capital required from the locally important banks according to the category to which the bank belongs), and the fair shareholder rights ratio should not be less CET1 to assets inside and outside the balance sheet (financial leverage) should not be less than 4%.
- Achieving the Objectives of Capital Management:  
The Bank's management aims at achieving the capital management objectives through developing (enhancing) the Bank's activities, achieving a surplus in operating profits and revenues, and optimally investing available funds. All of this is geared towards reaching the targeted growth in owners' equity, reflected in the increase in the legal reserves by (10)% and retained earning by (20%).

The regulatory capital adequacy ratios according to the standard approach are as follows:

Primary Capital Items for Ordinary Shareholders (CET 1):	In Thousands JD	In Thousands JD
	2024	2023
Paid-up capital	200,000	200,000
Statutory reserve	122,432	116,929
Voluntary reserve	109	75
Other reserves	5,850	5,850
Fair value reserve	37,056	31,794
Retained earnings	131,128	137,806
Non-controlling interest in the capital of subsidiaries	4,612	4,725
Less: Regulatory capital adjustments	(43,175)	(40,432)
Total Primary Capital Ordinary Shareholder (CET 1)	458,012	456,747
Additional Capital Items		
Stage one provision balance against debt instruments not exceeding 1.25 % of the total risk weighted assets	5,244	10,260
General banking risk reserve	4,102	4,102
Total additional capital	9,346	14,362
Total regulatory capital	467,358	471,109
Total risk weighted assets	2,337,147	2,198,638
Capital adequacy ratio (%)	20,00%	21,43%
Primary capital for ordinary shareholders (CET 1) %	19,60%	20,77%
Capital adequacy Tier 1 (%)	19,60%	20,77%

46 Commitments and Contingent Liabilities		December 31,	
a. Contingent Liabilities:	2024	2023	
	JD	JD	
Letters of credit include	61,262,859	34,682,106	
Acceptances	169,384,104	91,452,791	
Letters of guarantee:			
Payment	30,780,699	28,260,740	
Performance	36,350,093	30,462,694	
Other	17,417,120	26,824,046	
Un-utilized direct and indirect credit facilities limits	364,235,627	367,425,549	
Total	679,430,502	579,107,926	

Expected credit loss provision based on IFRS (9) requirements on the off – balance sheet items (unfunded) amounted to JD 10,334,067 for the year ended December 31, 2024 (JD 8,682,263 for the year ended December 31, 2023).

b. Contractual Obligations:	December 31,	
	2024	2023
	JD	JD
Contracts for purchasing of property and equipment*	332,087	233,600
Contracts for operating and financing lease**	20,823,821	20,731,526
Total	21,155,908	20,965,126

\* These commitments mature in less than 1 year.

\*\* These commitments mature between 1 year to 10 years.

C. Lawsuits against the Bank

The Bank is a defendant in lawsuits demanding cancellation of the Bank’s claims against others, lifting of real estate mortgages, compensation for damages, and suspension of cheques. These lawsuits amounted to JD 5,698,484 as of December 31, 2024 (JD 9,873,645 for prior year). In the opinion of the management and legal counsel, no material financial liabilities are likely to be incurred as a result of these lawsuits in excess of provision recorded which amounted to JD 892,048 as of December 31, 2024 (JD 293,464 as of December 31, 2023). Nothing that, amounts that will probably be paid by the Bank as a result of dismissal or amicable settlement of these lawsuits will be taken to the consolidated Statement of Profit or Loss or against the recorded provision when paid.



# **Additional Information as Required by the Jordan Securities Commission 2024**

**Names and Brief Résumés of Board of Directors  
and Executive Managers**

**Major Shareholders' Equity**

**Board of Directors' Equity**

**Executive Managers' Equity**

**Addresses of Bank of Jordan Branches**

**Organizational Structure**



Additional Information as Required by the Jordan Securities Commission 2024

A. Chairman’s Letter

B. Board of Directors Report

1. a- Description of Main Activities:

The Bank provides a comprehensive range of banking products and services. These include accepting all types of deposits (demand, savings, and time deposits), and issuing certificates of deposit, letters of credit, as well as letters of guarantee to all clients in the various economic sectors locally and abroad. The Bank also provides financial leasing services and custody services.

1. b- Location of Branches and Number of Employees:

The Bank has (82) branches and (3) exchange offices in Jordan, in addition to (19) branches and one office in Palestine, one branch in Bahrain and one branch in Iraq. The address of each branch and office is listed at the end of the report under the section "Addresses of Bank of Jordan branches".

The total number of the Bank’s employees has reached (1,909). The table below illustrates the number of employees in each branch and office.

Branch	No. of Employees	Branch	No. of Employees	Branch	No. of Employees	Branch	No. of Employees
Head Office	978	North Shuneh	5	Al Wehdar	5	Dabouq	2
Regional Management	156	Kufranjah	3	Al Jabal Al Shamali	6	Dabouq/Al Hijaz Street	7
Al Shmeisani	15	Al Qweismeh	6	Durret Khalda	8	Souq Bab Al Madinah Mall	11
Amman/ Downtown	3	Third Circle	3	Al Ruseifa	5	Ramallah	23
Karak	6	Mecca St.	9	"Al Madina Al Monawara St./Tla'a Al Ali"	5	Hebron	20
Irbid	10	University of Jordan	4	Abu Alanda	7	Jenin	13
Al Hussun St.	6	Thirty St./Irbid	6	Khalda	7	Nablus	21
Eidoun St./Irbid	6	Al Nuzha	6	City Mall	12	Gaza	16
Ma'an	5	Al Hassan Industrial city	5	Um Uthaina	7	Al Ram/Jerusalem	8
Rumtha	6	Al Gardens	15	Al Rabiye	6	Al Eizaryeh/Jerusalem	8
Al Turrah	3	"Al Madina Al Monawara St."	6	Abdoun	9	Industrial Area/Ramallah	8
Salt	7	Aqaba	9	Al Hurrieh St./Mogablain	6	Bethlehem	10
Jerash	6	Al Bayader	8	Al Rawnaq	6	Tulkarm	9
Al Mahatta	5	Industrial Area/Al Bayader	6	Sport City	5	Qabatiya	8
Al Yarmouk St./Al Nasser	5	Al Mafrak	8	Taj Mall	10	Rafidia	8
Marka	7	North Azraq	6	Abu Nsair	6	Al Naser	11
Ajloun	7	Jabal Al Weibdeh	5	North Hashmi	6	Al Eersal	7
Jabal Al Hussein	7	Deir Abi Saeed	4	Sahab	6	"Al Braid Suburb/ Jerusalem"	8
Al Khalidi	3	Sweileh	7	Al Abdali Mall	9	Al Tirah	7
Al Jubaiha	7	Al Fuheis	5	Madaba	6	Al-Khader	7
Commercial Market	4	Tareq	6	First Circle	10	Salfit	7
Wadi Al Seer	4	Zarqa Free Zone	6	Al Hurrieh Mall	9	Albasaten District/Jenin	7
Airport	4	Marj Al Hamam	8	Dahyet El Nakheel	4	Bahrain	9
Hakama St./Irbid	7	Dahyet Al Yasmeen	7	Medical City St.	5	Iraq	38
Radio and Television St.	4	Zarqa	6	Dahyet Al-Ameer Rashid	3		
Faisal St./Zarqa	5	Al Jeezah	3	Dahyet Al-Rasheed	7		
New Zarqa	6	Al Sweifieh	8	Hay Al-Zaytouna	5		

1. c- Capital Investment Volume:

The Capital investment amounted to JD 11,109,350 at the end of 2024 compared to JD 4,999,378 at the end of 2023.

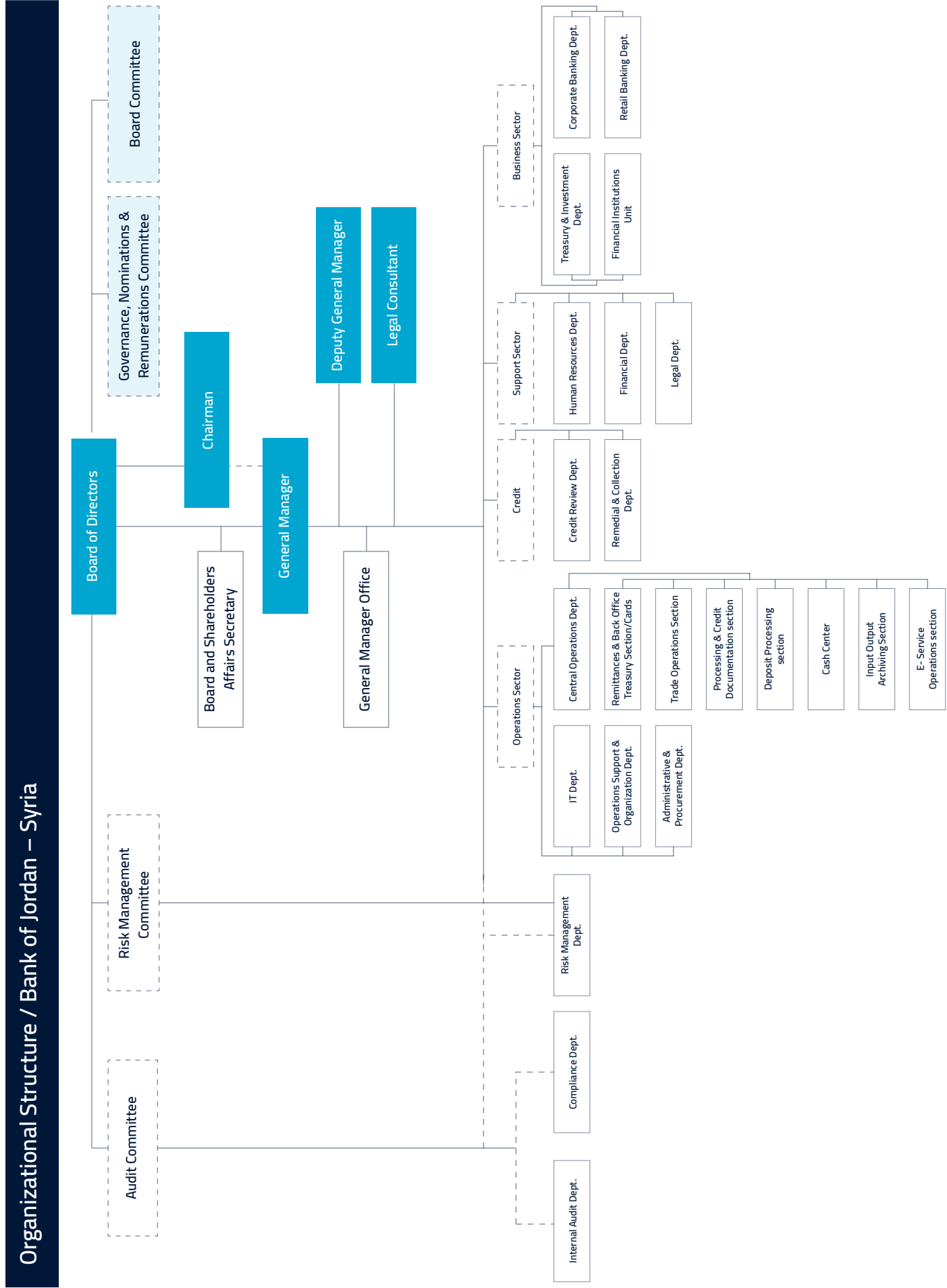
2. Subsidiaries:

a. Bank of Jordan - Syria / Syrian Arab Republic

Name of Company	Bank of Jordan - Syria
Type of Company	Joint Stock Company Syria
Date of Association	28/5/2008
Core Business	All Banking Operations
Paid up Capital	SYP 15,000,000,000
Bank’s Ownership Percentage	49%
Address	Sabaa Bahrat Square – Baghdad St. – Damascus P.O. Box 8058 Damascus – Syria Tel.: 00963-11-22900000 Fax: 00963-11-2315368
Number of Employees	244 employees
Projects Owned by the Bank and their Capitals	There are no projects owned

Branch Location and Number of Employees

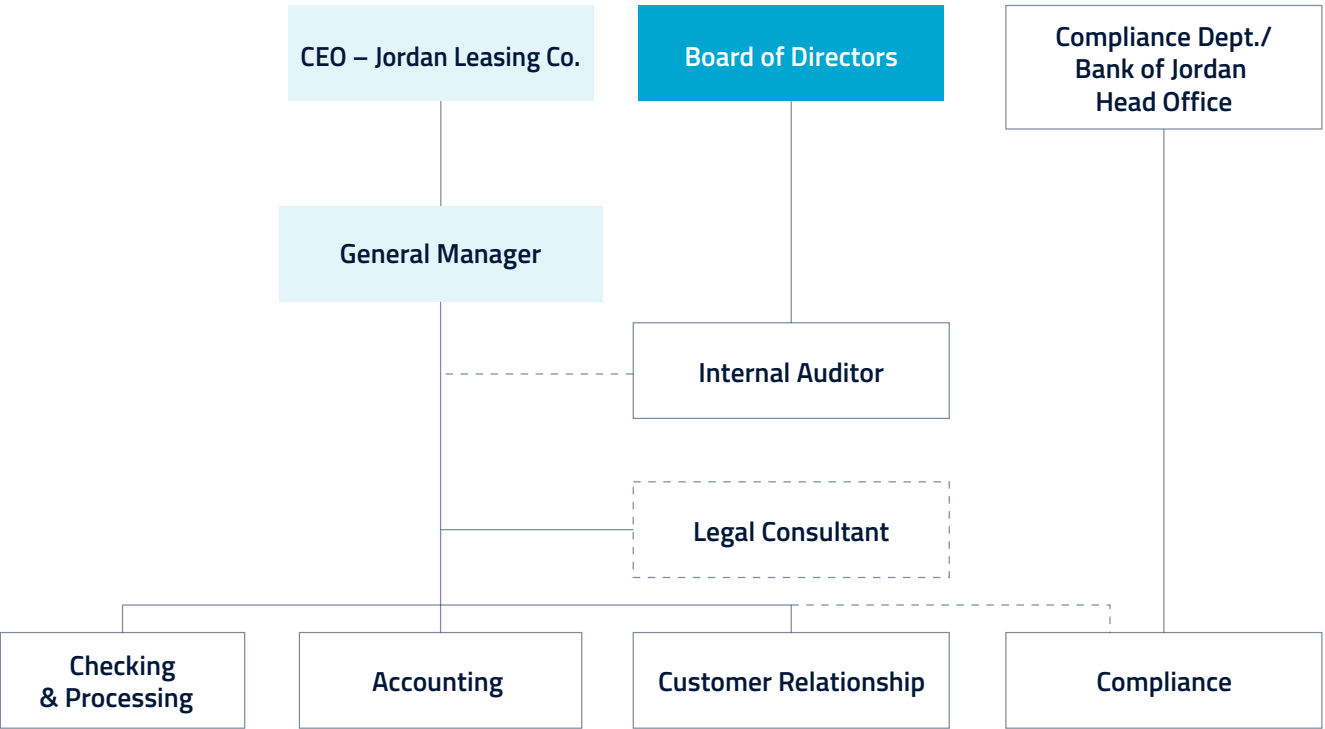
Branch	Address	Tel.	Fax	P.O. Box	Number of Employees
Baghdad St. Branch	Damascus - Sabaa Bahrat Square	00963-11-22900100	00963-11-2317730	P.O. Box 8058 Damascus, Syria	10
Abu Rumaneh Branch	Damascus – Abu Rumaneh- Arab League Square	00963-11-3354500	00963-11-3354506	P.O. Box 8058 Damascus, Syria	9
Abaseen Branch	Damascus - Abaseen Square	00963-11-4438261	00963-11-4438267	P.O. Box 8058 Damascus, Syria	7
Jarmana Branch	Damascus Suburban – Jarmana – Al Raees Square	00963-11-5694868	00963-11-5694869	P.O. Box 8058 Damascus, Syria	7
Harasta Branch (Temporarily closed)	Damascus Suburban – Harasta	00963-11-5376711	00963-11-5376717	P.O. Box 8058 Damascus, Syria	None
Al Faisal St. Branch / Aleppo	Aleppo – Al Malek Faisal St.	00963-21-2228071/73	00963-21-2228081	P.O. Box 8058 Aleppo, Syria	7
Homs Branch	Homs – Square 94 – Abou Tammam St.	00963-31-2220603/605	00963-31-2222306	P.O. Box 3058 Homs, Syria	7
Lattakia Branch	Lattakia - Al-Korneish Al-Gharbee St.	00963-41-2557623	00963-41-2556768	P.O. Box 58 Lattakia, Syria	11
Tartous Branch	Tartous – Al Thawra St.	00963-43-2313733	00963-43-2313793	P.O. Box 8058 Damascus, Syria	9
Al-Swaidaa Branch	Swaidaa – Qanawat St.	00963-16-324188	00963-16-324288	P.O. Box 88 Swaidaa, Syria	6
Adra branch	Industrial City - Administrative Sector - Management and Banking	00963-11-5850206 7/8/9/10/11/12 13/14/15	00963-11-5850216	P.O Box 8058 Damascus, Syria	5



b. Jordan Leasing Company - Limited Private Shareholding Company/ Hashemite Kingdom of Jordan

Name of Company	Jordan Leasing Company
Type of Company	Limited Private Shareholding Company
Date of Association	24/10/2011
Core Business	Financial Leasing
Paid-up Capital	JD 20,000,000
Bank's Ownership Percentage	100%
Address	Amman - Mecca St. - Al-Husseini Complex - Bldg. No.164 P.O. Box 2140 Amman 11181 Jordan Tel.: +962 6 5542697 Fax: +962 6 5542698
Number of Employees	5 employees
Branches	None
Projects Owned by Company and their Capitals	There are no projects owned

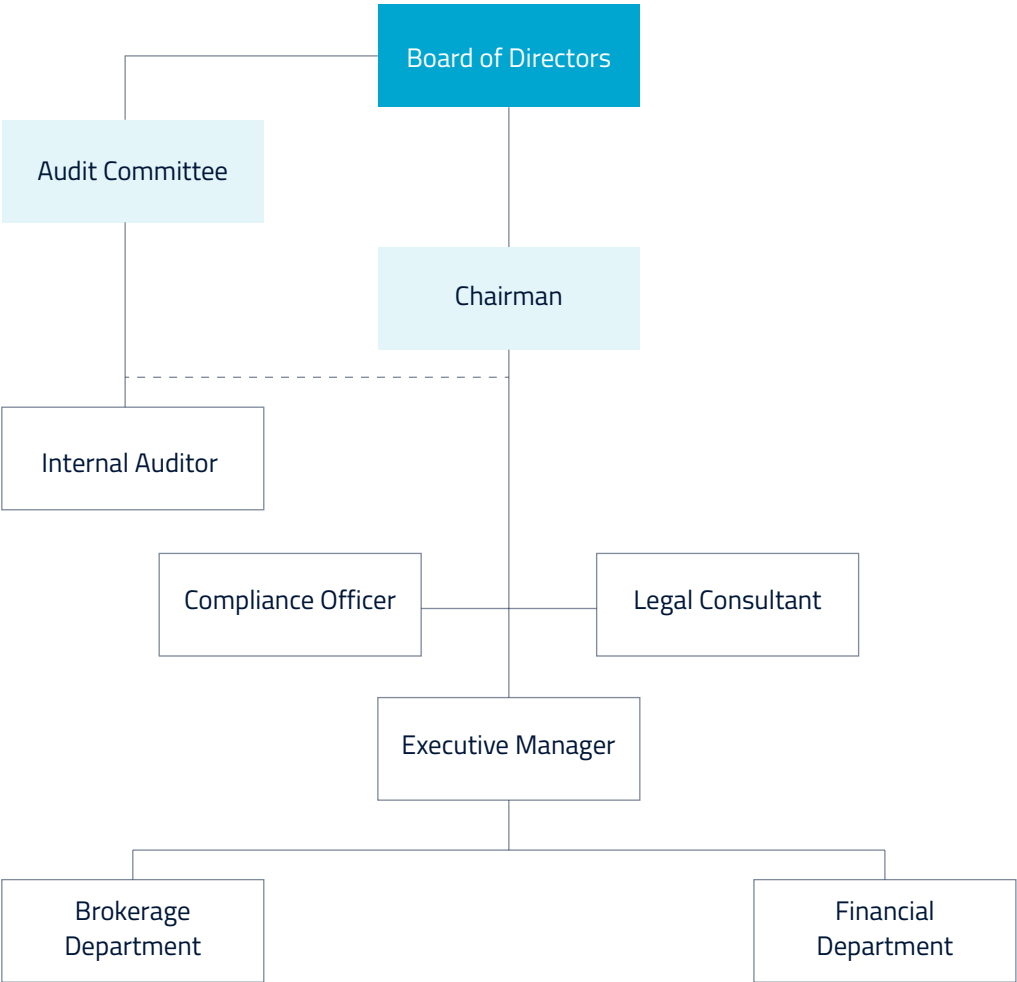
Organizational Structure / Jordan Leasing Company



C. Excel for Financial Investments Company - Limited Private Shareholding Company / Hashemite Kingdom of Jordan

Name of Company	Excel for Financial Investments Company
Type of Company	Limited Private Shareholding Company
Date of Association	23/3/2006
Core Business	Brokerage services (Buying and Selling Securities)
Paid-up Capital	JD 3,500,000
Bank's Ownership Percentage	100%
Address	Amman - Mecca St. - Al-Husseini Complex - Bldg. No. 164 P.O. Box 942453 – Amman 11194 – Jordan Tel.: +962 6 5519309      +962 6 5516809 Fax: +962 6 5519567
Number of Employees	6 employees
Branches	None
Projects Owned by Company and their Capitals	There are no projects owned

Organizational Structure / Excel for Financial Investments Company



3.a - Names and Resumes of Board of Directors:



Mr. Shaker Tawfiq Fakhouri  
Chairman of the Board/Dedicated

**Date of Birth:** 14/11/1969      **Date of Membership:** 14/6/2001  
**Nature of Membership:** Non-Executive/ Non-Independent

**Educational Background:**

- M.A. in Business Administration and Professional Accounting from Canisius College, Buffalo/ USA, 1995.
- B.A. in Economics from the University of Southern California/ USA, 1990.

**Professional Experience:**

- Chairman of the Board of Bank of Jordan, as of August 2007 to date.
- Chairman of the Board of Bank of Jordan - Syria from July 2015 until August 2019.
- Chairman & CEO of Bank of Jordan, as of August 2007 until January 2017.
- CEO of Bank of Jordan, as of August 2003 until January 2017.
- Deputy General Manager of Bank of Jordan, from December 1996 until August 2003.
- Executive Assistant to the Chief Executive Officer of Bank of Jordan, from January 1995 until December 1996.
- Attended several advanced banking and leadership seminars and courses, including:
  - The "Comprehensive Banking Operations" training program at Bank of Jordan branches, from February 1991 until January 1993.
  - A specialized credit training course at the Headquarters of Manufacturers/ Hanover Bank, USA, from September 1990 until February 1991.

**Other Current Board Memberships:**

- Chairman of the Board of Directors of Excel for Financial Investments Co.
- Member of the Board of Trustees – King Abdullah II Center for Excellence.
- Board Member of the Middle East Company for Insurance.



Mr. Walid Tawfiq Fakhouri  
Vice Chairman

**Date of Birth:** 12/2/1972      **Date of Membership:** 18/4/2017  
**Nature of Membership:** Non-Executive/ Non-Independent

**Educational Background:**

- M.A. in Business Administration from City University/ UK, 2000.
- B.A. in Science Marketing from Western International University/ UK, 1992.

**Professional Experience:**

- Chairman of the Board of Al-Tawfiq Investment House/ Jordan, as of 2007.
- Board member of Bank of Jordan from 17/02/2005 until 14/06/2015.
- Chairman of Petroeuropa/ Spain, as of 2014.
- Chief Executive Officer of JABA Inversiones Inmobiliarias / Spain, as of 2014.
- Chairman of the Board of the Arab Islamic Bank/ Palestine, from 2001 until 04/2016.
- Vice Chairman of Al-Ekbal Investment Company from 2009 until 08/2017.
- Vice Chairman of Excel for Financial Investments Company, from 23/03/2006 until 15/10/2014 and from 19/11/2014 until 18/04/2016.
- Member of the Executive Committee of the Islamic Corporation for Development of the Private Sector - Islamic Development Bank/ Jeddah, from 9/2009 until 2013.
- Assistant Chief Executive Officer of Bank of Jordan, from 9/2003 until 4/2004.
- Managing Director of Arab Islamic Bank/ Palestine, from 9/1999 until 6/2001.
- Assistant Chief Executive Officer of Bank of Jordan, from 4/1999 until 9/1999.
- Executive Manager of Bank of Jordan, from 7/1995 until 4/1999.

**Other Current Board Memberships:**

- Board Member of Advanced Inhalation Rituals Midco Limited Company.

**Former Board Memberships:**

- The International Tobacco and Cigarettes Company.
- Zahrat Al Urdon Real Estate & Hotels Investments Company.
- Trust International Transport Company.
- Board Member of Jordan Express Tourist Transportation Company (JETT).
- Al-Yarmouk Insurance Company.
- Arab Union International Insurance Company.
- Industrial Development Bank.
- Al-Ekbal Printing and Packaging Company.
- Board member of Al-Ekbal Investment Company.

**Professional Experience Gained Through Work in Private Business:**

- A total of 17 years of experience in financial and investment services, including 10 years in the field of Islamic financial and investment services.



**Dr. Yanal Mawloud Zakaria**  
Board Member/ Representative of  
Al Eqbal for General Investments Co.

**Date of Birth:** 13/12 /1956      **Date of Membership:** 22/10/2008  
**Nature of Membership:** Non-Executive/ Non-Independent

**Educational Background:**  
– B.A. in Literature/ Philosophy and Social Studies from Beirut Arab University/ Lebanon, 1986.  
– B.Sc. in Medicine and Surgery from Alexandria University/ Egypt, 1987.



**Mr. "Shadi Ramzi" Abd Al-Salam Al-Majali**  
Board Member/ Representative of  
Al-Tawfiq Investment House - Jordan

**Date of Birth:** 6/7/1962      **Date of Membership:** 7/3/2009  
**Nature of Membership:** Non-Executive/ Non-Independent

**Educational Background:**  
– M.Sc. in Software Engineering (Computer Science/ Systems Analysis) from George Washington University, Washington D.C./ USA, 1985.  
– B.Sc. in Mathematics & Military Sciences from The Citadel USA – The Military College of South Carolina/ USA, 1983.

**Professional Experience:**  
– CEO of New Vision for Electronics as of 3/2015 until 10/2019.  
– CEO of King Abdullah II Design and Development Bureau, from 7/2010 until 5/2014.  
– CEO of Aqaba Development Corporation, from 1/2010 until 7/2010.  
– Chief Executive Officer of Saraya Aqaba, from 2/2007 until 12/2009.  
– Revenues and Customs Commissioner in Aqaba Special Economic Zone Authority (ASEZA), from 1/2004 until 2/2007.  
– Gulf Area Manager of Qatar for the Middle East Contracting Company, from 9/2002 until 12/2003.  
– Tala Bay CEO, from 10/2000 until 9/2002.  
– Chief Executive Officer of Trans Jordan for Communications Services Company, from 5/1997 until 9/2000.  
– Chief Executive Officer of Al-Nisr for Advanced Telecommunications Company, from 2/1997 until 11/2003.  
– Vast military experience, serving in the military, from 1985 until 1996.

**Other Current Board Memberships:**  
– Chairman of Jordan Investment Trust, as of October 2017.

**Former Board Memberships:**  
– Chairman of the board of the King Abdullah II Design & Development Bureau (KADDB) from 12/2010 until 5/2014.  
– Member of the Board of Injaz from 2016 until 2018.  
– Member of the Board of Trustees - Mutah University from 2009 until 2018.  
– Member of the Board of Jordan Investment Trust, as of July 2014 until October 2017.  
– Member of the Board of Trustees - The Royal Tank Museum.  
– Member of the Board of Trustees - Jordan University for Science and Technology (JUST).  
– Member of the Board of Aqaba Water Company, from 1/2010 until 8/2010.  
– Member of the Board of the Aqaba port and Containers Company, from 1/2010 until 8/2010.  
– Member of the Board of Directors of Aqaba Airports Company, from 1/2010 until 8/2010.  
– Member of the Board of Trustees - Applied Sciences University, from 1/2006 until 10/2009.  
– ASEZA Commissioner, from 1/2004 until 2/2007.  
– Member of the Board of Jordan Electricity Distribution Company, from 6/2006 until 3/2007.  
– Member of the Board of Aqaba International School, from 6/2006 until 2/2007.  
– Member of the Board of the Yemeni Payphone Company, from 9/1998 until 9/2000.  
– Member of the Board of the Middle East Defense and Security Agency, from 8/1997 until 11/2003.  
– Vice Chairman of the King Abdullah Special Operation Training Center (KASOTC), from 12/2010 until 2/2013.  
– Member of Greater Amman Municipality Council, from 8/2010 until 8/2013.  
– Member of the Board of Social Security Investment Fund, From 4/2017 until 4/2023.  
– Chairman of Daman Company for Investments and Agricultural Industries as of September 2020-7/2024.  
– Chairman of the Jordanian Oil Terminals Company as of July 2019-7/2024.



**Mr. Haitham Mohammed Samih Barakat**  
Board Member/ Representative of  
Al Lu'lu'a for General Investmen  
(Cayman Islands) as of 28/3/2024

**Date of Birth:** 1/5/1960      **Date of Membership:** 30/7/2015  
**Nature of Membership:** Non-Executive/ Non-Independent

**Educational Background:**  
– B.Sc. in Electrical Engineering from the Portland State University/ USA, 1984.

**Professional Experience:**  
– Founder and partner of the Advanced Electrical Engineering Company/ Qatar, as of 2001 to date.  
– CEO of Kuwait Electrical Poles & Lighting Industries Company WLL (KEPLIC)/ Kuwait, as of 1999 to date.  
– General Manager of the Advanced Engineering Group/ Jordan, from 2007 until March 2018.  
– Founder and CEO of the Qatar Electromechanical Company/ Qatar, from 1998 until September 2017.  
– Deputy Chief Executive Officer of the National Industries Company/ Jordan, from 1/2004 until 7/2004.  
– Founder and CEO of Faddan Electromechanical Contracting Company/ Jordan, from 1994 until 1997.  
– Deputy Chief Executive Officer of Faddan for Trading and Contracting Company/ Kuwait, from 1984 until 1990.

