

بنك الاردن
Bank of Jordan



Annual Report **2023**

bankofjordan.com

Table of Contents

Page Number

Board of Directors	8
Chairman's Letter	9
Board of Directors' Report 2023	11
Consolidated Financial Statements for the Year Ended December 31, 2023	47
Additional Information as Required by the Jordan Securities Commission 2023	209
Corporate Governance	245
Addresses of Bank of Jordan Branches	289

Bank of Jordan

Public Shareholding Limited Company, established in 1960,
Commercial Registration No. 13, Paid-up Capital JD 200,000,000
P.O. Box 2140 Amman 11181 Jordan, Tel.: +962 6 5609200 Fax: +962 6 5696291

E-mail: boj@bankofjordan.com.jo

Website: bankofjordan.com

Contact Center: +962 6 580 77 77



His Majesty King Abdullah II Bin Al Hussein



His Royal Highness Crown Prince Hussein Bin Abdullah II



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 excellent team of employees.

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-Ekbal 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 Trading & Investment Co.

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,

This is our sixty-third annual report, and it gives me pleasure to assure you that your bank is still a healthy and growing institution with a solid financial and operational footing.

Though the geopolitical challenges overcasting the region do persist, with the region experiencing the continuing war on Gaza and the logistical challenges in the Red Sea, it is our belief that our approach to risk management has thus far allowed us to continue to grow without being overexposed to such risks.

Our financial strength indicators have been kept at elevated levels. Our legal liquidity stands at 156%, and our Liquidity Coverage Ratio is 347.4%. Our Capital Adequacy is 21.4%, well above the regulatory and Basel II requirements. As such, we maintain high confidence that the bank can withstand fiscal and financial shocks within the region, given the overshadowing regional issues and the regional risks of the war on Gaza and its ramifications.

Further, despite such challenges, our expansion in the region is still on track. Bank of Jordan's branch in Baghdad, Iraq, has been operational for almost a year and is growing, with competent regional management at the helm. The plans to expand into the Kingdom of Saudi Arabia are still on track. Despite the issues affecting our branches in Gaza, our operations in Palestine are still ongoing, with our branches continuing to offer full services to our corporate and retail customers.

Dear Valued Shareholders,

The restructuring of our operating model has witnessed the creation of a CIB division entrusted with managing relationships with the SME, Corporate, Large Corporate, and Financial Institutions sectors and across the different geographies in which we operate. Along this path, our transactional banking offering to CIB customers is now fully functional and has witnessed wide adaptation and appreciation by our corporate clients, as it allowed our clients to achieve high-level self-service using a fully functional and secure web offering.

The treasury department restructuring is now complete. The division was restructured to accommodate the varied offerings required by our CIB customers and meet the challenges of the evolving investment market.

Our digitization journey has, during the year, witnessed the completion of the upgrade of our technical infrastructure to take advantage of the best of a mixed on-premises/cloud state-of-the-art combination. It also included upgrading the application connectivity layers to a fully functional and customizable middleware offering.

Most importantly, the bank has taken a deep dive into data analytics by creating a division for data management, which includes specialized units for data analytics, reporting, governance, and quality control. Further, to ensure the institutionalization of data science, we have introduced data partners, analysts, and agents into the operational and business divisions, supported by the centralized data management team. Over time, this structure will ensure proper data utilization in everyday business practices and customer relationship management.



Dear Shareholders,

Bank of Jordan continues to perform well financially. Our net profit grew to 44 million JOD, up 9.7% from the prior year. Return on assets improved to 1.5%, and return on equity rose to 8.4%. Shareholders' equity now stands at 524 million JOD. Additionally, our balance sheet now stands at 3 billion JOD, with customer deposits at 2.2 billion JOD and our loan portfolio reaching 1.4 billion JOD.

Dear Valued Shareholders,

We extend our appreciation and gratitude to you for your continued support. The relentless efforts of our teams in Jordan, Palestine, Syria, Bahrain, and Iraq are greatly appreciated.

In conclusion, our Board of Directors recommends a 0.18 JOD/share dividend distribution, subject to the Central Bank of Jordan's Approval.

Yours truly,

Shaker Tawfiq Fakhouri.
Chairman of the Board

A woman in a dark blue business suit is shown from the chest up, looking thoughtful with her hand to her chin. The background is a blurred city skyline with a prominent skyscraper. Overlaid on the image are semi-transparent blue and white financial charts, including a candlestick chart and a line graph. A large, curved graphic element in shades of red, orange, and yellow is positioned on the right side of the page.

Board of Directors' Report 2023

Economic Performance 2023

Achievements in 2023

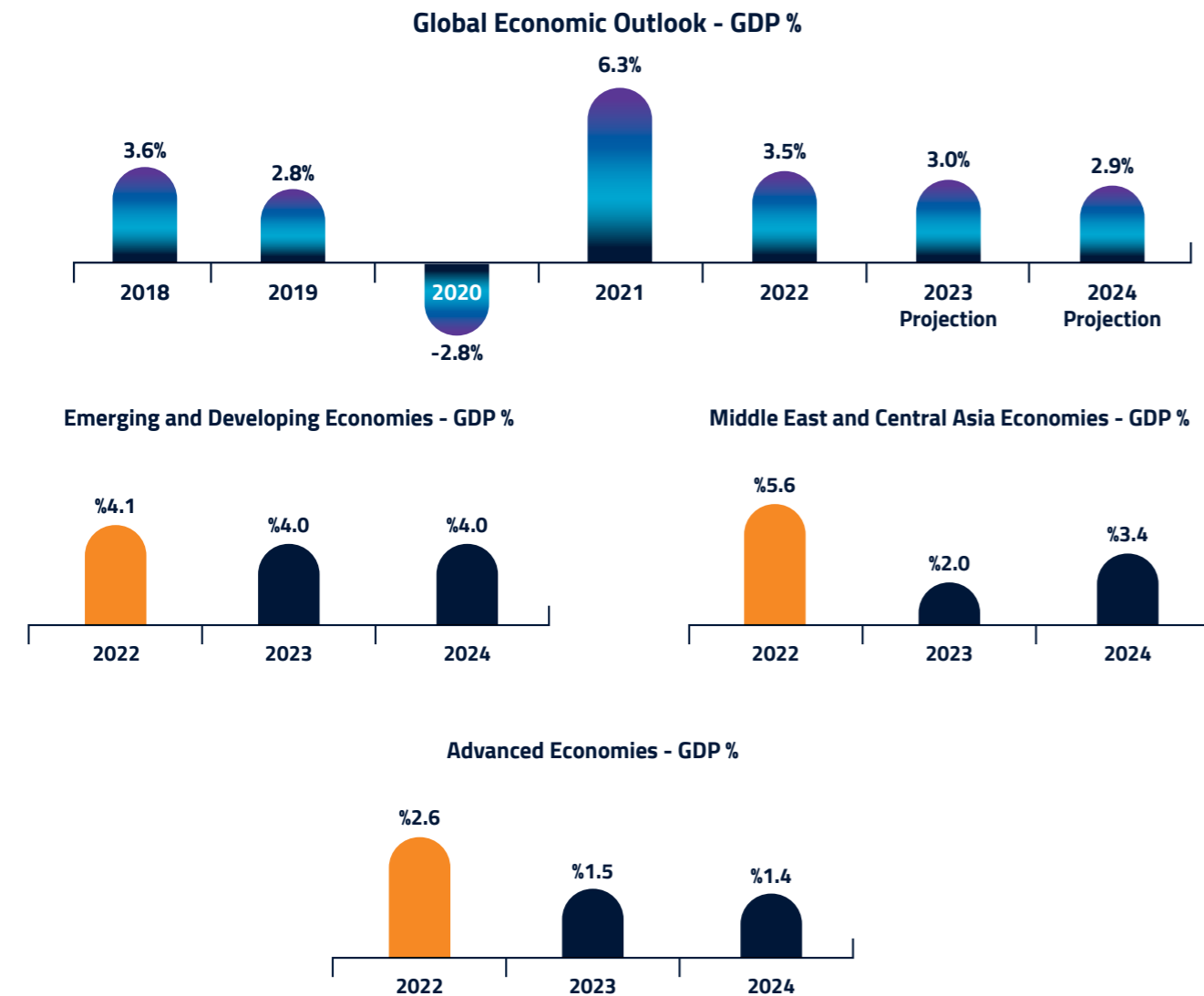
**Analysis of Financial Position and Business Results
for the Year 2023**

Our Goals for 2024

**Additional Information as Required by the Jordan
Securities Commission 2023**

Economic Performance 2023

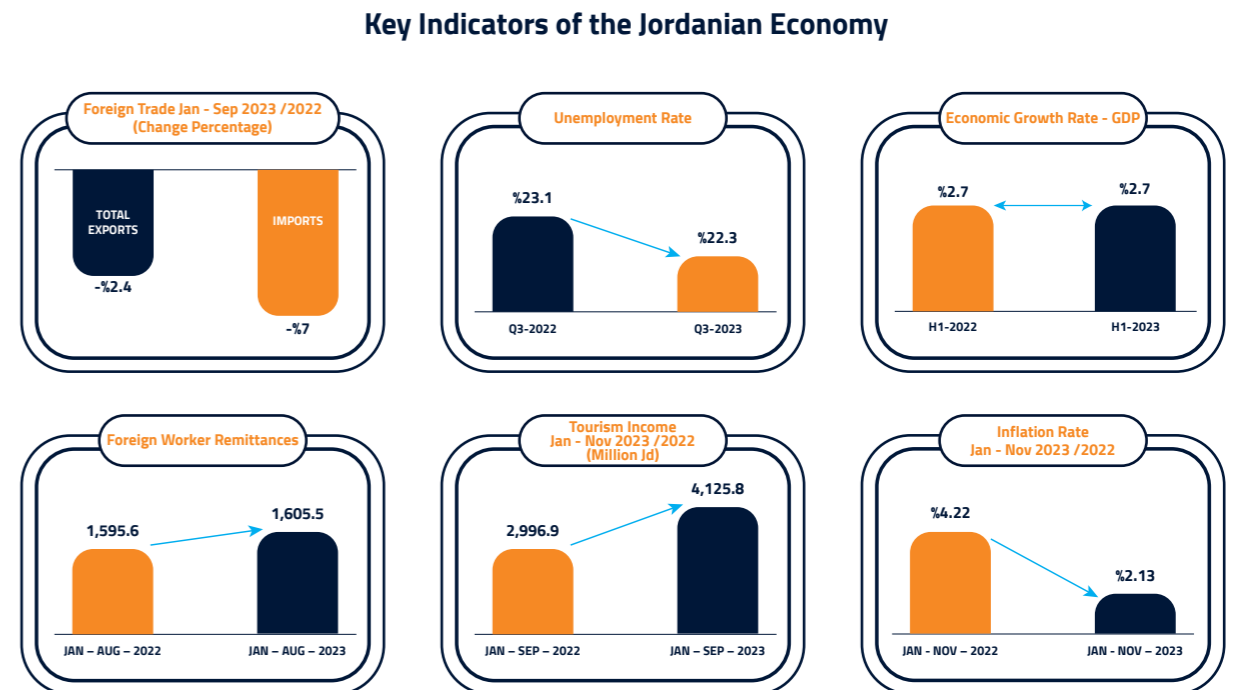
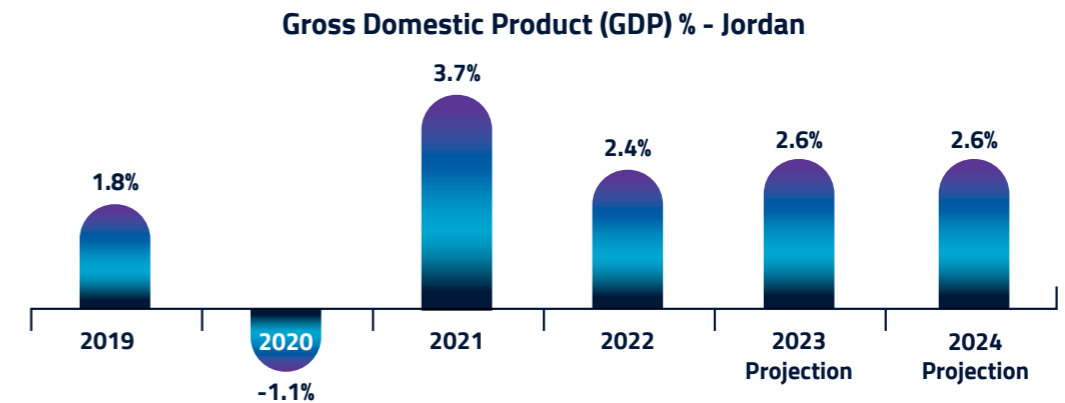
According to IMF forecasts, the global economy is expected to slow down from 3.5% in 2022 to 3% in 2023 and then to 2.9% in 2024. These rates are still below the historical average of 3.8% (2000-2019). These expectations come considering the continued implementation of tight monetary policies from most countries of the world to curb the inflationary wave. Many countries are still struggling to rein in high inflation. However, more time seems needed before inflation comes under control. In the meantime, there is a growing concern that these tight policies, especially "raising interest rates," will negatively affect economic activity. Global inflation is forecast to decline steadily from 8.7% in 2022 to 6.9% in 2023 and 5.8% in 2024 due to tighter monetary policies, supported by a decline in international commodity prices compared to last year.



Domestically, most of the Jordanian economy's indicators witnessed a significant improvement in their performance during the year 2023 compared to 2022. Jordan maintained macroeconomic stability in the face of successive external shocks, reduced fiscal and trade imbalances, worked to strengthen social protection networks, and maintained access to global financial markets.

Significant progress has been made in implementing structural reforms to promote inclusive growth and meet all commitments and requirements related to the seventh review of the IMF Agreement. This helped reach an agreement on a new four-year program with the IMF under the IMF's Extended Agreement (EFF) that will enable Jordan to borrow US\$1.2 billion. The objectives of the new program are to support Jordan in facing new shocks, continue fiscal consolidation policies, put public debt on a low curve, maintain financial and monetary stability, and accelerate structural reforms to support growth and promote job creation. Jordan's economy is expected to grow by 2.6% in 2023. Fitch Ratings also announced the affirmation of Jordan's rating at -BB with a stable outlook for its ability to meet long-term obligations in foreign currency. This occurred after reaching a financing agreement with the International Monetary Fund amid geopolitical risks due to the ongoing war in the Gaza Strip.

The year 2023 witnessed the implementation of the initiatives and objectives of the Economic Modernization Vision in accordance with its first executive program, 2023-2025. The program included a large number of priorities that focused on developing the economic legislative environment, adopting structural reforms that enhance the competitiveness of the Jordanian economy, and working to promote a number of major and strategic projects to create added value to economic activity.



Gross Domestic Product:

During the first half of 2023, GDP at constant prices grew by 2.7% compared to the same growth rate recorded in the first half of 2022. According to the IMF, the Jordanian economy is expected to achieve a growth of 2.6% during 2023 and 2024. The growth in real GDP was the result of most economic sectors achieving growth in performance during the first half of 2023. Most notably, agriculture, extractive industries, restaurants and hotels, transportation, storage and communications, financial services, and insurance.

Economic Sectors' Growth Comparison



Regarding the overall price level (inflation rate) until the end of November 2023 at the cumulative level, the index witnessed an increase of 2.13% compared to the same period in 2022.

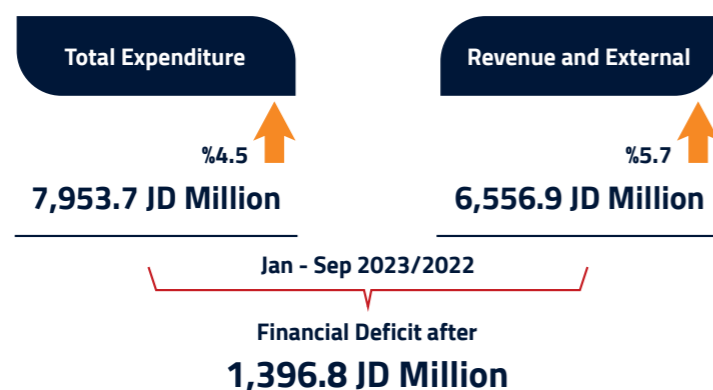
Public Finance

The total domestic revenues and external grants of the central government increased during the first nine months of 2023 by JD 352.5 million and by 5.7% to reach about JD 6.6 billion. External grants during the first nine months of 2023 amounted to JD 38.7 million compared to JD 125.2 million during the same period of the previous year, a decrease of about JD 86.5 million. While domestic revenues during the same comparison period amounted to JD 6.5 billion compared to JD 6.1 billion, an increase of JD 439 million, equivalent to 7%.

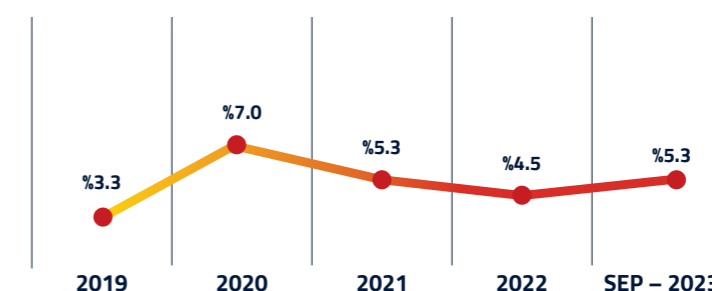
Meanwhile, the total expenditure of the central government during the first nine months of 2023 amounted to about JD 8 billion compared to JD 7.6 billion during the same period of the previous year, recording an increase of JD 342.2 million, or 4.5%. This increase in total expenditure was due to an increase in current expenditure by JD 533.6 million or 8.1% and a decrease in capital expenditure by JD 191.4 million or 19.2% during the same comparison period.

Thus, previous developments resulted in recording a fiscal deficit in the public budget of the central government / the budget during the first nine months of 2023, after grants, of about JD 1.39 billion compared to a fiscal deficit of JD 1.4 billion during the same period of the previous year. In terms of the budget deficit before grants, it amounted to about JD 1.4 billion during the first nine months of 2023, compared to a fiscal deficit of about JD 1.5 billion during the same period of the previous year.

Public Financial Indicators



Public Budget Deficit after Grants Percentage to GDP



Following the developments in internal and external indebtedness, the total public debt at the end of September 2023 amounted to about JD 40.7 billion, or 111% of the estimated GDP for the end of September 2023, compared to JD 38.5 billion at the end of 2022, or 109% of the GDP at the end of year 2022. Note that the indebtedness of the National Electric Power Company and the Water Authority amounted to about JD 8.8 billion.

Regarding the total public debt (internal and external), excluding what is held by the Social Security Investment Fund, it amounted to JD 31.8 billion, or 88.7% of the estimated GDP by the end of September 2023, compared to about JD 30.7 billion, or 88.8% of GDP for 2022.