**Former Board Memberships:**  
– Board Member of the Arab Islamic Bank/ Palestine.  
– Board Member of Al-Saqr Insurance Company.  
– Founding Member of the Clean Energy Company/ Jordan.  
– Board Member of the United Cable Industries Company/ Jordan.

**Professional Experience Acquired from Private Business:**  
– Over 30 years of experience in Jordan, the Gulf, and the USA including founding and managing various engineering companies in several countries.

**Other Professional Experience:**  
– Experience in project management and development.



**Mr. Husam Rashed Manna'**  
Board Member/ Representative of  
Al-Yamama for General Investments Co.  
Cayman Islands

**Date of Birth:** 6/9/1963      **Date of Membership:** 30/7/2015  
**Nature of Membership:** Non-Executive/ Non-independent

**Educational Background:**  
– Master of Business Administration (MBA) from California State University, Chico 1989.  
– Bachelor of Science, Business Administration from California State University, Chico 1987.

**Professional Experience:**  
– Portfolio Manager/ Private business, as of 5/2004 to date.  
– Chief Commercial officer of Shams Ma'an Power Generation Co. from 10/2015 until 9/2017.  
– Chief Executive Officer of Aqaba Manufacturing & Refining Vegetable Oils CO. (AMRV), from 5/2011 until 5/2013.  
– Member of the Auditing Committee of Al Janoub Filter Manufacturing Company (AJFM), from 5/2008 until 10/2010.  
– Portfolio Manager at Arab Banking Corporation/ Investment Department, from 3/2002 until 4/2004.  
– Corporate Head/ Manager at Arab Banking Corporation/ Credit Facilities Department, from 9/2000 until 2/2002.  
– Senior International Credit Officer/ Supervisor at Arab Bank Plc./ Credit Facilities Division – Int'l Branches & Assoc. Co's, from 7/1994 until 5/2000.  
– Credit Officer/ Section Head at Arab Bank Plc. – Mahatta Branch/ Credit Facilities Dept., from 6/1991 until 6/1994.  
– Account Executive at Metropolitan Life - San Francisco/ California, USA, from 6/1989 until 6/1990.

**Former Board Memberships:**  
– Member of the Board of Directors of Al Janoub Filter Manufacturing Company (AJFM) from 5/2008 until 10/2010.  
– Member of the Board of Directors of Real Estate Investment Compound Company from 3/2002 until 4/2004.





**Mr. Walid Mohammad Al-Jamal**  
Board Member/ Representative of  
Al Pharaenah Int'l for Industrial  
Investments Co.

Date of Birth: 9/4/1971 Date of Membership: 12/1/2017  
Nature of Membership: Non-Executive/ Non-Independent

#### Educational Background:

- Master of Business Administration in Professional Accounting, from Canisius College, Buffalo/ USA, 1995.
- B.A. in Accounting from the University of Jordan/ Jordan, 1992.

#### Professional Experience:

- CEO of Jordan Decapolis Properties Company, as of 9/2014 to date.
- Director of Finance and Administration, First Jordan Investment Company, from 2011 until 2013.
- Deputy CEO for Finance and Administration/ MGC/ Saudi Arabia, from 2007 until 2011.
- Financial Controller and HR Director, Dar Al-Dawa Group, from 2001 until 2007.

#### Other Current Board Memberships:

- Chairman of the Board of Directors of Jordan Dubai Properties for Land Development Company.
- Chairman of the Board of Directors of Jordan Eye for Tourist Resorts Company.
- Chairman of the Board of Directors of Jordan Dubai for Specialized Tourist Resorts Company.
- Chairman of the Board of Directors of Aman Jordan Decapolis for Tourism Investments Company.
- Chairman of the Board of Directors of South Dead Sea Development for Specialized Resorts Company.
- Chairman of the Board of Directors of Ahya Amman for Hotel Investments Company.
- Chairman of the Board of Directors of Ahya Al Asimah for Tourist Investments Company.
- Chairman of the Board of Directors of Ahya Al Asimah for Real Estate Investments Company.
- Chairman of the Board of Directors of Ahya Al Asimah for Specialized Investments Company.
- Chairman of the Board of Directors of Eagle Group International Investment.
- Vice Chairman of the Board of Directors of Jordan Decapolis Properties Company.
- Chairman of the Board of Directors of Ahya Amman Real Estate Development Company.
- Chairman of the Board of Directors of Al Rashad Industrial Investments Company.
- Board Member of Al Daman Al-Mumayaz Tourism Investments Company.
- Board Member of Ma'in Hot Springs Resort Company.
- Board member of Medgulf for Insurance.



**Mr. Walid Rafiq Anabtawi**  
Board Member

Date of Birth: 30/3/1944 Date of Membership: 17/4/2017  
Nature of Membership: Non-Executive/ Independent

#### Educational Background:

- B.A. in Accounting, from Alexandria University/ Egypt, 1968.

#### Professional Experience:

- Assistant General Manager - Investment and Branches Management/ Bank of Jordan/ Jordan, from Apr 2004 until Oct 2005.
- Assistant General Manager/ Bank of Jordan/ Jordan - Organization, Operations, and Automation Management, from Oct 2001 until Jun 2003.
- Executive Manager/ Bank of Jordan/ Jordan - Organization, Operations, and Automation Management, from Jan 1992 until Oct 2001.
- Manager of Internal Audit/ Bank of Jordan/ Jordan, from Mar 1990 until Jan 1992.
- Department Head Assistant - Banks Supervision Department - Central Bank of Jordan/ Jordan, from Jul 1986 until Mar 1990.
- Senior Assistant Manager - Internal Audit Department/ Arab National Bank - Saudi Arabia, from Feb 1983 until Jun 1986.
- Supervisor/ Banking Supervision Department, Central Bank of Jordan/ Jordan, from Jul 1976 until Feb 1983.
- Division Assistant Head/ Arab Bank/ Amman Branch/ Jordan, from May 1969 until Jul 1976.
- Accountant - Accounting Department/ Royal Jordanian/ Jordan, from Oct 1968 until May 1969.
- Took part in and helped organize over 50 training workshops inside and outside Jordan.

#### Other professional Experience:

- Extensive administrative experience in leading financial institutions including:
  - Developing work procedures and control measures to ensure competence and effectiveness.
  - Supervising the development and application of E-banking systems.
  - Diverse experience in internal audit and internal control systems.



**Mr. "Mohammad Sa-ed"  
Ishaq Jarallah**  
Board Member

Date of Birth: 16/02/1953 Date of Membership: 18/10/2020  
Nature of Membership: Non-Executive- Independent

#### Educational Background:

B.A. in Accounting & English from the University of Jordan, 1977.

#### Professional Experience:

- CEO of Jarallah Enterprise (FZE) / UAE as of 2016 to date.
- EVP & Head of Credit Restructuring at First Gulf Bank / Abu Dhabi / UAE, from 2011 until 2015.
- SVP & Country Manager at Arab Bank / Abu Dhabi / UAE, from 2006 until 2011.
- Area Manager at Arab Bank / Abu Dhabi / UAE, from 2002 until 2006.
- Branch Manager at Arab Bank / Abu Dhabi / UAE, from 1999 until 2002.
- Worked in several positions with Citibank / Bahrain, Jordan, UAE, from 10/1976 until 9/1999.
- Attended many training courses specialized in banking, including:
  - Specialized training course in negotiations and rescheduling of troubled facilities at London Business School of Economy in 2012.

#### Former Board Memberships:

- Member of the Board of Oman Arab Bank.
- Member of the Board of AB Capital / UAE.
- Member of the Board of Arab Company for Shared Services / UAE.
- Member of the Board of Arab Gulf Technology / UAE.



**Mr. Yousef Jan Shamoun**  
Board Member

Date of Birth: 23/11/1979 Date of Membership: 19/4/2021  
Nature of Membership: Non-Executive - Independent

#### Educational Background:

- MBA with a focus on Finance and Entrepreneurship from Georgetown University, 2006.
- B.A. in Mechanical Engineering from McGill University, 2002.

#### Professional Experience:

- Co-founder & CEO at ZenHR Co. as of 1/2017 to date.
- Co-founder & Board Member at Jawaker Co. as of 10/2008 to date.
- Co-founder & CEO at Akhtaboot Co. as of 6/2007 to date.
- Certified SaaStr Annual / San Francisco / USA.
- Certified Elevating Finance, Operations/ Wharton School of Business/ USA.
- Certified EO Growth Forum/ London Business School/ UK.
- Certified Georgetown Leadership Seminar (GLS)/ Georgetown University/ USA
- Certified Endeavor Leadership Program/ Stanford University / USA.
- Certified Bank Rotation/ Bank of Jordan.

#### Other Current Board Memberships:

- ZenHR Co. as of 1/2017 to date.
- Akhtaboot Co. as of 6/2007 to date.

#### Former Board Memberships

- Entrepreneurs Organization (EO) Jordan chapter as of 09/2016 to 09/2020.
- Jawaker Co. from 10/2008 until 9/2021.



**Mr. Emad Adeen Jihad Al- Massri**  
Board Member

Date of Birth: 14/3/1976 Date of Membership: 19/4/2021  
Nature of Membership: Non-Executive - Independent

#### Educational Background:

- MBA in Accounting and Finance from the Hashemite University, 2007.
- B.A. in Accounting from An-Najah National University, 1998.

#### Professional Experience:

- Chief Executive Officer at Zahran Operation and Maintenance Co. /Riyadh/ KSA, as of 9/2018 to date.
- Group Chief Financial Officer at Zahran Holding Co./ Riyadh/ KSA, from 2016-2018.
- Group Financial Controller at Zahran Holding Co./ Riyadh/ KSA, from 2012-2016.
- Treasury Manager at Zahran Holding Co./ Riyadh/ KSA, from 2011-2012.
- Finance Manager at Zahran Operation and Maintenance Co./ Riyadh/ KSA, from 2009-2011.
- Head of Treasury Department at Zahran Holding Co./ Riyadh/ KSA, from 2008-2009.
- Financial Controller at Arab Bank Plc./ Amman/ Jordan, from 2005-2008.
- Senior Relationship Officer at Arab Bank Plc./ Amman/ Jordan from 1998-2005.

b- Names and Resumes of Senior Executive Managers

Mr. Saleh Rajab Hammad  
Chief Executive Officer

Date of Birth: 27/7/1962	Date of Appointment: 27/7/2015
<b>Educational Background:</b> – B.Sc. in Computer Science from University of Jordan, 1985.	
<b>Professional Experience:</b> – Chief Executive Officer as of 22/03/2018 to date. – Acting Chief Executive Officer/CEO from 13/1/2017 until 21/03/2018. – AGM/ Chief Risk Officer, and Board Secretary, at Bank of Jordan from 27/7/2015 until 12/1/2017. – AGM/ Chief Risk Officer, and Board Secretary at Bank of Jordan, from 12/2014 until 5/2015. – Executive Manager/ Compliance and Risk Department, and Board Secretary, at Bank of Jordan, from 1/2009 until 12/2014. – Manager of the Compliance Risk Department at Bank of Jordan, from 12/1994 until 12/2008. – Long-standing experience in auditing, operations, and Information Security. – Attended several courses on risk management and the Basel requirements organized in Jordan and abroad. – Holds several professional certificates including CCO, and CORE certificates.	
<b>Other Current Board Memberships:</b> – Chairman of the Bank of Jordan – Syria. – Chairman of the Jordan Leasing Company. – Vice Chairman of Excel for Financial Investments Company. – Board Member of Al-Hussain Fund for Excellence.	

Mr. Mutasem Maher Al-Dweik  
AGM / Corporate & Institutional Banking (CIB)

Date of Birth: 15/5/1973	Date of Appointment: 20/11/2022
<b>Educational Background:</b> – B.Sc. in Mathematics from the American University of Beirut, 1998.	
<b>Professional Experience:</b> – AGM - Corporate & Institutional Banking (CIB) / Bank of Jordan, as of 20/11/2022 to date. – Manager of the Corporate Sector and Institutional Clients Department at Standard Chartered Bank / Abu Dhabi - UAE, from May 2015 until June 2016. – Manager of the Corporate Sector and Institutional Clients Department at Standard Chartered Bank / Doha - Qatar, from October 2012 until May 2015. – Manager of Customer Solutions Department in the Middle East, North Africa, and Pakistan at Standard Chartered Bank / Dubai - UAE, from June 2011 until October 2012. – Manager of the Local Companies Sector Department and Customer Coverage at Standard Chartered Bank / Dubai - UAE, from September 2006 until June 2011. – Team Leader / Corporate Department at Doha Bank - Qatar, from October 2002 until September 2006. – Customer Relationship Manager / Corporate Department at Doha Bank - Qatar, from January 2000 until October 2002. – Manager of Personal and Commercial Loans Department at Doha Bank - Qatar from September 1998 until December 1999.	

Mr. Osama Samih Sukkari  
Legal Advisor

Date of Birth: 27/4/1955	Date of Appointment as a Legal Advisor: 28/4/2015
<b>Educational Background:</b> – B.A. in Law from Beirut Arab University/ Lebanon, 1977.	
<b>Professional Experience:</b> – Legal Advisor of Bank of Jordan as of April 2015 to date. – Legal Advisor & Head of legal Department, Bank of Jordan as of April 1994 to April 2015. – Extensive experience in legal consultations and lawsuits, as of 1981.	
<b>Other Current Board Memberships:</b> – Board Member of Axantia Company – UAE.	
<b>Former Board Memberships:</b> – Vice Chairman of the Board of Directors of Jordan Leasing Company. – Member of the Insurance Council of the Social Security Corporation. – Board Member of Excel for Financial Investments Company. – Board Member of Al-Mowahadah for Transportation Company. – Board Member of the National Industries Company. – Board Member of Al-Takamolveh Investments Company. – Board Member of Al-Shamikha for Real Estate Investments Company. – Board Member of Pharma International Company, where this membership is now associated with the owning company (Axantia Company - UAE). – Board Member of Bank of Jordan – Syria.	

Mr. Nader Mohammad Sarhan  
Assistant Chief Executive Officer / Chief Risk Officer/Board Secretary

Date of Birth: 7/10/1967	Date of Appointment: 2/4/2017
<b>Educational Background:</b> – M.A. in Accounting from the Arab Academy for Banking and Financial Sciences, Jordan (2002) – B.A. in Accounting from Mansoura University, Egypt (1990)	
<b>Professional Experience:</b> – Assistant General Manager/Chief Risk Officer, Bank of Jordan, as of 1/3/2023 to date – Executive Manager/Chief Risk Officer, Bank of Jordan, as of 26/9/2019 until 1/3/2023 – Executive Manager/Chief Risk Officer, Bank of Jordan, from 24/4/2019 until 25/9/2019 – FATCA Responsible Officer as of 7/2017 until 30/11/2020 – Executive Manager/Chief Risk Officer, Bank of Jordan, from 24/4/2017 until 23/4/2019 (Acting) – Board Secretary as of 18/4/2017 to date – Executive Manager, Credit Review Management, Bank of Jordan, from 2 /4/2017 until 23/4/2017 – Executive Manager, Credit Review Management, Bank of Jordan, from 15/12/2014 until 28/1/2017 – Manager, Credit Department (Corporate, Commercial, Branches Abroad), Bank of Jordan, from 21/4/2013 until 14/12/2014 (Acting) – Manager, Credit Department (Corporate and Branches Abroad), Bank of Jordan, from 27/4/2009 until 20/4/2013 – Manager, Corporate Credit Risk Department, Bank of Jordan, from 28/10/2007 until 26/4/2009 – Manager, Specialized Finance, Housing Bank for Trade and Finance, from 7/9/2003 until 28/10/2007 – Head of Corporate Accounts, Jordan Commercial Bank, from 13/10/2002 until 6/9/2003 – Commercial Credit Officer, Housing Bank, from 28/5/1998 until 12/10/2002 – Loan Officer in the Housing Bank, from 3/5/1992 until 27/5/1998 – Certified Corporate Secretaries from International Finance Corporation (IFC), 2020 – Certified Board of Directors Program from International Finance Corporation (IFC), 2018	
<b>Other Current Board Memberships:</b> – Board Member of Bank of Jordan -Syria	

<b>Mr. Khaled Sobhi Awad</b> Executive Manager / IT Management	Date of Birth: 25/5/1977 Date of Appointment: 30/12/2021 <hr/> <b>Educational Background:</b> - Bachelor of Electrical Engineering, from the University of Jordan, 2000.
<b>Mr. Salam Salameh Gamoah</b> CEO - Bahrain Branch	Date of Birth: 5/4/1965 Date of Appointment: 27/4/2014 <hr/> <b>Educational Background:</b> - Master's degree of Business Administration (MBA) - Finance, from Louisiana Tech University, USA, 1993. - Bachelor's degree of Business Management, from Louisiana Tech University, USA, 1991. <hr/> <b>Professional Experience:</b> - CEO at Bank of Jordan / Bahrain Branch as of January 2018 to date. - Executive Vice President at Bank of Jordan / Foreign Branches, from 4/2014 until 12/2017. - Senior Vice President - Head of Global and Regional Client Coverage at Arab Bank PLC – Jordan from 8/2007 until 6/2011. - Vice President - Head of Contracting & Real Estate Finance, Corporate & Institutional Banking at Arab Bank PLC, Wholesale Banking Unit – Bahrain, as well as other posts in the Business Development Department from 9/1997 until 8/2007. - Country Credit Officer, International Credit Facilities Division at Arab Bank PLC – Jordan from 7/1993 until 8/1997. <hr/> <b>Other Professional Experiences:</b> - Attended many advanced banking and leadership courses specialized in developing international banking and credit and risk management with prestigious educational institutions, such as IIR Middle East, Euro Money Training, and Citibank School of Banking.
<b>Ms. Lana Fayez Al-Barrishi</b> Executive Manager/ Compliance Department.	Date of Birth: : 30/7/1980 Date of Appointment: 29/11/2015 <hr/> <b>Educational Background:</b> - B.A. in Business Administration /University of Jordan/Jordan, 2002. <hr/> <b>Professional Experience:</b> - Executive Manager/ Compliance Department/ Bank of Jordan, as of September 2020 to date. - FATCA Responsible Officer / Bank of Jordan as of 12/2020 to date. - Manager / Compliance Department/Bank of Jordan, as of November 2015 until August 2020. - Manager / Compliance Department/Bank of Jordan, from January 2015 until September 2015. - Manager /Compliance and Operational Risk Department /Bank of Jordan, from June 2014 until December 2014. - Officer/ Corporate Governance / Bank of Jordan. - Head of the Anti-Money Laundering and Combating Financing Terrorism Unit/Bank of Jordan, from 2011 until June 2014. - Officer/the Anti-Money Laundering and Terror Financing Unit/Cairo-Amman Bank, from 2006 until 2011. - Customer Service Officer/Cairo Amman Bank, from 2002 until 2006. - Certified Anti – Money Laundering specialist CAMS. - Certified Anti- Corruption Manager CACM. - ICA certified from International Compliance Association. - Board of Directors Certified program, 2019 from International Finance Corporation (IFC). - Certified corporate secretaries, 2022 from International from International Finance - Corporation (IFC)/Jordan institute of directors. - Certified Compliance Manager (CCM), 2023 from Global Compliance Institute

<p><b>Mr. Yousef Mousa Abu Humaid</b> Executive Manager/ Chief Operating Officers</p>	<p><b>Date of Birth:</b> 15/1/1980</p>	<p><b>Date of Appointment:</b> 4/10/2015</p>
<p><b>Educational Background:</b></p> <ul style="list-style-type: none"> <li>- M.A. in Accounting / Arab Academy for Management Banking and Financial Sciences/Jordan, 2004.</li> <li>- B.A. in Accounting/ Bethlehem University/ Palestine, 2002.</li> </ul> <p><b>Professional Experience:</b></p> <ul style="list-style-type: none"> <li>- Executive Manager/Chief Operating Officer/ Bank of Jordan as of 22/5/2022 to date.</li> <li>- Executive Manager/ Central Operations Management/ Bank of Jordan as of 15/3/2021until 21/5/2022.</li> <li>- Manager /Central Operations Management/ Bank of Jordan as of 11/ 2019 to date.</li> <li>- Manager / Organization Dept. / Bank of Jordan from 10/ 2015 until 11/ 2019.</li> <li>- Manager / Organization Dept. / Bank of Jordan from 3/ 2013 until 7/ 2015.</li> <li>- Unit Manager Operations Engineering Department/ Central Operations Dept. /Bank of Jordan, from 1/ 2009 until 3/2013.</li> <li>- Unit Head Operations Engineering Department/ Central Operations Dept. /Bank of Jordan, from 7/ 2005 until 12/2008.</li> <li>- Deposit Officer / Customer Service/ Bank of Jordan, from 5/ 2004 until 7/2005.</li> <li>- Accounting Officer/ Bank of Jordan, from 3/ 2003 until 5/2004.</li> </ul>		
<p><b>Mr. Saif Khader Issa</b> CEO /Bank of Jordan - Palestine</p>	<p><b>Date of Birth:</b> 4/9/1982</p>	<p><b>Date of Appointment:</b> 8/1/2023</p>
<p><b>Educational Background:</b></p> <ul style="list-style-type: none"> <li>- M.A. in Business Administration/Birzeit University, 2008.</li> <li>- B.A. in Accounting An-Najah University, 2004.</li> </ul> <p><b>Professional Experience:</b></p> <ul style="list-style-type: none"> <li>- CEO / Bank of Jordan - Country Palestine as of 8/1/2023 to date.</li> <li>- Head of CIB at the Arab Bank - Palestine from 2/2022 until 7/1/2023.</li> <li>- Manager the Central Region -CIB at the Arab Bank - Palestine from 1/2019 until 2/2022.</li> <li>- North District Manager CIB" at the Arab Bank - Palestine, from 2/2017 until 12/2018.</li> <li>- Credit Review Manager at the Arab Bank - Palestine from 11/2010 until 2/2017.</li> <li>- Assistant Manager-Corporate Credit Analyst at the Arab Bank - Palestine from 6/2007 until 10/2010.</li> <li>- Corporate Customer Relationship Officer at the Arab Bank - Palestine from 10/2005 until 6/2007.</li> <li>- Under Training Employee at the Arab Bank - Palestine from 10/2004 until 10/2005.</li> </ul>		
<p><b>Other Current Board Memberships:</b></p> <ul style="list-style-type: none"> <li>- Member of the Board of the Association of Banks in Palestinian.</li> <li>- Member of the Board of Al-Shamal International Industrial Co. and a member of the company's Board of Directors</li> </ul>		



**Eng. Raed Qutaiba Abu Qura**  
Chief Strategic Transformation Officer  
as of 24/4/2024

<b>Date of Birth:</b> 17/7/1979	<b>Date of Appointment:</b> 9/7/2023
<b>Educational Background:</b> <ul style="list-style-type: none"><li>- B.Sc. in - Electrical Engineering – Jordan University of Science and Technology, 2003.</li><li>- Program Diploma in Innovation Management – International Business Management Institute, Berlin, Germany, 2020.</li><li>- Postgraduate Certificate in Artificial Intelligence and Machine Learning – The University of Texas at Austin, 2021.</li></ul>	
<b>Professional Experience:</b> <ul style="list-style-type: none"><li>- Chief Strategy and Transformation Officer – Bank of Jordan, as of April 2024 to date.</li><li>- Executive Manager – Special Projects – Bank of Jordan from July 2023 until April 2024.</li><li>- VP of Digital Delivery and Customer Transformation – Avertra Corp from May 2022 until July 2023.</li><li>- VP of Transformation &amp; Project Management – Cairo Amman Bank from June 2021 until May 2022.</li><li>- Head META Chief Vertical Solutions, Architect &amp; Software Operations Leader – Honeywell Company, Dubai from September 2020 to May 2021.</li><li>- Senior Director of Enterprise Agile &amp; Digital Transformation – Honeywell Company, Dubai from June 2016 to September 2020.</li><li>- Development and Portfolio Manager, Organizational Program Management Maturity Leader – Honeywell Company, Australia from April 2010 to June 2016.</li><li>- Operations Manager – INS Telecoms &amp; Control Systems Company, Dubai from January 2008 to March 2010.</li></ul>	
<b>Other Current Board Memberships:</b> <ul style="list-style-type: none"><li>- Board Member of Excel for Financial Investments Company</li></ul>	

**Mr. Hani Hasan Mansi**  
Executive Manager / Financial  
Management

<b>Date of Birth:</b> 30/6/1981	<b>Date of Appointment:</b> 1/2/2015
<b>Educational Background:</b> <ul style="list-style-type: none"><li>- Bachelor's Degree in Accounting – Applied Science University, 2005, Amman, Jordan.</li></ul>	
<b>Professional Experience:</b> <ul style="list-style-type: none"><li>- Executive Manager – Financial Management – Bank of Jordan as of March 2023 to date.</li><li>- Manager – Financial Control Management – Bank of Jordan from March 2016 to February 2023.</li><li>- Acting Manager – Financial Control Department – Bank of Jordan, Amman, Jordan from February 2015 to February 2016.</li><li>- Manager – External Audit Division – Deloitte &amp; Touche M.E, Amman, Jordan from June 2012 to 2014.</li><li>- Assistant Manager – External Audit Division – Deloitte &amp; Touche M.E, Amman, Jordan from December 2011 to May 2012.</li><li>- Supervisor – External Audit Division – Deloitte &amp; Touche M.E, Amman, Jordan, from December 2010 to November 2011.</li><li>- Senior 2 – External Audit Division – Deloitte &amp; Touche M.E, Amman, Jordan, from June 2010 to November 2010.</li><li>- Senior 1 Auditor – External Audit Division – Deloitte &amp; Touche M.E, Amman, Jordan from June 2009 to May 2010.</li><li>- Acting Senior Auditor – External Audit Division – Deloitte &amp; Touche M.E, Amman, Jordan from June 2008 to May 2009.</li><li>- Semi Senior Auditor – External Audit Division – Deloitte &amp; Touche M.E, Amman, Jordan from June 2007 to May 2008.</li><li>- Junior level -- External Audit Division – Deloitte &amp; Touche M.E, Amman, Jordan from December 2005 to May 2007.</li></ul>	
<b>Other Professional Experience:</b> <ul style="list-style-type: none"><li>- Financial Consultant – Binladin Holding Company, Jeddah, Saudi Arabia from 2014 to 2015.</li></ul>	
<b>Other Current Board Memberships:</b> <ul style="list-style-type: none"><li>- Board Member of Jordan Leasing Company.</li><li>- Board Member of Excel for Financial Investments Company.</li></ul>	

**Mr. Yousef Musa Abu Zaid**  
Manager / Internal Audit Department

<b>Date of Birth:</b> 21/6/1978	<b>Date of Appointment:</b> 6/1/2020
<b>Educational Background:</b> <ul style="list-style-type: none"><li>- CIA Certified Internal Auditor.</li><li>- Master of Accounting from the University of Arab Academy for banking and finance – science in 2007.</li><li>- B.A. in Business Administration from Al-Nileen University in 2001.</li><li>- Diploma in Financial Management from Amman Training College (ATC) in 1999</li></ul>	
<b>Professional Experience:</b> <ul style="list-style-type: none"><li>- Manager/ Internal Audit Department, Bank of Jordan as of 21/6/2023 to date.</li><li>- Manager /Credit Process Development Department at Bank of Jordan from 6/1/2020 until 20/6/2023.</li><li>- Head of the Credit Review Unit, Foreign Branches and Subsidiary Management at the Housing Bank from 3/ 2007 until 12/2019.</li><li>- Corporate Relationship Manager and Credit Analyst, Corporate Banking Services at the Arab Bank from 1999 until 3/ 2007.</li></ul>	

**Mr. Anas Ghaleb Tuffaha**  
Executive Manager – Retail Banking  
(Acting)

<b>Date of Birth:</b> 18/07/1984	<b>Date of Appointment:</b> 19/7/2020
<b>Educational Background:</b> <ul style="list-style-type: none"><li>- Bachelor's degree in Accounting from Hashemite University, Jordan, 2006.</li></ul>	
<b>Professional Experience:</b> <ul style="list-style-type: none"><li>- Executive Manager – Retail Banking (Acting) at Bank of Jordan, from 14/12/2023 to present.</li><li>- Segments Development Manager – Retail Banking Department at Bank of Jordan, from 19/7/2020 until 13/12/2023.</li><li>- Assistant Vice President – Relationship Management, Mashreq Gold &amp; Wealth Management at Mashreq Bank, UAE, from 2017 until 2019.</li><li>- Senior Client Relationship Manager in the DIB Aayan Wealth Management Department and Acting Unit Head at Dubai Islamic Bank from 2007 until 2017.</li><li>- Customer Service Employee at Standard Chartered Bank from 2006 until 2007.</li></ul>	

**Mr. Ayman Ahmad Al Oqaily**  
Manager/ Treasury & Investment  
Department BOJ Group (Acting)

<b>Date of Birth:</b> 9/12/1984	<b>Date of Appointment:</b> 16/9/2007
<b>Educational Background:</b> <ul style="list-style-type: none"><li>- B.A. in Finance and Banking/ Al Albayt University - Jordan, 2006.</li></ul>	
<b>Professional Experience:</b> <ul style="list-style-type: none"><li>- Manager/ Treasury Department BOJ Group (Acting) at Bank of Jordan as of 29/6/2021 to date.</li><li>- Head of the Money Market and FX unit/ Treasury and Investment Department, at Bank of Jordan, from 1/12/2017 until 28/6/2021.</li><li>- Senior Dealer / Treasury and Investment Department, at Bank of Jordan, from 26/10/2015 until 30/11/2017.</li><li>- Employee of several positions at the Treasury and Investment Department at Bank of Jordan, from 16/9/2007 until 31/8/2015.</li><li>- Teller at Abu Sheikha Exchange Company, from 1/12/2006 until 16/9/2007.</li></ul>	