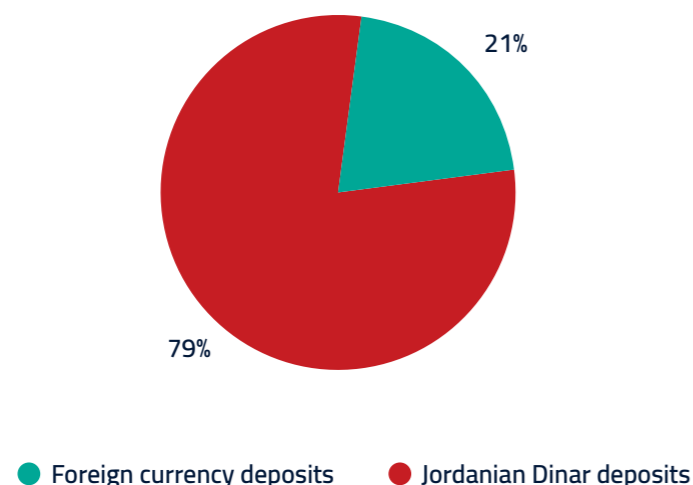
Monetary Banking Sector:

The banking sector is one of the main sectors affecting the economic activity of Jordan, and its contribution to the GDP reaches 8%, due to the size of the sector and its close interdependence with other economic sectors. The banking sector indicators witnessed a significant improvement in operating activities, which was positively reflected in the growth of banks' operating profits and profits after tax in the first nine months of 2023. Deposits grew by 2.9% until the end of October 2023 and credit facilities grew by 2.2%. Credit facilities granted to the private sector (resident and non-resident) constituted 91% of the total credit facilities granted as of the end of September 2023. The Central Bank of Jordan continued to maintain monetary stability, which is a major macroeconomic pillar, achieving economic growth and attracting investments. The announcement by the Financial Action Task Force (FATF) of removing Jordan from the grey list came in recognition of the effectiveness of the National Anti-Money Laundering and Combating the Financing of Terrorism system and as a result of the efforts made by the Central Bank of Jordan and all relevant national institutions.

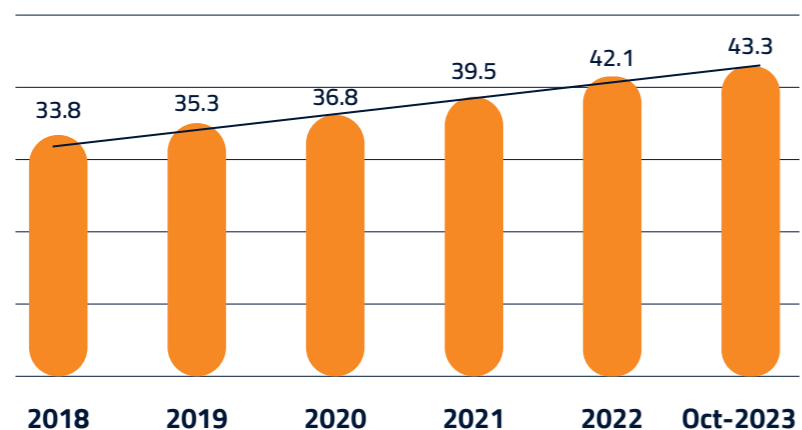
Key Financial Stability Indicators of Banks Operating in Jordan	First half 2022	First half 2023
Capital adequacy ratio The percentage is higher than regulatory bodies' requirements	17.1%	17.4%
Legal liquidity ratio Central Bank of Jordan requires a minimum of 100%	136.7%	135.8%
Non-performing debt ratio to total facilities The percentage is low and within safe levels	4.6%	5.0%
Coverage ratio for non-public debts indicating lower credit risk	83.4%	78.9%

On the performance of the banking sector indicators, domestic liquidity at the end of October 2023 amounted to JD 42.4 billion, compared to JD 41.7 billion at the end of 2022, an increase of 1.6%. The balance of banking sector deposits increased by about JD 1.2 billion and by 2.9% at the end of October 2023 compared to the end of 2022 to reach JD 43.3 billion, compared to JD 42.1 billion at the end of 2022. Most of the increase was in Jordanian Dinar deposits by 3.8% to reach JD 34.1 billion, while foreign currency deposits decreased by 0.4% to reach JD 9.2 billion.

Deposits by Currency - Oct 2023



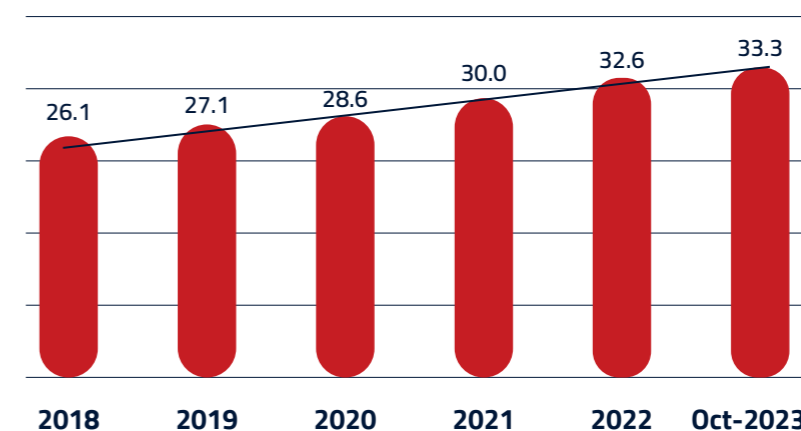
Total customer deposits with licensed banks - JD billion



Total Banking Sector Deposits	JD 43.3 billion
Total Banking Sector Facilities	JD 33.3 billion
Total Assets of the Banking Sector	JD 65.3 billion

As for credit facilities, at the end of October 2023, they recorded a growth of JD 728.4 million by 2.2% compared to their balance at the end of 2022, to reach about JD 33.3 billion. The most significant sectors to contribute to growth were the retail sector (other), which contributed about 51%, the services and utilities sector by 18.5%, the financial services sector by 18.6%, and the general trade sector by 13.4%. The banking sector's assets have risen to around JD 65.3 billion and by 1.7% compared to its balance at the end of 2022.

Direct Credit Facilities Granted by Licensed Banks - JD billion

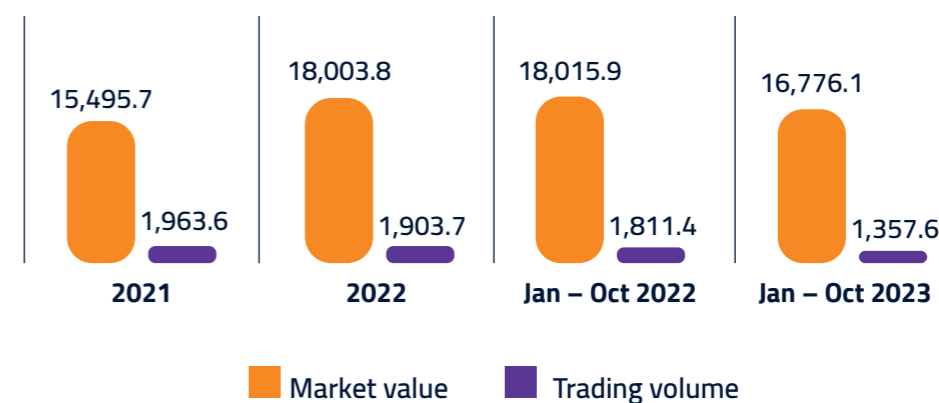


Weighted average interest rates in the banking market witnessed an increase during the first ten months of 2023. Weighted average interest rates on term deposits reached 5.89% compared to 4.61% at the end of 2022. They also increased on loans and advances to become 9% compared to 8.3% at the end of 2022. In addition, the lending prime rate to the most creditworthy customers increased to reach 11.39% compared to 10.8% at the end of 2022.

Financial Market Activity

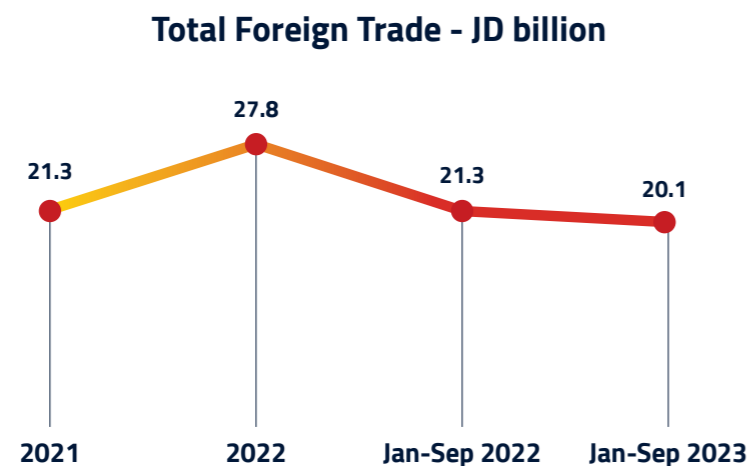
The performance of the Amman Stock Exchange in 2023 witnessed a decline in most of its indices compared to 2022. The trading volume during the first eleven months of 2023 decreased by JD 455 million, a decrease of 25% compared to the same period of 2022. The market capitalization of shares listed on the stock exchange was JD 16.8 billion until November 2023, a decrease of about 7% compared to the market cap of the same period of 2022. The market capitalization-weighted price decreased to 4317.9 points at the end of November 2023 compared to 4731.4 points at the end of the same period of 2022, a decrease of 7.6%. The contribution of non-Jordanians in listed companies at the end of November 2023 is 47.4%.

Key indicators in the Amman Stock Exchange - JD million



Foreign Trade:

The total foreign trade (national exports and imports) during the nine months of 2023 decreased by about JD 1.2 billion, and by 5.5% compared to the same period of the previous year, to reach about JD 20.1 billion. Total exports recorded JD 6.8 billion, a decrease of 2.4%. The US market ranked first among export countries, comprising 24% of the total national exports, followed by the Indian market with 15%, and the Saudi market with 12%. As for Jordan's imports during the first nine months of 2023, they decreased by about one billion Jordanian Dinars, by 7% to reach about JD 13.8 billion. The Chinese market ranked first among import countries with 17%, followed by Saudi Arabia with 14% and the US market with 7%. As a result of developments in foreign trade, the trade balance deficit decreased to JD 7.1 billion, by 11% compared to the same period in 2022.



Economic Performance Outlook 2024:

The global recovery from the COVID-19 pandemic and the Russian invasion of Ukraine remains slow and unbalanced. Despite the progress made in reducing the tightening of monetary policy at the level of major global economies, the return of inflation to the target level is expected in 2025. In terms of global economic growth for 2023 and 2024, it is expected to achieve 3% and 2.9%. This is still below the pre-pandemic average of 3.8% historical growth. Economic growth in advanced countries has slowed due to persistently high interest rates prevailing to curb inflation and supply chain disruptions caused by geopolitical tensions.

Regionally, in terms of the Middle Eastern and Asian economies, and as a result of the Kingdom of Saudi Arabia's reduction in growth expectations in 2023 as a result of the announced oil production cuts, as well as the reduction in growth expectations in Sudan as a result of the ongoing conflict, and the impact of the war on the Gaza Strip, economic growth is expected to slow from 5.6% in 2022 to 2% in 2023. The amount of the Gaza Strip war's influence on the region is unknown in 2024, as it will be determined by the conflict's duration, severity, and scope.

Each of the countries surrounding the conflict zone will suffer from negative economic impacts, especially Jordan, Egypt and Lebanon, particularly in the tourism and trade sector. Higher uncertainty about the conflict will lead to lower investment and spending, as well as higher borrowing costs for these countries.

Domestically, in terms of the draft general budget law for government departments for the next fiscal year 2024, public revenues were estimated at JD 10.3 billion, an increase of 8.9% over 2023, distributed among local revenues of JD 9.5 billion, without imposing any new taxes or an increase in the current taxes. External grants were estimated at JD 723.7 million. In the general expenditure item, the draft general budget for the next fiscal year estimated the total expenditure at JD 12.4 billion, a growth of 9%. Public expenditures are distributed among current expenditures by JD 10.6 billion; the other part goes to the capital expenditure item, which was estimated in the draft general budget for 2024 at JD 1.7 billion, an increase of 11.8%. The deficit after grants and aid was estimated at JD 2.07 billion. Regarding independent government units, the total revenues for the year 2024 were estimated at JD 852.3 million, the total expenditures for the year 2024 were estimated at about JD 1.7 billion, and the deficit was estimated at JD 809.6 million.

Activities and Achievements 2023

In 2023, the Bank continued to implement its growth and innovation strategy that contributes to achieving sustainable value and results for customers and shareholders. The year 2023 saw great successes as the bank realized many achievements. The bank's efforts focused on pursuing growth, enhancing levels of digitization for its products, and expanding the use of its digital channels. Development and innovation are also considered key pillars of all strategic initiatives, supporting the bank in achieving competitive advantage, providing the best possible value for customers, and continuing the growth of its banking activities.

We strived to strengthen our regional presence and propel the bank's business expansion strategy in the region, whose markets are witnessing remarkable growth and promising opportunities. This growth will positively reflect on the services provided to our existing and future customers. The bank continued establishing its business in Iraq through its branch in Baghdad. The Baghdad branch works to provide financial and banking services that meet customers' needs and are in line with the best international practices in the field. Furthermore, the bank's presence in Iraq enables us to broaden our services to our corporate clients in Jordan and Iraq.

The bank demonstrated its strategy of strengthening its regional position and diversifying the markets in which it operates. The bank fulfilled the requirements of establishing a business in Saudi Arabia. The Kingdom promises lucrative investment and economic opportunities, with advanced technical infrastructure across the country.

The bank continued paying special attention to the banking services and products provided to the corporate and institutional sectors. At the beginning of 2023, the bank established a corporate and institutional banking division (CIB). The division offers a distinguished set of integrated and high-value financing banking solutions and services in line with customers' needs and activities. CIB aims to serve the needs of the bank's customers in various economic sectors, helping them achieve their financial goals. It serves all customer segments in Jordan, Palestine, Iraq, and Bahrain through the bank's local and foreign branch networks spread across the Arab region, and it has launched the BOJ Business banking application.

Digitization is one of the bank's strategic priorities. Customer needs and requirements cannot be met efficiently and securely without the use of digital developments. Therefore, the bank has improved operations and the level of service provided. This has reduced costs while satisfying customer needs in innovative, easy, and secure ways to ensure better risk management. Most services provided in the bank's branches are now performed through electronic channels.

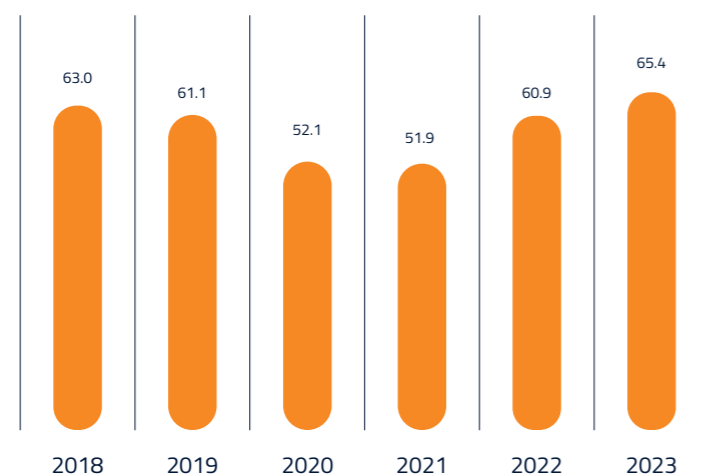
In parallel, the bank established a groupwide enterprise data and information management center. It formed the bank's future strategy by identifying new risks and opportunities for growth to improve performance, improve customer experience, and increase profitability. In addition, the bank worked with a leading consulting firm in brand building and development to build the bank's identity with top international standards, which was in line with the bank's future strategy. A unified corporate identity was developed within a vital framework. A unified corporate identity will promote the bank's distinguished image and achieve the bank's vision of leadership and excellence. Its significance is based on the bank's achievements, current resources, and capabilities. It aims to achieve more openness to global markets, build competitiveness, and keep up with rapid changes in customer needs and requirements. The identity represents a framework for change that maximizes gains, enhancing the bank's distinguished position. The identity portrays our professional commitment as a bank to persistently achieve progress and keep up with the changes of this era, with confidence, determination, and a positive spirit full of energy and vitality to reach the desired excellence.

The bank achieved sustainability requirements under the ESG umbrella by applying environmental, social, and corporate governance (ESG) standards. The bank worked with a consulting firm to develop a new strategy and roadmap for special initiatives in this regard. Implementing the comprehensive and integrated strategy began to improve the bank's level of service and overall performance. Bank of Jordan's first sustainability report was completed in 2023.

Financial Results:

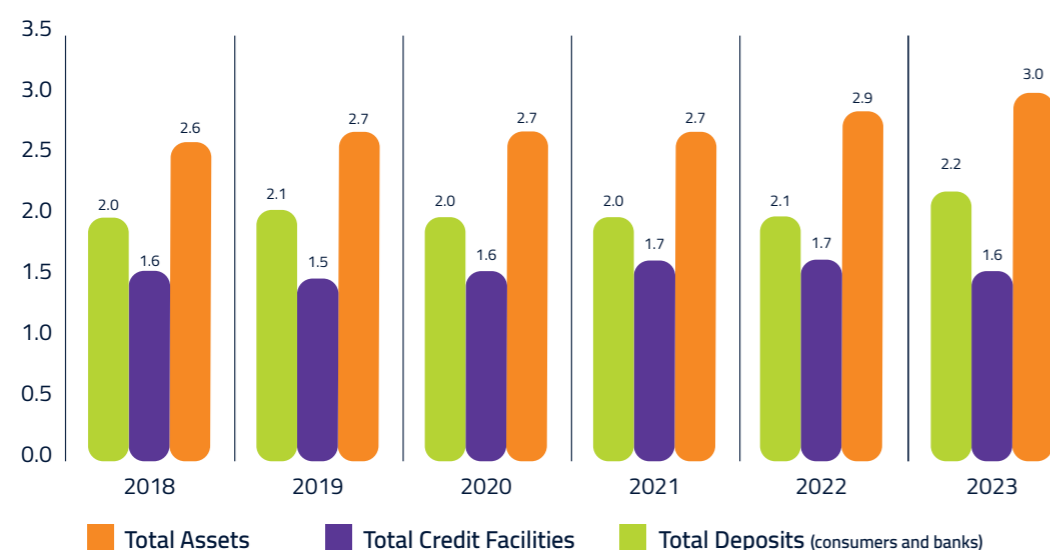
Bank of Jordan continued achieving positive financial results in line with the Bank's comprehensive strategic approach, whereby it efficiently and sustainably challenged variable economic conditions and intensified market competition. Thanks to its precautionary approach, BOJ maintained its business stability, achieving sustainable growth with the highest risk management standards. Net shareholder profit was JD 44 million at the end of 2023, an increase of 9.7% compared to the end of 2022. Likewise, operational profit (net interest and commission revenues) increased by 16% to JD 159.2 million, representing approximately 95% of gross income.

Evolution of Net Profit Before Tax (JD Million)



Total assets increased to approximately JD 3 billion at the end of 2023, an increase of 5.3% compared to the end of 2022. Shareholders' equity was JD 524 million. Regarding fund investments and utilization, BOJ worked to thoughtfully diversify and expand the same within the scope of creditworthy portfolios. Accordingly, BOJ's securities portfolio increased by 10.3% to JD 403.4 million, whereas the credit portfolio (at amortized cost) was JD 1.4 billion, a decrease of 5.2%. Regarding sources of funds, consumer deposits rose by JD 152.7 million, or 7.6%, compared to the end of 2022, reaching about JD 2.2 billion at the end of 2023.

Evolution of Financial Position Items (JD Billion)



The coverage ratio of non-performing facilities (after deducting related interests and insurance) reached approximately 88.07%, considered one of the best ratios in the banking sector. Regarding liquidity indicators, the Bank has liquidity levels that comfortably exceed the ratios required by regulatory authorities in its operating countries. The legal liquidity ratio reached 156% as of the end of 2023. The regulatory capital adequacy ratio amounted to 21.4%, higher than the approved ratio required by Basel III and the regulatory authorities.

Bank's Competitive Position:

Bank of Jordan maintained its financial and competitive position despite the economic and geopolitical challenges in the countries in which it operates. The bank continued applying its credit and investment policies. The bank maintained a healthy credit portfolio through investment and effective use of funding sources from productive economic activities while responding to market changes. The Bank of Jordan-Jordan achieved a market share of 3.7% for customer deposits. Meanwhile, credit facilities recorded 3.78% at the end of September 2023. As for the market share of the Bank of Jordan-Palestine in relation to the Palestinian banking sector, it was 3.69% and 3.62% in customer deposits and credit facilities, respectively, at the end of September 2023. In the Bank of Jordan-Syria, the market share of the total traditional private banks amounted to 8.7% and 10.3% in customer deposits and credit facilities, respectively, at the end of June 2023.

Business sectors:

Personal banking, digital services, and communication channels:

Personal Banking Services:

The bank continued its development operations to improve the products and services offered to the retail customer sector and design them to meet their requirements and expectations. The bank also continued to provide advanced digital solutions and improve customer experience in line with the latest developments in the banking industry.

Regarding account products, the bank launched a savings account campaign titled "The Biggest Daily Prize." This campaign offered one daily winner a prize of JD 9,999, in addition to a prize of JD 100,000 for two winners each, at the end of June. It also offered half one million dinars at the end of the year for 5 winners, each winner getting a prize of JD 100,000. In addition, the bank launched the Smart Saver savings account product, which brings customers the highest monthly returns and many privileges. The Smart Saver product aims to enhance a savings mindset among its customers and rewards them for their loyalty and trust. This account was launched through the BOJ Mobile app, in addition to the two products, time deposits and certificates of deposit in Jordanian Dinars and US Dollars. All these aim to provide various savings products to customers so that producers of time deposits and certificates of deposit are characterized by investing funds with high and competitive levels of return and flexible linking periods.

To promote financial literacy in the future generation, Bank of Jordan renewed the "Sanabel" savings account campaign, which enables parents to save for their children's future quickly and easily. The campaign includes special and valuable prizes: 10 IPAD winners per month, plus JD 2,000 in cash (school fees) at the end of July and August. In addition, the opportunity to enter the draw for savings account prizes and receive the highest return of up to 20%.

Regarding car loans, the bank launched the campaign (During the Holy Month of Ramadan, 100% of Your Car Financing On Us), the first of its kind in Jordan. The "Go Green" campaign to finance the purchase of electric and hybrid cars has been renewed with competitive advantages and concessional terms. In addition, adopting new showrooms, agencies, and inspection centers to expand the bank's relationships in the automotive market and participate in automotive events contributed to increased car loan sales.

To increase the bank's acquisition rate in the market of real estate loans and provide financial solutions that meet the desires of customers, the "Home Renovation Campaign" was launched. The campaign had a loan ceiling and repayment period suitable for customer needs. In terms of personal loans, a campaign was launched to guarantee cash insurance for grants with the lowest margin in the banking market. This is reflected in strengthening the balances of deposit accounts and cash insurance. Additionally, doctors' personal loan programs (specialists and dentists) were modified to suit their needs and raise their attractive proposition for target segment customers.

As part of the bank's endeavor to provide its customers with valuable and distinctive offers to keep up with their lifestyle and meet their needs, Bank of Jordan continued during 2023 to enrich the points installments and cashback programs for credit cards by launching more than 20 campaigns, in addition to expanding the scope of the discount program for debit cards to reach more than 90 various destinations. Bank of Jordan continued in 2023 to provide customers with valuable offers that meet their lifestyle needs. The bank continued enriching the credit card points, installments, and cashback programs by launching over 20 campaigns. It also expanded the scope of the debit card discount program to cover more than 90 entities.

The bank's branches in Palestine kept developing products and services to meet customers' needs and expectations. Among the most prominent achievements in this field is the launch of the savings accounts campaign. The campaign offered prizes worth 200,000 Shekels on Eid al-Adha, divided among 20 winners, for each winner 10,000 Shekels. Additionally, a campaign named "All Branches are Winners" was held at the end of July and September. One winner from each branch won a prize of 50,000 Shekels, and one winner won a grand prize of 500,000 Shekels at the end of the year. In addition, the savings product for children, "Sanabel," helps them secure their future by obtaining high returns, entering periodic savings draws, and a monthly PlayStation console prize from June until December 2023, in addition to special welcome gifts.

The term deposit product has also been developed to encourage clients to invest their money with competitive returns and flexible term periods. The personal loan campaign was also renewed with new and competitive benefits and the Shekel lending campaign for personal and mortgage loans. An exclusive campaign was launched with Peugeot and Citroën for auto loans with multiple benefits and easier execution procedures. Regarding real estate loans, the bank launched a cashback campaign and renewed the mortgage buyback campaign with unique benefits. The campaigns are part of the bank's constant efforts to serve customers and fulfill their desires and dreams with easier and more affordable terms. The bank also launched a series of promotional campaigns and programs for cards in its branches in Palestine. It also launched promotional campaigns to download and use the "BOJ Palestine" mobile banking application. In support of the National Financial Inclusion Strategy in Palestine, the bank continued the financial inclusion accounts to empower individuals and self-employed people - according to specific criteria - to access banking services through various traditional, electronic, and digital channels.

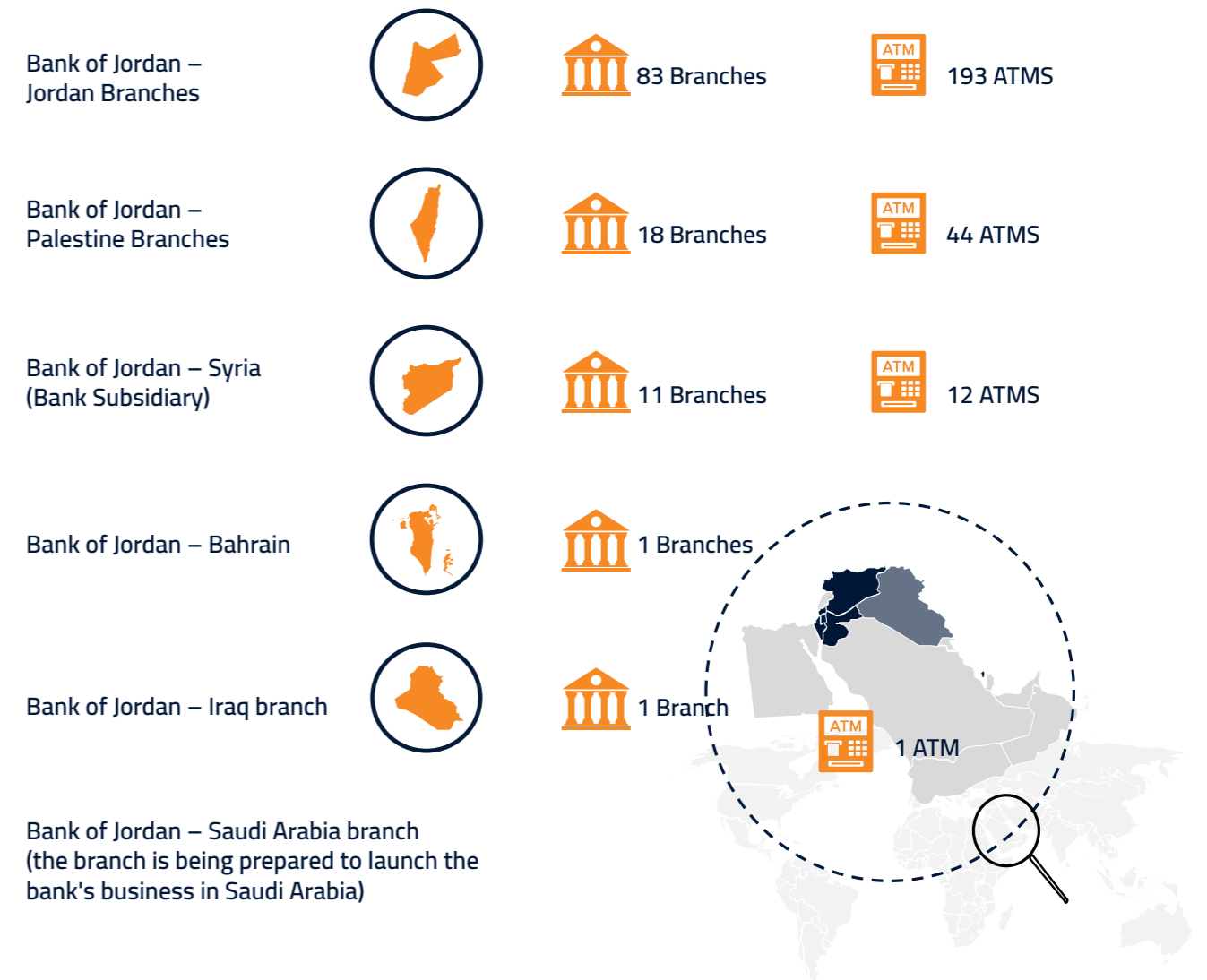
Digital Services and Communication Channels:

Bank of Jordan's strategy aims to adopt and employ the latest digital technology in the banking industry. The bank continued to update its digital services, including developing its digital infrastructure and tools for communicating and interacting with customers. This is part of the bank's continuous endeavor to improve customer experience, simplify banking operations, and elevate its banking service chain to new heights of excellence.

The bank continued to diversify and develop its communication channels and digital services through:

- BOJ Mobile App includes a wide range of digital banking services that allow Bank of Jordan customers to complete many banking transactions online through smartphones and tablets. BOJ Mobile App provides a smoother and more streamlined experience through its elegant and modern design. It facilitates navigation between all features and services. The latest version of the BOJ Mobile App includes several new services to empower customers and improve the level of service.
- ATM service allows customers to conduct financial and non-financial banking operations around the clock, using straightforward and advanced technologies of the latest payment systems in the region. Contactless payment services have also been introduced to enable and provide ATM services to customers without inserting the card into the ATM.
- SMS service allows customers to be instantly notified of most financial transactions on their accounts by sending SMS messages to their mobile phones.
- Interactive ATM services allow customers to conduct many banking transactions and services easily, efficiently, and securely. The bank's ATM services use innovative interactive visual technology, integrating video and audio communication. ATM users may communicate with a customer service employee in real-time and for extended hours after official working hours.
- Call Center and Phone Banking (IVR): Bank of Jordan provides both Phone Banking (IVR) and Call Center services with the highest technical standards to meet customers' banking needs. These services enable customers to conduct many banking transactions around the clock, seven days a week, without the need to visit the branch.
- Banking Services via Zoom: This service enables the customer to open a bank account by visiting the bank's website and choosing the account opening feature via Zoom. It provides the customer with the option to complete this process through the branch staff or the call center through the call recording feature and complete the conditions for opening the account without the need to visit the branch.
- Branches and ATMs: The bank is always exploring opportunities for growth and expansion by opening branches and installing new ATMs in vital and commercial areas to serve customers. Moreover, branches and ATMs may be located using the BOJ Mobile application.

Bank of Jordan's geographical presence through its foreign branches and subsidiaries:



In 2023, new services and enhancements to the BOJ Mobile app were launched by the Innovation Lab, which contributed to the advancement of digital and banking services through several updates. Among the most prominent services and enhancements launched on the BOJ Mobile app is Apple Pay, which enables the bank's customers to add their own payment cards to enjoy paying through mobile phones instead of plastic cards. The BOJ NET service was also launched to enable Bank of Jordan - Jordan customers to transfer to Bank of Jordan - Palestine customers through the app immediately and free of charge, enabling our customers to benefit from the Bank of Jordan regional network.

Customers can also view and issue credit reports through the BOJ Mobile app and in partnership with CRIF Jordan. The digital ID activation service was also launched in partnership with the Ministry of Digital Economy and Entrepreneurship to support the Ministry's efforts in digital transformation and facilitate this process for customers.

A set of new enhancements and features were added to the banking app, including improvements to the card limit control services provided through the app and warning messages related to the services provided. The improvements also included displaying discounted interest rates for customers as part of the interest rate reduction initiative.

A set of services and improvements have been added to the BOJ Mobile Palestine app, including E-SADAD service through the banking app, which enables customers to inquire about their bills and pay them electronically. Apple Pay has also been launched in Palestine branches, enabling customers to link their cards and pay through mobile.

In line with the bank's constant endeavor to provide the latest services to customers, the bank continued to provide a range of services via the Zoom app through the Contact Center. These included requesting the opening of all types of accounts, whether current accounts, savings, or Sanabel. In addition, setting up term deposits, breaking and closing a term deposit, and updating data for customers outside Jordan were all possible via Zoom.

The bank is moving at a balanced pace towards a new era in financial technology services. It has an ambitious and promising plan for digitization and electronic services. The bank seeks to make a qualitative leap that includes employing the latest technological and digital applications to provide the best banking services.

Corporate and Financial Institutions Sector Management (CIB)

The bank continued paying special attention to banking services and products provided to the corporate and institutional sectors. At the beginning of 2023, the bank established a corporate and institutional banking division (CIB). The division provides a distinguished set of integrated and high-value financing banking solutions and services in line with customers' needs and activities. CIB aims to serve the needs of the bank's customers in various economic sectors, helping them achieve their financial goals. It serves all customer segments in Jordan, Palestine, Iraq, and Bahrain through the bank's local and foreign branch networks spread across the Arab region and the bank's operations in future countries.

CIB has been able to build a solid base of distinguished customers. The division is creating a banking experience characterized by quality and excellence by providing dynamic, pioneering products and solutions that meet customer needs and complement the bank's customer base as a whole. Customers located in Jordan, Palestine, Iraq, and Bahrain are served with the same frequency, professionalism, and transparency, with high levels of service.

The CIB division at the Bank of Jordan has expanded its scope of work to include large corporate services and medium and small business services, in addition to financial institutions and commercial banks. This well-thought-out service expansion has achieved outstanding financial performance and positive results thanks to prudent banking management and credit risk levels, deep experience in the field of banking finance, and attention to the digitization of products and operational processes.

The corporate service sector was keen to provide banking and financial services to customers according to the financing need, the specificity of the sector, and the customer's activity. It focuses primarily on quality and speed of service. Additionally, it focused on financing customers' activities and projects while maintaining the quality of the credit portfolio. An efficient cadre of highly qualified bankers is helping customers build strategic and financial decisions and plans. The readiness of relationship managers to face market challenges and develop their capabilities in all aspects is vital to the bank. The bank is also keen on enhancing its marketing capabilities by adopting modern marketing methods and tools to remain competitive and preserve its market share.

On the other hand, the large corporate sector serves clients from multinational companies, the government and semi-governmental sectors, and public and private shareholding companies. In 2023, the division increased the bank's market share and the size of the credit portfolio by financing several major projects. The bank has built, developed, and improved business efficiency by offering a wide range of products under the umbrella of transaction banking and financial market sales.

Through the SME sector, the bank continued to meet the financing needs of this sector through integrated banking solutions suitable for customers' activities. This comes in line with the bank's belief in the role of these institutions in stimulating the national economy and creating job opportunities for citizens. The SME sector works through a specialized team of relationship managers in the governorates of the Capital, Zarqa, Irbid, and Aqaba, to communicate continuously with customers and provide them with services at the highest levels.

The bank has strengthened its regional presence through Palestinian, Iraqi, and Bahrain branches. The move allowed for the building of new regional partnerships and the expansion of the provision of financial solutions and trade finance products to sovereign funds, corporations, and financial institutions by participating in syndicated loans and securities investments in the MENA region. Thus, the bank's position in the region is increasing, and its relations with financial and banking institutions are strengthening.

The bank has paid great attention to digitizing banking and financial services solutions for all CIB customers. The bank's plans to drive digital transformation by providing flexible, advanced, and comprehensive banking solutions for companies were translated into the BOJ Business Banking service. The service provides the bank's customers with an integrated banking experience that includes completing and following up on banking transactions with ease, speed, and security. It also offers account management, cash management services, and trade finance. This enhances the added value Bank of Jordan provides in terms of presence, spread, expansion, financial service and financial solutions. The BOJ Business Banking platform will be available to all CIB customers in all countries to facilitate the movement of funds, cash management, and trade finance.

Financial leasing services:

The bank continued to provide financial leasing services based on lease-to-own to meet the needs of its customers, who were not inclined to deal with traditional financing methods. The financial leasing services expanded the range of services to include all asset purchases such as production lines, trucks, buses, and various machinery, devices, and equipment. Through Jordan Company for Financial Leasing, the bank provides financial leasing services for real estate to individuals and companies from all sectors. The financial leasing service is available to individuals, institutions, and companies in many sectors: medical, industrial, real estate, transportation, telecommunications, and other services.

Organization, Operations, and Technical Infrastructure:

Bank of Jordan continued to develop its operational environment and technological systems to keep up with current and future requirements. The bank developed its foreign branches and subsidiaries to enhance the level of service provided to customers and ensure the flow of service through the various branches and departments in the bank. The bank has provided all the required support from internal and external human resources to accelerate the completion of key strategic projects.

During 2023, organizational studies were prepared, a number of departments were developed, and departments were created in accordance with the best practices in this regard. It aimed to fulfill the bank's requirements, enabling it to improve its business and develop its service environment. The most prominent achievement in this field is reorganizing the business sector. The corporate and financial institutions sector (CIB) organization was completed in all its departments, at the Jordan branch level, and foreign branches as a whole. This enhances the importance of this sector, enabling it to achieve targeted growth in the local market and targeted foreign markets within the plans of external branching.

During the year, the Treasury Department was also reorganized in accordance with the business model presented and approved for this department, enabling it to carry out its required tasks. The organization process included all the tasks and functions of the department across branches in Jordan and in external branches as a whole, according to best practices and the developments and technological advances in the banking sector. The concept deviates from traditional models and leads to business development.

During the year, the bank's branches were also reorganized through the concept of Clustering. Branches were redistributed into groups to raise the level of service provided and increase the branches' operational efficiency in a way that reflects the needs of the market and customer segments. The first phase of this organization has been implemented and will be completed during the year 2024 in line with the results achieved. The organization of customer segments was also constructed in the Palestine branches, and the retail banking department was updated accordingly. The concept focuses on customer segments and the quality of service provided to them according to each of these segments' needs, which will positively affect profitability and business development.