**Mr. Michel Marwan Arcouche**  
CEO / Bank of Jordan, Iraq Branch  
as of 13/5/2024

<b>Date of Birth:</b> 23/06/1980	<b>Date of Appointment:</b> 13/05/2024
<b>Educational Background:</b> <ul style="list-style-type: none"><li>- Master's Degree in Business Administration – Imperial College London, 2006.</li><li>- Bachelor's Degree in Computer Science – American University of Beirut, 2002.</li></ul>	
<b>Professional Experience:</b> <ul style="list-style-type: none"><li>- CEO – Bank of Jordan, Iraq Branch as of May 2024 to date.</li><li>- Managing Partner – Diorite Business Advisors from 2022 to October 2023.</li><li>- Head of Corporate Banking – Bank Audi, Iraq from 2014 to 2022.</li><li>- Senior Corporate Relationship Manager – Banque SBA Paris from 2014 to 2014.</li><li>- Senior Corporate Relationship Manager – Bank Audi, Syria from 2007 to 2013.</li><li>- Senior Consultant – BDO Jawad Habib company from 2006 to 2007.</li></ul>	

**Ms. Rasha Michel Ishaq**  
Manager / Enterprise Projects  
Management Department as of  
17/7/2024

<b>Date of Birth:</b> 4/9/1983	<b>Date of Appointment:</b> 4/9/2022
<b>Educational Background:</b> <ul style="list-style-type: none"><li>- Bachelor's Degree in Computer Information Systems – Amman Private University, 2005.</li><li>- Digital Transformation Strategy – Executive Program – UC Berkeley, 2017.</li></ul>	
<b>Professional Experience:</b> <ul style="list-style-type: none"><li>- Manager of the Enterprise Project Management Department – Bank of Jordan from July 2024 to date.</li><li>- Manager of the Project Management Department – Bank of Jordan from September 2022 until July 2024.</li><li>- Manager of the Project Delivery Department – Capital Bank of Jordan from April 2019 until August 2022.</li><li>- Project Manager – ProgressSoft Corporation from April 2018 until April 2019.</li><li>- Senior Manager of Corporate Programs and Projects Management Department – Jordan Ahli Bank from June 2011 until October 2017.</li><li>- Program Director Assistant and Project Coordinator – eSense Software Company from October 2007 until June 2011.</li><li>- Project Coordinator – The Ministry of Digital Economy and Entrepreneurship from February 2007 to October 2007.</li></ul>	

**Mrs. Suha bint Al Hussein bin  
Muhammad Abu Al Faraj**  
CEO / Bank of Jordan,  
Saudi Arabia Branch as of 1/8/2024

<b>Date of Birth:</b> 12/6/1966	<b>Date of Appointment:</b> 1/8/2024
<b>Educational Background:</b> <ul style="list-style-type: none"><li>-Bachelor's Degree in Commerce, Accounting Department – Cairo University, 1988.</li></ul>	
<b>Professional Experience:</b> <ul style="list-style-type: none"><li>- CEO – Bank of Jordan, Saudi Arabia Branch, as of August 2024 to date.</li><li>- CEO – Banque Misr from January 2022 to February 2024.</li><li>- CEO – Field Communication Company from January 2013 to January 2022.</li><li>- Regional Manager – International Operations Management – Saudi British Bank from May 2011 to September 2012.</li><li>- Regional Manager – International Operations Management – Samba Financial Group from March 2001 to December 2010.</li><li>- Product Support Relationship Manager – Saudi Hollandi Bank from March 1997 to March 2001.</li><li>- Marketing Consultant – Alexandria Real Estate Investment Company from October 1996 to February 1997.</li><li>- Manager of Ladies Branch – National Commercial Bank from March 1995 to July 1996.</li><li>- Manager of the Ladies Branch – Riyad Bank from February 1993 to February 1995.</li><li>- Worked at the Saudi Cairo Bank in several different positions from March 1989 to January 1993.</li></ul>	
<b>Other Current Board Memberships:</b> <ul style="list-style-type: none"><li>- Member of the Board of Directors of Sahm Al Mostaqbal Company (Lugmety)</li><li>- Member of the Board of Directors of Tarfa Al Ebdah Company (Blink)</li></ul>	

**Ms. Nagia Ibrahim Al-Tellawi**  
Manager Human Resources Department  
(Acting) as of 28/10/2024

<b>Date of Birth:</b> 15/9/1979	<b>Date of Appointment:</b> 19/5/2024
<b>Educational Background:</b> <ul style="list-style-type: none"><li>- B.A. in Economics, University of Jordan- Jordan, 2002.</li></ul>	
<b>Professional Experience:</b> <ul style="list-style-type: none"><li>- Manager of Human Resources Department (Acting) at Bank of Jordan, as of 28/10/2024 to date.</li><li>- HR Transformation Manager at Bank of Jordan, from 5/2024 until 27/10/2024.</li><li>- HR Manager at FINCA Impact Finance company, from 9/2022 until 5/2024.</li><li>- Human Resources Consultant at Seven circles Company, from 6/2018 until 1/2020.</li><li>- HR and Operations Manager at the World Bank -ISSF, from 1/2018 until 1/2020.</li><li>- Human Resources Manager at Microfund for Women (MFW) company from 11/2014 until 5/2018.</li><li>- HR Manager -at Edgo Management Group company from 12/2012 until 10/2014.</li><li>- Human Resources and Administration Manager at EFG HERMES company from 5/2010 until 10/2012.</li><li>- Head of Human Resources and Administration / Awraq Investment A Subsidiary of Cairo Amman Bank from 8/2005 until 5/2010.</li><li>- Human Resources Sr. Officer at ABC Bank Investments/A Subsidiary of ABC Bank from 1/2004 until 8/2005.</li><li>- Human Recourse Assistant at Standard Chartered Bank from 7/2002 until 1/2004.</li></ul>	

**Mrs. Rania Faisal Saied**  
Executive Manager / Human Resources  
Department until 12/9/2024

<b>Date of Birth:</b> 16/2/1972	<b>Date of Appointment:</b> 1/2/2021
<b>Educational Background:</b> <ul style="list-style-type: none"><li>- B.A. in International Business Administration/ University of Denver – USA ,1994.</li></ul>	
<b>Professional Experience:</b> <ul style="list-style-type: none"><li>- Executive Manager/ HR Department at Bank of Jordan as of 1/2/2021 to date.</li><li>- VP/ Head of Human Resources and Admin at the National Investor/ UAE from 7/2017 until 3/2020.</li><li>- HR Consultant and Entrepreneur at Consultancy and Entrepreneurship/ UAE from 1/2012 until 6/2017.</li><li>- Corporate Human Resources Manager at Masdar Corporate/ UAE from 6/2007 until 4/2010.</li><li>- Manager of Human Resources at the BNY Mellon /USA from 4/2003 until 8/2006.</li><li>- Manager of Human Resources at One World Software Solutions from 11/1999 until 2/2002.</li><li>- SHRM-SCP certified from SHRM / USA.</li><li>- SPHRI certified from HRCI / USA.</li><li>- HR Analytics certified from Cornell University.</li></ul>	

**Ms. Raghad Nabil Al-Alusi**  
CEO  
Iraq Branch (Acting)  
until 12/5/2024

<b>Date of Birth:</b> 7/8/1984	<b>Date of Appointment:</b> 20/10/2021
<b>Educational Background:</b> <ul style="list-style-type: none"><li>- B.A. in Translation Arts / Al-Mustansiriyah University, Iraq, 2011.</li></ul>	
<b>Professional Experience:</b> <ul style="list-style-type: none"><li>- Chief Executive Officer, Iraq Branch (Acting) at Bank of Jordan, from 20/7/2023 to present.</li><li>- Branch Manager at Bank of Jordan - Iraq, from 20/10/2021 to present.</li><li>- Deputy Director-General at Al-Wefaq International Islamic Bank for Investment and Finance, from 9/1/2019 until 19/5/2020.</li><li>- Acting Authorized Director/Principal Deputy Authorized Director at Zain Iraq Islamic Bank, from 2/8/2015 until 25/12/2018.</li><li>- Director of Central Operations and the International Department, Money Laundering Reporting Office Director, and Acting Branch Manager at the Bank of France from 2/6/2013 until 31/7/2015.</li><li>- Relationship Manager of the Banking Facilities Department at the National Bank of Iraq, from 27/6/2006 until 27/5/2013.</li><li>- Director of Raghad Baghdad International Contracting Company from 2005 to 2006.</li><li>- Director of Ard Al-Ahmadi Contracting Company from 2003 to 2005.</li></ul>	

Ms. Basmeh Bahjat Al Hartani  
Executive Manager/ Strategy  
Project Management (Acting) until  
23/4/2024

Date of Birth: 5/1/1978Date of Appointment: 12/7/2015

Educational Background:  
– B.A. in Accounting from the Applied Science University, Jordan, 2000.

Professional Experience:  
- Executive Manager/ Strategy Project Management (Acting) at Bank of Jordan as of 28/6/2021 to date.  
- Head of Strategic Planning and Research Department at Bank of Jordan from 3/2016 until 6/2021.  
- Head of Research Unit/ Strategic Planning & Research Department at Bank of Jordan from 10/2010 until 5/2015, and from 7/2015 until 2/2016.  
- Research & Studies Officer/ Strategic Planning & Research Department at Bank of Jordan from 2/2001 until 10/2010.  
- Certified Balanced Scorecard Management System Professional Certification 2019 from KPI Institute.  
- EFQM certified Assessor 2018 from KACE (King Abdulla II Center for Excellence).

4. Shareholders who own 1% or more of the Bank's shares (2024 & 2023):

Name	Nationality	No. of Shares 2024	Percentage 2024	No. of Shares 2023	Percentage 2023	The Ultimate Beneficiary of Shares 2024	No. of Shares Mortgaged 2024	Percentage Shares Mortgage 2024	Mortgage Lenders 2024
Mr. Michelle Fayiq Al- Sayegh	Jordanian	3,528,054	1.764%	3,528,054	1.764%	Himself	3,527,785	99.9%	Jordan Commercial Bank/ Main branch, Capital Bank Head Office
Mr. Shaker Tawfiq Fakhouri	Jordanian	5,517,409	2.758%	5,391,490	2.695%	Himself	-	-	-
Mr. Graeme Allah bin Raddad Al-Zahrani	Saudi	8,033,561	4.016%	8,033,561	4.016%	Himself	-	-	-
Libyan Foreign Bank	Libyan	9,090,909	4.545%	9,090,909	4.545%	The capital is fully owned by the Central Bank of Libya	-	-	-
Mrs. Awatef Mohammed Almasri	Jordanian	9,520,171	4.759%	9,518,491	4.759%	Herself	-	-	-
ALARRAKKA FOR GENERAL INVESTMENTS	Cayman Islands	12,231,424	6.115%	12,231,424	6.115%	- Mrs. Nimet Deeb Kamel Al-Aljam - Mr. Shaker Tawfiq Shaker Fakhouri - Mr. Samer Tawfiq Shaker Fakhouri - Mr. Walid Tawfiq Shaker Fakhouri - Mrs. Amal Tawfiq Shaker Fakhouri - Mrs. Iqbal Tawfiq Shaker Fakhouri	-	-	-
AL EQBAL FOR GENERAL INVESTMENTS	Cayman Islands	16,000,000	8%	16,000,000	8%	- Mrs. Nimet Deeb Kamel Al-Aljam - Mr. Shaker Tawfiq Shaker Fakhouri - Mr. Samer Tawfiq Shaker Fakhouri - Mr. Walid Tawfiq Shaker Fakhouri - Mrs. Amal Tawfiq Shaker Fakhouri - Mrs. Iqbal Tawfiq Shaker Fakhouri	-	-	-
ALYAMAMA FOR GENERAL INVESTMENTS	Cayman Islands	17,371,178	8.685%	17,371,178	8.685%	- Mrs. Nimet Deeb Kamel Al-Aljam - Mr. Shaker Tawfiq Shaker Fakhouri - Mr. Samer Tawfiq Shaker Fakhouri - Mr. Walid Tawfiq Shaker Fakhouri - Mrs. Amal Tawfiq Shaker Fakhouri - Mrs. Iqbal Tawfiq Shaker Fakhouri	-	-	-
AL LOLOUA FOR GENERAL INVESTMENTS	Cayman Islands	18,000,000	9%	18,000,000	9%	- Mrs. Nimet Deeb Kamel Al-Aljam - Mr. Shaker Tawfiq Shaker Fakhouri - Mr. Samer Tawfiq Shaker Fakhouri - Mr. Walid Tawfiq Shaker Fakhouri - Mrs. Amal Tawfiq Shaker Fakhouri - Mrs. Iqbal Tawfiq Shaker Fakhouri	-	-	-
ARAB GULF FOR GENERAL INVESTMENTS	Cayman Islands	18,000,000	9%	18,000,000	9%	- Mrs. Nimet Deeb Kamel Al-Aljam - Mr. Shaker Tawfiq Shaker Fakhouri - Mr. Samer Tawfiq Shaker Fakhouri - Mr. Walid Tawfiq Shaker Fakhouri - Mrs. Amal Tawfiq Shaker Fakhouri - Mrs. Iqbal Tawfiq Shaker Fakhouri	12,150,000	-	-
AL PHARAENAH INT'L FOR INDUSTRIAL INVESTMENTS CO.	Jordanian	19,765,863	9.882%	19,765,863	9.882%	- Mrs. Dima bint Ghaith bin Rashad Pharaon - Mrs. Hala bint Abdelrahman bin Pharaon - Mr. Wael bin Ghaith bin Rashad Pharaon - Mrs. Lana bint Ghaith bin Rashad Pharaon	-	-	-

5. Competitive Position of the Bank and its Market Share:

Mentioned within the Bank’s achievements in 2024 (page 18).

6. Degree of dependence on specific suppliers or major clients locally or abroad.

No.	Resource Name	Dealing Percentage of Total Purchases
1	Al-Nisr Al-Arabi Insurance	10%

7. The Bank does not have any governmental protection, or any privileges, nor do any of its products or services, as stated by laws and regulations or others.

- The Bank has not obtained any patents or concession rights.

8. There are no decisions issued by the government or international organizations or any other entity that would have any material effect on the Bank’s operations, products, or competitive capabilities.

- The Bank adheres to all laws, regulations, and international standards that are related to its business.

- International Quality Standards do not apply to the Bank.

9. A- An Organizational Structure of the Bank and its Subsidiaries:

- Bank of Jordan Organizational Structure can be found on the last page, number (292).
- Bank of Jordan – Syria Organizational Structure can be found on (page 211).
- Jordan Leasing Company Organizational Structure can be found on (page 212).
- Excel for Financial Investments Company Organizational Structure can be found on (pag 213).

B. Number of Employees and Educational Qualifications:

Academic Qualification	No. of Employees/ Bank of Jordan	No. of Employees/ Bank of Jordan–Syria	No. of Employees/ Jordan Leasing Co.	No. of Employees/ Excel for Financial Investments Co.
PhD	2	-	-	-
Master’s Degree	107	8	1	-
Higher Diploma	25	-	-	-
Bachelor’s Degree	1,531	181	3	5
Diploma	139	31	1	-
General Secondary Education	42	13	-	-
Pre-Secondary Education	63	11	-	1
Total	1,909	244	5	6

C. Details of training programs in 2024 at the level of Bank of Jordan Group:

Description	No. of Courses	No. of Participants
In-house Courses (organized by the Bank’s Training Department)	121	8,568
External Courses	249	1,580
Total	370	10,148

Areas of training at the level of Bank of Jordan Group:

Topic	No. of Courses	No. of Participants
Comprehensive banking training	7	7
Risks	31	2,257
Banking / Banking	69	2,698
Compliance	50	2,756
Administrative	25	959
Marketing and selling skills	1	56
Professional certificates	28	50
Auditing and finance	26	88
Computerization	18	36
Other	115	1,241
Total	370	10,148

10. Description of Risks:

Mentioned within the corporate governance on (page 253). These risks include:

Credit Risk:

This risk arises from the probable inability and/or lack of desire of the borrower or third party to fulfill its obligations in a timely manner. These risks include on-consolidated financial statements items such as loans and bonds, and off-consolidated financial statements items such as guarantees and/or documentary credits causing financial losses to the Bank.

Operational Risk:

This risk arises from the inefficiency or failure of internal operations, employees, or systems or may stem from external events including legal risks.

Liquidity Risk:

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

▪ Funding Liquidity Risk

This risk represents the Bank’s inability to change assets into cash – such as the collection of receivables – or to obtain funding to meet its obligations.

▪ Market Liquidity Risk

This risk represents the Bank’s inability to sell the asset in the market or selling the asset at a huge financial loss due to weak liquidity or demand in the market.

Market risks:

These risks represent the exposure of the positions on and off the Bank’s Consolidated Statement of Financial Position to losses as a result of price fluctuations in the market. This includes the risks arising from the volatility of interest rates and stock prices of investment portfolios, both for the purpose of trading or exchange and include the following:

- Interest rate risks
- Currency exchange rate risks (Dealing with Foreign Currency)
- Fluctuation in share price risks
- Goods Risks

Market risks arise from:

- Changes that may occur in the political and economic conditions in the markets.
- Fluctuations in interest rates.
- Fluctuations in the prices of financial instruments, held for future buying and selling.
- Gaps in the maturities of assets and liabilities and interest rate re-pricing.
- Holding of uncovered positions.

**Interest Rate Risk:**

This risk arises from the probable impact of changes in interest rates on the value of other financial assets. The Bank is exposed to the interest rates due to a mismatch or a gap in the amounts of assets and liabilities, according to the various time limits or review of interest rates in a certain period.

**Foreign Currency Risks:**

These risks arise from changes in the values of financial instruments as a result of fluctuations in the prices of foreign currencies using good policy to manage its foreign currency positions.

**Share Price Risks:**

These risks result from the changes in the fair values of investments in shares.

**Information Security Risk:**

Defined as any potential threat that may lead to failure in confidentiality, availability, and integration of the Bank's information.

**Compliance Risk:**

This arises from the probable failure of the Bank to comply with (violate/transgress) the prevailing laws, regulations, instructions, banking laws and code of ethics issued by the international and local regulatory bodies, including the Bank's internal policies.

**11. Bank Achievements in 2024:**

Mentioned in the Board of Directors' Report under a separate section (page 20), supported with figures and a description of the Bank's main events in 2024.

12. There is no financial impact of non-recurring operations during 2024 and no intervention in the Bank's main activities.

**13. Realized Profits/Losses, Dividends, Bank Shareholders' Equity, and the Closing Price of Shares (2020-2024):**

Financial Indicators for the past five years (2020-2024)								In JD (Thousand)	
Fiscal Year	Bank Shareholders' Equity	Non-Controllers' Interest	Net Profit Before Tax	Cash Dividends Distributed		Proposed Cash Dividends Distribution		Distribution of Bonus Shares	Closing Price of Share (JD)
				Amount	%	Amount	%		
2020*	454,758	7,649	52,074	-	-	24,000	12%	-	1.93
2021	473,407	12,658	51,894	24,000	12%	36,000	18%	-	2.07
2022	529,192	13,152	60,932	36,000	18%	36,000	18%	-	2.16
2023	524,034	13,676	65,360	36,000	18%	36,000	18%	-	2.30
2024	528,298	13,930	55,027	36,000	18%	36,000	18%	-	2.19

\* According to the circular of the Central Bank of Jordan No. 10/3/1228 in 20/1/2021, the distribution of cash dividends should not exceed 12% of the Bank's Paid-Up Capital.

**14. Analysis of Bank's Financial Position and Business Results for the Year 2024:**

Mentioned in the Board of Directors' Report, under a separate section (page 38). Below are the main financial ratios:

No.	Financial Ratios	2024	2023
1	Return on Average Bank Shareholders' Equity	6.7%	8.4%
2	Return on Capital	17.64%	22.2%
3	Return on Average Assets	1.14%	1.50%
4	Profitability per Employee (After tax)	(JD) 16,307	(JD) 21,518
5	Interest Income to Average Assets	6.4%	6.3%
6	Interest Expense to Average Assets	2.02%	1.7%
7	Interest Margin to Average Assets	4.35%	4.55%
8	Non-Performing Loans (after deducting interest in suspense) to Total Credit Facilities	8.7%	8.5%

**15. The Bank's Future Plans**

The Bank's strategic future plans, projects, and the Board of Directors' projections, are all mentioned within Bank of Jordan's Goals for 2025, listed under a separate section (page 47).

**16. Auditors' Remuneration (for Bank of Jordan and its Subsidiaries):**

Statement	Auditors' Remuneration (JD)
Bank of Jordan	199,314
Bank of Jordan – Syria	15,600
Excel For Financial Investments Company	5,829
Jordan Leasing Company	5,829
Total	226,572



17. Statement of the Number of Financial Securities Issued by the Bank:  
A. Number of Shares Owned by Members of the Board of Directors and/or their Relatives

Name	Status	Nationality	No. of Shares	
			2024	2023
Mr. Shaker Tawfiq Fakhouri	Chairman Of the Board/ Dedicated	Jordanian	5,517,409	5,517,409
Salma Shaker Fakhouri	Daughter	Jordanian	15,018	15,018
Tamara Shaker Fakhouri	Daughter	Jordanian	15,018	15,018
Tawfiq Shaker Fakhouri	Son	Jordanian	372,000	372,000
Mr. Walid Tawfiq Fakhouri	Vice Chairman of the Board	Jordanian	168,648	156,517
Mrs. Shatha Abdel-majid Al-Dabbas	Wife	Jordanian	368	368
Ahmad Walid Fakhouri	Son	Jordanian	36,786	29,386
AL EQBAL FOR GENERAL INVESTMENTS Dr.Yanal Mawloud Zakaria	Board Member Representative of the Company	Cayman Islands	16,000,000	16,000,000
		Jordanian	46,736	46,736
Mrs. Dana Kayd Sagha	Wife	Jordanian	1,342,000	1,342,000
Al Tawfiq Investment House – Jordan Mr. “Shadi Ramzi” Abd Al-Salam Al-Majali	Board Member Representative of the Company	Jordanian	134,859	5,000
		Jordanian	22,800	20,558
Al Lu’lu’a For General Investments Mr. Haitham Mohammed Samih Barakat	Board Member as of 28/3/2024 Representative of the Company	Cayman Islands	18,000,000	18,000,000
		Jordanian	34,898	59,898
Al Lu'lu'a Trading & Investments Co.	Board Member until 28/3/2024	Jordanian	-	-
CO. ALYAMAMA FOR GENERAL INVESTMENTS Mr. Husam Rashed Manna’	Board Member Representative of the Company	Cayman Islands	17,371,178	17,371,178
		Jordanian	6,447	6,447
Al Pharaenah Int’l for Industrial Investments Co. Mr. Walid Mohammad Al-Jamal	Board Member Representative of the Company	Jordanian	19,765,863	19,765,863
		Jordanian	-	-
Mr. Walid Rafiq Anabtawi	Board Member	Jordanian	70,000	46,000
Mr. “Mohammad Sa-ed’ Ishaq Jarallah	Board Member	Jordanian	5,000	5,000
Mr. Yousef Jan Shamoun	Board Member	Jordanian	220,000	220,000
Mr. Emad Al-Deen Al Masri	Board Member	Jordanian	5000	5000

B. Number of Shares Owned by the Executive Managers and/or their Relatives:

Name	Position	Nationality	No. of Shares	
			2024	2023
Mr. Saleh Rajab Hammad	Chief Executive Officer	Jordanian	42,079	42,079
Mr. Mutasem Maher Al-Dweik	AGM/Corporate & Institutional Banking (CIB)	Jordanian	-	-
Mr. Osama Samih Sukkari	Legal Advisor	Jordanian	210,950	200,950
Mrs. Najwa Mohammad Manku	Wife	Jordanian	178,971	128,971
Mr. Nader Mohammad Sarhan	AGM/Chief Risk Officer Board Secretary	Jordanian	35,500	35,500
Mrs. Nida’a Hasan Abu Zahra	Wife	Jordanian	650	650
Shaker Nader Sarhan	Son	Jordanian	5,000	5,000
Mr. Khaled Sobhi Awad	Executive Manager/IT Management	Jordanian	-	-
Mr. Salam Salameh Gamoah	CEO - Bahrain Branch	Jordanian	-	-
Ms. Lana Fayez Al-Barrishi	Executive Manager/Compliance Department	Jordanian	-	-
Mr. Yousef Mousa Abu Humaid	Executive Manager/Chief Operating Officer	Jordanian	-	-
Mrs. May Abdelrahman Jeitem	Wife	Jordanian	273	273
Mr. Saif Khader Issa	CEO/Bank of Jordan - Palestine	Palestinian	-	-
Eng. Raed Qutaiba Abu Qura	Chief Strategic Transformation Officer as of 24/4/2024	Jordanian	-	-
Mr. Hani Hasan Mansi	Executive Manager/Financial Management	Jordanian	-	-
Mr. Yousef Musa Abu Zaid	Manager/Internal Audit Department	Jordanian	-	-
Mr. Anas Ghaleb Tuffaha	Executive Manager - Retail Banking (Acting)	Jordanian	-	-
Mr. Ayman Ahmad Al Oqaily	Manager/Treasury Department /BOJ Group (Acting)	Jordanian	-	-
Mr. Michel Marwan Arcouche	CEO/Bank of Jordan, Iraq Branch as of 13/5/2024	Syrian	-	-
Ms. Rasha Michel Salameh Ishaq	Manager/Enterprise Projects Management Department as of 17/7/2024	Jordanian	-	-
Mrs. Suha bint Hussein Abu Al Faraj	CEO/Bank of Jordan, Saudi Arabia Branch as of 1/8/2024	Saudi	-	-
Ms. Nagia Ibrahim Al-Tellawi	Manager Human Resources Department (Acting) as of 28/10/2024	Jordanian	-	-
Mrs. Rania Faisal Saied	Executive Manager/Human Resources Department until 12/9/2024	Jordanian	-	-
Ms. Raghad Nabil Al-Alusi	CEO, Iraq Branch (Acting) until 12/5/2024	Iraqi	-	-
Ms. Basmeh Bahjat Al Hartani	Executive Manager/Strategy & Project Management (Acting) until 23/4/2024	Palestinian	-	-

C. Companies Controlled by the Chairman, Board Members, the Executive Managers and/or their Relatives, and the Number of Shares held by those companies in Bank of Jordan for the Years 2024 and 2023:

Name	Position	Company	Equity Share in Bank of Jordan	
			2024	2023
Mr. Shaker Tawfiq Fakhouri	Chairman of the Board/ Dedicated	Shaker Fakhouri & Associates Co.	-	-
		Apollo Trading Industrial Co.	-	-
		Jordan Investment Trust	7,000	7,360
Mr. "Shadi Ramzi" Abd Al-Salam Al-Majali	Board Member	El-Ettjahat for Commercial Investment	-	-
		Daman Company for Investments and Agricultural Industries	-	-
		Jordanian Oil Terminals Company	-	-
Mr. Osama Samih Sukkari	Legal Advisor	Osama Sukkari & Associates / Attorneys at Law	-	-

There are no companies controlled by other Board Members and/or their relatives nor by the Executive Managers and/or their relatives.

18. The Benefits and Remuneration of the Board Chairman, Board Members, and Executive Managers:  
A. Benefits and Remuneration of the Chairman and Board Members for the Year 2024:

Name	Position	Annual Transport Allowance and Attend Committees	Allowance Membership	Annual Remuneration	Annual Expenses Travel	Total (JOD)
Mr. Shaker Tawfiq Fakhouri	Chairman of the Board/ Dedicated	50,700	43,749.6	5,000	-	99,449.6
Mr. Walid Tawfiq Fakhouri	Vice Chairman of the Board	10,800	24,999.6	5,000	-	40,799.6
Dr. Yanal Mawloud Abdulqader Zakaria	Board Member/ Representative of AL EQBAL FOR GENERAL INVESTMENTS	36,240	24,999.6	5,000	-	66,239.6
Mr. "Shadi Ramzi" Abd Al-Salam Attallah Al-Majali	Board Member / Representative of Al Tawfiq Investment House - Jordan	40,440	24,999.6	5,000	-	70,439.6
Mr. Haitham Mohammed Samih Barakat	Board Member/ Representative of Al Lu'lu'a For General Investment Co. (Cayman Islands)	34,740	24,999.6	5,000	-	64,739.6
Mr. Husam Rashed Manna'	Board Member Representative of Al Yamama for General Investments Co. (Cayman Islands)	42,720	24,999.6	5,000	-	72,719.6
Mr. Walid Mohammad Al-Jamal	Board Member/ Representative of Al Pharaenah Int'l for Industrial Investments Co.	10,800	24,999.6	5,000	-	40,799.6
Mr. Walid Rafiq Anabtawi	Board Member	26,190	24,999.6	5,000	-	56,189.6
Mr. "Mohammad Sa-ed" Ishaq Jarallah	Board Member	47,280	24,999.6	5,000	-	77,279.6
Mr. Yousef Jan Shamoun	Board Member	21,630	24,999.6	5,000	-	51,629.6
Mr. Emad ADeen Al Masri	Board Member	14,790	24,999.6	5,000	-	44,789.6
Total		336,330	293,745.6	55,000	-	685,075.6

B. Benefits and Remuneration of the Executive Managers for the Year 2024:

Name	Position	Annual Salary	Annual Remuneration	Annual Allowance for Transportation & Assuming Board Secretary Position	Other Benefits (Housing Allowance, School, Phone)	Total Annual Benefits
Mr. Saleh Rajab Hammad	Chief Executive Officer	397,500	107,775	-	-	505,275
Mr. Mutasem Maher Al-Dweik	AGM/Corporate & Institutional Banking (CIB)	198,300	-	-	-	198,300
Mr. Osama Samih Sukkari	Legal Advisor	260,439	46,962	-	-	307,401
Mr. Nader Mohammad Sarhan	AGM/Chief Risk Officer Board Secretary	144,016	22,895	18,000		184,911
Mr. Khaled Sobhi Awad	Executive Manager/IT Management	142,858	23,682	-	-	166,540
Mr. Salam Salameh Gamoah	CEO - Bahrain Branch	214,270	-	9,035	40,658	263,962
Ms. Lana Fayez Al-Barrishi	Executive Manager/ Compliance Department	91,770	15,483	-	-	107,253
Mr. Yousef Mousa Abu Humaid	Executive Manager/Chief Operating Officer	100,286	8,400	-	-	108,686
Mr. Saif Khader Issa	CEO/Bank of Jordan - Palestine	261,560	15,775	-	-	277,335
Eng. Raed Qutaiba Abu Qura	Chief Strategic Transformation Officer as of 24/4/2024	104,000	-	-	-	104,000
Mr. Hani Hasan Mansi	Executive Manager/Financial Management	93,170	7,840	-	-	101,010
Mr. Yousef Musa Abu Zaid	Manager/Internal Audit Department	56,000	7,184	-	-	63,184
Mr. Anas Ghaleb Tuffaha	Executive Manager - Retail Banking (Acting)	70,695	15,653	-	-	86,348
Mr. Ayman Ahmad Al Oqaily	Manager/Treasury Department/BOJ Group (Acting)	35,387	9,435	-	-	44,822
Mr. Michel Marwan Arcouche	CEO/Bank of Jordan, Iraq Branch as of 13/5/2024	232,261	-	-	-	232,261
Ms. Rasha Michel Salameh Ishaq	Manager/Enterprise Projects Management Department as of 17/7/2024	71,545	9,885	-	-	81,430
Mrs. Suha bint Hussein Abu Al Faraj	CEO/Bank of Jordan, Saudi Arabia Branch as of 1/8/2024	506,238	-	-	-	506,238
Ms. Nagia Ibrahim Al-Tellawi	Manager Human Resources Department (Acting) as of 28/10/2024	26,235	-	-	-	26,235
Mrs. Rania Faisal Saied	Executive Manager/Human Resources Department until 12/9/2024	90,283	10,739	-	-	101,022
Ms. Raghad Nabil Al-Alusi	CEO, Iraq Branch (Acting) until 12/5/2024	64,776	8,681	-	17,700	91,158
Ms. Basmeh Bahjat Al Hartani	Executive Manager/Strategy & Project Management (Acting) until 23/4/2024	35,366	4,888	-	-	40,254
Total		3,196,954	315,277	27,035	58,358	3,597,624

19. Summary of the Recruitment and Talent Acquisition Policy

The recruitment and talent acquisition policy aims to organize the process of attracting the best talents with the highest capabilities, experiences, and qualified individuals, both externally and internally, to follow clear work methods and procedures to ensure the continuity of attracting the best talents in a clear and effective manner, ensuring transparency in appointment, and applying the principle of equal opportunities free of personal considerations and conflicts of interest. Taking into account the technical and behavioral competencies of candidates to fill existing vacancies and according to the work need, as well as the skills and institutional culture that the candidate possesses to complete the work requirements. In turn, this makes the Bank a preferred employer (Employer of Choice) and enhances the Bank’s image and reputation as the best institution to work for (Employment Branding). To ensure that the bank’s human resource needs are met, that long and short-term strategic goals are met, and that the bank’s vision in providing products and services, as well as comprehensive financial solutions, are achieved.