During the year, the organizational structures of many of the bank's other support departments were also reorganized groupwide. This included the Human Resources Department, where a new business model was adopted for the department's management. Functions concerned with institutional development were adapted to the human resources strategy and modern best practices consistent with process streamlining (Agility). Studies were also prepared for internal audit departments and other changes, including the general administrative structure.

The bank also restructured the financial and enterprise data management groupwide across the Bank of Jordan Group. PWC consulting company was hired to study, develop and upgrade the work of financial management and enterprise data management in line with international best practices and in a way that helps the bank achieve its future goals. The organizational structure of financial management was rearranged by establishing several specialized departments in economic management that operate centrally on the banking group level. In addition, the financial business partnership manager positions for each sector should be updated to help them achieve their goals. As for the new organization of data management, it was consistent with the bank's vision of achieving its strategic objectives by moving from the Data Centricity stage to the Data-Driven stage. A plan was developed to implement a new business model for this purpose, divided into three phases. The plan comprised enterprise data management to be governed groupwide by a specialized unit. The second unit will manage data and information systems, including data engineering, design, and institutional reports. The third unit will be concerned with data analysis in a way that contributes to and helps the business sectors in the bank develop their business and improve the services provided according to the data provided to them. The new business model also included creating the Data Business Partnership Managers position for banking sectors and core departments.

In 2023, work was done on the Enterprise Content Management System (ECM) project. Many services provided by branches and electronic channels were reorganized based on time and motion studies by the Business Process Management component in the system in a non-traditional pattern through re-engineering some processes. Upgrades related to workflows were completed during the year, including opening accounts, whereby the RBA risk degree calculation methodology for individual transactions was applied. The paths for opening accounts for companies have also been updated. In addition to the above, a methodology has been used for chequebook requests so that the process of verifying the requirements of granting the book to the customer is carried out automatically through the automated system within a model that was built for this purpose. In addition, many service-related paths were updated for the services offered. They were set up on ECM to benefit from the system's advantages, speed of execution, and accuracy in documentation. The bank is currently working on preparing an action plan for ECM in 2024. The plan aims to allow all the bank's divisions within the action plan to benefit from ECM contents to achieve Operational Excellence. Among the components of ECM is electronic archiving. During 2023, a plan was adopted for archiving documents stored in warehouses and safekeeping them due to their importance. In 2023, archiving began for facilities contracts and the safekeeping of all customer classifications within a plan prepared by the bank's project team.

To improve the management of automated systems in the bank, the implementation of the information technology strategy, which was prepared based on digital transformation, was continued. The bank gradually applied digital transformation to provide a streamlined customer experience that was aligned with the bank's strategic objectives to offer the best services to target markets and segments. The strategy included a set of initiatives and projects that the bank implemented over the past three years. The most prominent was the Middleware Project, implemented in cooperation with a leading company in this field. The project enabled the bank to integrate various technologies, tools, and databases into one system. This, in turn, reflects on improved business integration, rapid application of technical projects, and enhanced information security. In parallel, the Tech-Refresh (Infrastructure Overhaul) project was launched. The project was based on the latest technologies and tools to achieve the requirements of availability, information security, and risk management. It enhances accessibility and improves performance effectiveness, improving the performance of systems and applications. This leads to increased efficiency and improved systems response, increased system agility, reduced operational costs, enhanced data exchange between different systems, and benefit from the latest technologies and innovations. The result is improving the bank's ability to compete in the banking market.

The bank continued developing the risk management system by applying best practices in risk control and management processes. The bank aimed to develop its group-level risk management system by cooperating with Moody's by implementing the Enterprise Risk Management (ERM) Framework project. This project enables risk management at the enterprise level and maintains acceptable risk levels. The project's third phase was implemented to improve all elements of credit risk management and control. Work was performed on the phases of Credit Lens Phase II. This entailed automating the lending process for corporate and commercial transactions for all stages, from the beginning of the credit transaction to the required approvals, across the Bank of Jordan on a groupwide level, entailing several tracks. The risk-based pricing tool, RAROC, based on Economic Capital, will also be integrated into the Credit Lens system. The application of the project will continue in 2024. Thus, relationship managers will be able to access all customer information through a single application, which will increase efficiency and time management by reducing the period needed to conduct a transaction. In turn, this will enhance customer experience.

According to the Bank's directions, the project of measuring the economic capital of individuals, which in turn measures credit losses, has been completed. It has been combined with the economic capital of companies and commercial entities to reach the economic capital that the bank must hold to cover credit risks as a whole.

Regarding information security, the Risk Criteria have been accredited and prepared in cooperation with a consulting company. Risk Assessment preparation has been completed regarding information security and cybersecurity risks, setting key risk indicators and controls for key control procedures. Thus, a comprehensive cybersecurity file has been prepared.

The bank upgraded its information security and managed cyber risks by developing the methodology used for managing cyber security risks. The bank followed the Cyber Security Framework issued by the Central Bank of Jordan and the instructions of supervisory authorities in the countries in which the bank operates. According to Careweb, the system development project and new advancements in this field, work is being done to build risk profiles at the Processes level and frame the monitoring process. This links the main risk measurement indicators with the processes to reflect the level of control at the bank, whether groupwide or at a branch and departmental level.

The periodic annual review of both the personal and commercial credit policies has been carried out across the Bank of Jordan Group. The review is essential to keep up with the changes and developments that occur in the bank and the banking sector in accordance with best practices and to meet the requirements of the supervisory authorities across the group. The operational risk management policy was developed, in addition to the methodology of key risk indicators and their controls according to the best practices in this regard. The field included a set of concepts, the most important of which is Data-Driven to automate monitoring processes and forecasting models using the bank's historical database Operational Excellence, for the impact of technological development in the field of banking applications and the diversity of the bank's services provided on operational risks.

The liquidity crisis management plan has been developed according to best practices regarding liquidity risk management. It includes key risk indicators, procedures, and controls that aim to confront and manage liquidity risks efficiently and effectively. This was done by applying the best methods and methodologies that maintain appropriate liquidity levels to meet future cash outflows, achieve a balance between the elements of assets and liabilities, and ensure compliance with liquidity requirements according to the legislative authorities' instructions.

In 2023, the ILAAP methodology was implemented, which was concerned with monitoring liquidity adequacy in accordance with international best practices. This is in addition to the IRRBB methodology, which calculates and reduces interest rate risks. The bank continued building a comprehensive control system (Risk Engine) to monitor banking activities and operations in accordance with best banking practices.

The bank developed its systems for anti-money laundering and combating terrorist financing. The automated alerts system AML profiling has been upgraded. In this respect, the automatic customer risk classification has been launched for individuals and companies according to the risk-based approach.

The Internal Capital Adequacy Assessment Document (ICAAP) was prepared for the financial statements as of 31/12/2022. The evaluation process's results showed that the bank maintains an appropriate capital base to cover all types of risks that it may face, not only those calculated within the first pillar.

The Bank's Board of Directors is committed to applying the best corporate governance practices. Thus, the Board has given all necessary attention to the practices and applications of sound corporate governance in accordance with the legislation that governs the work of banks. It followed the instructions of the Central Bank of Jordan and the international best practices included in the Basel Committee on Corporate Governance. It also considered the banking business environment and the legislative and legal frameworks governing the bank's business. The Bank's Corporate Governance Manual has been amended per the new instructions issued by the Central Bank of Jordan.

External Branching Plans:

The bank continued to establish its business in Iraq through the Baghdad branch. The branch works to provide financial and banking services that meet the needs of customers in accordance with the best international practices in this field. The bank's presence in Iraq allows it to expand its services to its corporate clients in Jordan and Iraq. Iraq is a promising market full of opportunities. In 2023, the bank worked to develop and build a branch strategy that included a targeted branch network for three years. The bank aims to expand its work in Iraq through three additional branches (Baghdad, Basra, and Erbil).

The bank is completing its overseas expansion plans in Saudi Arabia, a vital part of its strategy to strengthen its regional presence and achieve geographical diversification. This branching is an essential part of its strategy to achieve sustainable growth, strengthen its regional presence, and benefit from the advanced technical infrastructure in the Saudi market. The bank is currently working on completing the requirements for work initiation and the procedures for establishing and launching a business to enhance the bank's ability to meet the aspirations of the diverse Saudi market. The bank focuses on advanced IT and digital solutions to improve customer experience, provide efficient banking services, and benefit from Saudi Arabia's economic transformation and Vision 2030. The Saudi market is expected to commence operations in 2024.

Through this diversification, the Bank of Jordan tries to provide comprehensive banking products and services that meet the requirements and needs of customers from various categories, including individual, corporate, and institutional segments. The bank seeks to promote trade between Jordan, Saudi Arabia, Iraq, and Bahrain and provide added value to customers by providing integrated banking services through its regional network of branches.

Human Resources:

The bank continued with its continuous development of human resources. It applied the best management practices to upgrade its human resources, as this represents a key element for the institution's success. The year 2023 witnessed the implementation of work initiatives and programs. The "Jadarati" training program for behavioral competencies was launched. A specialized educational platform was produced, which includes short educational videos that help develop employees by understanding the behaviors expected of them at different levels of the career ladder. The videos aim to build the required culture in the bank by clarifying, directing, and applying the "right behaviors." Additionally, a field training program was implemented for behavioral competencies. The program aims to strengthen relationships, create harmony among employees, and promote a culture of a unified bank workforce with a specific set of values.

The bank continued its efforts to build a qualified work team capable of meeting its current and future requirements and developing work methodologies. The bank continued the "Sales Academy," which specializes in training the sales process for branch employees and the sales team. The academy aims to enable employees to achieve sales goals within a specific growth plan using a clear methodology. This included the introduction of the "Coaching" method as an essential element in developing the mechanism used in sales.

The bank prepared and qualified internal trainers for the bank's employees. They undertook extensive training in preparing training materials and acquiring presentation skills. E-learning programs continued for all bank employees on issues related to combating money laundering and financing of terrorism, FATCA tax compliance, and fraud.

The bank also moved forward with the "Mehnati" program. The program seeks to empower university and school students by involving them in the various departments and sections of the bank. Through the program, students are given the opportunity to interact with a real work environment. This enables them to invest their time wisely, develop their skills, and build their capabilities effectively after graduation. The program also aims to better acquaint the students with the labor market and adequately prepare them to enroll in their jobs effectively upon graduation. Thirty-one students from various local and international schools and universities participated in the program.

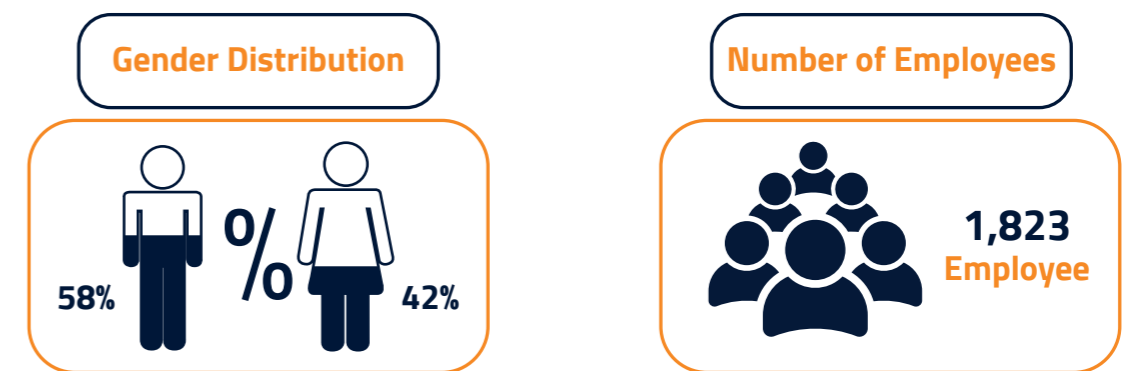
The bank participated in a series of career fairs held in various universities as part of its continuous endeavors to communicate with graduates and introduce them to available job opportunities that suit their qualifications and aspirations. The bank also provides a special employment portal on its website. Those wishing to work at the bank can submit their applications through this portal. In addition, available job opportunities are posted through the professional social media platform LinkedIn.

As part of the bank's strategy to enhance employee engagement, the bank has implemented several initiatives that reflect positive interaction and concern for employee well-being. These initiatives celebrated various occasions, such as Mother's Day and Women's Day, by distributing gifts to female employees. It also celebrated Independence Day by holding a ceremony on this National Day at the General Administration Building, which employees enjoyed with national music and traditional hospitality. In addition, special dinners were held for branch employees in central and northern Jordan, including many special events.

As part of its continuous efforts to create a positive and motivating work environment, the bank honored several teams that successfully implemented strategic projects by holding a dinner in recognition of their hard work and effective contributions to their success. These initiatives reflect the bank's commitment to fostering effective communication and team spirit among its employees, which contributes to the successful achievement of its strategic objectives.

The bank launched a breast cancer awareness campaign for employees in October to ensure their health and safety and raise awareness. During the campaign, the bank held several activities and events. Events included several face-to-face and virtual awareness lectures with specialized doctors and breast cancer survivors about the importance of early detection. An early examination temporary clinic was set up in the General Administration building. In addition, discounts on early examinations were offered by several specialized centers. The bank sold products from the King Hussein Cancer Foundation's "Hope Shop," and proceeds went to support breast cancer patients. Cookies with the campaign logo and pink ribbons were distributed to employees.

The bank strives to create a comfortable work environment for its employees. Therefore, the bank significantly enhanced the working conditions of the Automated Systems Department, which aimed to strengthen and improve the work environment. In addition, greater flexibility was provided to employees, and their overall work experience was enhanced, each according to the nature of their work and job. These improvements include flexible working hours, casual but elegant clothing, and increased time allotted for the break.



The bank strives to perpetuate a culture of volunteering and teamwork among the bank's employees, which will consequently positively affect society. The bank undertook many initiatives and volunteering activities in 2023, including:

- Participation of the bank's employees in the charitable activities of Tkiyet Um Ali, including (charity iftars during Ramadan and distributing food parcels).
- Participation in Ramadan iftars held by "Children's Museum Jordan and Haya Cultural Center"
- Wide participation in the "Green Caravan" program in cooperation with the Arab Society for the Protection of Nature and planting 500 fruit trees during 2023.



Corporate Social Responsibility:

The Bank of Jordan's management is keen on achieving the Sustainable Development Goals (SDG). The goals are considered the central pillar of the bank's commitment to attaining advanced levels of development on the economic, social, and environmental levels. The bank seeks to establish real and fruitful relationships and partnerships between all relevant stakeholders. It does what's required to carry out these objectives responsibly and professionally to address contemporary issues.



The bank was keen to implement social responsibility programs and projects. This responsibility emanates from the bank's mission and directions and the concern of its upper management to support local charities and civil society organizations to achieve the higher objective of societal development and progress in educational, health, cultural, social, and sports areas. The bank's approach is consistent with the 17 Sustainable Development Goals (SDGs). In 2023, the bank continued supporting many initiatives, programs, and projects pertaining to the development and prosperity of the local community.

Main Initiatives of 2023

Educational and cultural initiatives



The bank recognizes the importance of supporting educational initiatives, as education is considered the central pillar of progress in societies and poverty eradication. Educational student comes by developing students' skills, enhancing their self-confidence, and providing them with skills and tools that help their future and prepare them for the job market. The bank supported the following initiatives:

▪ **Scholarship Programs:**

- His Excellency is the chairman of the board's initiative to offer four university scholarships annually to the children of employees who excel in high school.
- Continue to provide the necessary support for university scholarships implemented since 2020 in cooperation with the Elia Nuqul Foundation.
- Covering university tuition fees for one year for 16 students benefiting from the services of Al-Aman Fund for the Future of Orphans.

▪ **Programs that Support Education and Financial Inclusion:**

- Supporting the "Schools Adoption" program, in cooperation with the Injaz Foundation, to improve the learning environment in schools. Additionally, it aims to build students' capacities and provide them with personal, social, and professional skills through training and educational programs.



- Renewing the partnership with the Queen Rania Foundation for Education and Development by providing support to the Mobile Museum. This will allow the governorates' children to explore educational exhibits and acquire various concepts through play offered by the Mobile Museum to its visitors.
- Renewal of the bank's membership with the Welfare Association in Palestine. The association is concerned with providing and implementing many programs and projects throughout the year in the fields of (education, culture, orphan care, and the Jerusalem Program for the Reconstruction of Old Towns).
- Support the "Career Day in the Financial Sector" activity in cooperation with Injaz Foundation to enhance their knowledge of banking, which targets secondary school students.
- Support the Kafr Zibad Sports Club / Tulkarm in providing supplies for the children's library inside the club, encouraging children to read, and implementing meaningful educational activities.
- Sponsoring the festival (Birzeit Nights) organized by Birzeit University / Palestine, the proceeds of which went to benefit the underprivileged student fund.

Sports Initiatives and Supporting People with Special Needs



The bank believes in supporting various sports activities, resulting in better health at the community level, and supporting young Jordanian talents and sports clubs to achieve their desired aspirations. In addition, the bank is keen on giving special care to people with special needs and encouraging them to move forward in their lives. Therefore, the Bank of Jordan took part in the following initiatives:

- Supporting the establishment of a training workshop on "E-marketing" for 15 participants from the Jordanian Club for the Deaf.
- Covering the tuition costs of two students for one academic year within the Model Schools of the Cerebral Palsy Foundation in Karak Governorate.
- Providing support to Al-Hussein Society - Jordan Center for Training and Inclusion.
- Support the Ramallah and Al-Bireh Governorate in purchasing 10 electric chairs for people with special needs.
- Providing support to the Football and Martial Arts Academy of Askar Youth Social Center in Nablus / Palestine.

Environmental Initiatives and Preservation



In previous years, the bank continued its approach to climate change and environmental preservation, aligning with growing global and local concerns. Bank of Jordan seeks to apply the highest standards of environmental impact management (carbon footprint) through its efficient management of resources and waste and by adopting environmentally friendly technologies, systems, and behaviors. Furthermore, the bank supports initiatives and projects concerned with environmental preservation. During the year 2023, support was provided to the following entities and projects:

- Silver sponsorship of the "Green Caravan" program, which the Bank supported for nine years, held by the Arab Society for the Protection of Nature. Through the program, 500 fruit trees were planted over a year in the agricultural lands of small farmers who could not bear the costs of cultivating their lands. This aided farmers in finding a source of income for their families and themselves.



- Supporting the environmental drawing competition for school students by the Jordanian Friends of the Environment Society. The competition was under the slogan "Desertification is a Social Responsibility to be Combated and Treated." In addition, the environmental drawing calendar for 2024 was printed, containing the drawings of the competition winners.

Health Sector Initiatives



Year after year, there is an increasing need to support associations and institutions that provide health services to citizens. Bank of Jordan strives to provide the necessary support to these associations based on its social responsibility and to achieve the humanitarian message carried by these programs. The programs would alleviate the problems of those in need and patients, allowing them to receive the necessary treatment. Accordingly, support was provided during 2023 for the following programs and activities:

- Providing support to the Medical Aid for Palestinians (MAP) Jordan society to provide the women's clinic within the Hittin Health Center with an advanced ultrasound device and covering the costs necessary to perform 11 pediatric surgeries.
- Covering the costs of palliative care for four patients in cooperation with Al-Malath Foundation For Humanistic Care.
- Providing golden sponsorship for the seventeenth annual ceremony organized by the Palestine International Foundation, the proceeds of which support the program "Meeting Urgent Medical Needs in Palestine, Scholarships for Medical Students in Palestinian Universities."
- Providing the necessary support for the purchase of an X-Ray Irradiation System machine for performing marrow transplants for children with cancer at An-Najah University Hospital / Palestine.
- Providing financial support to the "Salamatkom" charitable association in Palestine, which helps cancer patients from the West Bank and Gaza Strip who are receiving treatment in hospitals in Jerusalem and the interior.

Community Initiatives



Bank of Jordan continued to lead in serving the local community by adopting many charitable initiatives, activities, and events that align with SDG. The initiatives contribute to achieving added and sustainable value while fulfilling the bank's social responsibility. The bank supported each of the following initiatives:

Initiatives of the blessed month of Ramadan:

- Launching the "Khairak Wasel" campaign, which aims to encourage Bank of Jordan's customers and employees to donate through BOJ smartphone app to charities and national institutions during the blessed month of Ramadan.
- Continuing the strategic partnership between Bank of Jordan and Tkiyet Um Ali in 2023. The monthly sponsorship program covered the needs of 50 families for an entire year.
- Supporting the project of distributing vouchers for the requirements of the blessed month of Ramadan, which was organized by the Jordan Hashemite Charity Organization for underprivileged families.
- Holding several charitable iftars targeting underprivileged children and charity service beneficiaries in cooperation with Haya Cultural Center and Children's Museum Jordan.
- Supporting the Ministry of Social Development - Jerusalem Directorate to implement its programs for the blessed month of Ramadan (distributing food parcels / Eid clothing) to underprivileged families.



Initiatives to support charities:

- The strategic partnership with the Jordanian SOS Children's Villages entailed securing the current expenses for one house for a year within the village of Amman. This aimed to provide a healthy and safe environment for children who lack family support.
- A strategic partnership with SOS Children's Villages Association in Palestine by covering the current expenses of one house for a year.
- Providing the golden sponsorship of the ceremony of the Petra National Trust, which was performed by the artist (Lina Shamamian) in the Roman Amphitheater.

In addition, the bank supported many different charities to help them achieve their goals and promote the communities in which they operate. These included The National Forum for Awareness and Development, the Kafarana People's Association, the Aloun Humanitarian Club, the Sons of Jenin Charity Association, the Sons of Tafila Charity Association, the Qawafil Al-Khair Association for Relief and Development, and the Princess Taghreed Foundation for Development and Training.

Initiatives to support national institutions:

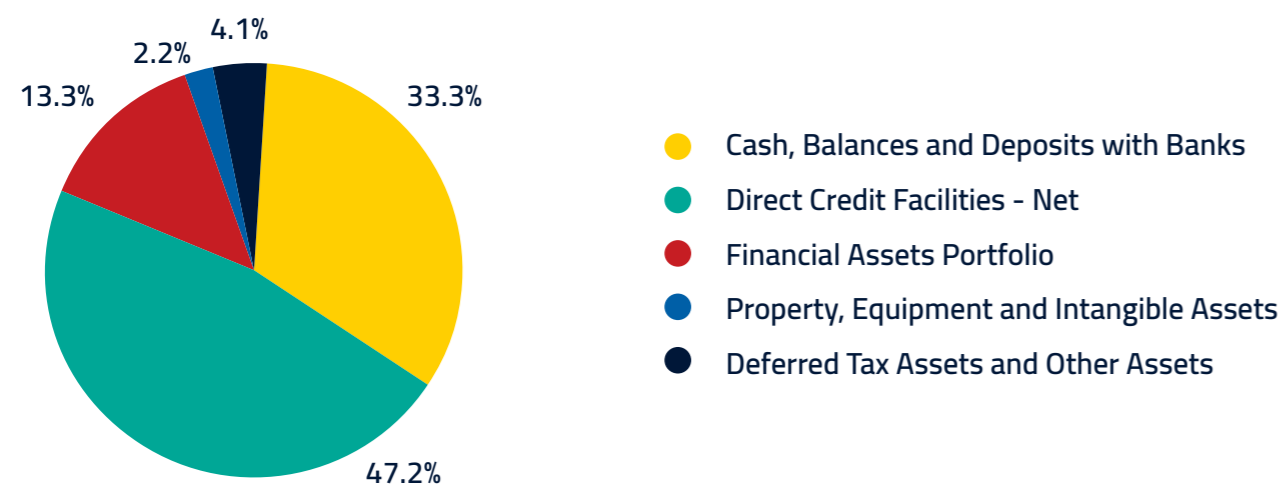
- Contribute to supporting the establishment of the "Waqf Thareed," which was launched at the initiative of the Office of His Royal Highness Prince Hashem bin Al Hussein.
- Supporting royal initiatives to establish the "Waqfiyyat Al Mustafa" Completing the Holy Quran in the Blessed Al-Aqsa Mosque" through the Royal Hashemite Court.
- Donate to help earthquake-stricken families in Syria.
- Supporting the National Aid Fund and helping it implement its objectives and serve citizens.

Analysis of Bank's Financial Position and Business Results for the Year 2023

The bank's assets increased to JD 3,037.3 million at the end of 2023, compared to JD 2,884.7 million at the end of 2022, with a growth rate of 5.3%. Efforts continued to develop shareholders' equity, balance profitability and safe investment, avoid high-risk investments, provide the necessary cash liquidity to meet financial obligations with different terms and make optimal use of available funds efficiently and effectively. Thus, the bank maintained its solid financial position and continued growing its substantial revenues.

The Bank's Assets	JD (Millions)		Materiality %	
	2023	2022	2023	2022
	Cash, Balances, and Deposits with Banks	1,011.4	825.503	33.3%
Direct Credit Facilities at Amortized Cost	1,432.9	1,512.159	47.2%	52.4%
Portfolio of Financial Assets	403.4	365.758	13.3%	12.7%
Property, Equipment, and Intangible Assets	65.9	65.042	2.2%	2.3%
Deferred Tax Assets and Others	123.6	116.268	4.1%	4.0%
Total Assets	3,037.3	2,884.7	100%	100%

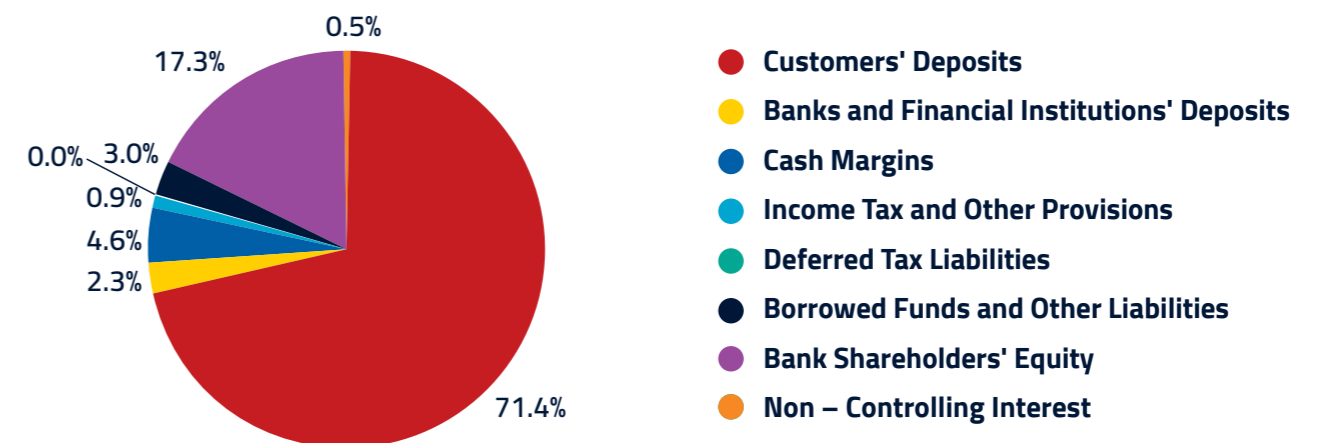
Materiality of Bank Assets 2023



Liabilities and Owners' Equity

	JD (Millions)		Materiality%	
	2023	2022	2023	2022
Customer Deposits	2,169.1	2,016.3	71.4%	69.9%
Deposits of Banks and Banking Institutions	71.4	86.3	2.3%	3.0%
Cash Insurance	140.3	109.6	4.6%	3.8%
Income Tax Provisions and Miscellaneous	26.4	25.7	0.9%	0.9%
Deferred Tax Liabilities	0.472	0.107	0.0%	0.0%
Borrowed Funds and Other Liabilities	92.0	104.3	3.0%	3.6%
Owners' Equity - Bank Shareholders	524.0	529.2	17.3%	18.3%
Non-Controlling Interests	13.7	13.2	0.5%	0.5%
Total Liabilities and Equity	3,037.3	2,884.7	100%	100%

Materiality of Liability and Owners' Equity 2023

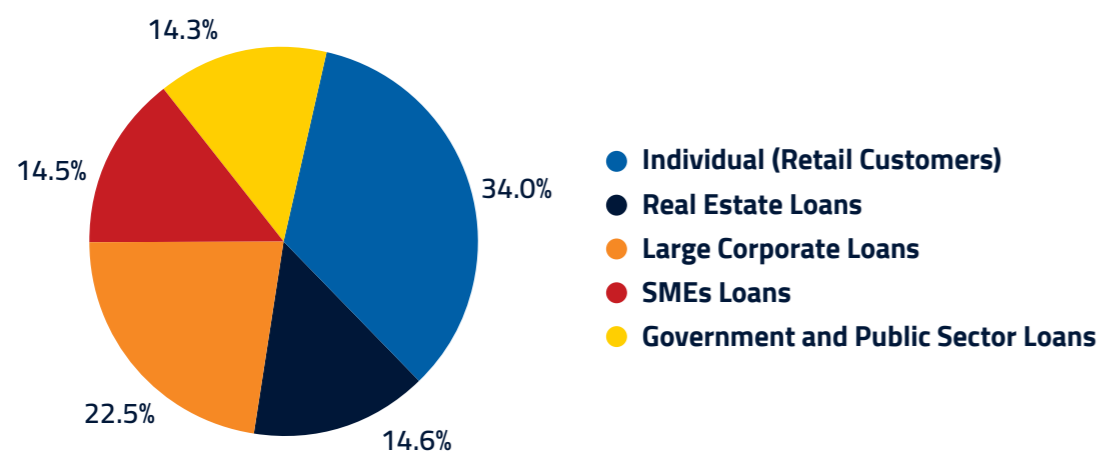


Direct Credit Facilities at Amortized Cost:

The total direct credit facilities at amortized cost decreased by JD 88.8 million in 2023, or by 5.3% from 2022, to reach JD 1,601.2 million. The ratio of non-performing loans to total gross loans (after deduction of pending interests) reached 8.5%, compared to 8% in 2022, within the Standard ratio.

Total Portfolio of Credit Facilities by Type (After deducting interest and commissions received in advance)	JD (Millions)		Materiality %	
	2023	2022	2023	2022
Facilities to Individuals (Retail)	543.6	594.8	34.0%	35.2%
Real Estate Loans	234.4	271.5	14.6%	16.1%
Large Corporate Facilities	360.8	355.1	22.5%	21.0%
SME Facilities	232.9	243.3	14.5%	14.4%
Government and Public Sector Facilities	229.4	225.2	14.3%	13.3%
Total Direct Credit Facilities	1,601.2	1,689.9	100%	100%

Materiality of the Credit Facilities Portfolio by Type 2023



Expected Credit Loss Expense on Financial Assets:

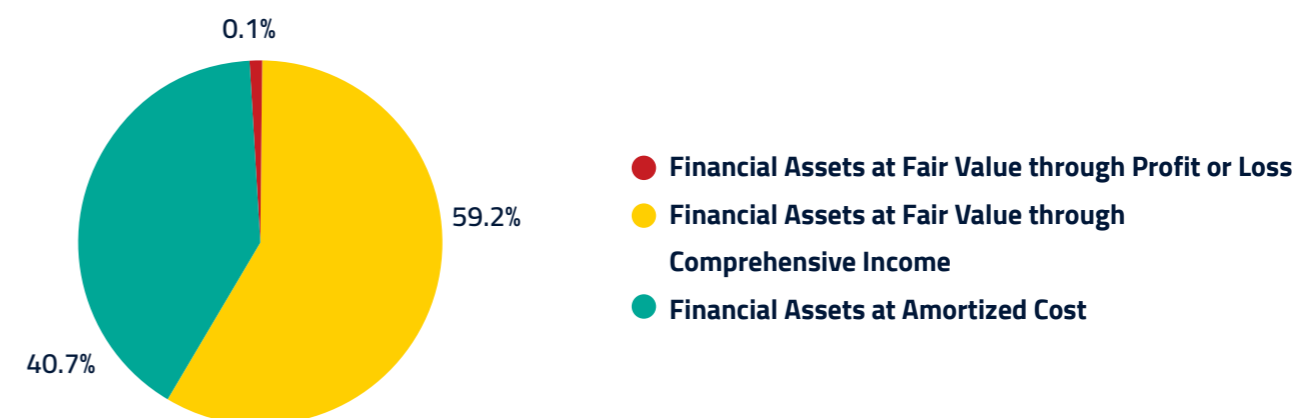
The bank followed a clear hedging policy in its calculation approach for expected losses. It allocated an impairment allowance for non-performing loans for each debt individually, as well as for the portfolio as a whole, in accordance with the requirements of international accounting standards for financial reporting, the regulatory authorities, and the recommendations of the bank's auditors, thereby strengthening the bank's financial position. After deducting pending interest and cash deposits, coverage of the impairment allowance for the portfolio of non-performing loans was 88.07% for 2023 compared to 94.52% in 2022. The fair value of the guarantees provided in exchange for credit facilities amounted to JD 443 million, compared to JD 473 million the previous year.

Portfolio of Financial Assets:

The portfolio of financial assets increased by approximately JD 37.7 million in 2023, an approximately 10.3% from 2022. Financial assets at fair value through the statement of comprehensive income increased by around JD 125 million, or by 110%. Financial assets at amortized cost also decreased by approximately JD 73 million, or 31%, representing the bank's investments in debt instruments, including local treasury bills/bonds. Meanwhile, financial assets decreased through the statement of profit or loss of 15 million JD.

Financial Assets Portfolio	JD (Millions)		Relative Significance %	
	2023	2022	2023	2022
Financial Assets at Fair Value through Profit or Loss	0.351	15.3	0.1%	4.2%
Financial Assets at Fair Value through the Statement of Comprehensive Income	238.948	113.8	59.2%	31.1%
Financial Assets at Amortized Cost	164.127	236.7	40.7%	64.7%
Total	403.4	365.8	100%	100%

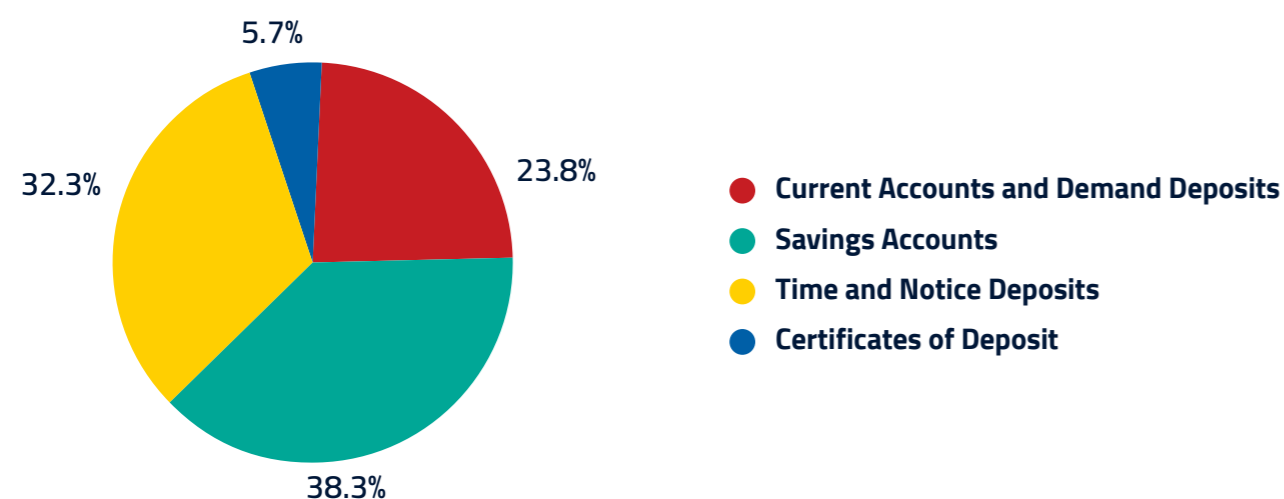
Materiality of the Bank Financial Assets Portfolio 2023



Customer Deposits:

The bank's customer deposits amounted to JD 2,169.1 million at the end of 2023, compared to JD 2,016.3 at the end of 2022, a growth of JD 153 million, or 7.6%. Work continued to attract savings deposits through ongoing campaigns, maintain fixed deposits with lower costs, and expand the depositor base. Non-interest-bearing deposits amounted to JD 683 million, compared to JD 713.86 million for the previous year.

Customer Deposits According to Type	JD (Millions)		Relative Significance %	
	2023	2022	2023	2022
Current and Demand Accounts	515.3	514	23.8%	25.5%
Savings Deposits	829.9	886	38.3%	44.0%
Time Deposits Subject to Notice	700.3	542	32.3%	26.9%
Certificates of Deposit	123.5	74	5.7%	3.7%
Total	2,169.1	2,016.3	100%	100%

Materiality of Customer Deposits Portfolio 2023**Owners' Equity – Bank Shareholders:**

The equity of the bank's shareholders decreased to JD 524 million in 2023, a decrease of JD 5.2 million, or 1%. The legal reserve increased in 2023 to JD 117 million, an increase of JD 6.5 million, or 6%, while the net fair value reserve decreased by JD 17 million, or 34%, from the previous year, 2022. The Board submitted its recommendation to the General Assembly to distribute 18% of the capital as cash dividends to shareholders, distribute a proposed amount of JD 36 million, and retain the rest of the profits.

Capital Adequacy:

The capital adequacy ratio reached 21.43% in 2023, compared to 22.66% in 2022, which is higher than the minimum required by the Central Bank of Jordan in accordance with the instructions of the Basel III Committee, which is 14%. The primary capital ratio for ordinary shareholders (CET1) reached 20.77% in 2023, compared to 22.08% in the previous year.