20. Summary of Performance Management Policies and Annual Bonuses

The philosophy of performance management, annual increases and bonuses at Bank of Jordan is based on an assessment of the employee’s performance, the level of skills they possess, identifying strengths weaknesses as well as setting development plans to raise the productivity level of their employees. It’s also important to link annual evaluations to the bank’s overall performance, so that employees at all levels are motivated to improve the bank’s overall efficiency and productivity, as well as to motivate each employee in their own department to improve their productivity and the bank’s overall efficiency and productivity. The following are the most important goals of these operations:

Aligning individual and organizational goals: Individual and organizational goals are aligned with the bank’s strategic vision.  
Building a culture centered on increasing performance: The goal of this process is to objectively distinguish between different levels of performance in order to create a culture based on human resource management based on performance and productivity.  
Strengthening the correlation between performance and rewards: This system supports rewarding individuals based on the results of their individual performance and linking them directly with the performance results of the bank as a whole.

21. Donations, Grants, and Contributions to the Local Community:

The Bank’s donations and support of activities related to the protection of the environment and the local community stood at JD 864 thousand, as detailed below:

Activity	Amount (JD)
Gaza Emergency Umbrella Program - Flour Distribution and Bakery Sustainability in Partnership with the World Food Programme (WFP)	354,500
Gaza Emergency Umbrella Program - Hot Meal Distribution in Partnership with ‘ATA’A Palestine Charity Association	54,593
Gaza Emergency Umbrella Program - Cancer Patient Medication in Partnership with Maryam Foundation for Cancer Control	70,900
Gaza Emergency Umbrella Program - Orphan Care in Partnership with SOS Children’s Villages Palestine	85,080
Supporting Ministry of Social Development/Banks Association Initiative	41,717
Supporting Queen Rania Foundation/The Mobile Children’s Museum	40,125
Supporting Charities and National Institutions	52,762
Supporting Educational Activities	48,303
Supporting Environmental Activities	16,500
Supporting Sports Activities and People with Special Needs	10,500
Support Medical Activities	51,540
Miscellaneous	37,500
Total	864,019

22. Contracts, Projects and Commitments Signed Between the Bank and its Subsidiaries, Affiliates, Chairman, Board Members, the Chief Executive Officer, Employees in the Bank or their Relatives:

No contracts have been signed between the Bank and any of its subsidiaries or affiliates or with the Board Chairman or Chief Executive Officer or board members or with any bank employee or their relatives. This is with the exception of the normal banking transactions - disclosed in note No. (40) on the financial statements - to which commercial interest and commission rates apply.

23. Bank’s Contribution to Environmental Protection and Serving the Local Community:

a. Bank's Contribution to Environmental Service:

In its commitment to being a leading supporter of environmental activities, Bank of Jordan has supported the Arab Group for the Protection of Nature by planting 500 trees as part of “The Green Caravan Program” in the Central Jordan Valley. This initiative aims to expand green areas, combat desertification, achieve food security, and provide income sources for underprivileged families. Additionally, the Bank has supported the Royal Marine Conservation Society of Jordan, contributing to the protection of the marine environment in Aqaba. Employees from the Bank volunteered in diving tours focused on cleaning operations in the Gulf. Three employees from Bank of Jordan were trained in collaboration with the Royal Marine Conservation Society of Jordan, enabling them to participate in the society's activities.

Furthermore, the Bank supported the Assembly of Islamic Cemeteries Care by funding a solar energy system project to generate electricity for its building. The Bank also sponsored the Environmental Drawing Competition launched by the Jordan Friends of the Environment Society, which targeted students from both public and private schools, as well as UNRWA schools, under the theme “Carbon Footprint.” The winning drawings were printed in the 2025 calendar, aiming to encourage students to express their environmental awareness through art.

b. The Bank’s Contribution to Supporting the Local Community:

Believing in its role in supporting national institutions and contributing to the development and progress of society across various educational, health, cultural, social, and sports sectors, Bank of Jordan continues to support numerous initiatives aimed at fostering local community growth and prosperity. This includes providing support to charitable associations and national institutions. Recognizing the vital role of education in empowering communities, the Bank renewed its strategic partnership with the Elia Nuqul Foundation by offering two new four-year scholarships. Additionally, the Bank supported the Arab Orphan Committee in establishing an educational fund under Bank of Jordan's name to assist underprivileged students in Jordan and Palestine. The Bank remained committed to its collaboration with the Al Aman Fund for the Future of Orphans by covering university tuition fees for six students for one academic year. It also supported the "Hope Initiative," whose proceeds benefit students enrolled in the Al Aman Fund.

Bank of Jordan also continued its support for the "Adopt a School" program for the third consecutive year, an initiative implemented annually by INJAZ. Furthermore, the Bank contributed to the "Financial Sector Career Day" program in partnership with INJAZ, aiming to enhance students' knowledge of the banking sector and assist them in choosing their future careers.

The Bank also provided support to the Al-Aoun Humanitarian Club to assist orphaned university students and contributed to the "Haqeebati 9" project by the Qawafel Al Khair Association for Relief and Development, which involved distributing 400 school bags and stationery supplies to students in underserved areas.

Additionally, the Bank supported the Jordan National Gallery of Fine Arts, affiliated with the Royal Society of Fine Arts, to implement the "Mobile Museum" program. This initiative offers educational and cultural workshops in visual arts for children and young students from public schools and charitable organizations in disadvantaged areas.

Furthermore, Bank of Jordan employees participated in the National Financial Education Project, conducted in collaboration with the Jordan River Foundation and the Association of Banks in Jordan. This initiative aimed to enhance financial literacy among women by providing training for local community women, homemakers, and female entrepreneurs across various governorates. The Bank continued to support various initiatives and activities with significant social impact. In 2024, it provided financial assistance to national institutions for the implementation of their strategic projects, most notably the Ministry of Social Development and the Royal Jordanian Air Force Women's Club.

Additionally, the Bank renewed its strategic partnership with the SOS Children's Villages in Jordan and Palestine by covering the operational expenses of one home for a year in both countries. It also carried out several charitable initiatives, including distributing food packages and hosting Iftar meals during the holy month of Ramadan in collaboration with various organizations such as the Royal Jordanian Air Force Women's Club, Haya Cultural Center, and the Children's Museum.

As part of its commitment to supporting individuals with special needs, Bank of Jordan, in collaboration with the Jordanian Club for the Deaf, sponsored a specialized training workshop on resin art for 15 female members of the club. Additionally, the Bank provided support for the Al Hussein Youth Award by covering the costs of constructing 10 permanent tents within the Al Hussein Youth Camp, which hosts approximately 2,000 students across the award’s three levels.

To strengthen collaboration with charitable organizations and support their efforts in assisting various segments of society, Bank of Jordan extended its support to numerous charities and civil society institutions throughout 2024. These include Al Malath Foundation for Palliative Care, the Palestine International Foundation, the Jordan Medical Aid for Palestinians Organization, the Kafr 'Ana Community Association, the Assembly of Islamic Cemeteries Care, and the Zaha Cultural Center. Additionally, the Bank provided support to the municipality of Ajjah in Jenin, Palestine, to purchase a stress testing device for the cardiology department at the Ajjah Emergency and Ambulance Center.

In Palestine, Bank of Jordan launched the Multi-Sectoral Relief Program in 2024 to support the humanitarian situation in Gaza, with a budget exceeding one million dollars. The program focused on several critical areas, including urgent basic needs such as providing medication for cancer patients, supplying tons of flour to sustain bakery operations, distributing hot meals to displaced individuals in areas at high risk of famine, and sponsoring orphans who have lost their families. To implement these initiatives, the Bank partnered with several civil society organizations and international relief institutions.

The Bank will collaborate with partner institutions and organizations to continue the relief program and add new components aimed at contributing to the relief efforts in the Gaza Strip throughout 2025.

24. Handling Customer Complaints

It is great importance to Bank of Jordan to treat customers fairly and transparently. This is evident in the Bank’s daily business practices, from product approval and pricing to drafting contracts and forms, advertisements, and promotional campaigns. Establishment Customer Complaints Handling Unit within Compliance Department as a control department underscores this commitment.

Bank of Jordan believes that customer complaints are a valuable tool for monitoring any violations of the Bank's general policies and procedures and a means for improvement and development. Customer complaints are received, analyzed, investigated for root causes, and any faults are duly addressed. They play an important role in improving service quality through daily coordination between Customer Complaints Unit and the Service Quality Unit for the purposes of handling customer complaints.

The Bank manages and handles customer complaints according to the following principles:

- Policy of dealing with customers fairly and transparently, and policy of dealing with customer complaints for Bank of Jordan Group, are approved by the Board of Directors.
- Procedures for managing and handling customer complaints are approved and circulated to all bank employees.
- Different communication channels are provided to receive customer complaints:
  - Direct call at 0096265692572 or the toll-free number 080022335 available 24/7
  - Email: complainthandling@bankofjordan.com.jo
  - Dedicated complaints telephone at the Bank’s branches
  - Personal visit to Head Office
  - Fax: 0096265600918
- Allocating a path within CX system (customer experience system) for submitting and automatically dealing with customer complaints, increasing the speed and efficiency of the process.
- Within CX system, an SLA (Service Level Agreement) feature escalates complaints in case of delays in response from any Bank unit, ensuring customer concerns are addressed within a specific timeframe.
- Reviewing and evaluating to determine validity, intensity, classification, and impact.
- Periodic statements are provided Compliance Committee/Board of Directors and senior management. These statements summarize complaints according to risk level, intensity, classification, and measures taken to reduce future recurrence.
- Central Bank of Jordan receives periodic (quarterly) statistics on complaints received by the unit.



The following is a statistic of complaints received from customers during 2024 through various channels, categorized by nature and type, based on the internal procedures instructions for dealing with customer complaints of financial and banking service providers issued by Central Bank of Jordan No. (1/2017) dated 28/8/2017.

Total customer complaints received during the year 2024

Nature/ Type of Complaint Item	Interest Rates/ Returns	Credit Inquiry	Accounts	Remittances	E-Services	Contracts and Terms of Dealing	Commissions and Fees	Payment Cards	Working Environment	Marketing of Services & Products	Forgery and Fraud Transactions	Professional Conduct	Total
Total Number	21	2	14	6	29	41	29	32	13	2	20	195	404
Customer is Correct	0	2	1	2	15	3	4	5	7	0	2	34	75
Customer in Need of Financial Literacy % (*)	100%	0%	93%	67%	48%	93%	86%	84%	46%	100%	90%	83%	80%

- Complaints that, upon analysis, show that a customer doesn't has the right as lack of awareness of product terms and conditions, failure to read Bank notices, or a general lack of understanding of banking.
- Based on the results of the customer complaints analysis, Bank of Jordan is taking measures to raise awareness of customers, including:
  - Clearly communicating the terms and conditions for products, services, and campaigns.
  - Preparing clear and easy-to-understand forms and contracts written in simple language.
  - Creating awareness leaflets and promoting them on social media.
  - Sending SMS messages to customers to raise awareness.
  - Announcing interest and commission rates on the Bank's website.

These complaints have been dealt with within the following framework:

- Set Ref. No to be provide to customers with for follow up.
- Studying, analyzing, and responding to complaints within the specified timeframe, considering the severity and nature of the complaint.
- Recommending the proposed procedures to reduce the recurrence of these complaints in the future, as follows:
  - Modify procedures, if necessary.
  - Take disciplinary action against negligent employees.
  - Rehabilitate and training employees in procedures, products, communication skills with customers, etc.
  - Develop the Bank's various sites to better receive customers and improve services provided to them.

C. Annual Financial Statements - 2024

The Bank's annual financial statements, audited by the Bank's auditors Deloitte & Touche (M.E.) and a comparison with the previous year (2023), can be found in the second part of the report (Page 49).

D. Report of the Bank's Auditors

The report from the Bank's auditors, Deloitte & Touche (M.E.) , which includes the Bank's annual financial statements, reveals that the audit process was conducted in accordance with international auditing standards. It can be found at the beginning of the 2024 annual financial statements (Page 51).

E. Acknowledgment

As per paragraph (E)/ Article (4) of Disclosure and Accounting Standards Instructions issued by the Jordan Securities Commission Board of Commissioners:

- The Board of Directors of Bank of Jordan acknowledges, in accordance with its knowledge and belief, that there are no material matters that may affect the continuity of the Bank's operations during the financial year 2025.
- The Board of Directors of Bank of Jordan acknowledges its responsibility for the preparation of the financial statements for 2024 and that the Bank has an effective control system.
- The Chairman of the Board, Chief Executive Officer and the Financial Control Manager acknowledge that the information and data mentioned in the Bank of Jordan 2024 Annual Report are true, accurate and complete.
- The Board of Directors acknowledge that they do not obtain in person or any of those related to them financial or in-kind benefits or rewards for the year 2024 other than those disclosed in Section No.18/A.

# Corporate Governance



Governance Report:

Bank of Jordan believes that sound corporate governance practices are the foundation for achieving fairness and transparency in dealings with all relevant parties and stakeholders. In line with its strategic vision, the Bank ensures the proper implementation of corporate governance practices. It adheres to regulations governing banking operations, the directives of the Central Bank of Jordan, and international best practices, including the Basel Committee’s recommendations on corporate governance for banks in Jordan. Additionally, it complies with the requirements and directives of regulatory authorities in the other countries where it operates.

The Board of Directors is committed to implementing the Corporate Governance Guide in alignment with the Jordanian banking environment and the legislative and legal frameworks governing the Bank’s operations. The Bank publishes the governance report on its official website, bankofjordan.com, allowing the public to access it.

First Pillar: Board of Directors

Chairman of the Board

The Board of Directors elects a chairman from among its members, ensuring the separation of the roles of Chairman of the Board and CEO. Additionally, the Chairman of the Board must not be related to the CEO up to the third degree of kinship.

Board of Directors

Although the responsibility for daily business operations rests with the executive management, the Board of Directors is responsible for setting strategic policies to achieve the objectives and goals that serve the interests of the Bank, shareholders, and clients, in compliance with relevant laws and regulations.

Bank of Jordan’s Board of Directors consists of 11 members, who are elected by the General Assembly for a four-year term. The board members possess the expertise and qualifications that enable each of them to express their opinions in board discussions with complete independence. The suitability of board members has been assessed in accordance with the Corporate Governance Policy requirements under review. The Chairman of the Board is elected by the board members. The number of independent board members is four, representing 36% of the Board of Directors.

In this context, the Board of Directors held nine meetings during 2024. Each session has a predefined agenda, and the discussions and decisions of the board are documented in official minutes, prepared by the Board Secretary.

Names of the Board of Directors Members:

Name	Position	Membership Type	Number of Meetings Attached	Outstanding Loans Granted to the Member (JOD)
Mr. Shaker Tawfiq Shaker Fakhouri	Chairman of the Board / Dedicated	Non-Executive / Non-Independent	9	1,086,849
Mr. Walid Tawfiq Shaker Fakhouri	Vice Chairman of the Board	Non-Executive / Non-Independent	9	-
Dr. Yanal Mawloud Abdulqader Zakaria	Board Member Representative of Al-Eqbal for General Investment	Non-Executive / Non-Independent	8	596
Mr. “Shadi Ramzi’ Abd Al-Salam Attallah Al-Majali	Board Member Representative of Al-Tawfiq Investment House	Non-Executive / Non-Independent	8	71,438
Mr. Haitham Mohammed Samih Abdulrahman Barakat	Board Member Representative of Al Lu’lu’a for General Investments / Cayman Islands (as of 28/03/2024)	Non-Executive / Non-Independent	9	619
Mr. Husam Rashed Rashad Manna’	Board Member Representative of Al Yamama for General Investments / Cayman Islands	Non-Executive / Non-Independent	9	25,185
Mr. Walid Mohammad Jameel Al-Jamal	Board Member Representative of Al Pharaenah International for Industrial Investments	Non-Executive / Non-Independent	9	-
Mr. Walid Rafiq Ragheb Anabtawi	Board Member	Non-Executive / Non-Independent	9	-
Mr. “Mohammed Sa-ed’ Ishaq Hanafi Jarallah	Board Member	Non-Executive / Non-Independent	9	-
Mr. Youssef Jan Joseph Shamoun	Board Member	Non-Executive / Non-Independent	8	803
Mr. Emad Adeen’ Jihad Joudat Al-Massri	Board Member	Non-Executive / Non-Independent	9	-
Mr. Nader Mohammed Sarhan	AGM Chief Risk Officer Board Secretary	-	9	Not Applicable



Board Memberships Held by the Board Member in Public Shareholding Companies:

Name	Board Memberships in Public Shareholding Companies
Mr. Shaker Tawfiq Shaker Fakhouri	Board Member of Middle East Insurance Company
Mr. Walid Tawfiq Shaker Fakhouri	None
Dr. Yanal Mawloud Abdulqader Zakaria	None
Mr. “Shadi Ramzi” Abd Al-Salam Attallah Al-Majali	Chairman of the Board of Jordan Investment Trust
Mr. Haitham Mohammed Samih Abdulrahman Barakat	None
Mr. Husam Rashed Rashad Manna’	None
Mr. Walid Mohammad Jameel Al-Jamal	Vice Chairman of the Board of Jordan Decapolis Properties Company
Mr. Walid Rafiq Ragheb Anabtawi	None
Mr. “Mohammed Sa-ed’ Ishaq Hanafi Jarallah	None
Mr. Youssef Jan Joseph Shamoun	None
Mr. Emad Adeen’ Jihad Joudat Al-Massri	None

Name of the Bank’s Corporate Governance Liaison Officer

The Corporate Governance Liaison Officer at the Bank is Ms. Lana Fayez Al-Breish, Executive Manager of Compliance.

Board Committees

Bank of Jordan’s Board of Directors has established seven committees under the Corporate Governance Manual to facilitate the fulfillment of its responsibilities. These committees are the Audit Committee, Corporate Governance Committee, Nomination and Remuneration Committee, Risk Management Committee, Executive Committee, Compliance Committee, and IT Governance Committee.

Audit Committee

The Audit Committee was elected from among three board members, with the majority, including the committee chairman, being independent members. All committee members hold academic qualifications and possess relevant practical experience in accounting, finance, or other related fields relevant to the Bank’s operations.

Names of the Audit Committee Members, Their Qualifications, and Their Financial and Accounting Experience:

Audit Committee Consists of the Following Members:	Number of Meetings Attended	Qualifications	Experience
<b>Mr. Emad Adeen” Jihad Joudat Al-Massri</b> Head of Committee (Independent)	7	- Master’s in Accounting and Finance, 2007, from the Hashemite University, Jordan. - Bachelor’s in Accounting, 1998, from An-Najah National University, Palestine. - Bachelor’s in Accounting, 1968, from Alexandria University, Egypt.	<ul style="list-style-type: none"><li>CEO of Zahran Operation &amp; Maintenance Company, Riyadh, Saudi Arabia, from September 2018 to present.</li><li>Financial Manager of Zahran Holding Company, Riyadh, Saudi Arabia, from 2016 to 2018.</li><li>Financial Controller of Zahran Holding Company, Riyadh, Saudi Arabia, from 2012 to 2016.</li><li>Treasury Department Manager of Zahran Holding Company, Riyadh, Saudi Arabia, from 2011 to 2012.</li><li>Financial Manager of Zahran Operation &amp; Maintenance Company, Riyadh, Saudi Arabia, from 2009 to 2011.</li><li>Treasury Unit Officer of Zahran Holding Company, Riyadh, Saudi Arabia, from 2008 to 2009.</li><li>Financial Controller at Arab Bank, Amman, Jordan, from 2005 to 2008.</li><li>Public Relations Officer at Arab Bank, Amman, Jordan, from 1998 to 2005.</li></ul>
<b>Mr. Walid Rafiq Ragheb Anabtawi</b> Member (Independent)	7	- Bachelor’s in Accounting, 1968, from Alexandria University, Egypt.	<ul style="list-style-type: none"><li>Assistant CEO at Bank of Jordan – Investment and Branch Management, Hashemite Kingdom of Jordan, from April 2004 to October 2005.</li><li>Assistant CEO at Bank of Jordan – Organization, Operations, and Automation Management, Hashemite Kingdom of Jordan, from October 2001 to June 2003.</li><li>Executive Director at Bank of Jordan – Organization, Operations, and Automation Management, Hashemite Kingdom of Jordan, from January 1992 to October 2001.</li><li>Director of Internal Audit Department at Bank of Jordan, Hashemite Kingdom of Jordan, from March 1990 to January 1992.</li><li>Assistant Department Head – Banking Supervision Department at the Central Bank of Jordan, Hashemite Kingdom of Jordan, from July 1986 to March 1990.</li><li>Senior Assistant Manager – Internal Audit Department at Arab National Bank, Kingdom of Saudi Arabia, from February 1983 to June 1986.</li><li>Controller – Banking Supervision Department at the Central Bank of Jordan, Hashemite Kingdom of Jordan, from July 1976 to February 1983.</li><li>Assistant Section Head at Arab Bank / Amman Branch, Hashemite Kingdom of Jordan, from May 1969 to July 1976.</li><li>Accountant – Accounting Department at Royal Jordanian, Hashemite Kingdom of Jordan, from October 1968 to May 1969.</li><li>Participated in and organized over fifty training courses and workshops both inside and outside Jordan.</li></ul>
<b>Mr. Youssef Jan Joseph Shamoun</b> Member (Independent)	7	- Master’s in Business Administration (Finance and Corporate), 2006, from Georgetown University, Washington, USA. - Bachelor’s in Mechanical Engineering, 2002, from McGill University, Montreal, Canada.	<ul style="list-style-type: none"><li>Co-founder and CEO of ZenHR since January 2017 to present.</li><li>Co-founder and Board Member of Jawaker since October 2008 to present.</li><li>Co-founder and CEO of Akhtaboot since June 2007 to present.</li><li>Certified in SaaStr Annual / San Francisco, USA.</li><li>Certified in Elevating Finance, Operations/ Philadelphia, USA.</li><li>Certified in EO – Growth Forum / London, UK.</li><li>Certified in Georgetown Leadership Seminar (GLS) / Washington, USA.</li><li>Certified in Endeavor Leadership Program / California, USA.</li><li>Certified in Bank Rotation/ Bank of Jordan.</li></ul>
<b>Mr. Nader Mohammed Khalil Sarhan</b> AGM Chief Risk Officer / Board Secretary (Attended all meetings as Board Secretary)	7	-	-

- The Committee held 7 meetings in 2024.
- In general, the responsibility of the Audit Committee does not replace the responsibilities of the Board or Executive Management regarding oversight of the adequacy of the Bank’s control and internal audit systems.
- The Audit Committee also met with the external auditor 4 times during 2024.



- Corporate Governance Committee

The Corporate Governance and Institutional Strategies Committee was elected from the Chairman of the Board and two independent members. This committee is responsible for guiding and overseeing the preparation, updating, and monitoring of the implementation of the Corporate Governance Manual.

Corporate Governance Committee Consists of the Following Members:	Position	Number of Meetings Attended
Mr. Shaker Tawfiq Shaker Fakhouri	Head of Committee / Non-Independent	3
Mr. Walid Tawfiq Shaker Fakhouri	Member / Independent	3
Mr. Youssef Jan Joseph Shamoun	Member / Independent	3
Mr. Nader Mohammed Khalil Sarhan	Board Secretary / Committee Rapporteur	3

- The Committee held 3 meetings in 2024.

- Risk Management Committee

This committee consists of at least three members, with the majority, including the committee chairman, being independent members. Its purpose is to manage and address all types of risks that the Bank encounters.

Risk Management Committee Consists of the Following Members:	Position	Number of Meetings Attended
Mr. Walid Tawfiq Shaker Fakhouri	Head of Committee / Independent	8
Mr. Shaker Tawfiq Shaker Fakhouri	Member / Independent	8
Mr. “Mohammed Sa-ed” Ishaq Hanafi Jarallah	Member / Independent	8
Mr. Nader Mohammed Khalil Sarhan AGM Chief Risk Officer	Board Secretary	8

- The Committee held 8 meetings in 2024.

- Executive Committee

The Executive Committee was elected from six members of the Board of Directors, with senior executive management members also participating in its meetings.

Executive Committee Consists of the Following Members:	Position	Number of Meetings Attended
Mr. Shaker Tawfiq Shaker Fakhouri	Head of Committee / (Non-Independent)	42
Dr. Yanal Mouloud Abdulqader Zakaria	Member (Non-Independent)	47
Mr. Haitham Mohammed Sameeh Abdulrahman Barakat	Member (Non-Independent)	42
Mr. Husam Rashed Rashad Manna’	Member (Non-Independent)	48
Mr. “Shadi Ramzi” Abd Al-Salam Attallah Al-Majali	Member (Non-Independent)	48
Mr. “Mohammed Sa-ed” Ishaq Hanafi Jarallah	Member (Independent)	48

- The Committee held 48 meetings in 2024.

- Nomination and Remuneration Committee

The Nomination and Remuneration Committee was elected from three members of the Board of Directors.

Nomination and Remuneration Committee Consists of the Following Members:	Position	Number of Meetings Attended
Mr. Youssef Jan Joseph Shamoun	Head of Committee / (Independent)	7
Mr. Shaker Tawfiq Shaker Fakhouri	Member (Non-Independent)	7
Mr. Walid Rafiq Ragheb Anabtawi	Member (Independent)	7
Mr. Nader Mohammed Khalil Sarhan AGM Chief Risk Officer	Board Secretary / Committee Rapporteur	7

- The Committee held 7 meetings in 2024.

- IT Governance Committee

The IT Governance Committee was elected from four members of the Board of Directors and includes members with expertise or knowledge in information technology.

IT Governance Committee Consists of the Following Members:	Position	Number of Meetings Attended
Mr. “Shadi Ramzi” Abd Al-Salam Attallah Al-Majali	Head of Committee / (Non-Independent)	4
Mr. Shaker Tawfiq Shaker Fakhouri	Member (Non-Independent)	4
Mr. Walid Rafiq Ragheb Anabtawi	Member (Independent)	4
Mr. Youssef Jan Joseph Shamoun	Member (Independent)	4
Mr. Nader Mohammed Khalil Sarhan AGM Chief Risk Officer	Board Secretary / Committee Rapporteur	4

- The Committee held 4 meetings in 2024.

- Compliance Committee

The Compliance Committee was formed from three members of the Board of Directors and meets periodically as deemed appropriate.

Compliance Committee Consists of the Following Members:	Position	Number of Meetings Attended
Mr. “Mohammed Sa-ed” Ishaq Hanafi Jarallah	Head of Committee / (Independent)	4
Mr. Shaker Tawfiq Shaker Fakhouri	Member (Non-Independent)	4
Mr. Walid Rafiq Ragheb Anabtawi	Member (Independent)	4
Mr. Nader Mohammed Khalil Sarhan AGM Chief Risk Officer	Board Secretary / Committee Rapporteur	4

- The Committee held 4 meetings in 2024.

Board Secretariat

The importance of meeting minutes for the Bank, shareholders, and regulatory authorities lies in their role as the permanent record of the actions taken by the Board and the decisions made by it and its committees throughout the Bank’s history. Accordingly, and given the significance of the role of the Board Secretary, Mr. Nader Mohammed Khalil Sarhan, AGM Chief Risk Officer, has been appointed as the Board Secretary. The duties and responsibilities of the Board Secretariat have been outlined in the Bank’s Corporate Governance Manual.

Senior Executive Management

The members of the senior executive management, including the CEO, meet the suitability requirements for senior executive management positions in accordance with the Bank’s Corporate Governance Manual. Below are the names of the senior executive management, along with their positions:

No.	Name	Position
1	Mr. Saleh Rajab Aliyan Hammad	Chief Executive Officer
2	Mr. Mutasem Maher Mahmoud Al-Dweik	AGM/Corporate & Institutional Banking (CIB)
3	Mr. Osama Samih Amin Sukkari	Legal Advisor
4	Mr. Nader Mohammed Khalil Sarhan	AGM Chief Risk Officer
5	Mr. Khaled Sobhi Khamees Awad	Executive Manager/IT Management
6	Mr. Salam Salameh Yousef Gamoah	CEO, Bahrain Branch
7	Ms. Lana Fayez Yahya Al-Barrishi	Executive Manager/Compliance Department
8	Mr. Yousef Mousa Yousef Abu Humaid	Executive Manager/Chief Operating Officer
9	Mr. Saif Khader Muhammad Issa	CEO/Bank of Jordan – Palestine
10	Eng. Raed Qutaiba Abdul Latif Abu Qura	Chief Strategic Transformation Officer as of 24/4/2024
11	Mr. Hani Hasan Mahmoud Mansi	Executive Manager/ Financial Management
12	Mr. Yousef Mousa Radwan Abo Zeid	Manager/Internal Audit Department
13	Mr. Anas Ghaleb Mustafa Tuffaha	Executive Manager – Retail Banking Department (Acting)
14	Mr. Ayman Ahmed Abdul Kareem Al-Oqaily	Manager/Treasury & Investment Department BOJ Group (Acting)
15	Mr. Michel Marwan Arcouche	CEO / Bank of Jordan – Iraq (as of 13/05/3024
16	Ms. Rasha Michel Salameh Ishaq	Manager/Enterprise Projects Management Department as of 17/7/2024
17	Mrs. Suha bint Hussein bin Mohammed Ali Abu Al Faraj	CEO/ Bank of Jordan – Saudi Arabia Branch (as of 01/08/2024)
18	Ms. Nagia Ibrahim Shafiq Al-Tellawi	Manager Human Resources Department (Acting) as of 28/10/2024
19	Ms. Rania Faisal Ali Saeed	Executive Manager/ Human Resources Department (Until 12/09/2024)
20	Ms. Raghad Nabeel Taleb Al-Alousi	CEO Bank of Jordan- Iraq (Acting) (Until 12/05/2024)
21	Ms. Basma Bahjat Basheer Al-Hartani	Executive Manager/Strategy Project Management (Acting) until 23/4/2024

Conflict of Interest

The Board of Directors has affirmed in the Bank’s Corporate Governance Manual that each board member must disclose their affiliation with the Bank and the nature of their relationship, avoid conflicts of interest, and adhere to the provisions of the Code of Professional Conduct in this regard. Members are required to provide a written disclosure annually or whenever new developments necessitate it. Additionally, the Board of Directors has approved the Related Party Transactions and Conflict of Interest Management Policy for the Bank of Jordan Group to prevent conflicts of interest.

Second Pillar: Planning and Policy Development

The Board of Directors is responsible for formulating the Bank’s overall strategy, setting its strategic direction, defining the general objectives for executive management, and overseeing the achievement of these objectives.

Third Pillar: Control Environment

The Board of Directors fulfills its responsibilities by relying on a general internal control framework to ensure the following:

- Effectiveness and efficiency of operations.
- Reliability of financial reports.
- Compliance with applicable laws and regulations.

The Board affirms the existence of a general internal control framework with specifications that enable it to monitor its functions and take necessary actions within the following framework:

1. Internal Audit:

The Bank recognizes that an effective Internal Audit Department plays a fundamental role in strengthening internal control systems and the overall risk management framework related to various banking activities. The Internal Audit Department carries out its duties based on the following principles:

- Establishing an Internal Audit Charter and obtaining approval from the Board of Directors based on the recommendation of the Audit Committee. The charter must outline the roles, responsibilities, authorities, and work methodology of the Internal Audit Department.
- Preparing an annual audit plan approved by the Audit Committee, covering all the Bank’s activities, including those of other regulatory departments and outsourced activities, based on the risk level of these activities. The plan must be approved by the Audit Committee.
- Assessing the adequacy and compliance of the Bank’s and its subsidiaries’ internal control and oversight systems, reviewing any modifications to these structures, and documenting them.
- Staffing the Internal Audit Department with employees who have the necessary academic qualifications and sufficient practical experience to audit all activities and operations. This includes ensuring the presence of qualified personnel to assess information risk and related technologies, as well as rotating employees across the Bank’s activities at least every three years.
- The Internal Audit Department submits its reports to the Chairman of the Audit Committee, with a copy sent to the CEO.
- Reviewing compliance with the Corporate Governance Manual, related policies, and charters annually, preparing a detailed report on the findings, and submitting it to the Audit Committee, with a copy sent to the Corporate Governance Committee.
- Reviewing the accuracy and comprehensiveness of stress testing to ensure alignment with the methodology approved by the Board.
- Ensuring the accuracy of procedures followed for the Internal Capital Adequacy Assessment Process (ICAAP).
- Auditing financial and administrative matters to verify that key information related to financial and administrative affairs is accurate, reliable, and timely.
- Monitoring violations and observations mentioned in reports from regulatory authorities and external auditors, ensuring they are addressed, and confirming that the executive management has appropriate controls in place to prevent recurrence.
- Ensuring the availability of procedures for receiving, handling, and retaining customer complaints and observations related to the accounting system, internal control, and audit processes, and submitting periodic reports on them.
- Retaining audit reports and working papers for a period that complies with applicable regulations, ensuring they are organized, securely stored, and readily available for review by regulatory authorities and external auditors.
- Reviewing the Bank’s reporting processes to ensure that key financial, administrative, and operational information is accurate, reliable, and timely.
- Ensuring compliance with the Bank’s internal policies, international standards, procedures, and relevant laws and regulations.
- Conducting at least one annual review to verify that all transactions with related parties comply with applicable regulations, the Bank’s internal policies, and approved procedures. Reports and recommendations are submitted to the Audit Committee, which informs the Central Bank immediately upon identifying any violations of applicable regulations or internal policies in this regard.
- The performance of the Head of Internal Audit is evaluated by the Audit Committee, while the performance of Internal Audit Department employees is assessed by the Head of Internal Audit, in accordance with the performance evaluation policy approved by the Board.

2. External Audit:

The external auditor represents another level of oversight on the credibility of the financial data issued by the Bank’s accounting and information systems, particularly in providing a clear and explicit opinion on the fairness of these statements and their accurate reflection of the actual situation over a specific period. The Board of Directors, in its dealings with external audit firms, considers the Bank’s interest and the professionalism of the firms it engages with, ensuring regular audit rotation and its experience with the firms it deals with.

3. Risk Management:

Bank of Jordan has given special attention to the requirements of Basel III as a framework to strengthen and enhance the Bank’s ability to improve the regulatory environment and address various types of risks. Practical steps have been taken to implement its provisions, including the establishment of specialized departments for managing different types of risks (credit, operational, market) and equipping them with qualified personnel and automated systems.

In this context, the Bank has strengthened the frameworks governing credit risk management by establishing various departments, including the Corporate Credit Department, SME Credit Department, Retail Credit Department, Palestine Branches Credit Department, and Credit Portfolio Risk Department. Additionally, the Bank has updated and developed risk management policies and procedures to maintain the quality and integrity of the credit portfolio. Furthermore, an automated system (Revalues System) has been implemented to calculate the capital adequacy ratio.

Regarding operational risks, the Bank has been implementing the CARE Web system for operational risk management since 2003. A Risk Profile has been created for each of the Bank’s various units, in addition to establishing a database for operational errors. As for market risks, a dedicated department has been established to manage all types of market risks, staffed with qualified personnel. The Risk Management Department submits reports to the Board through the Risk Management Committee, with a copy sent to the CEO. These reports include information on the actual risk framework for all Bank activities compared to the approved risk document, as well as monitoring the resolution of negative deviations. The executive management may also request special reports from the Risk Management Department as needed.

The Risk Management Department is responsible for the following:

- Reviewing the \*\*Risk Management Framework\*\* of the Bank before its approval by the Board of Directors.
- Preparing risk policy/policies that cover all Bank operations, establishing clear metrics and limits for each type of risk, and ensuring that all employees, according to their administrative level, are fully aware of them. These policies should be reviewed periodically and approved by the Board.
- Studying and analyzing all types of risks, including credit risk, market risk, liquidity risk, and operational risk.
- Developing methodologies for identifying, measuring, analyzing, evaluating, and monitoring each type of risk.
- Recommending risk limits, the Bank’s risk exposures, approvals, reporting, and recording exceptions to the risk management policy to the Risk Management Committee.
- Providing the Board and senior executive management with information on risk measurement and the actual risk profile for all Bank activities compared to the risk appetite document, while monitoring and addressing negative deviations within the Bank.
- The Board regularly reviews both qualitative and quantitative risk statistics of the Bank.
- Adopting tools that support risk management, including:
- Self-assessment of risks and establishing risk indicators.
- Establishing a historical loss database, identifying sources of these losses, and categorizing them according to the type of risk.
- Providing the necessary infrastructure and appropriate automated systems for risk management within the Bank.
  - Bank committees, such as the Credit Committees, Asset and Liability Management/Treasury Committee, and Operational Risk Committee, assist the Risk Management Department in carrying out its duties according to the authorities assigned to these committees.
  - Including information about risk management in the Bank’s annual report, covering its structure, operations, and any developments.
  - Providing risk-related information within the Bank for disclosure purposes.
  - Preparing a comprehensive document covering all acceptable risks for the Bank and obtaining approval from the Board.
  - Preparing the Internal Capital Adequacy Assessment Process (ICAAP) document, reviewing it periodically, and ensuring its implementation. This document should be comprehensive, effective, and capable of identifying all potential risks the Bank may face while considering the Bank’s strategic plan and capital plan, and it must be approved by the Board.
  - Preparing the Business Continuity Plan and obtaining approval from the Board, with regular testing and review.
  - Ensuring, before introducing any new product, service, process, or system, that it aligns with the Bank’s strategy, all associated risks, including operational risks, have been identified, and that new control measures, procedures, or modifications have been implemented in line with the Bank’s acceptable risk limits.

- Implementing the risk management strategy and developing policies and procedures for managing all types of risks.
  - Verifying the integration of risk measurement mechanisms with the management information systems in use.
  - Monitoring the compliance of the Bank’s executive departments with the defined acceptable risk levels.

4. Compliance:

In line with enhancing the Bank’s adherence and alignment with regulatory requirements, the Compliance Department was established and assigned the tasks of overseeing compliance with regulations, laws, legislations, global and ethical standards issued by various regulatory authorities, as well as the Bank’s internal policies. It has been staffed with qualified personnel and equipped with automated systems.

Regarding compliance management, all laws, regulations, and directives governing the Bank’s operations have been consolidated, and all employees have been educated and made aware of the concept of compliance through bulletins and training courses. Additionally, the Anti-Money Laundering and Counter-Terrorism Financing Policy has been updated to align with the Anti-Money Laundering and Counter-Terrorism Financing Regulations No. 14/2018, dated 26/06/2018.

An independent unit dedicated to financial and tax verification (Financial Crime) has been established to monitor suspected cases of fraud and forgery. This unit oversees the Foreign Account Tax Compliance Act (FATCA) compliance unit. Customer complaints are handled within an independent unit under the Compliance Department, responsible for managing and addressing customer complaints.

The General Framework for the Compliance Department’s Operations is as Follows:

- a. Preparing a compliance policy to ensure the Bank’s adherence to all relevant regulations and ensuring that all employees, according to their administrative level, are fully aware of it. This policy must be approved by the Board.
- b. Developing an effective methodology to ensure the Bank’s compliance with all applicable laws, regulations, guidelines, and related manuals. The executive management must document the duties, authorities, and responsibilities of the Compliance Department and circulate them within the Bank.
- c. Preparing periodic reports that include an assessment of non-compliance risks, violations, deficiencies, and corrective actions taken, and submitting them to the Compliance Committee, with copies sent to the CEO.
- d. Preparing an annual compliance plan and obtaining approval from the Compliance Committee.
- e. Monitoring the adherence of all administrative levels in the Bank to regulatory requirements, applicable laws, and international standards, including the recommendations of the Financial Action Task Force (FATF).

5. Financial Reports:

The Bank’s executive management is responsible for the following:

- Preparing financial reports in accordance with international accounting standards.
- Submitting these reports to the Board of Directors at each of its periodic meetings.
- Publishing financial statements every three months.
- Sending full financial and business reports to shareholders annually.

6. Professional Conduct:

The Bank has a Code of Professional Conduct, which has been approved by the Board of Directors and distributed to all Bank employees. In addition, training sessions on these principles are conducted, and the Compliance Department is responsible for ensuring adherence to them.

Fourth Pillar: Relationship with Shareholders

The law guarantees every shareholder the right to vote in general assembly meetings and to discuss the topics on the agenda of both ordinary and extraordinary general assemblies. Additionally, shareholders have the right to propose additional items to the agenda of the ordinary general assembly, provided that the proposal is supported by shareholders representing no less than 10% of the shares registered in the meeting.

To strengthen this relationship, the Board of Directors takes all appropriate measures to encourage shareholders, especially minority shareholders, to attend the annual general assembly meeting and vote either in person or by proxy in case of absence. The Board also ensures that shareholders receive the following:

- A copy of the annual report sent to their mailing addresses.
- Invitation to the general assembly meeting and its agenda.
- All information and media materials intended for shareholders in general.

Additionally, every shareholder has the right to review the shareholders’ register concerning their own shares. The Board also ensures the fair distribution of profits among shareholders in proportion to the number of shares each owns.

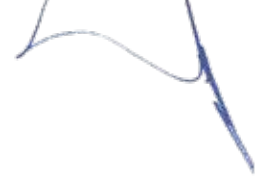
**Fifth Pillar: Transparency and Disclosure**

Corporate governance at Bank of Jordan encompasses aspects related to integrity, honesty, objectivity, accountability for decisions made by relevant entities within the Bank, transparency, disclosure, and openness to the community. The Bank is committed to public disclosure of all reliable information in a timely manner to assist users in accurately assessing the Bank’s financial position, achievements, activities, and risks, as well as its risk management. Disclosure alone ensures the required transparency, providing accurate and complete qualitative and quantitative information at the appropriate time.

Accordingly, the annual report has disclosed all required data for various regulatory authorities, in addition to publishing the Bank’s Corporate Governance Manual and outlining the extent of its compliance.

In accordance with the Instructions on Dealing with Customers Fairly and Transparently no. (56/2012), dated 31/10/2010, a unit was established to manage and address customer complaints. This unit has been staffed with qualified personnel, equipped with automated systems, and provided with all necessary means to handle complaints effectively. It operates under the administrative supervision of the Compliance Department.

Shaker Tawfiq Shaker Fakhouri  
Chairman of the Board





# Corporate Governance

A professional man with a beard and glasses, wearing a dark suit and tie, is shown in profile, looking out of a window. The background is a blurred city skyline at dusk or dawn, with warm lights from buildings. The image is overlaid with a semi-transparent blue geometric shape on the right side and a dark blue shape on the left side, creating a modern, corporate aesthetic.

Corporate Governance Guide

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Part I: Introduction

Our strategic vision for the Bank of Jordan, our strategic mission aligned with this vision, and our slogan "Tafawaq" (Excel) steering our journey, can only be achieved through sound governance. Governance must comply with the legislation governing the business of banks in Jordan, Central Bank instructions and international best practices. We have committed ourselves to be the leading bank in Jordan and in the markets where we operate. We excel in meeting the banking needs and expectations of all stakeholders, including shareholders, depositors, customers, employees of the bank, and all regulatory authorities. We continue developing and improving our services for them, building strong ties and exemplary relationships.

Bank of Jordan committed itself to working diligently to be the strongest and closest partner to its various stakeholders. It strives to always remain their bank of choice. The bank meets their needs and responds to their expectations by working with transparency and disclosure of all the rules of its banking components. Through a range of advanced financial and banking services and solutions, the bank provides stakeholders with added value that contributes to achieving their hopes and ambitions for a more successful future.

We uphold the rules of corporate governance, to work and deal transparently and fairly. With the spirit of a qualified and motivated team, we maximize the value of institutional work. We build upon it with a sophisticated vision, capable of exploring the future. We use institutional work mechanisms that depend on sensing and studying risk, sensing and modifying flaws, and constantly reviewing performance to achieve our accomplishments and aspirations.

The ceiling we have set for our banking work is very high. We are working to build solid relationships based on openness, transparency, accountability and constant communication with the relevant authorities, benefiting from the best international standards, and highly sophisticated and objective banking literature and knowledge.

The Board of Directors is committed to applying the requirements contained in the guide in accordance with the laws and legislative frameworks governing the bank’s business. The bank will review, develop and amend this guide from time to time, and whenever necessary, to keep up with changes in its needs and expectations and changes in the banking market.

1. Definitions:

Corporate Governance	The system by which the bank is directed and managed, which aims to define and achieve the bank’s corporate objectives. It is how the bank manages its operations securely, protects the interests of depositors, adheres to the due responsibility towards shareholders and other stakeholders, and regulates its compliance with the internal legislation and policies of the bank.
Suitability	Meet specific requirements related to honesty, integrity, reputation, competence and qualifications consistent with the requirements of this guide in persons nominated for membership of the Bank’s Board of Directors and senior executive management.
Consultancy	The company whose occupant has a contract or agreement to provide temporary consulting services, or under an annual contract.
Board	Board of Directors
Stakeholders	Any party of interest in the bank, such as shareholders, employees, creditors, customers or relevant regulatory authorities.
Major Shareholder	A person who directly or indirectly owns (5%) or more of the bank’s capital.



Independent Member	<p>A member of the Bank’s Board of Directors who is not a major shareholder, nor under their control, who has financial or banking qualifications or experience, and meets the following conditions: According to Article (5e) (Corporate Governance Instructions for Bank No. 2/2023 dated 14/2/2023).</p> <ul style="list-style-type: none"><li>- To be a natural person</li><li>- Has not been employed by the bank, or any of its subsidiaries, or hired as a consultant to the bank, or any of its subsidiaries, during the three years preceding his nomination.</li><li>- Not related up to the second degree to any other member of the Board, or the boards of directors/ administrative boards of the bank’s subsidiaries, or to a major shareholder of the bank.</li><li>- Not related up to the second degree to any member of the bank’s senior executive management (other than the CEO), or the senior executive management of any of the bank’s subsidiaries</li><li>- Not to be a partner or employee of the bank’s external auditor, and not to have been a partner or employee during the three years preceding his nomination.</li><li>- Not to be a major shareholder in the bank or an affiliate of a major shareholder in the bank, or his contribution combined with the contribution of an affiliate constitutes the sum of a major shareholder’s contribution, or a major shareholder in any of the bank’s subsidiaries, or a major shareholder in the Group that owns the bank.</li><li>- Has not served as a member of the Board of Directors or Administrative Board of the bank or any of its subsidiaries, for more than eight years combined for the aforementioned memberships. If any member loses his independence pursuant to this clause, after the member undergoes a cooling-off period of at least (4) years, in the presence of sufficient justifications, the bank may apply to the Central Bank for a no-objection to consider him an independent member.</li><li>- The person, his spouse, any of his first-degree relatives or any company of which he is a member of the board of directors, an owner or a major shareholder thereof, or a member of senior executive management thereof, shall not have obtained credit from the bank that exceeds (5%) of the bank’s regulatory capital. Nor may he be a guarantor of credit from the bank whose value exceeds the same percentage. The Central Bank may consider some cases related to nominated persons who have memberships in public shareholding companies.</li></ul>
Senior Executive Management	<p>Includes the Bank’s CEO or Regional Director, Deputy Chief Executive Officer or Deputy Regional Manager, Assistant Chief Executive Officer or Assistant Regional Manager, Chief Financial Officer, Operations Manager, Facilities Manager, Treasury Manager (Investment), Director of Volume Management, Internal Audit Manager, Compliance Manager, in addition to any bank employee of the same position level with executive authority parallel to any of the powers of any of those mentioned, and/or is functionally directly related to the CEO.</p>
External Auditor	<p>Include the audit office, its partners, and members of the audit team.</p>
Audit Office	<p>The office through which the audit team practices its profession and is registered with the Companies Control Department at the Ministry of Industry, Trade and Supply as a civil company to practice the profession, in accordance with legislation.</p>
Audit Partner	<p>The authorized partner in the audit office is responsible for the audit function and for the report issued on behalf of the audit office. He has the experience, academic qualifications, and professional certification that qualify him to sign the audit report.</p>
Audit Team	<p>Team members who perform audit procedures under supervision of the Audit Partner. This does not include team members of additional services outside the scope of audit services.</p>
Effective Interest	<p>Control over at least (10%) of the capital of a legal person.</p>
Control	<p>The direct or indirect capacity to influence effectively the actions or decisions of another person.</p>

## 2. Vision and Mission

### 2.1. Vision

To be a pioneering bank in Jordan and in all the markets in which we operate. A bank that excels in meeting the financial and banking needs and expectations of our customers; and continues to develop and improve customer services and forge strong relationships.

### 2.2. Mission

We work diligently to be the strongest and closest partner to our customers, so that we always remain their bank of choice. We meet their needs and respond to their expectations, through a range of advanced financial and banking services and solutions. We provide customers with added value that contributes to achieving their hopes and ambitions for a more successful future.

We treat and deal with transparency, fairness and team spirit, with a qualified and motivated team. We maximize the value of our organization and work together as a positive and effective model that contributes to the development and progress of society.

## 3. Our Core Values

### 3.1. Integrity

Execute all transactions impartially and objectively within the legal frameworks to achieve the bank’s objectives.

### 3.2. Transparency

Exchange information and knowledge with full disclosure, and simplify procedures while maintaining the highest degree of professionalism.

### 3.3. Innovation

The ongoing pursuit of learning and support of useful innovations. Benefit from global expertise to innovate local pioneering solutions based on high-level expertise, while welcoming positive change.

### 3.4. Teamwork

Work as a team, in an institutional manner at all levels to achieve the bank’s objectives efficiently and effectively.

### 3.5. Belonging

Deal with the highest level of loyalty towards the bank, its employees and customers.

### 3.6. Leadership

Develop talents and create leadership capabilities, to find effective business solutions, aimed at best meeting the needs of our customers.

### 3.7. Community Service

Achieve success in our business, and care for the wellbeing of our employees and the communities in which we operate. Through our culture, ideas and teamwork, we seek to reinforce our distinctive values in our engagement with members of our community.

## 4. The Bank’s Approach to Corporate Governance

The bank is aware and recognizes the importance of corporate governance, as it strengthens the relationship between bank shareholders, the Board, executive management and stakeholders (depositors, customers and supervisory authorities). Moreover, good corporate governance enables the bank to contribute to the successful development of the Jordanian banking system, in addition to determining the direction and performance of the bank. On one hand, it reinforces the accountability of executive management by the Board, while on the other hand, it ensures the accountability of the Board by shareholders and stakeholders.

### 4.1. Concept of Governance

Governance is defined as the system through which institutions are managed and controlled. It is a set of relationships between the management of the institution, the Board, shareholders and stakeholders. It defines the mechanism through which the institution’s objectives are defined, and how to monitor their achievement. Therefore, sound corporate governance is a way to improve and develop operational efficiency and build a better reputation, and presents a sound system of internal management and rule of law. In addition, governance is a tool to enhance transparency and accountability.

4.2. Basic Principles

Corporate governance is based on the following basic principles:

4.2.1. Fair Treatment

Fairness in the treatment of all stakeholders, especially shareholders, depositors, customers and employees of the bank, in addition to the regulatory authorities, until the entire Jordanian society.

4.2.2. Transparency

Disclosure of adequate information about the bank’s activities, in a manner that enables stakeholders to evaluate the bank’s position and financial performance, while adhering to the transparency and disclosure requirements of regulatory authorities. The bank discloses information through the optimal use of appropriate media, without placing the bank’s strategic interests in any jeopardy.

4.2.3. Responsibility

The Board has a fiduciary responsibility towards shareholders, in the Board’s role of protecting and enhancing shareholder value. Meanwhile, the Board plays a role in ensuring that the bank meets its obligations and responsibilities towards all stakeholders.

4.2.4. Accountability

The Board, through its responsibilities and powers, is held accountable by shareholders. The bank’s executive management, through the responsibilities and powers explicitly delegated to it, is held accountable to the Board. The existence of a two-way accountability system leads to increased efficiency in performance.

4.2.5. Control

This is done by providing an effective internal monitoring and control system to achieve the bank’s objectives, in terms of adequate reporting, compliance with laws, protection of the bank’s assets and resources, and management of risks to which the bank may be exposed.

4.2.6. Ethical environment

The bank assumes its responsibility to uphold ethical and behavioral standards, to the Jordanian community and other relevant parties. The board is responsible for setting these standards at different administrative levels.

5. Scope of Corporate Governance

The purpose of corporate governance is to provide advanced governance systems, and fair and transparent practices, that ensure independent oversight of the bank’s compliance with policies and risk reduction. Corporate governance aims to protect shareholders’ and depositors’ rights in line with the requirements of various regulatory authorities.

Accordingly, the corporate governance system is ruled by the following:

5.1. Legislation and instructions regulating the business of banks in Jordan, which are as follows:

- Companies Law and pursuant regulations.
- Banking Law, Regulations and Instructions.
- Jordan Securities Commission Law and instructions.
- Amman Financial Market Law and Regulations.
- Corporate Governance Instructions No. (2/2023) dated 14/2/2023, issued by the Central Bank of Jordan.
- Jordan Commercial Law

5.2. International Financial Reporting Standards (IFRS).

The bank remains open to suggestions, and to benefitting from developments in this field in all aspects of its work.

Accordingly, the bank decided to address the issue of corporate governance in the guide within components and parts.

Part II: Component One (Board of Directors and Committees)

1. General Principles and Terms:

- The Board is responsible for the protection and development of shareholders’ rights on the long term. In order to carry out this role, the Board is fully responsible for corporate governance. This includes the bank’s strategic direction, defining the overall objectives of the executive management and overseeing the achievement of these objectives.
- The Board assumes all responsibilities related to the bank’s operations and financial soundness, ensuring that the requirements of the Central Bank of Jordan and the interests of shareholders, depositors, creditors, employees and other stakeholders are met. The Board is also responsible to ensure that the bank’s management is carried out in a prudent manner, in accordance with laws and instructions, the bank’s internal policies.
- The Board reinforces that each Board member upholds the principle of commitment towards the bank and all its shareholders, not towards a specific shareholder.
- The Board draws the bank’s strategic objectives, in addition to monitoring its executive management, which is responsible for running daily operations. The Board approves the internal monitoring and control systems, and ensures their effectiveness. The Board oversees the bank’s compliance with the strategic plan, policies and procedures approved or required by the laws and instructions, in addition to ensuring that all the Bank’s risks have been properly managed.
- The members of the Board and its committees can communicate directly with the executive management and the Secretary of the Board, and facilitate their performance of entrusted tasks. They may not influence the decisions of senior executive management, except through deliberations that take place in the meetings of the Board or its committees.
- If a Board member is a representative of the government, a public official institution or a public legal person, and the member could not attend for reasons beyond his control, such as sickness or being out of the country, the entity represented by the member may appoint a replacement representative. The bank must be informed within a sufficient period through coordination with the Secretary of the Board, to obtain the prior no-objection of the Central Bank of Jordan.
- We emphasize the necessity for none of the members of the Board to influence the decisions of the Board or its committees.
- The Central Bank shall have the right to:
- Appoint a third party to evaluate the bank’s governance at the bank’s expense.
- Invite members of the Audit Committee, the Director of Internal Audit, members of the Compliance Committee or the Director of Compliance Department to discuss any matters related to their work.
- Summon any candidate for a senior executive management position, for a personal interview before appointment. It is also entitled to summon any nominated member of the Board for an interview if deemed necessary.
- To designate a higher number of independent members in the composition of the Board when it deems necessary.
- To consider any member as non-independent according to certain facts, despite the application of all membership conditions contained in the guide.
- Object to the nomination of any person for membership of the Bank’s Board, if he was found not to meet any membership conditions mentioned in the guide.
- Meet with the bank’s auditor and, if necessary, coordinate with him to review work documents related to the bank’s audit.

2. Board of Directors Membership Requirements:

Persons in the position of Chairman and members of the Board must meet the following membership requirements (suitability):

Although managing the daily business is the responsibility of senior executive management, however, the Board is responsible for drawing up strategic policies to achieve the goals and objectives that achieve the interest of the Bank, and its shareholders and customers, in accordance with respective laws and instructions. Thus, the Bank has decided that each member of the Board should have the qualifications and experience that are required by laws and regulations, and/or any amendments to those laws that require such qualifications and experience:

- Holds no less than five thousand bank shares throughout the term of his membership.
- Not convicted of a crime or any misdemeanor in a moral crime such as bribery, embezzlement, theft, forgery, abuse of trust, false testimony, perjury or any other crime that violates public morality, or he must be without civil capacity or bankruptcy unless rehabilitated.
- Is at least twenty-five years old.
- Not a member of the board of directors of any other bank in Jordan, nor its Chief Executive Officer, regional manager or employee therein, unless the other bank is affiliated with the bank.
- Not a lawyer, legal advisor or auditor in the bank.
- Not an advisor to any other bank inside Jordan.
- Not related in any way, including kinship up to the third degree, with the Bank’s CEO, and to the first degree with any other member of the senior executive management.
- Holds a university bachelor’s degree as a minimum, in economics, finance, accounting, business administration or a similar discipline. The Nomination and Remuneration Committee may consider adding other specializations if combined with bank-related experience.
- Not an employee in government or an official public institution, unless he is its representative.



- Not a member of the boards of directors of more than five public shareholding companies in Jordan, in his personal capacity, or as a representative of a legal person.
- To have experience in the field of banking, finance or similar fields no less than five years.
- Obtain prior no-objection from the Central Bank on any Board member's nomination, or assignment of a representative for a legal member of the Board.
- The bank is obliged to inform the Central Bank of any material information that affects the suitability of any Board members, and the suitability of a legal person's representative.

**3. Board of Directors Composition:**

The composition of the Board is governed by the following rules:

- 3.1. The number of members of the Board will be (11) members, elected by the General Assembly of Bank of Jordan, in accordance with legislation.
- 3.2. The membership term of Board members is four years.
- 3.3. The Chairman and Vice-Chairman of the Board are chosen by the Board at its first meeting.
- 3.4. The Chairman or Board member may not combine his position with any executive position, or any position under which he participates in the daily operation of the bank, or an advisory position in the bank.
- 3.5. The bank shall ensure that there are diverse and complementary skills and expertise among Board members, so that they provide a wide range of insights and perspectives, that suit the size of the bank or banking group, and the nature of its activity and strategy.
- 3.6. Female representation must be taken into account in the Board and senior executive management.
- 3.7. There shall be no less than four independent members on the Board.

The Board may raise the issue of increasing the members of the Board to the General Assembly of Shareholders, if there are due justifications and circumstances.