Bank Business Results:

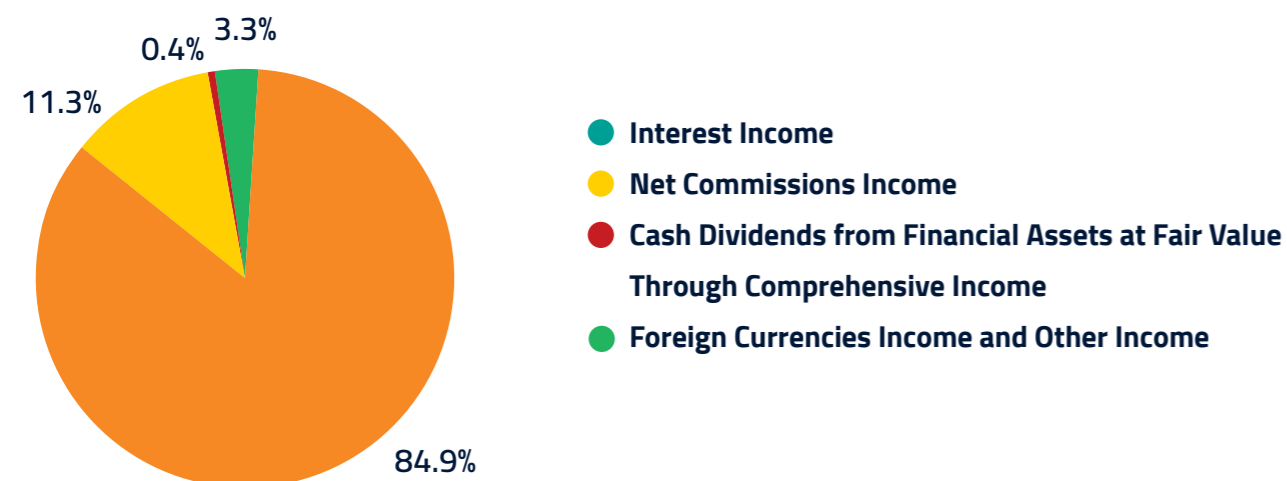
The bank's total revenues reached JD 219.7 million in 2023, compared to JD 176 million for the previous year, an increase of 23%. Total income reached JD 167.5 million, compared to JD 147.9 million in 2022, a rise of 13%. Meanwhile, net interest and commission income amounted to JD 159.2 million, an increase of about 16% compared to 2022, due mainly to the rise in interest rates compared to 2022.

Profits before tax and provisions amounted to JD 83 million in 2023, compared to JD 68.1 million in 2022. The provision for expected credit losses on financial assets, the provision for real estate owned by the bank, miscellaneous provisions, and income tax were deducted, so the bank's net profit reached JD 44.45 million for the year 2023, compared to JD 40.56 million in 2022, an increase of about 9.6%.

Net Profit Before and After Taxes and Provisions	JD (Millions)		Change Amount 2023
	2023	2022	
Net Profit Before Tax and Provisions	83.4	68.1	15.3
Expected Credit Losses on Financial Assets Provision	14.7	6.4	8.3
REO by Bank Provision	0.0	-0.2	0.1
Miscellaneous Provisions	3.4	0.9	2.4
Net Profits Before Tax	65.4	60.9	4.4
Income Tax Expense	20.9	20.4	0.5
Net Profit After Tax	44.5	40.6	3.9

Total Realized Revenue	JD (Millions)		Materiality %	
	2023	2022	2023	2022
Interests Received	185.3	143.9	84.9%	81.6%
Net Commission Revenues	24.7	21.9	11.3%	12.4%
Financial Assets Profits	1.0	0.8	0.4%	0.4%
Foreign Currencies Income and Other Income	7.3	9.8	3.3%	5.6%
Total	218.2	176.3	100%	100%

Materiality of Bank Revenues 2023



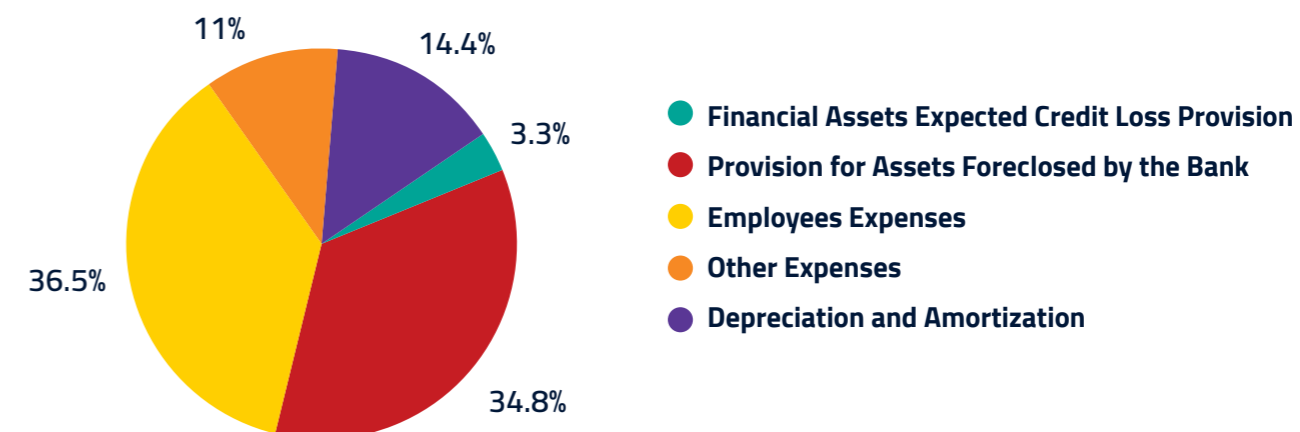
Expenses and Allocations

Total expenses and provisions increased in 2023 to reach JD 102 million, about 17.5% higher than in 2022. This resulted from an increase in the cost of expected credit losses on financial assets by JD 8.3 million and an increase in the provision for real estate owned by the bank and miscellaneous provisions by JD 2.6 million. Employee expenses increased by JD 2.7 million. Other expenses increased by about JD 1.2 million due to increased advertising, subscriptions, insurance, systems, and maintenance costs.

The salaries and bonuses of the senior executive management in 2023 amounted to about JD 2.9 million, while the auditors' fees for the Bank of Jordan Group amounted to JD 192 thousand.

Expenses and Provisions	JD (Millions)		Materiality %	
	2023	2022	2023	2022
ECL on Financial Assets provision	14.73	6.4	14.4%	7.4%
REO by Bank Provision and Miscellaneous Provisions	3.34	0.8	3.3%	0.9%
Employees Expenses	35.56	32.9	34.8%	37.8%
Other Expenses	37.29	36.1	36.5%	41.6%
Depreciation and Amortization	11.23	10.7	11.0%	12.4%
Total	102.15	86.9	100	100%

Materiality of Expenses and Provisions 2023



Main Financial Ratios

	2023	2022
Shareholder ROE	8.36%	8%
ROC	22.23%	20%
ROA	1.50%	1.44%
NIPE	JD 21,518	JD 19,795
NII	6.26%	5.12%
Interest-Expense Ratio	1.71%	1%
NIM	4.55%	4.10%
Coverage ratio	88.07%	94.52%
Non-performing loans/total gross loans (after deduction of pending interests)	8.50%	8.00%

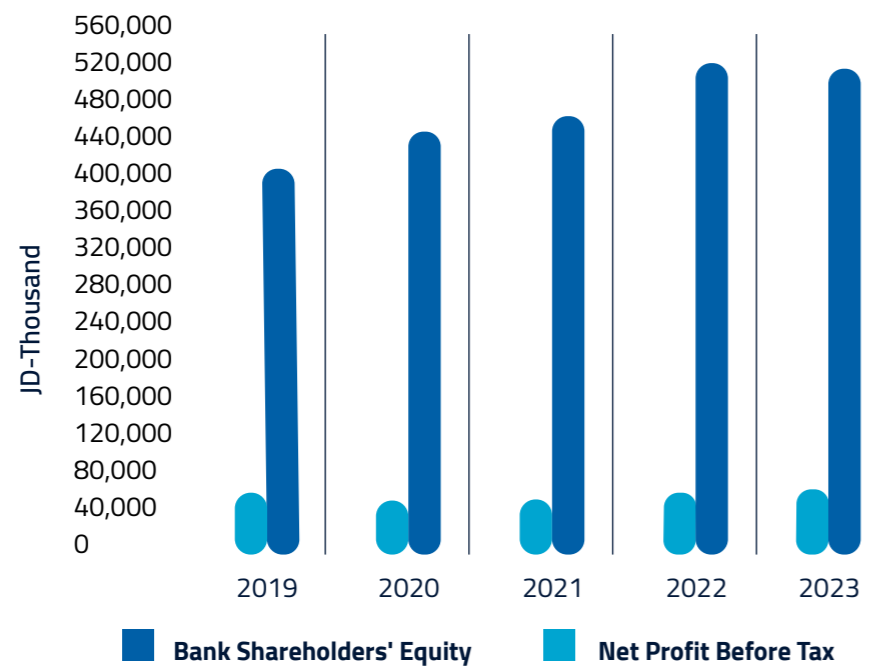
Financial Indicators for the Last Five Years 2019 – 2023

Financial Year	Amount in JD Thousand				
	2019	2020	2021	2022	2023
Total Assets	2,708,102	2,712,413	2,740,204	2,884,730	3,037,252
Total Credit Facilities	1,531,540	1,619,616	1,658,186	1,689,949	1,601,164
Total Deposits (Customers and Banks)	2,070,343	1,979,950	2,001,826	2,102,610	2,240,409
Bank Shareholders' Equity	414,333	454,758	473,407	529,192	524,035
Non-Controllers' Interest	5,774	7,649	12,658	13,152	13,676
Net Profit Before Tax	61,130	52,074	51,894	60,932	65,360

Financial Position Development



Development of Shareholder Equity and Profits



Bank of Jordan Group - Objectives of the Future Plan 2024

The Bank of Jordan Group (BOJ) aims to establish comprehensive strategic pillars to enhance its resilience and foster growth in 2024 despite the ongoing economic and geopolitical challenges worldwide. The group will continue to explore and capitalize on market opportunities while facing competitive pressures and managing risks. It will also pursue thoughtful regional expansion plans focusing on achieving leadership in customer service. Additionally, the group will prioritize the development of employee skills and competencies, reflecting the bank's commitment to innovation and strategic transformation across all business levels. This approach is designed to keep pace with future developments and achieve the bank's ambitious objectives.

Strategic Pillar

- Digital Transformation and Innovation: Focus on utilizing cutting-edge technologies in artificial intelligence and data to improve Bank of Jordan operations, and support data infrastructure to encourage data-driven decision-making.
- Market Expansion and Diversification: Consider expansion into new markets and offer diversified and innovative financial services while maintaining sustainable financial growth and reinforcing the financial resilience of customers.
- Sustainability and Corporate Social Responsibility: Commitment to social responsibility, promoting sustainable practices in banking activities, and developing an organizational culture that encourages innovation and professional development.

Financial Pillar

Bank of Jordan is committed to achieving sustainable financial growth and enhancing its position in the banking market by successfully capitalizing on new opportunities and effectively managing challenges. This is accomplished through:

- Increasing Profitability and Returns: Continue to work towards enhancing profitability through thoughtful deployments based on market analytics, focusing on revenue growth, and improving profitability margins by cutting costs and driving market operations.
- Market Expansion and Diversification: Focus on increasing BOJ's market share through thoughtful expansion strategies and enhancing the Bank's trademark.
- Efficient Risk Management: Maintain the quality of BOJ's credit portfolio and other investments with appropriate provisions, achieving the necessary balance between business growth and effective risk management.

Internal Operations Pillar

We aim to transform into a data-driven bank, enhancing our ability to understand and analyze data to support both strategic and operational decision-making through:

- Data-Driven Decision-Making: Improve data analysis capabilities and integrate AI in banking operations to enhance strategic decision-making and operational efficiency.
- Develop Analytical Competencies: Use predictive analytics to anticipate market trends and customer needs, which assists in designing products that more effectively simulate customer requirements.
- Enhance Team Knowledge and Capacities: Provide self-service data paths for BOJ teams to enhance their knowledge and data-handling capacity, thus driving data utilization and more accurate decision-making.

Market and Customer Pillar

We aim to empower customers through financial well-being and provide interactive and personalized banking experiences. Additionally, we seek to enhance employee engagement in achieving the bank's strategic vision through:

- Elevating Financial Well-Being for Customers: Raising the financial well-being of targeted customer segments by providing tailored educational content, personalized advisory services, and innovative solutions and products that fulfill the needs of each segment, therefore enhancing long-term banking relationships.
- Leveraging Digital Platforms for Customer Interaction: Utilizing digital banking platforms to improve customer interaction, aiming to equip them with the necessary knowledge for sound financial decision-making. This fosters strong and long-term banking relationships.
- Institutional Engagement: Developing a culture of institutional engagement among BOJ employees and boosting their contribution to realizing the Bank's strategic objectives.
- Continuing to Implement the Customer Segmentation Project: Attracting and retaining customers within their targeted segments by developing and maintaining relationships through effective communication, translating their priorities into a systematic marketing and communication plan.

Human Resources, Learning and Development Pillar

BOJ seeks to motivate employees, boost their sense of engagement, and improve productivity levels to contribute to achieving the Bank's strategic objectives and support customer-centric innovation through:

- Enhancing a Performance Culture: Developing an organizational culture based on clear goal setting, measurable indicators, linking rewards to performance, and fostering a culture of accountability to enhance the satisfaction of our workforce.
- Promoting a Compliance Culture for Business Support: Ensuring adherence to regulations, standards, and regulatory directives in our countries. This contributes to developing a culture of innovation and customer focus while meeting regulatory requirements to safeguard the BOJ's interests.

A hand holding a city skyline. The hand is positioned in the center, with fingers spread, holding a transparent, blue-tinted cityscape. The cityscape features various skyscrapers and buildings. The background is a light blue gradient with a large yellow and orange abstract shape in the top right corner.

Consolidated Financial Statements and Independent Auditor's Report 2023

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 (A Public Shareholding Limited Company) , its subsidiaries and foreign branches (the “Bank”), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in owners’ equity and consolidated statement of cash flows for the year then ended, and notes to the 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 Bank of Jordan as of December 31, 2023, and its financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs) 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	How our audit addressed the key audit matter
<p>1. Allowance for Credit Losses on Credit Facilities</p> <p>As described in notes 10 and 21 to the consolidated financial statements, the Bank had gross direct credit facilities of JD 1,601 million as at 31 December 2023 representing 53 % of total assets. The Bank also had indirect credit facilities of JD 579 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 161 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.</p> <p>The financial statement risk arises from several aspects requiring substantial judgement of management, such as the estimation of probabilities of default and loss given defaults for various stages, the determination of significant increase in credit risk (SICR) and credit-impairment status (default), the use of different modelling techniques and consideration of manual adjustments. In calculating expected credit losses, the bank considered credit quality indicators for each loan and portfolio, stratifies loans and advances by risk grade and estimates losses for each loan based upon their nature and risk profile.</p> <p>The 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.</p>	<p>We established an audit approach which includes both testing the design and operating effectiveness of internal controls over the determination of expected credit losses and risk-based substantive audit procedures. Our procedures over internal controls focused on the governance over the process controls around the ECL methodology, completeness and accuracy of credit facilities data used in the expected loss models, management review of outcomes, management validation and approval processes, the assignment of borrowers’ risk classification, consistency of application of accounting policies and the process for calculating allowances.</p> <p>The primary procedures which we performed to address this key audit matter included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • For a risk-based sample of individual loans, we performed a detailed credit review, assessed the appropriateness of information for evaluating the 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 management’s estimate of expected cash flows 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"> • We evaluated post-model adjustments and management overlays in the context of key model and data limitations identified by the Bank in order to assess these adjustments, focusing on PD and LGD used for corporate loans, and challenged their rationale; • We assessed the amendments made by management by evaluating the model adjustments in relation to macroeconomic factors and the forward-looking scenarios which were incorporated into the impairment calculations by utilizing our internal specialists to challenge the multiple economic scenarios chosen and weighting applied to capture non-linear losses; and • We determined if the amount recorded as the allowance for expected credit losses was determined in accordance with the instructions of the Central Bank of Jordan. • We assessed the disclosure in the consolidated financial statements relating to this matter against the requirements of IFRSs. • <p>Our audit approach depends to a large extent on the effectiveness of automated controls and IT-dependent manual controls and therefore we performed an understanding of the Bank’s IT related control environment and identified IT applications, databases and operating systems that are relevant for the financial reporting process and 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>
<p>2. IT systems and controls over financial reporting</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 processed daily across the Bank’s businesses; 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 IT controls are required to protect the Bank’s IT 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>	

Key Audit Matters	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> • General IT controls relevant to automated controls and computer-generated information covering access security, program changes, data center and network operations. • 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. • 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. • 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. • 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. • Key automated controls on significant IT systems relevant to business processes. • Computer generated information used in financial reports from relevant applications; and we performed journal entry testing as stipulated by International Standards on Auditing.
	<p>Other Matters</p> <p>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.</p> <p>Other Information</p> <p>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.</p> <p>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.</p>

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.

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.