The Board may appoint a consultant, if deemed necessary, and with clear and specific justification. This must be within a scope of duties consistent with the nature of the consultant's work, and not include supervisory or executive responsibilities in any way. It must be done within a specific timeframe, without obstructing the Board supervisory task of the bank's work, to be consistent with the duties contained in legislation, including the Banking Law, provided that the Central Bank's non-objection to this appointment is obtained.

**4. Chairman of the Board of Directors:**

- 4.1. Chairman of the Board (Chairman) and the CEO positions must be distinctly separate.
- 4.2. Chairman of the Board shall not be related to the CEO, up to the third degree.
- 4.3. Duties and responsibilities of the Chairman of the Board shall be assigned under written instructions approved by the Board. They shall not conflict with the laws and instructions governing the bank's business.
- 4.4. Duties of the Chairman of the Board:
  - Fulfill the Board members' needs for ongoing learning and development. Make sure that new members attend an Orientation Program that takes into account their banking experience. The program shall contain, at a minimum, the following topics:
    - Bank's organizational structure, corporate governance, charter, code of conduct.
    - Corporate objectives, the bank's strategic plan and approved policies.
    - Bank's financial status.
    - Bank's risk structure and risk management framework.
  - Invite the Central Bank to attend the meetings of the General Assembly in due time, to nominate a representative.
  - Provide the Central Bank with the General Assembly's minutes of meeting (MoM), no more than five days after the date of approval of the Controller General of Companies, or his representative on the MoM.
  - Ensure that the Central Bank is informed of any material information that may adversely affect the suitability of a Board member, or that of a legal person's representative.
  - Inform the Central Bank of any material information that may adversely affect the suitability of a member of senior executive management.
  - Any other tasks assigned to him by the Board, not conflicting with the laws and instructions governing the bank's business.
  - Establish a constructive relationship between the Board and the bank's executive management.
  - During Board meetings, create a culture that fosters constructive criticism, open discussions and voting on issues where there are differing perspectives among members.
  - Ensure that Board members and shareholders receive sufficient information in a timely manner.
  - Ensure that the Bank upholds high corporate governance standards.

- Make sure that all Board members receive and sign previous meeting's MoM, and receive the meeting agenda in due time prior to the Board meeting, by the Board's Secretary. The meeting agenda shall include sufficient information about the topics that will be discussed during the meeting.
- Ensure that there is a charter that describes and organizes the work of the Board.
- Discuss key strategic issues extensively during Board meetings.
- Ensure that each Board member is provided, upon election, with the relevant banking laws, and the Central Bank instructions related to the Board's functions. In addition, each member is given a handbook explaining the rights, responsibilities and duties of Board members, as well as the tasks and duties of the Board's Secretary.
- Ensure that each Board member is provided with sufficient information about the bank's business upon appointment and upon request.
- With the assistance of the Bank's Legal Counsel / Director of the Legal Department and the Bank's Secretary, inform new Board members of the Board's tasks, particularly the legal and regulatory requirements to clarify the tasks, authorities and other matters related to the Board membership. These include the membership term, meeting schedules, duties of the Board committees, remuneration, and the possibility of obtaining independent and specialized technical advice when necessary.

The position of Chairman of the Board, in addition to the conditions that must be met, shall take into account the following conditions for those who are members of the Board:

- 1. Shall be at least twenty-five years of age.
- 2. Shall not be a member of the board of directors of any other bank within the Kingdom, a general manager, a regional manager, or an employee thereof, unless the other bank is affiliated with the Bank.
- 3. Shall not be a lawyer, legal advisor, or auditor of the Bank, or an advisor to any other bank within the Kingdom.
- 4. Shall hold a bachelor's degree at minimum in economics, finance, accounting, business administration, or any similar discipline. The Nomination and Remuneration Committee may consider other disciplines (including law and information technology) if combined with sufficient experience related to banking activities or associated activities in accordance with paragraph (4/d) of these instructions.
- 5. Shall not be an employee of the government or any official public institution unless he is a representative of the same.
- 6. Shall have at least five years of experience in banking, finance, economics, or other fields relevant to banking-related activities.
- 7. Shall not have any relationship, including kinship up to the third degree, with the General Manager of the Bank, or kinship of the first degree with any other member of the senior executive management team.

**5. Responsibilities of the Board of Directors:**

- 5.1. Supervise senior executive management and follow-up on its performance, and ensure the soundness of the bank's financial condition and solvency. It shall adopt appropriate policies and procedures to oversee and monitor the performance of the bank.
- 5.2. Define the strategic objectives of the bank, direct senior executive management to prepare a strategy to achieve these objectives, and adopt this strategy with its congruent action plans.
- 5.3. Ensure that comprehensive policies, plans and procedures are developed for all bank activities, and they meet the relevant legislation. Make sure that they have been circulated at all administrative levels and are reviewed regularly.
- 5.4. Define the bank's corporate values and draw clear lines of responsibility and accountability for all the bank's activities. In addition, it shall establish a culture among the bank's executives of high ethical standards, integrity and professional conduct.
- 5.5. The Board shall assume responsibility for the integrity of all bank operations, including its financial position, and for the fulfillment of the requirements of the Central Bank and other regulatory bodies in relation to its business. It shall take care of stakeholders' interests and ensure that the bank is managed in accordance with its internal policies and regulations, and that the bank's activities, including those outsourced, are effectively supervised continuously.
- 5.6. Appoint, dismiss and accept the resignations of the CEO, the Director of Audit, the Director of Risk Management and the Compliance Officer, based on the recommendation of the relevant committee. The Central Bank may summon any bank executive to verify the reasons for resignation or termination of services.
- 5.7. The Board shall determine the banking operations that require its approval. However, in doing so, it shall seek to limit the scope of operations so as to maintain its supervisory role. The Board shall not grant executive powers, including the power to extend credit, to an individual Board member, including the Chairman.
- 5.8. Approve and annually review the bank's internal monitoring and control systems. Make sure that the internal and external auditors review the structure of these systems at least once a year. The Board shall include the bank's annual report to confirm the adequacy of these systems.
- 5.9. Ensure the independence of the external auditor at all times.
- 5.10. Approve and oversee the implementation of a risk management strategy, that identifies the acceptable risk appetite levels, and ensures that the bank not exposed to high risks. The Board shall be aware of the bank's operating environment and associated risks. It shall make sure that the bank has risk management tools and infrastructure in place, capable of identifying, measuring, controlling and monitoring all types of risks faced by the bank.

- 5.11. Ensure that there are adequate and reliable Management Information Systems (MIS) in place, covering all the bank's activities.
- 5.12. Ensure that the bank's credit policy measures the quality of corporate governance for customers from public shareholding companies, so that customer risks are assessed for strengths and weaknesses based on their corporate governance practices.
- 5.13. The Board shall develop a policy for the bank's responsibility towards environmental conservation and social protection (Environmental and Social Policy), which shall be disclosed in the bank annual report and/or within the sustainability report, along with the initiatives pursued, which shall include at a minimum:
- Social initiatives in environmental conservation, health and education.
  - Social initiatives to fight poverty and unemployment.
  - Promote financing to SMEs.
  - Participate in initiatives that add economic value to the community.
- 5.14. The Board shall take adequate measures to ensure a clear separation of powers between major shareholders and the executive management, to strengthen sound corporate governance. It must develop appropriate mechanisms to limit the influence of major shareholders, and the senior executive management must derive its authority from the Board. For example, but not limited to:
- None of the shareholders who have an influential interest may hold a position in the bank's senior executive management.
  - Senior executive management shall derive its authority solely from the Board, and work within the framework of authorities granted to it by the Board.
- 5.15. Approve the overall organizational structure of the bank. Note that the approval of the structure that displays the administrative hierarchy is the task of the executive management, as stipulated in Article 9D (Corporate Governance Instructions for Bank No. 2/2023 dated 14/2/2023)
- 5.16. The board of directors of a bank operating within a banking group shall abide by the following:
- Approve the strategies and policies of the group and its subsidiaries and approve the administrative structures of these companies. Approve the corporate governance guide at the group level in a manner consistent with these instructions, to be applied to the entire group. Ensure that the subsidiaries' policies are in line with these instructions, taking into account the instructions of the central banks or regulatory authorities of the countries in which the subsidiaries are located.
  - Being privy to the structure of the group, especially those with complex structures; by knowing the links and relationships between units and parent companies. Awareness of the adequacy of corporate governance within the group, and alignment with the corporate governance strategies and policies of the parent company, as well as the instructions issued by the Central Bank or other relevant regulatory authorities at a later stage. In the event of a conflict, the prior approval of the Central Bank must be taken to address this.
- 5.17. Adopt clear boundaries of responsibility, accountability and commitment at all levels, and adhere to them at all administrative bank levels.
- 5.18. Approve the Internal Audit Charter, outlining the tasks, authorities and responsibilities of the Audit Department and circulate it within the bank based on the recommendation of the Audit Committee.
- 5.19. 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 Chairman of the Audit Committee and a copy thereof to the CEO.
- 5.20. Ensure and reinforce the independence of internal auditors, providing them an appropriate position in the bank's career ladder. Ensure that they are qualified to carry out their duties, including the right to access all records and information, and contact any employee within the bank, so that they can perform the tasks entrusted to them and prepare reports without any external interference.
- 5.21. Ensure that the risk department conducts stress tests periodically to measure the bank's ability to withstand shocks and confront high risks; approve the assumptions and scenarios used, discuss the results of the tests, and approve the measures to be taken based on these results.
- 5.22. Approve an internal evaluation methodology for the bank's capital adequacy. This methodology shall be comprehensive, effective and capable of identifying all the risks that the bank may face. It also takes into account the bank's strategic and capital plans. Upon the recommendation of the Risk Committee. This methodology shall be reviewed annually, verifying its application, and ensuring that the bank maintains sufficient capital to mitigate the risks it may face.
- 5.23. Prior to approving any expansion of the bank's activities, the Board shall consider the risks incurred by the bank, and the capabilities and qualifications of the Risk Management employees.
- 5.24. Ensure the independence of the bank's Risk Management Department by reporting to the Risk Management Committee, and granting the department the necessary powers to enable it to obtain information from other departments and cooperate with other committees to carry out its tasks.

- 5.25. Approve the Bank Risk Appetite document, upon the recommendation of the Risk Committee.
- 5.26. Ensure that the Compliance Department is independent; that it is always provided with an adequate number of trained staff; and approve its tasks and responsibilities.
- 5.27. Approve a policy ensuring the bank's compliance with all relevant laws and regulations; revise said policy annually and ensure its implementation thereof.
- 5.28. Approve a policy that governs conflicts of interest in all its forms, including those arising from the bank's association with companies within the banking group. Adopt the necessary procedures to ensure the sufficiency of internal controls and oversight, to monitor compliance with this policy and prevent violations thereof.
- 5.29. Approve the suitability policy of the members of the Board, and review it annually as needed. The policy includes the minimum standards, requirements and conditions that must be met by the nominated and appointed member, and setting adequate procedures and systems to ensure that all members achieve and continue to meet the suitability criteria.
- 5.30. Approve the suitability policy of the members of senior executive management, and review it from time to time. The policy includes the minimum standards, requirements and conditions that must be met by a member of senior executive management, and setting adequate procedures and systems to ensure that all members achieve and continue to meet the suitability criteria. The bank must provide the Central Bank with a copy of the said policy.
- 5.31. Approve and annually review the succession plans of the bank's senior executive management.
- 5.32. The Board will adopt a system to measure the performance of the bank's executives who are not members of the Board nor the CEO by setting key performance indicators (KPIs) that vary according to the nature of the department's work and measure progress towards achieving their goals. The system shall include the following, as a minimum:
- Give appropriate weighting to measure compliance performance with the frameworks set by the Risk Management and Compliance Departments, and the application of internal controls and regulatory requirements.
  - Performance measurement shall not rely solely on total income or profit, i.e. the need to take into account other elements to measure the performance of executives, such as risks associated with core operations; the achievement of each department's annual goals and plans; and customer satisfaction where applicable.
- 5.33. The Board shall establish procedures for determining the remuneration of its members, based on the evaluation system it has approved.
- 5.34. The Board shall take the necessary measures to enhance the effectiveness of internal audit by:
- Giving the necessary importance to the audit process and consolidating it in the bank.
  - Follow-up on the correction of audit observations.
- 5.35. The Board is responsible for the fulfillment of the requirements of the Central Bank and other regulatory bodies in relation to its business. It shall take care of stakeholders' interests and ensure that the bank is managed in accordance with its internal policies and regulations, and that the bank's activities, including those outsourced, are effectively supervised continuously.
- 5.36. When risk tolerance levels are surpassed, the Board shall verify that these infringements are addressed, and hold concerned senior executive management accountable.
- 5.37. All members, whether in the role of Chairman or member of the Board, must sign a declaration as per Form No. 1 of the instructions. The declaration shall be kept at the bank, and a copy thereof shall be sent to the Central Bank, attached with the member's CV, academic and experience certificates, non-conviction certificate, and a copy of the civil status card (passport for non-Jordanians).
- 5.38. The Board shall take due diligence measures at the bank in any of the matters related to the bank's business, and base decisions on sound principles, in order to ensure that its duties and responsibilities are carried out with the highest levels of professionalism.
- 5.39. Each Board member shall:
- Be familiar with the applicable laws, regulations and principles pertaining to the banking business, and the bank's operational environment, and keeping abreast of developments therein, as well as external developments related to its business, including requirements for appointment in senior executive management positions.
  - Attend board and committee meetings as required, as well as the General Assembly meetings.
  - Not to disclose the bank's confidential information or use such information for their own benefit or for the benefit of others.
  - Give priority to the bank's interest in all dealings with any other company in which they have a personal interest; avoid exploiting the bank's business opportunities for their own benefit. Conflict of interest must be avoided. If it may arise, the conflict of interest must be disclosed to the Board in detail, and the member must make sure not to attend or participate in the decisions made at the meeting in which such said subject may arise. Such disclosure shall be recorded in the Board MoM.
  - Devote sufficient time to carry out his duties as a board member. The Nomination and Remuneration Committee shall determine a clear methodology to verify this, including (for example) the extent to which he is associated with other boards of directors/bodies/forums etc.

- 5.40. The Board shall ensure that there is a system for evaluating its work and that of its committees and members, which shall include, at a minimum, the following:
- KPIs that may be extracted from strategic plans and objectives to be used to measure the performance of the Board and its committees.
  - Communication between the Board and shareholders, and the regularity of this communication.
  - Periodic meetings between the Board and senior executive management.
  - Attendance and effective participation of the member in Board and committee meetings, in comparison with the performance of other members. Feedback is also collected from the concerned member to improve the evaluation process.
  - The extent to which the member develops his knowledge in the banking business through his participation in training programs.
- 5.41. Ensure that the financial reward policy shall comprise the following components:
- To be prepared to attract and retain executives that have the necessary competencies, skills and expertise, in addition to motivating them and improving their performance.
  - Be designed to ensure that they are not used in a way that affects the solvency and reputation of the bank.
  - Takes into account risks, liquidity and profit status and timing.
  - The bonus award component should not only be based on the performance of the current year, it shall also consider performance in the medium and long term (3-5) years.
  - To express the bank's objectives, values and strategy.
  - Defines in what form remuneration shall be provided, whether as fees, salaries, allowances, bonuses, stock options or any other benefits.
  - It includes the possibility of postponing the payment of a reasonable fraction of remuneration. The percentage and period of postponement are determined based on the nature, risks and activities of the work of the executive.
  - Financial rewards may not be granted to executives of supervisory departments (Risk Management, Audit, Compliance, etc.) based on the results of the work of the departments they monitor.
- 5.42. Notify the Central Bank of Jordan at least thirty days prior to date of the General Assembly meeting of the Bank's desire to nominate the external auditors for election or reelection by the General Assembly.

**6. Bank of Jordan Group:**

The Board of Directors of Bank of Jordan is responsible for approving the strategies and policies of the Group and its subsidiaries, approving the management structures of these companies, and verifying the existence of adequate governance standards for the group. It must ensure that there are appropriate governance policies and mechanisms for the structure, activity and risks of the group and its entity, and evaluate these policies periodically (annually) to suit the geographical expansion. It must ensure that each subsidiary complies with the requirements of the bank's corporate governance and amends them in accordance with the laws governing the company's business. In the event of a conflict between these instructions and instructions of the regulatory authorities in the countries where these companies are located, the Board of Bank of Jordan must be notified in order to obtain the approval of the Central Bank of Jordan to address this.

**7. Board Committees:**

The Board has the authority to delegate some of its duties and responsibilities to committees formed from the Board. This raises the Board's effectiveness by making use of members' specific skills in supervising important issues such as auditing, risk, etc., in accordance with the laws and instructions governing the bank's business. However, the presence of these committees and delegation of authorities, does not exempt the Board from bearing direct responsibility for all the bank's matters.

Committees shall convene separately and submit periodic reports to the Board. Committees are formed by a Board resolution and a charter is adopted for each committee, which includes the following as a minimum:

- Objectives for committee formation.
- Competence of the committee.
- Names of the committee members.
- Committee tasks.
- Regularity of the meeting/ committee duration.
- Quorum for the committee meeting.
- Reports to be submitted.
- Designate a secretary for each committee and define his duties, including recording all deliberations, proposals, objections and reservations, and the proper voting method on the committee's draft resolutions.

It is prohibited for any member of the Board to be the Chairman of more than one of the committees "(Audit / Governance and Corporate Strategies/Risks/Nomination and Remuneration/Compliance Committee) and is prohibited from being the Chairman of more than two committees of all Board committees. Furthermore, it is prohibited to delegate any of the stipulated authorities of any

of the Board committees to any other authority. It is also prohibited to form a committee with any executive authorities except the Facilities Committee.

The following are the committees formed from the Board, in accordance with the relevant corporate governance instructions issued by the Central Bank. The Board may form other specialized committees when needed to deal with specific data, taking into account to disclose the names of the committee members, and a summary of the committees' tasks and responsibilities in the bank's annual report:

**7.1. Audit Committee**

**7.1.1. Composition of the Committee:**

Subject to the provisions of the Banking Law and based on the corporate governance instructions of banks, the Audit Committee shall be composed to include three Board members. The majority of the committee members, including the Committee Chairman, must be independent members, The Committee Chairman must not serve as the chairman of any other committee emanating from the Board, and the committee must not include the Chairman of the Board among its members. The committee may not include the Chairman of the Board. All committee members must possess academic qualifications and appropriate practical experience in accounting, finance or any of the specializations or similar fields related to the bank's business. The Committee Chairman shall not be the Chairman of the Board or the chairman of any other Board committee.

The Board approves to grant the Audit Committee the authority to obtain any information from the executive management, in addition to the right to summon any executive officer or member of the Board to attend its meetings.

**7.1.2. Tasks of the Committee:**

The committee's responsibilities shall include:

- 7.1.2.1. Review amendments to accounting policies and apply compliance with international accounting standards and principles.
- 7.1.2.2. Review the bank's internal control systems.
- 7.1.2.3. Review accounting matters that have significant impact on the bank's financial statements.
- 7.1.2.4. Monitor the scope, comprehensiveness, adequacy and outcomes of the bank's internal audit.
- 7.1.2.5. Monitor the scope, comprehensiveness, adequacy, outcomes and objectivity of the external auditor performing an audit of the bank's business.
- 7.1.2.6. Verify the rotation of audit the bank's various activities among internal audit employees every three years at the most. No executive tasks shall be assigned to internal audit personnel. In the event of an inability to achieve this in certain areas, the committee's approval is taken on the justifications for non-compliance, especially in specialized cases such as information technology and cybersecurity audits.
- 7.1.2.7. Ensure the accuracy, integrity and compliance of accounting and control procedures.
- 7.1.2.8. Ensure that the Internal Audit Department follows up on violations and observations contained in the reports of the regulatory authority and the external auditor. Make sure that that they are addressed, and that appropriate controls are in place in executive management to prevent their recurrence.
- 7.1.2.9. Review the financial reports and statements before presenting them to the Board, especially those related to the instructions of the Central Bank (adequacy of bad debt reserve).
- 7.1.2.10. Approve the audit plan prepared by the Internal Audit Department, provided that it contains the bank's activities, including the activities of other control departments, and outsourced activities, based on their degree of risk.
- 7.1.2.11. Study and approve any matter submitted to the committee by the bank's Board, or any matter that the committee deems necessary to discuss or express an opinion on.
- 7.1.2.12. Regularly meet with the external auditor, the Internal Audit Manager, and the Compliance Manager, at least once per year without the attendance of any member of the senior executive management.
- 7.1.2.13. Ensure that public policies are in place to ensure compliance with official laws and instructions.
- 7.1.2.14. Ensure that there is a general framework of professional conduct in the bank.
- 7.1.2.15. Ensure the existence of an integrated general framework for internal control and work to develop it as soon as needed.
- 7.1.2.16. Review reports on breaches (non-compliance with laws, regulations and instructions, anti-trust) and develop procedures to avoid them.
- 7.1.2.17. Recommending to the Board the appointment, termination, remuneration, and evaluation of the objectivity of the external auditor as well as his independence, taking into account any other work assigned to him outside the scope of the audit.
- 7.1.2.18. Ensure that no conflict of interest may arise as a result of the bank's execution of deals, contracts or projects with related parties.
- 7.1.2.19. Review the dealings of related parties with the bank and present recommendations to the Board prior to concluding them.
- 7.1.2.20. Verify the availability of qualified personnel in the Internal Audit Department, and let them undergo specialized training programs, including in corporate governance.



- 7.1.2.21. Ensure the Audit Department reviews compliance with the Corporate Governance Guide annually.
- 7.1.2.22. Ensure the Audit Department reviews the validity and comprehensiveness of stress testing in accordance with the methodology approved by the Board.
- 7.1.2.23. Ensure the Audit Department reviews the accuracy of the procedures followed for the bank’s Internal Capital Adequacy Assessment (ICAAP) process.
- 7.1.2.24. Review quarterly reports on the effectiveness of internal control in all the bank’s activities.
- 7.1.2.25. Approve the review process of the Internal Audit Charter and procedures.
- 7.1.2.26. Evaluate the performance of the Director of the Internal Audit Department, and determine his remuneration, in line with the performance appraisal policy approved by the Board.
- 7.1.2.27. Direct supervision of the Audit Department with regard to the approval of raises and bonuses, and any adjustments to the salary scale.
- 7.1.2.28. Review and monitor the procedures enabling any employee to confidentially report any error in financial reports or any other matters. It shall also ensure that there are arrangements for independent investigation in place and follow up on the results of such investigation and address them objectively.
- 7.1.2.29. Verify the independence of the external auditor on an annual basis.
- 7.1.2.30. Ensure that the Internal Audit Department conducts an audit at least once a year to ensure that all the bank’s dealings with related parties have been carried out in accordance with the applicable laws and regulations, the bank’s internal policies and approved procedures. It should study the recommendations of the Audit Department in this regard. The Audit Committee shall notify the Central Bank immediately of any violations to applicable laws and internal policies thereof.
- 7.1.2.31. Any other task assigned to the committee by the Board, that does not conflict with the applicable laws and regulations of the bank’s business.
- 7.1.2.32. Verify that the Internal Audit Department is abiding by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors, including performing an independent external assessment of the internal audit practice at least once every 5 years, and provide a copy thereof to the Central Bank.
- 7.1.2.33. The committee shall approve the Internal Audit Charter prepared by the Internal Audit Department. Charter must include the tasks, authorities and methodology of the Internal Audit Department, and recommend its approval by the Board.
- 7.1.2.34. Ensure that the Internal Audit Department verifies that necessary procedures are in place to receive, address and maintain the bank’s customer complaints; observations related to the accounting system; internal control; and audits; and submit periodic reports thereon.
- 7.1.2.35. Ensure that the Internal Audit Department keeps audit reports and work documents, for a period determined by the relevant legislation, in an orderly and secure manner. Documents must be ready for viewing by regulatory authorities and the external auditor.
- 7.1.2.36. Ensure that all the bank’s activities, including those outsourced, are audited – in accordance with the risk-based approach.
- 7.1.2.37. Ensure regular rotation of the external auditor every seven years at the most, provided that the external auditor is not changed during the contract period, except after obtaining the approval of the Central Bank and based on fundamental reasons.
- 7.1.2.38. The Audit Committee shall verify the independence of the external auditor during the contracted period, at all times, in a manner that ensures that there is no conflict of interest between the bank and the external auditor. The Board shall confirm this, and verify that the external auditor’s contract terms include the following, as a minimum:
- The external auditor may not be a member of the bank’s Board or the Board of Directors/Administrative Board of any of the bank’s subsidiaries.
  - During the audit assignment, the external auditor may not work permanently in any technical, administrative or advisory work for the bank or any of its subsidiaries.
  - The external auditor may not be a partner of any member of the Board/Administrative Board senior executive management of the bank or any of its subsidiaries.
  - There shall be no relationship up to the second degree between the Responsible Partner or any member of the audit team with any member of the Board, Administrative Board or senior executive management of the bank or any of its subsidiaries.
  - The external auditor may not own, trade or speculate in the shares of the bank or any of its subsidiaries, whether directly or indirectly.
  - The external auditor may not combine the audit of the bank’s accounts with any additional services outside the scope of the audit services assigned to the audit office.
- 7.1.2.39. The Audit Committee shall verify the qualifications and effectiveness of the external auditor and ensure that the letter of engagement clearly includes the scope of the audit, fees, contract period and any other conditions in proportion to the nature of the bank, the size of its business, the complexity of its operations and its risks.
- In general, the responsibility of the Audit Committee does not replace the responsibilities of the Board or the senior executive management with regard to monitoring the adequacy of its control and internal monitoring systems.

The Audit Committee’s work may not be merged with the work of any other committee.

## 7.2. Nomination and Remuneration Committee

- 7.2.1. Composition of the Committee:
- The Nomination and Remuneration Committee shall consist of at least three members, with the majority of the members of the committee, including the Committee Chairman, being independent members.
- 7.2.2. Tasks of the Committee:
- The committee shall be entrusted with the following tasks, in a manner that does not contravene with the applicable laws and regulations pertaining to the election of Board members:
- 7.2.2.1. Verify the suitability of Board members to the conditions of membership included in Clause (2) of the first component (Board of Directors), in addition to the terms of the suitability policy of Board members, periodically upon election/appointment/on an annual basis. Evaluate and identify the persons qualified for Board membership, while considering the capabilities and qualifications of the nominated persons. In the event of a member being re-nominated, the number of times he attends, and the effectiveness of his participation in Board meetings is also taken into consideration.
- 7.2.2.2. Notify any person (including the representative of the legal person) applying to run for membership of the Board in writing, of the Board’s decision containing the non-applicability.
- 7.2.2.3. Obtain the Central Bank’s non-objection to the nomination of any Board member before the date of the Bank General Assembly meeting, for a sufficient period of not less than one month, and informing those who wish to run of the need for the Central Bank’s nomination.
- 7.2.2.4. Determine the requirements necessary to ensure the independence of the member and verify this on an annual basis, upon appointment, or when any developments arise that require it. It shall include the following conditions as a minimum:
- To be a natural person
  - Not have been employed at the bank or any of its subsidiaries, or been hired as a consultant to the bank or any of its subsidiaries, during the three years preceding his nomination.
  - Not related to the second degree to a member of the bank’s Board, or Boards of Directors/Administrative Board of the bank’s subsidiaries or to a major shareholder of the bank.
  - Not related to the second degree to a member of senior executive management of the bank (other than the CEO) or any of its subsidiaries.
  - Not be a partner or employee of the bank’s external auditor, and not to have been a partner or employee during the three years preceding his nomination.
  - Not be a major shareholder, or an affiliate of a major shareholder in the bank. Nor may his contribution, combined with the affiliate’s contribution amount to that of a major shareholder in the bank, its subsidiaries, or the Group.
  - Has not served as a member of the Board of Directors or Administrative Board of the bank or any of its subsidiaries, for more than eight years combined for the aforementioned memberships. If any member loses his independence pursuant to this clause, after the member undergoes a cooling-off period of at least (4) years, in the presence of sufficient justifications, the bank may apply to the Central Bank for a no-objection to consider him an independent member.
  - The person, his spouse, any of his first-degree relatives or any company of which he is a member of the board of directors, an owner or a major shareholder thereof, or a member of senior executive management thereof, shall not have obtained credit from the bank that exceeds (5%) of the bank’s regulatory capital. Nor may he be a guarantor of credit from the bank whose value exceeds the same percentage. The Central Bank may consider some cases related to nominated persons who have memberships in public shareholding companies.
- 7.2.2.5. Verify the suitability of members of senior executive management to the membership conditions included in Clause (1) Suitability conditions of membership, from the second component (Senior Executive Management) in addition to the Policy of Suitability Conditions for Members of Senior Executive Management.
- 7.2.2.6. Evaluate candidates for senior executive management positions, and nominate those qualified to join the executive management to the Board.
- 7.2.2.7. Develop an evaluation system for the work of the Board, committees and members, which includes the following, as a minimum:
- Determine the role of the Board in achieving the objectives in a measurable manner.
  - Identify the key performance indicators of the Chairman (KPIs) that can be extracted from the strategic plans and objectives and use them to measure the performance of the Board.
  - Communication between the Board and shareholders, and communication regularity.
  - Periodic meetings of the Board with the senior executive management.
  - The role and effective participation of the member in Board and committee meetings.
  - Compare the performance of the member with that of other members.
  - Obtain the member’s feedback, to improve the evaluation process.
  - Ensure that Board members attend workshops or seminars on banking topics, including corporate governance, risk management, and the latest developments in banking.



- 7.2.2.8. Develop a system for evaluating the CEO’s performance on an annual basis, and approve it by the Board. KPIs shall be developed, and the performance evaluation criteria for the CEO shall include, at the least, both the financial and administrative performance of the bank compared to the magnitude of risk, and the extent to which it achieves the bank’s medium- and long-term plans and strategies. Weights are set for each item of evaluation, and the committee shall inform the Central Bank of the evaluation’s outcomes.
- 7.2.2.9. Recommend remuneration (monthly salary and other benefits) to the Bank CEO.
- 7.2.2.10. Ensure that the summary of the bank’s remuneration policy is disclosed in the bank’s annual report, specifically the remuneration of the Board members separately and the highest salaries paid during the year to the senior executive management of non-Board members.
- 7.2.2.11. Ensure to meet the bank’s needs for qualifications and expertise in senior executive management.
- 7.2.2.12. Approve and ensure the application of the bank’s HR and training policies.
- 7.2.2.13. Develop a performance evaluation and financial reward policy for the bank’s executives. The policy, which is annually reviewed, shall include the mechanism for determining salaries, bonuses and privileges of the CEO and executive managers. The committee may not delegate this task to executive management, and shall obtain the Board’s approval on the policy.
- 7.2.2.14. Ensure that there is a succession plan for senior executive management.
- 7.2.2.15. Provide background information and summaries on some important topics concerning the bank to Board members, upon request, and ensure that they are constantly informed of the latest topics related to banking.
- 7.2.2.16. Ensure that Board members attend workshops or seminars on banking topics, especially risk management, corporate governance and the latest banking developments.
- 7.2.2.17. Approve the annual raises and remuneration of the bank’s executives.
- 7.2.2.18. Approve the basis and data of performance evaluation and outcomes for senior executive managers.
- 7.2.2.19. Approve job evaluations that exceed the authorities of the Human Resources Committee.
- 7.2.2.20. Set procedures for determining Board member remuneration, based on the approved evaluation system.
- 7.2.2.21. Outline a clear methodology to verify the extent of the member’s association with the membership of other boards of directors/ forum bodies etc.
- 7.2.2.22. The Nomination and Remuneration Committee annually evaluates the work of the Board as a whole, and the work of Board committees and members. Board members (except for Nomination and Remuneration Committee members) evaluate the performance of the Nomination and Remuneration Committee and its members. The committee shall inform the Central Bank of the outcomes of this evaluation.
- 7.2.2.23. Obtain the approval of the Board upon appointment, acceptance, resignation or termination of the services of any member of the senior executive management.
- 7.2.2.24. Any other tasks assigned to the committee by the Board in a manner that does not conflict with the laws and instructions governing the bank’s business.
- 7.2.2.25. Female representation must be taken into account in the Board and senior executive management.
- 7.2.2.26. Verify that any major shareholder of the bank is not related, in any way, including kinship up to the third degree with the CEO, and to the first degree with any other member of the senior executive management, at the beginning and at all times.

7.3. Risk Management Committee

- 7.3.1. Composition of the Committee:  
The Risk Management Committee shall consist of at least three members. The majority of committee members, including the Committee Chairman, shall be independent members.

The committee may form smaller committees, along with members of the executive management, which will submit their reports to the Risk Management Committee.

- 7.3.2. Tasks of the Committee:  
The committee’s responsibilities include:
  - 7.3.2.1. Review the risk management policies and strategies, for the bank’s work in all categories, including but not limited to (credit risk, market risk, operational risk, liquidity risk, credit concentration risk, interest rate risk, etc.) before submission to the Board for approval.
  - 7.3.2.2. Ensure that policies and tools are in place to identify, measure, analyze, assess and monitor risks, reviewed once a year at least, to verify their effectiveness and amend if necessary.
  - 7.3.2.3. Determine risk mitigation methods and mechanisms in line with relevant regulatory requirements, in order to reduce risk impact on the soundness and strength of the bank’s financial position.

- 7.3.2.4. Review the internal capital adequacy assessment process (ICAAP) in terms of its comprehensiveness, effectiveness and ability to identify all risks that the bank may be exposed to, taking into account the bank’s strategic objectives and capital plan. The committee shall review the process periodically (on an annual basis), check its application, and verify that the bank maintains adequate capital to cover all risks, before submission to the Board for approval.
- 7.3.2.5. Discuss and approve the results of stress tests on a semi-annual basis as a minimum to measure the bank’s ability to withstand shocks and face high risks in accordance with the approved hypotheses and scenarios and recommend to the Board for approval.
- 7.3.2.6. Discuss and approve hypotheses and scenarios for stress tests on an annual basis and recommending to the Board for approval.
- 7.3.2.7. Ensure that the bank has a comprehensive risk management strategy that includes the type and level of risk acceptable for all the bank’s activities.
- 7.3.2.8. The bank’s senior executive management is responsible for implementing the above-mentioned policies, strategies and methods under the supervision of the Risk Management Committee.
- 7.3.2.9. Obtain proposals from the bank’s senior executive management on the structure and development process of the Risk Department, so that the committee reviews the proposals and makes any amendments to them, for submission to the Board for approval.
- 7.3.2.10. The Risk Management Committee is responsible to keep up with rapid developments and increasing complexities of risk management within the bank; and to submit periodic reports thereon to the Board.
- 7.3.2.11. Verify that there is no discrepancy between the actual risk taken by the bank and the risk appetite level approved by the Board.
- 7.3.2.12. Discuss and approve risk management reports submitted to it periodically (quarterly).
- 7.3.2.13. Obtain all information about any matter that falls within its tasks.
- 7.3.2.14. Approve the outcomes of the ICAAP process, and recommend them to the Board.
- 7.3.2.15. Evaluate the performance of the Director of the Risk Management Department and determine his remuneration in line with the performance appraisal policy approved by the Board, after consulting with the CEO.
- 7.3.2.16. Approve the raises and bonuses of Risk Department executives and employees, and any adjustments to the salary scale.
- 7.3.2.17. Create suitable conditions for identifying risks with significant impact, and any of the bank’s activities that may expose it to risks beyond the risk tolerance level. Report thereon to the Board and follow up on their handling.
- 7.3.2.18. Verify whether the Risk Department procedures are effective, and assess the extent to which the executive management adheres to approved policies and procedures.
- 7.3.2.19. Provide the Board with periodic reports on the risks to which the bank is exposed, including breaches of acceptable risk levels and procedures for addressing them; and assess the extent to which the executive management adheres to approved policies and procedures.
- 7.3.2.20. Verify the availability of a risk management system that ensures the accuracy and completeness of the data used to identify, measure and monitor the risks and losses resulting from them and retain the necessary capital to meet them.
- 7.3.2.21. Verify that there are means that facilitate risk management, including, but not limited to:
  - Self-assessment of risks and development of risk indicators.
  - Preparing a historical database of losses, and identifying the sources of those losses and classifying them according to the type of risk.
  - Availability of necessary equipment, appropriate automated systems and quantitative means.
- 7.3.2.22. Verify the availability of sufficient resources and number of qualified personnel in the Risk Management Department, and let them undergo specialized training programs.
- 7.3.2.23. The committee shall meet at least once every three months, and whenever the need arises.
- 7.3.2.24. Any other tasks assigned to the committee by the Board in a manner that does not conflict with the laws and instructions governing the bank’s business.

7.4. Corporate Governance and Strategy Committee

- 7.4.1. Composition of the Committee:  
The Corporate Governance and Strategy Committee consists of at least three members, including the Chairman of the Board, with the majority of its members being independent members.
- 7.4.2. Tasks of the Committee:  
The Corporate Governance and Strategy Committee shall undertake the following tasks:
  - Supervise the preparation and review of the bank’s Corporate Governance Guide according to the laws and regulations governing the bank’s business, and have it approved by the Board.
  - Establish procedures to verify and comply with the provisions contained in the guide.
  - Follow up on developments in this regard.
  - Annual review of the guide and ensure its widest circulation.
  - Ensure that the Internal Audit Department reviews and evaluates the degree of compliance with corporate governance and related policies and charters on an annual basis; by reviewing the Internal Audit Department’s report in this regard.

- Review and supervise all elements related to the bank’s strategy and recommend its approval.
- Ensure that public policies are in place to implement strategies effectively.
- Approve strategies, action plans and performance of all divisions and departments and any amendments to them.
- Approve the feasibility study of the internal and external branching process, and submit to the Board.
- Any other tasks assigned to the committee by the Board in a manner that does not conflict with the laws and instructions governing the bank’s business.
- Verify the correction of the observations contained in the report of the Internal Audit Department – or any other relevant party regarding the bank’s compliance with the Corporate Governance Guide.
- Immediately inform the Central Bank of any violations of the provisions and requirements of these instructions.
- Provide the Central Bank with a letter signed by all committee members, confirming the guide’s conformity with Governance Instructions 2/2023, within two months from the date of any subsequent amendment to the Corporate Governance Instructions.

7.5. Executive Committee

7.5.1. Composition of the Committee

The Executive Committee shall consist of a minimum of five members, and one of its members may be independent, provided that none of its members shall be in the Audit Committee. The committee shall consider facilities that exceed the authority level of the top committee in executive management.

- The quorum at meetings of the committee shall be four members. Decisions shall be taken by a majority vote of its members, regardless of the number of attendees.
- The members of the committee attend its meetings and vote on its decisions in person, and in the event that it is not possible to attend in person, the member can express his point of view through video or phone and has the right to vote and sign the MoM, provided that this is duly documented.

7.5.2. Tasks of the Committee

- Approve credit transactions that exceed the powers of the Executive Management Committees.
- Approve decisions to schedule receivables, settlements, rescheduling and exemptions.
- Approve decisions to sell real estate owned by the bank.
- Approve investment transactions that exceed the powers of the executive management.
- Approve bids and purchases that exceed the powers of the executive management committees.
- Make the appropriate decision regarding the facilities recommended for approval by the Executive Management Committee.
- Set upper limits for the powers entrusted to this committee related to granting, modifying, renewing, structuring or scheduling credit facilities, so that there are clear powers for the Board in particular.
- To submit to the Board periodically the details of the facilities approved by it.
- Any other tasks assigned to the committee by the Board in a manner that does not conflict with the laws and instructions governing the bank’s business.

7.6. IT Governance Committee

7.6.1. Composition of the Committee:

The IT Governance Committee consists of three Board members, and preferably includes members with experience or knowledge in IT strategy. The committee may solicit external experts, when necessary, in coordination with the Board at the bank’s expense. This shall be done to cover areas of incompetence, while promoting objective opinion. The committee may invite any of the bank’s executives to attend its meetings to seek their opinion, including those concerned with external audit.

7.6.2. Tasks of the Committee:

- 7.6.2.1. Adoption of IT strategic objectives and appropriate organizational structures.
- 7.6.2.2. Adoption of the general framework for the management, control and control of IT resources and projects.
- 7.6.2.3. Adoption of the matrix of main objectives and objectives of information and associated technology.
- 7.6.2.4. Adoption of a matrix of responsibilities.
- 7.6.2.5. Ensure that an overall IT risk management framework is in place that is consistent and integrated with the overall risk management framework.
- 7.6.2.6. Approve the budget of IT resources and projects in line with the strategic objectives of the bank.
- 7.6.2.7. General supervision and access to the progress of IT processes, resources and projects.
- 7.6.2.8. Access to IT audit reports.
- 7.6.2.9. Recommend to the Board to take the necessary action to correct any deviations.

7.7. Compliance Committee

7.7.1. Composition of the Committee:

The Compliance Committee consists of at least three Board members, including an independent member. The committee meets at least once every three months and whenever the need arises.

7.7.2. Tasks of the Committee

- 7.7.2.1. Ensure that the Bank Compliance Policy and related procedures are in place, which creates a compliance position capable of performing duties effectively. The committee conducts an assessment of the bank’s effective management of compliance risks at least once a year.
- 7.7.2.2. Review compliance policies before submitting them to the Board for approval, (Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Policy/FATCA Requirements Policy/Anti-Fraud and Forgery Policy/Fair and Transparent Customer Treatment Policy/Code of Conduct/Conflict of Interest Policy).
- 7.7.2.3. Identify methods and mechanisms to mitigate compliance risks in line with regulatory requirements, to reduce the impact of such risks on the soundness and strength of the bank’s financial position.
- 7.7.2.4. Review the preventive measures taken in dealing with suspicious or fraudulent activities.
- 7.7.2.5. Approve the annual plan and periodic reports prepared by the Compliance Department, which include assessing the risks of non-compliance, violations, deficiencies and corrective actions taken.
- 7.7.2.6. Monitor and evaluate the degree of efficiency and effectiveness in the bank’s management of compliance risks.
- 7.7.2.7. Obtain proposals on the structure of the compliance department and its development process from the bank’s senior executive management. The committee reviews and amends the proposals, then submits them to the Board for approval.
- 7.7.2.8. Obtain all information on any matter related to its duties.
- 7.7.2.9. Evaluate the performance of the Director of Compliance Department, and determine his bonus, in line with the performance appraisal policy approved by the Board, after consulting with the CEO.
- 7.7.2.10. Approve raises or bonuses of Compliance Department executives, and any adjustments to the salary scale, in accordance with the management evaluation and financial reward policy, approved by the Nomination Committee.
- 7.7.2.11. Moral support to the Compliance Department, by promoting a positive attitude and spirit of the bank’s compliance principles.
- 7.7.2.12. Any other tasks assigned to the committee by the Board, in a manner that does not conflict with the laws and instructions governing the bank’s business.
- 7.7.2.13. Oversee the implementation of the bank’s compliance policy, and ensure that the bank’s executive management resolves all compliance issues in a timely and effective manner.
- 7.7.2.14. Supervise and control the work of the Compliance Department. Ensure that appropriate mechanisms are in place to monitor the compliance of all levels of management in the bank with all regulatory requirements, laws and international standards, including the recommendations of the Financial Action Task Force (FATF).
- 7.7.2.15. Verify the availability of qualified personnel in the Compliance Department, and let them undergo specialized training programs.

8. Board of Directors Meetings:

The Board shall meet at the written invitation of its Chairman, or Vice-Chairman in the event of his absence. Board meetings may also be held upon a written request submitted to the Chairman by at least one quarter of its members, indicating the reasons for holding the meeting.

- Members may attend Board or committee meetings via any videoconferencing means, provided that the Chairman of the Board / Chairman of the Committee and the Secretary approve the MoM and its quorum.
- Quorum for committee meetings is (3) members, including the Committee Chairman. It is not permissible to nominate an alternative member in the committee meeting to replace an absent original member.
- Quorum for Board meetings is the attendance of more than half of the Board members.
- The Board shall hold its meetings in the Bank General Administration Building; or at the place designated by the Chairman, if meeting at the General Administration is not possible.
- The Board shall meet not less than six times a year, with a period of not more than two months between meetings.
- The Chairman shall preside over all Board meetings, and shall be represented by the Vice-Chairman in his absence. In the event of both their absence, the attendees shall choose from among them a chairman for that meeting.
- Board decisions shall be issued by an absolute majority of the members present. In the event of a tie in the number of votes, the vote of the Chairman or his representative shall be weighted.
- It is forbidden to vote by proxy or correspondence in Board meetings.
- The deliberations and decisions of the Board shall be recorded in the MoM and entered in the bank’s register. MoM shall include the names of the members present and the names of committee members at each meeting, and all the instructions issued by the Board and its committees. If a member opposes, he shall note this above his signature.
- All MoM shall be signed by the Chairman and Board members present at the meetings.
- Senior executive management shall, well before the Board meeting, provide adequate and accurate information to Board members about the items on the agenda, to be verified by the Chairman.

9. Secretary of the Board of Directors:

The MoM are highly important for the bank, shareholders and supervisory authorities, as they shape a permanent record of the work carried out by the Board, and the decisions taken by the Board and committees, throughout the bank’s history. It is also considered the legal proof of actions taken by the Board or committees, and of the events that took place during meetings, preventing any discrepancies.

Accordingly, due to the significant role of a Board Secretary, the Board is responsible to appoint the Secretary of the Board, terminate his services and determine his remuneration, ensuring that he has the experience and knowledge necessary to carry out the tasks entrusted to him.

The responsibilities of the Secretary of the Board shall include:

- Arrange, prepare and set Board meetings, in coordination with the Chairman.
- Attend all Board meetings and record all deliberations with accuracy. Ensure that MoM clearly reflects all items raised during the meetings, decisions taken, and any other matters discussed. An accurate record of any voting process that took place during these meetings must be included, noting opposition or abstention.
- Attach or reference any documents referred to during meetings.
- Provide and disseminate information within the Board, committees and executive management.
- Maintain permanent written documentation or electronic records of the Board’s deliberations.
- Ensure that Board members follow the procedures approved by the Board.
- Receive and analyze shareholders’ complaints and suggestions; investigate their validity and present them to the Board at its next meeting, for a decision to be made.
- Notify and follow up on the implementation of Board decisions. Follow up on the discussion of any topics that were postponed in the previous meeting.
- Preparation for the General Assembly Meeting.
- Cooperation with Board committees.
- Provide the Central Bank with declarations of conformity, to be signed by Board members.
- Ensure that Board members sign the MoM and Board resolutions.
- Provide the Central Bank with information related to members of other boards of directors and related committees inside and outside Jordan, according to the attached forms (4/1, 4/2, 4/3, 4/4) of any changes semi-annually, and when the change occurs.
- Provide the Central Bank with a letter signed by all Governance Committee members confirming the guide’s conformity with Corporate Governance Instructions 2/2023, within two months from the date of any subsequent amendment to the Corporate Governance Instructions.
- Take the necessary measures to ensure that the draft resolutions to be issued by the Board comply with the applicable laws and regulations, including those issued by the Central Bank.

10. Conflict of Interest and Related Party Transactions:

The Board shall 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. The Board shall adopt the necessary procedures to ensure the adequacy of internal controls to monitor compliance with this policy and prevent violations thereof. The policy should minimally include the following:

- Avoid activities that create any sort of conflict between the interests of the bank, executives and members of its administration.
- Immediate disclosure, upon confirming any matter that has or will arise from a conflict between the interests of the bank, executives and members of its administration, in any way whatsoever.
- Non-disclosure by the Board member of the bank’s confidential information or exploit it for his or others’ personal gain. The representative of a legal person shall not disclose any confidential information circulated during Board and committee meetings to anyone, including any executive of said legal person.
- Placing the bank’s interests first, in all transactions with another company in which the Board member has a personal interest, not exploiting the bank’s business opportunities for personal gain. Conflict of interest must be avoided, and disclosure to the Board in detail if any conflict of interest exists, and said member shall refrain from attending or participating in the decision taken at the meeting in which such subject is deliberated. This disclosure shall be recorded in the MoM of the Board or committees.
- Examples of cases that give rise to a conflict of interest, provided that they include the conflict that arises between the interests of the Board member and those of the bank; or between the interests of administrative members and those of the bank; or between the interests of an executive management member and those of the bank; or between the interest of any of the companies within the banking group or affiliated with the bank and those of the bank.
- Defining the bank’s related parties, in accordance with the applicable laws and regulations, and setting the conditions of transactions with those parties. Ensuring that the related party does not obtain preferential terms to those applied to other customers, who are non-related to the bank, including all the bank’s dealings with any of the companies within the BOJ banking group.
- Determine the nature of transactions with related parties to include all types of transactions, not only limited to credit facilities.
- Procedures followed by the bank when identifying cases of non-compliance with the above policy.

- Each member of the Board shall specify his association with the bank and the nature of his relationship. He must avoid conflicts of interest and abide by the Code of Conduct and the mechanism of conflict of interest and related party transactions. He shall disclose in writing on an annual basis, or upon occurrence, whether he, his spouse or relative up to the third degree, has a personal interest in any transaction or contract to which the bank is a party, or if any of them has an influential interest in a company associated with said company. The member must not participate in any meeting in which such dealing or contracting is discussed. Each member must take into account the Policy of Conflict of Interest and Related Party Transactions.
- The Board shall adopt controls for the circulation of information between various departments, preventing exploitation for personal benefit.
- The Board shall ensure that senior executive management employs high integrity in the conduct of its work and avoids conflicts of interest.
- The bank’s supervisory departments shall ensure that transactions with stakeholders have been carried out in accordance with the approved policy and procedures. The Audit Committee shall review and monitor all transactions of the concerned parties and inform the Board of these transactions.
- The Board shall adopt a professional Code of Conduct to ensure that the bank conducts its business with high integrity, including at a minimum, cases that may give rise to conflicts of interest. The Board must ensure the Code’s circulation to all administrative levels of the bank.
- An examination is conducted at least once a year by the Audit Department, to ensure that all transactions with the bank’s related parties have been carried out in accordance with the applicable laws and regulations, the bank’s internal policies and approved procedures. Reports and recommendations in this regard shall be submitted to the Audit Committee. The Audit Committee immediately informs the Central Bank, if it confirms a violation of any of the applicable laws and regulations and relevant internal policies.

Part III: Component Two (Senior Executive Management)

The Board supervises the executive management, while the senior executive management is responsible for the bank’s day-to-day business. Accordingly, the Board of Directors shall:

**1. Approve the appointment/transfer/promotion/assignment or accept the resignation or termination of the services of any of the members of senior management, noting that the conditions for nomination for senior executive management based on the recommendation of the Nomination and Remuneration Committee, are as follows:**

1.1. Suitability Conditions of Senior Executive Management

- Not be a member of the board of directors of any other bank within Jordan, unless the other bank is affiliated with the bank.
- To be available to manage the bank’s business full-time.
- Holds a university bachelor’s degree as a minimum, in economics, finance, accounting, business administration or a similar discipline.
- Must have work experience in the field of banking business (mostly in the job area for which he is nominated), or related experience, of not less than five years, except for the position of CEO or Regional Director. These positions require experience in the field of banking business of not less than ten years.
- Not be a major shareholder. Not related to the Chairman, Board members or any major bank shareholder, in any way, including kinship up to the third degree in the case of the CEO, and first degree in the case of any other member of the senior executive management.

1.2. Other requirements:

- Obtain from the member nominated for appointment, his CV attached with academic and experience documents and certificates, certificates of good conduct (non-conviction certificate, copy of the civil status card or passport for non-Jordanians).
- The candidate signs the executive management declaration, and provides the Central Bank with a copy of Declaration No. 2 attached to the CV.
- Obtain a no-objection from the Central Bank of Jordan before appointment (and upon promotion/transfer/temporary assignment of a senior executive management member) accompanied by the Board’s no-objection, and the Nomination Committee’s recommendation, and the approved general organizational structure. The Central Bank has the right to summon any person nominated for a position in senior executive management of any bank for a personal interview with him prior to the appointment. The Central Bank may, in cases deemed necessary, summon any member/candidate on the board of directors of any bank and any member/candidate from the administrative board for an interview.
- Obtain a no-objection from the Central Bank on the resignation or termination of the services of any of the CEO/Regional Director/ Director of Internal Audit/Director of Risk Management/Compliance Manager. The Central Bank has the right to summon any executive in the bank to verify reasons for the resignation or termination of services.
- The bank shall provide the Central Bank with information related to senior executive management members, of the bank or its subsidiaries, as per the approved forms, in case of any changes.



**2. Appointment of the Bank CEO, in accordance with the following:**

- Meet the suitability conditions for senior executive management listed above in Clause (1).
- The CEO must have integrity, competence and banking experience.
- Obtain the prior approval of the Central Bank of Jordan for his appointment.
- The Chairman, Board members and the bank’s main shareholders may not be related to the CEO closer than the fourth degree.
- The CEO shall work on the following:
  - Achieve internal control over the bank’s workflow, and its compliance with the applicable laws, regulations and instructions.
  - Provide the Board with a periodic report on the bank’s status. Ensure that the bank’s business is proceeding in accordance with the policy set by the Board, and recommend to it any proposals it deems necessary to develop the bank’s business.
  - Develop the strategic direction of the bank.
  - Implement the bank’s strategies and policies.
  - Implement the decisions of the Board.
  - Provide guidance for the implementation of short- and long-term action plans.
  - Communicate the bank’s vision, mission and strategy to employees.
  - Inform the Board of all important aspects of the bank’s operations.
  - Manage the day-to-day operations of the bank.
  - Provide the Central Bank with the information and data it requests.
  - Approve a detailed task description for each organizational unit (except for supervisory departments, where approval must be obtained through the relevant committee). Ensure that all bank employees review the task description pertaining to their area of specialization.

**3. Responsibilities of Senior Executive Management:**

- 3.1. Implement and manage the bank’s activities in accordance with the strategies/policies approved by the Board. Implement and manage risk management regulations, processes and controls necessary to manage the various types of risk which the bank is exposed to, ensuring that the Board-approved risk tolerance levels are not exceeded. Comply with all applicable legislation and internal policies of the bank.
- 3.2. Ensure that comprehensive work procedures are in place for all the bank’s activities, and are consistent with relevant applicable laws and regulations and strategies/policies approved by the Board. These procedures must be approved by the CEO or Regional Director of the foreign bank branch (except for the supervisory departments where they must be approved by the relevant committee). In addition, ensure that said procedures are applied.
- 3.3. Prepare the financial statements and final accounts and approve them by the Board after presenting them to the Audit Committee.
- 3.4. Prepare the general organizational structure of the bank and approve it by the Board. Prepare the sub-organizational structures for all units operating in the bank, and approve them by the CEO or the Regional Director, with the exception of the sub-organizational structures of the supervisory departments of local banks, which are approved by the Board based on the recommendation of (the relevant committee/administration). These structures must indicate the administrative hierarchy and reflect the lines of responsibility and authority in a detailed and clear manner. The general organizational structure must include, at a minimum, the following:
- The Board and its committees.
  - Executive management and its committees.
  - Units that are not involved in executive work such as credit review staff and the Middle Office
  - Subsidiaries and foreign branches.
- 3.5. Prepare an annual budget and approve it by the Board, and submit periodic performance reports to the Board showing deviation in actual performance from the estimated.
- 3.6. Develop appropriate internal control and control policies and apply them after approval by the Board.
- 3.7. Carry out responsibilities in accordance with the powers delegated.
- 3.8. Achieve the effectiveness of internal control systems, and submit at least an annual report to the Board on the application and effectiveness of the systems.
- 3.9. Develop procedures to assess capital adequacy and submit periodic reports to the Board.
- 3.10. Provide external and internal regulatory authorities such as regulatory authorities, internal audits, external audits and any other relevant authorities, at the time specified by those authorities, with the required information and disclosures necessary for them to carry out their tasks optimally.
- 3.11. Include in the annual report indicating the responsibility of the executive management for providing internal control and control systems that ensure the quality and transparency of published financial information and statements.

- 3.12. Draft the Bank Code of Conduct, approve it by the Board, and circulate it at all administrative levels of the bank, to include at a minimum:
- Executives may not exploit any internal information in the bank for their personal benefit.
  - Rules and procedures governing dealings with relevant parties.
  - Cases that give rise to a conflict of interest.
- 3.13. Develop the skills and professional behavior of the bank’s employees to comply with the latest developments and technologies.
- 3.14. Prepare succession plans for the bank’s senior executive management, including the qualifications and requirements to be met by the occupants of these positions, approving them by the Board, and reviewing this plan at least once a year.
- 3.15. Any other tasks entrusted to the executive management by the Board in a manner that does not conflict with the laws and instructions governing the bank’s business.
- 3.16. Not to carry out any practices that would affect the independence and objectivity of the control departments, as the cooperation of these departments with the various units of the bank and the executive management is essential to fulfill their tasks, and they must inform the senior executive management of any important issues that require immediate action to address them if they are identified by any of those departments, and this does not prevent those departments from informing the competent committee about these issues.

**Part IV: Component Three (Planning and Policymaking)**

**1. Planning:**

The issue of drawing up the bank’s general strategy is one of the core tasks of the Board of Directors, which requires a clear understanding of the basics of the banking sector and its main success factors. This is done through participation in the preparation of the strategic plan, annual work plan and estimated budgets.

The following are the most important elements of planning that must be considered:

- Ensure that there is a planning mechanism, appropriate action plans are available, are implemented, and their results monitored.
- Measuring the extent to which the bank achieves its goals and objectives.
- Identify the strengths, weaknesses, opportunities and challenges facing the bank.
- Ensure that the Bank’s systems are developed in a way that can measure the extent to which the bank achieves its goals and objectives.
- Ensure the presence of a qualified administrative team and sources of funds at the bank, including capital, in a manner that ensures the achievement of the set goals and objectives.
- Approve policies that support the bank’s goals and objectives.

**2. Policies:**

The Board of Directors is considered the primary responsible for managing the bank’s risks, which requires ensuring that the process of developing and monitoring policies and instructions is maintained at an acceptable level for credit, market, liquidity, and operations risks in order to achieve a reasonable return for shareholders without compromising banking safety issues.



Part V: Component Four (Regulatory Environment)

The Board of Directors carries out its responsibilities by relying on a general internal control framework with the aim of verifying the following:

- Effectiveness and efficiency of operations.
- Credibility of financial reports.
- Compliance with laws and instructions in force.

The following are the basic principles of the general framework of internal control systems are as follows:

1. The executive management is committed to providing a regulatory environment in the bank that is reflected in the existence of an organizational structure that clearly shows the lines of communication and responsibilities.
2. Executive management is responsible for identifying and assessing risks through documented risk policies and an independent management body for risk management.
3. Provide oversight controls and segregation of tasks.
4. Provides procedures to ensure that information reaches decision makers in a timely manner, including the contingency plan.
5. The independence of risk management, compliance and internal audit departments.
6. The Board shall ensure that the annual report of the bank includes a report on the adequacy of the internal control systems and oversight systems for financial reporting, so that the report includes the following:
  - Executive management’s responsibility for establishing internal control and oversight systems for financial reporting at the bank and maintaining those systems.
  - The framework that the executive management used to evaluate the effectiveness of internal control and oversight systems.
  - The external auditor’s report stating his opinion on the executive management’s evaluation of the effectiveness of internal control systems.
  - Disclosing any weaknesses in the internal control and oversight systems that have a fundamental value (any fundamental weakness is a point or group of clear weaknesses that result in the possibility of not being able to prevent or detect an incorrect statement that has a fundamental impact).
7. The executive management is entrusted with establishing procedures that enable employees to confidentially report concerns about possible irregularities in a timely manner that allows these concerns to be independently investigated and the implementation of these procedures is monitored by the Audit Committee.