Amman – Jordan
February 4, 2024


Deloitte & Touche (M.E.) - Jordan
Deloitte & Touche (M.E.)
ديلويت آند توش (الشرق الأوسط)
010101

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

BANK OF JORDAN (PUBLIC SHAREHOLDING LIMITED COMPANY)		December 31,	
AMMAN – JORDAN	Note	2023	2022
Assets		JD	JD
Cash and balances with central banks - Net	5	868,438,559	673,824,464
Balances with banks and financial institutions – Net	6	142,551,211	150,738,734
Deposits with banks and financial institutions -Net	7	447,949	939,947
Financial assets at fair value through profit or loss	8	350,797	15,317,000
Financial assets at fair value through other comprehensive income	9	238,948,463	113,780,971
Direct credit facilities at amortized cost - Net	10	1,432,871,078	1,512,159,209
Financial assets at amortized cost - Net	11	164,126,649	236,660,430
Property and equipment – Net	12	58,489,765	57,559,384
Intangible assets - Net	13	7,397,514	7,482,126
Deferred tax assets	19/B	23,472,437	25,162,135
Other assets	14	100,157,921	91,106,016
Total Assets		3,037,252,343	2,884,730,416
Liabilities and Owners' Equity			
Liabilities:			
Banks and financial institutions' deposits	15	71,354,418	86,313,839
Customers' deposits	16	2,169,054,732	2,016,295,791
Cash margins	17	140,274,558	109,623,086
Sundry provisions	18	7,147,192	4,235,340
Income tax provision	19/A	19,247,420	21,497,785
Deferred tax liabilities	19/C	471,683	107,367
Borrowed funds	20	36,250,546	57,674,763
Other liabilities	21	55,740,916	46,638,659
Total Liabilities		2,499,541,465	2,342,386,630
Owners' Equity:			
Bank's Shareholders Equity			
Paid-up capital	22	200,000,000	200,000,000
Statutory reserve	23	116,928,669	110,452,964
Voluntary reserve	23	74,876	86,363
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	(9,562,080)	(13,033,639)
Fair value reserve	25	31,794,224	48,495,968
Retained earnings	26	174,847,102	173,238,442
Total Owner's Equity - Bank's Shareholders		524,034,555	529,191,862
Non-controlling interests		13,676,323	13,151,924
Total Owners' Equity		537,710,878	542,343,786
Total Liabilities and Owners' Equity		3,037,252,343	2,884,730,416

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)		For the Year Ended December 31,	
AMMAN – JORDAN	Note	2023	2022
Interest income	28	185,298,959	143,862,374
Less: Interest expense	29	50,710,356	28,471,410
Net Interest Income		134,588,603	115,390,964
Net Commissions income	30	24,656,383	21,902,408
Net Interest and Commissions Income		159,244,986	137,293,372
Foreign currencies income	31	4,152,440	4,195,854
Gain from financial assets at fair value through profit or loss	32	50,392	104,057
Cash dividends from financial assets at fair value through other comprehensive income	9	761,894	664,670
Gain from sale of financial assets – debt instruments		160,589	-
Other income	33	3,136,698	5,596,761
Total Income		167,506,999	147,854,714
Employees expenses	34	35,561,371	32,855,756
Depreciation and amortization	12,13	11,227,211	10,742,412
Other expenses	35	37,288,731	36,117,086
Expected credit loss	36	14,725,442	6,425,272
(Recovered from) assets foreclosed by the Bank impairment provision	14	(40,161)	(160,957)
Sundry provisions	18	3,384,522	943,217
Total Expenses		102,147,116	86,922,786
Profit for the Year Before Income Tax		65,359,883	60,931,928
Less: Income tax	19	20,904,696	20,372,255
Profit for the Year		44,455,187	40,559,673
Attributable to:			
Bank's Shareholders		44,023,403	40,139,436
Non-controlling Interests		431,784	420,237
Profit for the Year		44,455,187	40,559,673
Earnings per share for the year attributable to the Banks' shareholders		Dinar/Fills	Dinar/Fills
	37	0.220	0.201

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)		For the Year Ended December 31,	
AMMAN – JORDAN		2023	2022
		JD	JD
Profit for the year		44,455,187	40,559,673
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		2,713,218	-
Gain from sale of debt instruments classified as financial assets at fair value through other comprehensive income		(65,395)	-
Foreign currencies translation differences		3,421,332	147,244
		6,069,155	147,244
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		-	(252,559)
Change in fair value reserve of equity instruments classified as financial assets at fair value through other comprehensive income - net of tax		(19,349,567)	51,824,452
		(19,349,567)	51,571,893
Total Consolidated Comprehensive Income		31,174,775	92,278,810
Total Consolidated Comprehensive Income attributable to:			
Bank's Shareholders		30,842,693	91,784,834
Non-controlling Interests		332,082	493,976
Total Comprehensive income for the year		31,174,775	92,278,810

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						
For the Year Ended December 31, 2023											
Balance at the beginning of the year	200,000,000	110,452,964	86,363	4,102,021	5,849,743	(13,033,639)	48,495,968	173,238,442	529,191,862	13,151,924	542,343,786
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
Balance - End 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
For the Year Ended December 31, 2022											
Balance at the beginning of the year	200,000,000	104,362,505	49,406	4,102,021	5,849,743	(13,009,685)	(3,979,324)	176,032,362	473,407,028	12,657,948	486,064,976
Foreign currency translation differences	-	(8,234)	(8,234)	-	-	(23,954)	-	113,927	73,505	73,739	147,244
Profit for the year	-	-	-	-	-	-	-	40,139,436	40,139,436	420,237	40,559,673
Realized loss from sale of financial instruments classified as financial assets at fair value through other comprehensive income - net of tax	-	-	-	-	-	-	650,840	(903,399)	(252,559)	-	(252,559)
Change in fair value reserve of equity instrument classified as financial assets at fair value through other comprehensive income - Net of tax	-	-	-	-	-	-	51,824,452	-	51,824,452	-	51,824,452
Total Comprehensive Income	-	(8,234)	(8,234)	-	-	(23,954)	52,475,292	39,349,964	91,784,834	493,976	92,278,810
Transferred to reserves	-	6,098,693	45,191	-	-	-	-	(6,143,884)	-	-	-
Dividends distributed	-	-	-	-	-	-	-	(36,000,000)	(36,000,000)	-	(36,000,000)
Balance - End of the Year	200,000,000	110,452,964	86,363	4,102,021	5,849,743	(13,033,639)	48,495,968	173,238,442	529,191,862	13,151,924	542,343,786

* Dividends distribution

According to the decision of the General Assembly in its meeting held on Mar 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 decision of the General Assembly in its meeting held on Mar 31,2022, 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 23,472,437 against deferred tax benefits as of December 31, 2023, 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, 2023, 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 of 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	2023	2022
Operating Activities:		JD	JD
Profit before income tax		65,359,883	60,931,928
Adjustments for Non-Cash Items:			
Depreciation and amortization	12,13	11,227,211	10,742,412
Expected credit loss on financial instruments	36	14,725,442	6,425,272
(Gain) from sale of property and equipment	33	(267,206)	(65,913)
Unrealized (Gain) from financial assets at fair value through profit or loss	32	(33,797)	(82,577)
Effect of exchange rate fluctuations	31	(3,543,115)	(4,106,128)
Sundry provisions	18	3,384,522	943,217
(Reversal from) provision for impairment of assets foreclosed by the Bank	14	(40,161)	(160,957)
Foreign currency exchange differences		13,015,194	(401,940)
Profit before changes in Assets and Liabilities		103,827,973	74,225,314
Changes in Assets and Liabilities:			
Decrease (Increase) in restricted balances		10,076,921	(23,638,522)
Decrease in deposits at banks and financial institutions (Maturing over three months)		492,000	88,342,000
Decrease in financial assets at fair value through profit or loss		15,000,000	-
(Increase) Decrease in direct credit facilities at amortized cost		52,439,469	(31,560,322)
Decrease (Increase) in other assets		(9,294,875)	2,393,899
(Decrease) in banks deposits and other financial institutions (maturing over three months)		(25,235,000)	(25,984,867)
Increase (Decrease) in customers' deposits		152,758,941	108,265,151
Increase (Decrease) in cash margins		30,651,472	(3,035,990)
(Decrease) in borrowed funds		(24,779,077)	(16,262,271)
Increase in other liabilities		3,900,014	711,594
Net Change in Assets and Liabilities	19/C	206,009,865	99,230,672
Net Cash Flows from Operating Activities before Income Taxes, End of Service Indemnity and lawsuit Provisions Paid		309,837,838	173,455,986
Paid from end of service indemnity, lawsuits provisions	18	(467,094)	(1,862,632)
Income tax settlements	19	(21,300,695)	(19,413,712)
Net Cash Flows from Operating Activities		288,070,049	152,179,642
Investing Activities:			
(Purchase) of financial assets at amortized cost		(6,107,609)	(85,903,006)
Maturity of financial assets at amortized cost		78,778,446	233,177,599
(Purchase) of financial assets at fair value through other comprehensive income		(151,275,621)	(941,610)
Sale of financial assets at fair value through other comprehensive income		9,732,513	941,223
Change in financial derivatives		263,740	(123,911)
(Purchase) of property and equipment and advance payments to acquire property and equipment		(3,471,664)	(2,360,643)
Proceeds from sale of property and equipment		354,795	126,453
(Purchase) of intangible assets	13	(1,527,714)	(908,765)
Net Cash Flows (Used in) from Investing Activities		(73,253,114)	144,007,340
Financing Activities:			
Foreign currencies differences		3,421,332	147,244
Minority Rights		192,317	-
Dividends distributed to shareholders		(35,694,965)	(35,866,364)
Net Cash Flows (Used in) Financing Activities		(32,081,316)	(35,719,120)
Effect of exchange rate fluctuations on cash and cash equivalents	31	3,543,115	4,106,128
Net increase in cash and cash equivalents		186,278,734	264,573,990
Cash and cash equivalents - beginning of the year	38	629,766,566	365,192,576
Cash and Cash Equivalents - End of the Year	38	816,045,300	629,766,566

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 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 (83) branches across Jordan, (18) 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. (653) held on 25 January 2024 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. (47/2009) 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, 2023:

Company's Name	Paid-up Capital JD	Ownership Percentage %	Nature of Operation	Country of Operation	Ownership Date
Excel for Financial Investment Company	3.5 Million Jordanian Dinar	100	Brokerage and investment management	Jordan	23 rd of March 2006
Bank of Jordan – Syria	9.9 Billion Syrian Lira	49	Banking	Syria	17 th of May 2008
Jordan Leasing Company	20 Million Jordanian Dinar	100	Finance Leasing	Jordan	24 th of October 2011

The important financial information for the subsidiaries as of 2023 and 2022 are as follows:

Company's Name	December 31 2023		For the year 2023	
	Total Assets JD	Total Liabilities JD	Total Revenue JD	Total Expense 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

Company's Name	December 31 2022		For the year 2022	
	Total Assets JD	Total Liabilities JD	Total Revenue JD	Total Expense JD
Excel for Financial Investment	6,269,613	417,588	361,568	229,070
Bank of Jordan – Syria	82,145,495	64,163,007	3,206,308	2,382,314
Jordan Leasing Company	31,689,644	4,638,775	1,723,006	656,781

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 unlikelihood to pay indicators and a back-stop if amounts are overdue for 90 days or more. However, in cases where the assets impairment is not recognized after 90 days overdue are supported by reasonable information.

Purchased or Originated Credit-Impaired (POCI) Financial Assets

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

Definition of Default

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

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

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

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

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

Significant Increase in Credit Risk

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

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

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Bank compares the risk of a default occurring on the financial instrument at the reporting date, based on the remaining maturity of the instrument,

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

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

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

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

The probability of default 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 amount because there remains a high risk of default which has not been reduced by the modification. The Bank monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

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

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

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

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

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in OCI and accumulated in equity is recognized in 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 profit or loss for the year attributable to the company's shareholders by the weighted average 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. Adoption of new and revised Standards

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

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2023, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

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

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

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

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements— Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

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

The IASB amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum topup taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

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

At the date of authorisation of these financial statements, the group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective. The Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the consolidated financial statements of the Group in the period of initial application:

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the IASB; however, earlier application of the amendments is permitted. The directors of the parent company anticipate that the application of these amendments may have an impact on the group's consolidated financial statements in future periods should such transactions arise.

Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current

The amendments to affect only the presentation of liabilities as current or noncurrent in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted.

Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or noncurrent). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendments are applied retrospectively for annual reporting periods beginning on or after 1 January 2024.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information.

To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements:

- The terms and conditions of the arrangements
- The carrying amount, and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements
- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers
- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement
- Liquidity risk information

The amendments, which contain specific transition reliefs for the first annual reporting period in which an entity applies the amendments, are applicable for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability, that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15, is a lease liability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

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 believe 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,	
	2023	2022
	JD	JD
This item consists of the following:		
Cash at vaults	86,111,540	80,763,969
Balances at Central Banks:		
- Current accounts and demand deposits	205,101,939	104,720,998
- Term and notice deposits	312,817,999	295,697,005
- Certificates of deposit	158,289,763	94,007,000
- Cash reserve required	106,410,620	98,842,399
Balances at Central Banks	782,620,321	593,267,402
Less: Expected credit loss	(293,302)	(206,907)
Balances at Central Banks - Net	782,327,019	593,060,495
Total	868,438,559	673,824,464

The balances were distributed according to the credit stages as follows:

Item	As of December 31, 2023				As of December 31, 2022
	Stage One	Stage Two	Stage Three	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	593,267,402	-	-	593,267,402	300,376,491
New balances during the year	214,708,917	-	-	214,708,917	293,754,768
Settled balances	-	-	-	-	-
	807,976,319	-	-	807,976,319	594,131,259
Transferred to stage one	-	-	-	-	-
Transferred to stage two	-	-	-	-	-
Transferred to stage three	-	-	-	-	-
Changes due to the adjustments	6,330,863	-	-	6,330,863	6,060,102
Adjustments due to exchange rates fluctuations	(31,686,861)	-	-	(31,686,861)	(6,923,959)
Balance at the End of the Year	782,620,321	-	-	782,620,321	593,267,402

Distribution of the total balances with central banks according to the Banks internal credit rating categories was as follows:

Credit risk rating based on the Bank's internal credit rating system:	As of December 31, 2023					As of December 31, 2022	
	Stage One		Stage Two		Stage Three	Total	Total
	Individual Level	Collective Level	Individual Level	Collective Level		JD	JD
Item	JD	JD	JD	JD	JD	JD	JD
1	611,039,837	-	-	-	-	611,039,837	528,876,870
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-
6	171,580,484	-	-	-	-	171,580,484	64,390,532
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-
Total	782,620,321	-	-	-	-	782,620,321	593,267,402

The expected credit loss allowance movement summary was as follows:

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	206,907	-	-	-	-	-	206,907	117,663
Expected credit loss on new balances during the year	102,213	-	-	-	-	-	102,213	10,673
Expected credit loss reversal on Paid balances	(2,147)	-	-	-	-	-	(2,147)	-
Transferred to stage one	-	-	-	-	-	-	-	128,336
Transferred to stage two	-	-	-	-	-	-	-	-
Transferred to stage three	-	-	-	-	-	-	-	-
Changes due to the adjustments	(17,389)	-	-	-	-	-	(17,389)	84,751
Adjustments due to exchange rates fluctuations	3,718	-	-	-	-	-	3,718	(6,180)
Balance at the End of the Year	293,302	-	-	-	-	-	293,302	206,907

- Statutory cash reserve, amounted to JD 106,410,620 as of December 31, 2023 (JD 98,842,399 as of December 31, 2022).
- Restricted balances other than cash reserve amounted to JD 2,182,999 as of December 31, 2023 (JD 19,951,005 as of December 31, 2022).
- Term and notice Deposit balance includes JD 10,635,000 as December 31, 2023 (JD 10,635,000 maturing within a period exceeding three months as of December 31, 2022).
- 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, 2023 and 2022 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, 2023		As of December 31, 2022		As of December 31, 2022	
	2023	2022	2023	2022	2023	2022
	JD	JD	JD	JD	JD	JD
Current accounts and demand deposits	-	-	60,189,408	56,901,613	60,189,408	56,901,613
Deposits maturing within 3 months or less	54,725,000	67,090,000	27,707,000	26,852,893	82,432,000	93,942,893
Total balances at bank and financial institutions	54,725,000	67,090,000	87,896,408	83,754,506	142,621,408	150,844,506
Less: Expected credit loss	(127)	(189)	(70,070)	(105,583)	(70,197)	(105,772)
Total	54,724,873	67,089,811	87,826,338	83,648,923	142,551,211	150,738,734

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, 2023						As of December 31, 2022		
	Stage One		Stage Two		Stage Three		Total		Total
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	JD
Credit risk rating based on the Bank's internal credit rating system:	JD	JD	JD	JD	JD	JD	JD	JD	JD
1	-	-	-	-	-	-	-	-	-
2	51,821,177	-	-	-	-	-	51,821,177	-	35,011,400
3	50,492,698	-	-	-	-	-	50,492,698	-	82,087,455
4	31,354,839	-	-	-	-	-	31,354,839	-	19,597,122
5	271,376	-	-	-	-	-	271,376	-	5,957,895
6	8,582,036	-	-	-	-	-	8,582,036	-	8,091,856
7	-	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-	97,973
9	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	99,282	99,282	99,282	805
Total	142,522,126	-	-	-	-	99,282	142,621,408	150,844,506	

Balances at Banks' and financial institutions credit stages distribution was as follows:

Item	As of December 31, 2023						As of December 31, 2022		
	Stage One		Stage Two		Stage Three		Total		Total
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	JD
Balance at the beginning of the year	150,745,728	-	-	-	-	98,778	150,844,506	136,007,374	
Impairment loss for new balances during the year	73,774,138	-	-	-	-	1,159	73,775,297	103,244,411	
Settled Balances	(66,857,510)	-	-	-	-	(42)	(66,857,552)	(43,418,669)	
Transferred to Stage One	157,662,356	-	-	-	-	99,895	157,762,251	195,833,116	
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	(8,806,460)	-	-	-	-	-	(8,806,460)	(43,824,798)	
Adjustment due to exchange rates fluctuations	(6,333,770)	-	-	-	-	(613)	(6,334,383)	(1,163,812)	
Balance at the End of the Year	142,522,126	-	-	-	-	99,282	142,621,408	150,844,506	

The movement on the provision for expected credit loss is as follows:

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	6,995	-	-	-	98,777	105,772	5,194	
Credit loss on new balances during the year	5,226	-	-	-	479	5,705	105,671	
Expected credit loss reversal- Paid balances	(193)	-	-	-	(36,263)	(36,456)	(4,286)	
	12,028	-	-	-	62,993	75,021	106,579	
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	(65)	-	-	-	-	(65)	41	
Adjustment due to exchange rates fluctuations	(4,146)	-	-	-	(613)	(4,759)	(848)	
Balance at the End of the Year	7,817	-	-	-	62,380	70,197	105,772	

- Non-interest bearing balances at banks and financial institutions amounted to JD 34,583,213 as of December 31, 2023 (JD 26,329,361 as of December 31, 2022).

- Restricted balances at banks and financial institutions amounted to JD 4,724,932 as of December 31, 2023 (JD 4,602,068 as of December 31, 2022).

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	
	2023		2022		2023	
	JD	JD	JD	JD	JD	JD
Deposits maturing within 3 to 6 months	-	-	280,000	940,000	280,000	940,000
Deposits maturing within 6 to 9 months	-	-	112,000	-	112,000	-
Deposits maturing within 9 months to a year	-	-	56,000	-	56,000	-
Deposits maturing after 1 year	-	-	-	-	-	-
Total deposits with banks and financial institutions	-	-	448,000	940,000	448,000	940,000
Less: Expected credit loss	-	-	(51)	(53)	(51)	(53)
Total	-	-	447,949	939,947	447,949	939,947

Distribution of the total deposits with banks and financial institutions according to the banks internal credit rating categories was as follows:

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three	Total	Total	Total
	Individual Level	Collective Level	Individual Level	Collective Level				
Credit rating categories based on the Bank's rating system:								
1	-	-	-	-	-	-	-	-
2	448,000	-	-	-	-	448,000	940,000	940,000
3	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-
Total	448,000	-	-	-	-	448,000	940,000	940,000

- Deposits with banks and financial institutions credit stages distribution was as follows:

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three	Total	Total	Total
	Individual Level	Collective Level	Individual Level	Collective Level				
Balance at the beginning of the year	940,000	-	-	-	-	940,000	89,282,000	940,000
New balances during the year	336,000	-	-	-	-	336,000	940,000	940,000
Settled Balances	(112,000)	-	-	-	-	(112,000)	(89,235,000)	(89,235,000)
Transferred to Stage One	1,164,000	-	-	-	-	1,164,000	987,000	987,000
Transferred to Stage Two	-	-	-	-	-	-	-	-
Transferred to Stage Three	-	-	-	-	-	-	-	-
Changes due to adjustments	-	-	-	-	-	-	-	-
Written off- balances	-	-	-	-	-	-	-	-
Adjustment due to exchange rates fluctuations	(716,000)	-	-	-	-	(716,000)	(47,000)	(47,000)
Balance at the End of the Year	448,000	-	-	-	-	448,000	940,000	940,000

Item	As of December 31, 2023				As of December 31, 2022	
	Stage One		Stage Two		Stage Three	Total
	Individual Level	Collective Level	Individual Level	Collective Level	Total	Total
Balance at the beginning of the year	53	-	-	-	-	32,523
Credit loss on new balances during the year	41	-	-	-	-	53
Expected credit loss reversal- Paid balances	(3)	-	-	-	-	(32,520)
Transferred to Stage One	91	-	-	-	-	56
Transferred to Stage Two	-	-	-	-	-	-
Transferred to Stage Three	-	-	-	-	-	-
Changes due to adjustments	-	-	-	-	-	-
Adjustment due to exchange rates fluctuations	(40)	-	-	-	-	(3)
Balance at the End of the Year	51	-	-	-	(40)	53

There are no restricted deposits for banks and financial institutions as of December 31, 2023 and 2022.