8. Internal Audit

The bank recognizes that the presence of an effective Internal Audit Department contributes fundamentally to strengthening the internal control systems and the general framework for managing risks related to the bank’s various activities. The Internal Audit Department carries out its tasks within the following data:

- Develop an Internal Audit Charter and approve it by the Board, based on the recommendation of the Audit Committee. The charter will include the functions, responsibilities, authorities and work methodology of the Audit Department.
- Prepare an annual audit plan approved by the Audit Committee. The plan covers all the bank’s activities, including other regulatory departments and outsourced activities, based on the degree of risk of those activities, as approved by the Audit Committee.
- Verify the adequacy and compliance of activities with internal control systems of the bank and its subsidiaries. Review and document any amendments made to the structure of these systems.
- Provide the Internal Audit Department with employees with appropriate and sufficient academic qualifications and practical experience to audit all activities and operations; including qualified staff to assess information risks and associated technology. The employees rotate through the bank’s activities every three years at the most.
- The Internal Audit Department shall submit its reports to the Audit Committee Chairman, and a copy thereof to the CEO.
- Review compliance with the Corporate Governance Guide, and related policies and charters on an annual basis. Prepare a detailed report thereon and submit it to the Audit Committee, with a copy to the Corporate Governance Committee.
- Review the validity and comprehensiveness of stress testing in accordance with the methodology approved by the Board.
- Ensure the accuracy of the bank’s ICAAP procedures.
- Audit administrative financial matters so as to ensure that the main information about administrative financial matters is timely, accurate and reliable.
- Follow up on violations and observations contained in the reports of the regulatory authorities and the external auditor. Ensure that corrections are taking place, and that executive management has appropriate controls to prevent their recurrence.
- Ensure the availability of the necessary procedures for receiving, processing, and maintaining the bank’s customer complaints and observations related to the accounting system, internal control, and audits, and submitting periodic reports thereon.
- Maintain audit reports and papers, for a period consistent with applicable relevant legislation, in an orderly and secure manner, to be ready for review by regulatory authorities and the external auditor.
- Review the bank’s reporting processes with the aim of ensuring that key information on financial, administrative and operational matters is accurate, reliable and timely.

- Ensure compliance with the bank’s internal policies, international standards and procedures, and relevant laws and instructions.
- Conduct an examination at least once a year to ensure that all transactions with parties related to the bank have been carried out in accordance with the applicable legislation, the bank’s internal policies and approved procedures. Submit its reports and recommendations thereon to the Audit Committee. The Audit Committee shall inform the Central Bank immediately upon verification of any violation of any of the applicable legislation and relevant internal policies.
- The Audit Committee evaluates the performance of the Director of the Audit Department. The performance appraisal of the Internal Audit Department’s staff is conducted by the Director of Internal Audit. These appraisals are done in accordance with the Performance Appraisal Policy approved by the Board.

9. External Audit

The external auditor represents another level of control over the credibility of the financial statements issued by the bank’s accounting and information systems. He is relied upon to express a clear and frank opinion on the fairness of these statements and how they reflect the reality on the ground for the given period. In dealing with external audit offices, the Board shall take into account the bank’s best interest, the professionalism of the audit offices, the regular rotation of the audit, and its experiences with the audit offices; and in line with the following:

- The bank shall prepare an external audit policy and approve it by the Board, to be amended whenever necessary, and shall include, as a minimum, the following:
  - Mechanism of nomination and assignment of the audit office.
  - The mechanism for determining the fees of the audit office.
  - Periodic change of audit office and teams.
  - The requirements for the independence of the external auditor are stipulated in paragraph (D) of this article as a minimum.
  - The tasks of the audit office and team.
  - Relationship of the Audit Committee with the audit office and team.
  - Additional services outside the scope of audit services that may be assigned to the audit office.
- Selection criteria for the audit firm and the partner responsible for the audit.
- Sign an Engagement Letter with the external auditor to audit the bank’s business covering matters under his responsibility, in line with the requirements of International Auditing Standards.
- The external auditor shall provide the Audit Committee with a copy of his audit report, and shall also meet with the Audit Committee without the presence of the Executive Management at least once a year.
- Provide the Central Bank with copies of any reports submitted by the external auditor to the bank, within the framework of the audit mission for which it was appointed.
- Obtain the approval of the Audit Committee before agreeing with the external auditor to provide any other services outside the scope of the audit mission and in accordance with the applicable Law of Practicing the Auditing Profession, and related instructions, provided that these services are disclosed.
- Regular rotation of the external auditor between the audit offices and their subsidiaries, affiliates or related companies in any way every seven years at the most, from the date of election, provided that the external auditor is not changed during the contracting period except after obtaining the approval of the Central Bank and based on fundamental reasons.
- The past audit office may not be re-elected before the lapse of at least three years from the date of its last election at the bank.

10. Risk Management

Banking operations are inevitably tied to exposure of various types of risks. Understanding, managing and addressing various risks is part of building good institutional governance. Whereby, risk management is the calculated tolerance of risks in order to achieve returns, i.e. alignment between risks and returns.

The following is the general framework for risk management:

- The Bank Risk Department shall submit reports to the Board through the Risk Management Committee, with a copy to the CEO, which includes information on the Risk Profile of actual risks for all the bank’s activities compared to the Risk Appetite document, and follow-up to address negative deviations. Executive management is permitted to request special reports, as needed, from the Bank Risk Department.
- The Risk Department has the following responsibilities:
  - Review the Risk Management Framework of the bank prior to its approval by the Board.
  - Prepare a risk policy(s) that covers all the bank’s operations and sets a clear scale and limits for each type of risk. Ensure that all employees, each according to his administrative level, are fully informed and aware of them and review them periodically, and that the risk policy(s) are approved by the Board.
  - Study and analyze all risks including credit, market, liquidity and operational risks.
  - Develop methodologies to identify, measure, analyze, evaluate and monitor each type of risk.
  - Recommend to the Risk Management Committee risk ceilings and the bank’s risk exposures, approvals, reporting and recording exceptions to the Risk Management Policy.

- Provide the Board and senior executive management with information on the measurement of risks and Risk Profile of actual risks for all the bank’s activities compared to the Risk Appetite document, and follow up and address negative deviations in the bank.
- The Board reviews the bank’s qualitative and quantitative risk statistics on a regular basis.
- Adopt methods that assist in risk management, including:
  1. Self-assessment of risks and development of risk indicators.
  2. Prepare a historical database of losses, identify the sources of those losses and classify them according to type of risk.
  3. Provide necessary equipment and appropriate automated systems for risk management at the bank.
- Bank committees such as the Credit or Asset and Liabilities Management/Treasury and Operating Risk Management Committees shall assist the Risk Department in carrying out its tasks, within the specific powers of these committees.
- Include in the bank’s annual report, information on risk management about its structure, nature of operations and developments.
- Provide risk information to the bank, to be used for disclosure purposes.
- Prepare a comprehensive Risk Appetite document for all risk types, and approve it by the Board.
- Prepare, periodically review and verify the bank’s ICAAP document. Make sure it is comprehensive, effective, and capable of identifying all risks that the bank may be exposed to, taking into account the bank’s strategic plan and capital plan, to be approved by the Board.
- Prepare, and periodically review, the business continuity plan and approve it by the Board.
- Before introducing any new product/service/process/system, ensure that it is consistent with the bank’s strategy, that all its related risks have been identified, including operational risks. Ensure that new controls and procedures, or amendments thereon, have been made in a manner consistent with the bank’s risk tolerance levels.
- Implement a risk management strategy, as well as develop policies and business procedures to manage all types of risks.
- Verify the integration of risk measurement mechanisms with the management information systems used.
- Monitor that the bank’s executive departments abide by the risk tolerance levels.

4. Compliance

The Board shall form an independent Compliance Department and provide it with trained personnel and adequate remuneration. In addition, the Board shall approve and monitor the compliance policy and the tasks of the Compliance Department in line with the respective instructions of the Central Bank, to include at a minimum the following:

The general framework for the work of the Compliance Department is as follows:

- 4.1. 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 aware of it, and that this policy is approved by the Board.
- 4.2. Develop an effective methodology to ensure the bank’s compliance with all applicable laws and regulations and any relevant guidelines and manuals. The executive management shall document and disseminate the functions, powers and responsibilities of the Compliance Department within the bank.
- 4.3. —Prepare periodic reports that assess the risks of non-compliance, violations, deficiencies and corrective actions taken, and submit them to the Compliance Committee and copies thereof to the CEO.
- 4.4. Prepare an annual compliance plan and approve it by the Compliance Committee.
- 4.5. Monitor the compliance of all levels of bank management with all regulatory requirements, applicable legislation and international standards, including the recommendations of FATF.

5. Financial Reports:

The bank’s executive management undertakes the following:

- 5.1. Prepare financial reports in accordance with International Accounting Standards.
- 5.2. Submit these reports to the members of the Board at each of its periodic meetings.
- 5.3. Publish its financial statements every three months.
- 5.4. Send complete financial and business reports to shareholders annually.

6. Professional Conduct:

- 6.1. —According to the Code of Conduct, every bank employee should avoid any situations that may create a conflict of interest.
- 6.2. Each Board member shall abide by the following:
  - Carry out his duties with all honesty, integrity and seriousness.
  - Carry out his work in a transparent manner in order to avoid any conflict of interest, whether such conflict exists or may arise; or if this may affect his work and tasks, or impact his judgment.
  - Compliance with the provisions of laws, regulations, instructions and directives governing the bank’s business.
  - Maintain the confidentiality of information and data that the member has access to by virtue of his work, and not exploit such information, whether directly or indirectly, for his personal gains.
- Not to issue any statements to the press or media, unless authorized to do so by the Board.

- Notify the Board immediately when any of the following occurs:
  - Any changes to the number of Bank of Jordan’s shares owned by, or under the control of the member.
  - Any membership in the board of directors of any public shareholding company and any changes thereon (in the event of such conflict, appropriate measures must be taken to disclose such conflict immediately to the Board, without involving the member when discussing this matter).
- Compliance with the resolutions issued by the Board, even if his opinion opposes the Board decision issued in accordance with established procedures.

Part VI: Component Five (Investor Relations):

The Board will use the most effective and efficient methods of communication with the bank’s shareholders and will do its best to identify issues of concern to shareholders and protect their interests within the prevailing legal framework, and the Board will regularly study, evaluate and analyze economic, political, social and legal issues that may affect the bank’s business and the interests of its shareholders with the help of specialized expertise and advice.

The Board will also work to enhance and develop the concept of transparency in corporate governance, as any shareholder, after giving sufficient notice, will have the right to request information about the bank, and the request will not be rejected unless there is something that will harm the bank’s interests or requires the disclosure of confidential information that may not be revealed according to the applicable laws and legislation.

In addition, each shareholder’s rights related to the share will be duly and legally established, specifically the right to obtain a share of the profits to be distributed, the right to attend meetings of the General Assembly of Shareholders, participate in its deliberations, vote on its decisions, elect members of the Board and the auditor, distribute profits, and the right to dispose of shares and transfer their ownership within applicable legal controls.

Accordingly, in order to strengthen this relationship, we affirm the following:

1. The Board shall, by all appropriate means, encourage shareholders, especially small shareholders, to attend the annual meeting of the General Assembly and vote either in person or by proxy in case of their absence.
2. Provide shareholders with the following:
  - A copy of the annual report at their postal addresses.
  - Invitation to the General Assembly meeting and its agenda.
  - All information and information materials directed to shareholders in general.
3. The Board shall ensure that the chairman of Audit, Nomination, Remuneration and Risk Committees and any other committees emanating from the Board attend the annual meeting of the General Assembly.
4. Representatives of the external auditors attend the annual meeting of the General Assembly to answer questions related to the audit and the auditors’ report.
5. Vote on each topic raised during the annual meeting of the General Assembly.
6. Elect candidates for membership of the Board from the Nomination and Remuneration Committee who meet the qualifications and conditions at the end of the Board’s term during the annual meeting of the General Assembly.
7. Elect the external auditor and determine his fees, or authorize the Board to determine the fees.
8. Document all the proceedings of the sessions and reports on the issues discussed during the annual General Assembly Meeting, including the results of the voting and the questions posed by the shareholders and the answers of the administrative body to them.
9. Each shareholder has the right to access the register of shareholders in relation to their contribution.
10. Distribute dividends fairly to shareholders in proportion to the number of shares owned by each of them.
11. After the end of the annual General Assembly Meeting, a report is prepared to inform the shareholders about the observations made during it and the results, including the results of the vote, the questions raised by the shareholders and the responses of the executive management thereto.

Part VII: Component Six (Transparency and Disclosure)

Bank of Jordan's corporate governance contains dimensions related to integrity; acting with righteousness, honesty and objectivity; accountability for the decisions taken by parties related to the bank; and transparency, disclosure and openness towards to the society.

Transparency, disclosure and openness are important elements of Bank of Jordan’s good corporate governance.

The bank is concerned with public disclosure of all reliable information provided in a timely manner, to help users of this information to accurately assess the bank’s financial position, achievements, activities and risks and manage these risks. Whereas disclosure alone gives the required transparency that is available in the information, with accuracy and completeness in terms of quality and quantity that is provided in a timely manner.

The purpose of disclosure is to assess the bank’s ability to achieve strategic objectives and to determine the financial position, results of the bank’s business and cash flows.

- Scope of disclosure for example, but not limited to:
- International Financial Reporting Standards (IFRS).
  - Local legislation and laws, namely:
    - Companies Law
    - Jordan Securities Commission Law
    - The Banking Law and respective Central Bank instructions
    - Income Tax Law

General Framework for Transparency and Disclosure

1. The Board shall ensure that executive management’s disclosure is in line with Central Bank instructions, and issued under the applicable Banking Law. Furthermore, executive management shall be made aware of changes in international financial reporting practices and the scope of transparency required by financial institutions. The executive management reports on developments to the Board and provides recommendations on ways to enhance the bank’s reporting practices, over and beyond the Central Bank’s requirements in this regard.
2. Under the supervision of the Board, the executive management provides quality information about its activities to the Central Bank, shareholders, depositors, other banks, and the public at large, with a focus on issues of concern to shareholders. The bank shall disclose all such information periodically and make it publicly available.
3. The Board shall affirm, within its annual report, its responsibility towards the accuracy and adequacy of the bank’s financial statements, and the information contained in its annual report.
4. The Board maintains lines of communication with the Central Bank, stakeholders, shareholders, General Assembly meetings, other banks, and the public at large, through the following:
  - Providing comprehensive, objective and up-to-date information about the bank, its financial position, performance and activities through the Investor Relations Unit staffed by qualified staff, capable of providing such information.
  - The annual report, which is issued after the end of the fiscal year.
  - Quarterly reports containing quarterly financial information in addition to the Board’s report on the bank’s investments and financial position during the year.
  - Periodic meetings of the General Assembly.
  - Provide a periodic summary by executive management to shareholders, financial market analysts and financial sector reporters; in particular by the Chairman of the Board, the CEO or the Chief Financial Officer (CFO).
  - Provide information contained in the bank’s annual report or quarterly reports, or in lectures provided by executive management, through the function of the Investor Relations Unit and on the bank’s website in an updated form, in both Arabic and English.
5. Allocating part of the bank’s website to clarify the rights of shareholders; and encourage them to attend and vote in the meetings of the General Assembly, as well as publish documents related to meetings, including the full text of the invitation and minutes of meetings.
6. The executive management, under the supervision of the Board, includes within the bank’s annual report and quarterly reports, a disclosure from the bank’s executive management called (MD&A) "Management Discussion and Analysis" to allow investors to understand the results of current and future operations, and the financial position of the bank, including the potential impact of known trends, incidents and uncertainties. The Board undertakes to commit that all explanations contained in this disclosure are valid, complete, fair, balanced and understandable and based on the bank’s published financial statements.
7. As part of the bank’s commitment to transparency and full disclosure, it shall include in the annual report in particular the following:
  - Information of interest to stakeholders in terms of the bank’s commitment to the application of the guide.
  - Information about each member of the Board: his qualifications and experience, the value of his bank share capital, whether he is independent or not, his membership in Board committees, the date of his appointment to the Board, any memberships in other boards of directors, the remuneration and salaries he received from the bank, and loans granted by the Bank.

It is supplemented by an acknowledgment from the member that he did not receive any gains through his work in the bank, and did not disclose them, whether financial or non-financial, personal or for anyone related to him, over the past year.

- A summary of the functions and responsibilities of the Board committees, and any powers delegated by the Board to those committees.
  - The number of times the Board and its committees meet, and the number of times each member attends these meetings.
  - A summary of the bank’s remuneration policy with disclosure of all forms of remuneration to each Board member separately, and all forms of remuneration granted to each senior executive management member separately.
  - Information about the Risk Management Department, including its structure, nature of operations and developments.
  - The names of Board and senior executive management members who resigned during the year.
8. Names of shareholders who own (1%) or more of the bank’s capital, specifying the Ultimate Beneficial Owners of these contributions or any part thereof, and clarifying whether any of these contributions are pledged in whole or in part.
  9. A summary of the organizational structure of the bank.
  10. The Board testifies to the adequacy of internal control systems.
  11. The Board shall ensure that financial and non-financial information of interest to stakeholders is circulated.
  12. The Board shall ensure that the bank’s annual report and quarterly reports include disclosures that allow current or potential shareholders to review the results of the bank’s operations and financial position.
  13. The bank shall provide the Central Bank with the number of shares pledged by the bank’s shareholders who own 1% or more of the bank’s capital, and the guarantor of these shares.
  14. The bank shall provide the Central Bank with information related to members of the Board, committees and executive management, as per the forms attached to the instructions, in the event of any changes.
  15. The bank shall provide the Central Bank with information related to the members of the boards of directors, administrative boards and senior executive management of its subsidiaries inside and outside Jordan, as per the forms attached to the instructions, in the event of any changes.

Part VIII: Component Seven (Guide Review and Development)

The Corporate Governance Guide will be reviewed and developed in accordance with the laws, legislations, regulations and instructions governing the bank’s business, and according to the following principles:

- The guide is reviewed and amended on an annual basis, to suit the nature of the work.
- Keeping abreast of relevant changes and developments (attending seminars and conferences, new instructions from the regulatory authorities, etc.).
- Observations and recommendations of evaluation outcomes, and guide application.
- Feedback or suggestions from shareholders, customers, Board members, senior executive management, etc.





# **Addresses of Bank of Jordan Branch Network**



Addresses of Bank of Jordan Branches  
Jordan Branch Network

Head Office – Al Shmeisani  
bankofjordan.com  
Tel.: 5609200 Fax: 5696291 P.O.Box 2140 Amman 11181 Jordan

Amman Area

Al Shmeisani - Main Branch  
Tel.: 5609200 Fax: 5696092 P.O.Box 2140 Amman 11181 Jordan

Amman – Downtown Branch  
Tel.: 4624340 Fax: 4657431 P.O.Box 2140 Amman 11181 Jordan

Commercial Market Branch  
Tel.: 4617005 Fax: 4624498 P.O.Box 2140 Amman 11181 Jordan

Al Mahatta Branch  
Tel.: 4616212 Fax: 4651728 P.O.Box 2140 Amman 11181 Jordan

Al Yarmouk St.- Al Nasser Branch  
Tel.: 4910331 Fax: 4910038 P.O.Box 2140 Amman 11181 Jordan

First Circle Branch  
Tel.: 4653915 Fax: 4653914 P.O.Box 2140 Amman 11181 Jordan

Third Circle Branch  
Tel.: 4614748 Fax: 4656632 P.O.Box 2140 Amman 11181 Jordan

Al Khalidi Branch  
Tel.: 4680026 Fax: 4680028 P.O.Box 2140 Amman 11181 Jordan

Jabal Al Hussein Branch  
Tel.: 4655808 Fax: 4653403 P.O.Box 2140 Amman 11181 Jordan

Al Gardens Branch  
Tel.: 5696810 Fax: 5688416 P.O.Box 2140 Amman 11181 Jordan

Al Madina Al Monawara St. Branch  
Tel.: 5514864 Fax: 5514938 P.O.Box 2140 Amman 11181 Jordan

Jabal Al Weibdeh Branch  
Tel.: 4646981 Fax: 4615605 P.O.Box 2140 Amman 11181 Jordan

Tareq Branch  
Tel.: 5061758 Fax: 5053908 P.O.Box 2140 Amman 11181 Jordan

Marka Branch  
Tel.: 4891980 Fax: 4894341 P.O.Box 2140 Amman 11181 Jordan

Al Qweismeh Branch  
Tel.: 4765237 Fax: 4745301 P.O.Box 2140 Amman 11181 Jordan

Abu Alanda Branch  
Tel.: 4166385 Fax: 4162697 P.O.Box 2140 Amman 11181 Jordan

Al Bayader Branch  
Tel.: 5812780 Fax: 5815391 P.O.Box 2140 Amman 11181 Jordan

Industrial Area – Al Bayader Branch  
Tel.: 5852969 Fax: 5813642 P.O.Box 2140 Amman 11181 Jordan

Sweileh Branch  
Tel.: 5356895 Fax: 5342318 P.O.Box 2140 Amman 11181 Jordan

Al Fuheis Branch  
Tel.: 4720833 Fax: 4720831 P.O.Box 2140 Amman 11181 Jordan

Abu Nsair Branch  
Tel.: 5235573 Fax: 5249080 P.O.Box 2140 Amman 11181 Jordan

Jabal Al Nuzha Branch  
Tel.: 4649026 Fax: 4645934 P.O.Box 2140 Amman 11181 Jordan

Wadi Al Seer Branch  
Tel.: 5856045 Fax: 5816552 P.O.Box 2140 Amman 11181 Jordan

Dahyet Al Yasmeen Branch  
Tel.: 4387574 Fax: 4391242 P.O.Box 2140 Amman 11181 Jordan

Marj Al Hamam Branch  
Tel.: 5712825 Fax: 5713569 P.O.Box 2140 Amman 11181 Jordan

Al Sweifieh Branch  
Tel.: 5866714 Fax: 5861237 P.O.Box 2140 Amman 11181 Jordan

Al Wehdat Branch  
Tel.: 4735717 Fax: 4778982 P.O.Box 2140 Amman 11181 Jordan

Mecca St. Branch  
Tel.: 5542609 Fax: 5542389 P.O.Box 2140 Amman 11181 Jordan

Khalda Branch  
Tel.: 5534706 Fax: 5534593 P.O.Box 2140 Amman 11181 Jordan

Al Jubaiha Branch  
Tel.: 5347937 Fax: 5354739 P.O.Box 2140 Amman 11181 Jordan

University of Jordan Branch  
Tel.: 5355971 Fax: 5355974 P.O.Box 2140 Amman 11181 Jordan

City Mall Branch  
Tel.: 5829970 Fax: 5857684 P.O.Box 2140 Amman 11181 Jordan

Al Rabiyyeh Branch  
Tel.: 5520746 Fax: 5521653 P.O.Box 2140 Amman 11181 Jordan

Abdoun Branch  
Tel.: 5929871 Fax: 5929872 P.O.Box 2140 Amman 11181 Jordan

Al Rawnaq Branch  
Tel.: 5829216 Fax: 5829042 P.O.Box 2140 Amman 11181 Jordan

Al Hurrieh St.- Mogablain Branch  
Tel.: 4203289 Fax: 4203376 P.O.Box 2140 Amman 11181 Jordan

Sport City Branch  
Tel.: 5159271 Fax: 5159304 P.O.Box 2140 Amman 11181 Jordan

Taj Mall Branch  
Tel.: 5930485 Fax: 5930517 P.O.Box 2140 Amman 11181 Jordan

North Hashmi Branch  
Tel.: 5051591 Fax: 5051648 P.O.Box 2140 Amman 11181 Jordan

Durret Khalda Branch  
Tel.: 5510948 Fax: 5511416 P.O.Box 2140 Amman 11181 Jordan

Al Madina Al Monawara - Tla’a Al Ali Branch  
Tel.: 5513129 Fax: 5513029 P.O.Box 2140 Amman 11181 Jordan

Sahab Branch  
Tel.: 4025704 Fax: 4025693 P.O.Box 2140 Amman 11181 Jordan

Al Abdali Mall Branch  
Tel.: 4011425 Fax: 4011424 P.O.Box 2140 Amman 11181 Jordan

Um Uthaina Branch  
Tel.: 5543950 Fax: 5560258 P.O.Box 2140 Amman 11181 Jordan

Al Hurrieh Mall Branch  
Tel.: 5609220 Fax: 4202104 P.O.Box 2140 Amman 11181 Jordan

Dahyet El Nakheel Branch  
Tel.: 4791112 Fax: 5737128 P.O.Box 2140 Amman 11181 Jordan

Radio and Television St. Branch  
Tel.: 5600904 Fax: 4380683 P.O.Box 2140 Amman 11181 Jordan

Medical City St. Branch  
Tel.: 5600910 Fax: 5412471 P.O.Box 2140 Amman 11181 Jordan

Hay Al-Zaytouna Branch  
Tel.: 5600907 Fax: 5349825 P.O.Box 2140 Amman 11181 Jordan

Al-Ameer Rashid District Branch  
Tel.: 5600925 Fax: 5825726 P.O.Box 2140 Amman 11181 Jordan

Dahyet Al-Rasheed Branch  
Tel.: 5600917 Fax: 5162557 P.O.Box 2140 Amman 11181 Jordan

Dabouq Branch  
Tel: 5600928 Fax: 5411587 P.O.Box 2140 Amman 11181 Jordan

Dabouq Al Hijaz Street Branch  
Tel: 5600902 Fax: 5411585 P.O.Box 2140 Amman 11181 Jordan

Central Jordan

Salt Branch  
Tel.: 05-3554925 Fax: 05-3554902 P.O.Box 2140 Amman 11181 Jordan

Zarqa Branch  
Tel.: 05-3935740 Fax: 05-3984741 P.O.Box 2140 Amman 11181 Jordan

Faisal St. Branch – Zarqa  
Tel.: 05-3932481 Fax: 05-3936728 P.O.Box 2140 Amman 11181 Jordan

New Zarqa Branch  
Tel.: 05-3862582 Fax: 05-3862583 P.O.Box 2140 Amman 11181 Jordan

Zarqa Free Zone Branch  
Tel.: 05-3826192 Fax: 05-3826194 P.O.Box 2140 Amman 11181 Jordan

Al Ruseifa Branch  
Tel.: 05-3746912 Fax: 05-3746913 P.O.Box 2140 Amman 11181 Jordan

Airport Branch  
Tel.: 4451310 Fax: 4451156 P.O.Box 2140 Amman 11181 Jordan

Al Jeezah Branch  
Tel.: 4460180 Fax: 4460133 P.O.Box 2140 Amman 11181 Jordan

Madaba Branch  
Tel.: 05-3245080 Fax: 05-3244723 P.O.Box 2140 Amman 11181 Jordan

Al Jabal Al Shamali Branch  
Tel.: 05-3744043Fax: 05-3744029 P.O.Box 2140 Amman 11181 Jordan

North Azraq Branch  
Tel.: 05-3834310 Fax: 05-3834307 P.O.Box 2140 Amman 11181 Jordan

Souq Bab Al Madinah Mall  
Tel.: 05/3850674 Fax: 05/3850675 P.O.Box 2140 Amman 11181 Jordan

North Jordan

Irbid Branch  
Tel.: 02-7279704 Fax: 02-7276760 P.O.Box 2140 Amman 11181 Jordan

Al Hussun St. Branch  
Tel.: 02-7270495 Fax: 02-7270496 P.O.Box 2140 Amman 11181 Jordan

Eidoun St. Branch  
Tel.: 02-7258707 Fax: 02-7276504 P.O.Box 2140 Amman 11181 Jordan

Thirty St. Branch  
Tel.: 02-7260120 Fax: 02-7248772 P.O.Box 2140 Amman 11181 Jordan

Hakama St. Branch

Tel.: 02-7408039 Fax: 02-7406375 P.O.Box 2140 Amman 11181 Jordan

Deir Abi Saeed Branch

Tel.: 02-5621619 Fax: 02-6521350 P.O.Box 2140 Amman 11181 Jordan

Al Hassan Industrial City Branch

Tel.: 06-7395396 Fax: 02-7395445 P.O.Box 2140 Amman 11181 Jordan

Rumtha Branch

Tel.: 02-7382535 Fax: 02-7381388 P.O.Box 2140 Amman 11181 Jordan

Al Turrah Branch

Tel.: 02-7360011 Fax: 02-7360200 P.O.Box 2140 Amman 11181 Jordan

Ajloun Branch

Tel.: 02-6420842 Fax: 02-6420841 P.O.Box 2140 Amman 11181 Jordan

Kufranjah Branch

Tel.: 02-6454350 Fax: 02-6454053 P.O.Box 2140 Amman 11181 Jordan

Jerash Branch

Tel.: 02-6352034 Fax: 02-6351433 P.O.Box 2140 Amman 11181 Jordan

Al Mafrq Branch

Tel.: 02-6230390 Fax: 02-6233316 P.O.Box 2140 Amman 11181 Jordan

North Shuneh Branch

Tel.: 02-6587588 Fax: 02-6587377 P.O.Box 2140 Amman 11181 Jordan

South Jordan

Karak Branch

Tel.: 03-2354107 Fax: 03-2353451 P.O.Box 2140 Amman 11181 Jordan

Ma'an Branch

Tel.: 03-2131590 Fax: 03-2131855 P.O.Box 2140 Amman 11181 Jordan

Aqaba Branch

Tel.: 03-2016542 Fax: 03-2014733 P.O.Box 2140 Amman 11181 Jordan

Exchange Offices

King Hussein Bridge - Arrivals Office

Tel.: 05-5609200 Ext. 59900      Fax: 05-3581147

King Hussein Bridge - Departures Office

Tel.: 05-5609200 Ext. 59900      Fax: 05-3581147

King Hussein Bridge - Arab Departures Office

Tel.: 05-5609200/ Ext. 59900      Fax: 05-3581147

Palestine Branch Network

Regional Management

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Nablus Branch

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Jenin Branch

Tel.: +970 42505403      Fax: +970 42505402      P.O.Box 1328

Jenin Municipality Office

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Qabatiya Branch

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Gaza Branch

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Al Naser Branch

Tel.: +970 82857230      Fax: +97082859258      P.O.Box 1328

Hebron Branch

Tel.: +970 22224351      Fax: +970 22224350      P.O.Box 1328

Al Ram Branch

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Al Eizaryeh Branch

Tel.: +970 22790243      Fax: +970 22790245      P.O.Box 1328

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Tel.: +970 22749940      Fax: +970 22749941      P.O.Box 1328

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Al Eersal Branch

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Al Tirah / Ramallah Branch

Tel.: +97022956211      Fax: +970 22956232      P.O.Box 1328

Al-Khader Branch

Tel.: +970 22727430      Fax: +970 22727427      P.O.Box 1328

Salfit branch

Tel.: +97092523807      Fax: +970 92523811      P.O.Box 1328

Jenin Branch - Al-Basatin Neighborhood

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Bahrain Branch

Bahrain Financial Harbour/ West Tower

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Iraq Branch

Regional Management

Tel.: +9647835418880      P.O.Box 3154 Baghdad, Iraq

Baghdad Branch

Tel.: +9647835418818      P.O.Box3154 Baghdad-Iraq

Organizational Structure / Bank of Jordan - Head Office