8. Financial Assets at Fair Value through Profit or Loss

This item consists of the following:

	As of December 31,	
	2023	2022
	JD	JD
Quoted shares in local active markets	132,986	90,167
Unquoted shares in local active markets *	217,811	226,833
Right to receive financial assets at fair value **	-	15,000,000
	350,797	15,317,000

* 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.

** This item represents financial assets at fair value through profit or loss represented by a contingent right to receive financial assets that have been recognized by the bank in accordance with the requirements of International Accounting Standard no. (32) and to comply with the agreement signed on December 23, 2018 which is considered an integral part of it and related to the sale of capital assets, these assets have been evaluated at its fair value on the date of the consolidated financial statements, which resulted in valuation profits with the same value for the year 2020. noting that the amount was collected during the first half of the year 2023.

9. Financial Assets at Fair Value through Other Comprehensive Income

This item consists of the following:

	As of December 31,	
	2023	2022
	JD	JD
Quoted shares in local active markets	5,154,157	4,022,773
Unquoted shares in local active markets*	1,634,279	2,569,171
Quoted shares in foreign active markets	8,094,956	9,162,150
Unquoted shares in foreign active markets*	79,873,069	98,026,877
Total of equity instruments	94,756,461	113,780,971
Government bonds	144,192,002	-
Total of debt instruments	144,192,002	-
Total	238,948,463	113,780,971

- Total cash dividends from financial assets at fair value through other comprehensive income amounted to JD 761,894 for the year ended December 31, 2023 (JD 664,670 for the year ended December 31, 2022).

* 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:

As of December 31, 2023

Item	Stage 1 Individual Level		Stage 2 Individual Level		Stage 3		Total	
	JD		JD		JD		JD	
1	144,192,002		-		-		144,192,002	
2	-		-		-		-	
3	-		-		-		-	
4	-		-		-		-	
5	-		-		-		-	
6	-		-		-		-	
7	-		-		-		-	
8	-		-		-		-	
9	-		-		-		-	
10	-		-		-		-	
Total	144,192,002		-		-		144,192,002	

Movement on Debt Instruments within Financial Assets at Fair Value through Comprehensive Income during the Year:

As of December 31, 2023

Item	Stage 1 Individual Level		Stage 2 Individual Level		Stage 3		Total	
	JD		JD		JD		JD	
Fair Value at the Beginning of the Year	-		-		-		-	
New Investments during the Year	144,192,002		-		-		144,192,002	
Investments Due during the Year	-		-		-		-	
Total	144,192,002		-		-		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	144,192,002		-		-		144,192,002	

The expected credit losses provision according to International Financial Reporting Standard (IFRS) 9 on debt instruments was not accounted for within financial assets at fair value through comprehensive income as of December 31, 2023, in accordance with the instructions of the Central Bank of Jordan No. 13/2018 dated June 6, 2018, regarding the application of IFRS 9.

Credit Loss Allowance Calculation for Debt Instruments within Financial Assets at Fair Value through Comprehensive Income:						
As of December 31, 2023	Stage 1 Individual Level		Stage 2 Individual Level		Stage 3	
	JD	JD	JD	JD	JD	JD
Item						
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,	
	2023	2022
This item consists of the following:	JD	JD
Individual (Retail Customers):	543,613,039	594,825,426
Overdraft accounts	18,950,368	15,485,838
Loans and bills*	490,143,712	548,344,887
Credit cards	34,518,959	30,994,701
Real estate loans	234,448,839	271,477,666
Corporate:	593,656,680	598,406,763
Large corporate	360,784,681	355,062,498
Overdraft accounts	45,169,563	36,395,236
Loans and bills*	315,615,118	318,667,262
SMEs	232,871,999	243,344,265
Overdraft accounts	42,608,864	48,341,025
Loans and bills*	190,263,135	195,003,240
Government and public sector	229,445,084	225,239,281
Total	1,601,163,642	1,689,949,136
<u>Less: expected credit loss provision</u>	(152,244,689)	(162,402,875)
<u>Less: Interest in suspense</u>	(16,047,875)	(15,387,052)
Net Direct Credit Facilities at amortized cost	1,432,871,078	1,512,159,209

* Net of interest and commission received in advance amounting to JD 13,988,254 as of December 31, 2023 (JD 13,168,373 as of December 31, 2022).

- Stage 3 credit facilities amounted to JD 150,296,318 representing 9.4% of the direct credit facilities balance as of December 31, 2023 (JD 149,280,799 representing 8.8% as of December 31, 2022).

- Stage 3 credit facilities after deducting the suspended interest amounted to JD 134,248,443 representing 8.5% of direct credit facilities after deducting the suspended interest as of December 31, 2023 (JD 133,893,747 representing 8.0% as of December 31, 2022).

- Credit facilities granted to and guaranteed by the Jordanian Government amounted to JD 957,567 representing 0.06% of total direct credit facilities as of December 31, 2023 (JD 1,742,800 representing 0.14% as of December 31, 2022). Moreover, credit facilities granted to the public sector in Palestine amounted to JD 52,687,587 (JD 41,115,210 as of December 31, 2022) in addition to credit facilities granted to foreign governments amounted to 27,556,405 as of December 31, 2023 (JD 33,271,260 as of December 31, 2022).

Item	As of December 31, 2023					
	Stage One		Stage Two		Stage Three	
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level
Item	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)
Transferred to Stage One	772,216,257	728,027,939	46,366,434	32,458,232	145,105,682	1,724,174,544
Transferred to Stage Two	8,746,910	22,809,515	(8,746,910)	(21,771,861)	(1,037,654)	-
Transferred to Stage Three	(38,698,913)	(51,746,066)	39,022,649	52,810,619	(1,388,289)	-
Effect as a result of classification changes between the three stages during the year	(267,487)	(9,550,061)	(24,982,228)	(2,181,616)	36,981,392	-
Changes due to adjustments	(1,154,099)	(1,661,849)	(8,153,364)	(1,581,835)	(2,197,885)	(14,749,032)
Written-off Balances and transferred off the consolidated statements of financial position	(15,639,612)	(51,870,917)	(1,314,493)	(164,303)	202,632	(68,786,693)
Adjustment due to exchange rates fluctuations	-	-	-	-	(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

Item	As of December 31, 2023					
	Stage One		Stage Two		Stage Three	
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level
Item	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)
Transferred to Stage One	17,361,362	3,776,562	11,275,740	4,508,356	121,176,169	158,098,189
Transferred to Stage Two	57,899	1,410,932	(57,899)	(910,970)	(499,962)	-
Transferred to Stage Three	(261,313)	(225,249)	517,538	994,138	(1,025,114)	-
Effect as a result of classification changes between the three stages during the year	(1,629)	(32,705)	(3,567,066)	(62,603)	3,664,003	-
Changes due to the adjustments	(35,099)	(740,809)	213,951	98,890	18,263,510	17,800,443
Written-off Balances and transferred off the consolidated statements of financial position	(241,104)	1,215,576	65,334	36,282	(374,927)	701,161
Adjustment due to exchange rates fluctuations	-	-	-	-	(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

- The movement the total expected credit loss allowance on a collective basis was as follows:

Item	As of December 31, 2022			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	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Balance at the beginning of the year	611,018,680	760,840,231	112,095,288	112,095,288	29,919,114	144,312,640	1,658,185,953															
New facilities during the year	119,155,621	114,503,415	3,075,520	3,075,520	1,564,105	4,338,495	242,637,156															
Facilities settled	(87,306,834)	(82,127,211)	(13,779,957)	(13,779,957)	(2,338,248)	(8,729,123)	(194,281,373)															
Transferred to Stage One	642,867,467	793,216,435	101,390,851	101,390,851	29,144,971	139,922,012	1,706,541,736															
Transferred to Stage Two	26,203,243	23,883,822	(26,031,349)	(26,031,349)	(21,288,873)	(2,766,843)	-															
Transferred to Stage Three	(13,139,278)	(27,262,092)	15,022,060	15,022,060	28,123,679	(2,744,369)	-															
Effect as a result of classification changes between the three stages during the year	(819,598)	(4,262,843)	(9,843,876)	(9,843,876)	(2,667,875)	17,594,192	-															
Changes due to adjustments	(6,884,735)	(1,430,661)	(4,584,043)	(4,584,043)	(1,160,933)	199,750	(13,860,622)															
Written-off Balances and transferred off the consolidated statements of financial position	46,756,171	(24,182,489)	(20,393,691)	(20,393,691)	(321,711)	(6,610)	1,851,670															
Adjustment due to exchange rates fluctuations	-	-	-	-	-	(1,912,569)	(1,912,569)															
Adjustment due to exchange rates fluctuations	(1,528,061)	(56,543)	(81,711)	(81,711)	-	(1,004,764)	(2,671,079)															
Balance at the End of the Year	693,455,209	759,905,629	55,478,241	55,478,241	31,829,258	149,280,799	1,689,949,136															

Item	As of December 31, 2022			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	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Balance at the beginning of the year	572,036	1,090,081	28,680,240	28,680,240	3,330,053	124,958,576	158,630,986															
Credit loss on new balances during the year	219,061	718,034	481,782	481,782	1,784,795	4,183,794	7,387,466															
Expected credit loss reversal of matured facilities	(84,840)	(117,709)	(1,461,214)	(1,461,214)	(1,514,281)	(8,178,528)	(11,356,572)															
Transferred to Stage One	706,257	1,690,406	27,700,808	27,700,808	3,600,567	120,963,842	154,661,880															
Transferred to Stage Two	241,321	2,035,199	(86,039)	(86,039)	(144,405)	(2,046,076)	-															
Transferred to Stage Three	(12,604)	(54,910)	1,618,737	1,618,737	605,699	(2,156,922)	-															
Effect as a result of classification changes between the three stages during the year	(546)	(6,886)	(56,781)	(56,781)	(24,479)	88,692	-															
Changes due to the adjustments	(117,832)	(2,001,987)	(1,539,296)	(1,539,296)	432,781	10,801,839	7,575,505															
Written-off Balances and transferred off the consolidated statements of financial position	2,391,645	1,986,417	(1,665,933)	(1,665,933)	42,721	(376,126)	2,378,724															
Adjustment due to exchange rates fluctuations	-	-	-	-	-	(1,752,376)	(1,752,376)															
Adjustment due to exchange rates fluctuations	(2,661)	(4,77)	(1,488)	(1,488)	-	(460,858)	(460,858)															
Balance at the End of the Year	3,205,580	3,647,762	25,970,008	25,970,008	4,512,884	125,066,641	162,402,875															

Expected credit loss allowance against credit facilities

As of December 31, 2023

The following is the movement on the expected credit loss allowance againsts direct credit facilities:

	Individual (Retail Customers)		Real Estate Loans		Large Corporate		SMEs		Government and Public sector		Total
	JD	JD	JD	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)					
Effect as a result of classification changes between the three stages during the year	51,458,455	6,945,868	57,581,907	41,100,950	1,011,009	158,098,189					
Changes due to the adjustments	5,356,528	2,167,534	7,348,090	2,801,015	127,276	17,800,443					
Written-off or transferred to off balance sheet items	1,182,487	17,807	(502,114)	(6,034)	9,015	701,161					
Adjustment due to exchange rates fluctuations	(202,051)	-	(18,142,774)	(5,482,521)	-	(23,827,346)					
Balance at the End of the Year	(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					

As of December 31, 2022

Expected credit loss allowance against credit facilities

As of December 31, 2022

The following is the movement on the expected credit loss allowance againsts direct credit facilities:

	Individual (Retail Customers)		Real Estate Loans		Large Corporate		SMEs		Government and Public sector		Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Balance – Beginning of the year	44,206,303	9,037,978	66,446,361	38,768,162	172,182	158,630,986					
Impairment loss of new facilities during the year	4,745,387	674,791	958,300	915,992	92,996	7,387,466					
Reversed from impairment loss on settled balances	(3,677,029)	(1,600,159)	(2,287,659)	(3,788,257)	(3,468)	(11,356,572)					
Effect as a result of classification changes between the three stages during the year	45,274,661	8,112,610	65,117,002	35,895,897	261,710	154,661,880					
Changes due to the adjustments	2,719,714	(971,289)	(74,105)	5,901,185	-	7,575,505					
Written-off or transferred to off balance sheet items	2,040,868	223,768	(673,129)	850,207	(62,990)	2,378,724					
Adjustment due to exchange rates fluctuations	(71,194)	-	(1,663,398)	(17,784)	-	(1,752,376)					
Balance at the End of the Year	(36,356)	(1,876)	(81,892)	(340,734)	-	(460,858)					
Balance at the End of the Year	49,927,693	7,363,213	62,624,478	42,288,771	198,720	162,402,875					
Distributed as follow:											
Allowance on individual level	154,609	930,917	62,527,064	41,891,618	198,720	105,702,928					
Allowance on collective level	49,773,084	6,432,296	97,414	397,153	-	56,699,947					
Balance at the End of the Year	49,927,693	7,363,213	62,624,478	42,288,771	198,720	162,402,875					

The following are the details for each business segment :

A. Individual Portfolio (Retail)

Item	As of December 31, 2023						As of December 31, 2022					
	Stage One		Stage Two		Stage Three		Stage One		Stage Two		Stage Three	
	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
Credit risk rating based on the Bank's internal credit rating system:												
1	-	-	-	-	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-	-	-	-	-
4	261,373	-	-	-	-	-	-	-	-	261,373	-	-
5	2,293,460	-	-	-	-	-	-	-	-	2,293,460	-	-
6	191,512	-	-	107,735	-	-	-	-	-	299,247	-	-
7	-	-	-	-	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	1,482,578	-	1,482,578	-	-
Unclassified	-	450,228,021	-	-	-	36,073,944	-	52,974,416	-	539,276,381	-	-
Total	2,746,345	450,228,021	107,735	36,073,944	54,456,994	543,613,039	1,482,578	594,825,426	594,825,426	594,825,426	641,881	590,438,767

Related Facilities Movement Disclosure:

Item	As of December 31, 2023						As of December 31, 2022					
	Stage One		Stage Two		Stage Three		Stage One		Stage Two		Stage Three	
	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 at the beginning of the year	3,729,609	519,813,852	15,169	24,153,092	47,113,704	594,825,426	3,729,609	519,813,852	15,169	24,153,092	47,113,704	594,825,426
New facilities during the year	273,821	59,187,051	61,918	3,519,116	1,951,024	64,992,930	273,821	59,187,051	61,918	3,519,116	1,951,024	64,992,930
Facilities settled	(376,983)	(68,863,253)	-	(2,074,213)	(1,945,340)	(73,259,789)	(376,983)	(68,863,253)	-	(2,074,213)	(1,945,340)	(73,259,789)
Transferred to Stage One	3,626,447	510,137,650	77,087	25,597,995	47,119,388	586,558,567	-	-	-	-	-	-
Transferred to Stage Two	-	18,144,108	-	(17,450,614)	(693,494)	-	-	-	-	-	-	-
Transferred to Stage Three	(50,198)	(30,256,813)	50,197	30,969,171	(712,357)	-	-	-	-	-	-	-
The as a result of a change in classification between the three stages during the year	-	(1,560,296)	(4,380)	(1,658,020)	262,836	(2,959,860)	-	-	-	-	-	-
Changes due to the adjustments	(829,904)	(38,599,754)	-	(168,875)	7,157	(39,591,376)	(829,904)	(38,599,754)	-	(168,875)	7,157	(39,591,376)
Written-off or transferred to off balance sheet items	-	-	-	-	(253,197)	(86,788)	-	-	-	-	(253,197)	(86,788)
Adjustments due to changes in exchange rates	-	(124,600)	-	(833)	(15,662)	(17,835)	-	-	-	-	(15,662)	(17,835)
Total Balance at the End of the Year	2,746,345	450,228,021	107,735	36,073,944	54,456,994	543,613,039	2,746,345	450,228,021	107,735	36,073,944	54,456,994	543,613,039

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	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
Balance at the beginning of the year	7,103	3,386,605	798	4,397,952	42,135,235	49,927,693	44,206,303	
Impairment Loss of new balances during the year	194	461,331	882	89,564	2,946,352	3,498,323	4,745,387	
Recoveries from impairment loss on facilities due	(1,646)	(316,176)	-	(77,965)	(1,571,774)	(1,967,561)	(3,677,029)	
Transferred to Stage One	5,651	3,531,760	1,680	4,409,551	43,509,813	51,458,455	45,274,661	
Transferred to Stage Two	-	1,307,713	-	(851,878)	(455,835)	-	-	
Transferred to Stage Three	-	(211,851)	-	860,690	(648,839)	-	-	
The as a result of a change in classification between the three stages during the year	-	(652,803)	-	36,789	5,972,542	5,356,528	2,719,714	
Changes due to the adjustments	(3,058)	1,151,813	-	33,715	17	1,182,487	2,040,868	
Written-off or transferred to off balance sheet items	-	-	-	-	(202,051)	(202,051)	(71,194)	
Adjustments due to changes in exchange rates	-	(1,734)	-	(664)	(37,540)	(39,938)	(36,356)	
Total Balance at the End of the Year	2,593	5,094,433	882	4,438,748	48,218,825	57,755,481	49,927,693	

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	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
1	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	55,295
3	667,110	-	-	-	-	667,110	374,193	
4	2,711,155	-	-	-	-	2,711,155	2,162,048	
5	5,238,859	-	1,066,892	-	-	6,305,751	4,966,087	
6	1,108,531	-	1,834,954	-	-	2,943,485	3,489,626	
7	-	-	105,695	-	-	105,695	4,796,403	
8	-	-	-	-	2,692,149	2,692,149	6,083	
9	-	-	-	-	-	-	-	
10	-	-	-	-	1,576,832	1,576,832	744,911	
Unclassified	-	181,214,989	-	23,416,538	12,815,135	217,446,662	254,883,020	
Total	9,725,655	181,214,989	3,007,541	23,416,538	17,084,116	234,448,839	271,477,666	

Related facilities movement disclosure:

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	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
Balance at the beginning of the year	10,863,054	236,480,554	4,980,598	7,476,233	11,677,227	271,477,666	273,211,954	
New facilities during the year	4,791,578	8,241,971	-	395,875	335,681	13,765,105	33,858,517	
Facilities settled	(2,589,115)	(31,489,871)	(170,773)	(1,195,954)	(1,155,929)	(36,601,642)	(24,722,278)	
Transferred to Stage One	13,065,517	213,232,654	4,809,825	6,676,154	10,856,979	248,641,129	282,348,193	
Transferred to Stage Two	62,586	4,590,648	(62,586)	(4,246,488)	(344,160)	-	-	
Transferred to Stage Three	(2,027,454)	(21,488,592)	2,027,454	21,840,787	(352,195)	-	-	
Transferred to Stage Three	-	(2,037,787)	(4,747,239)	(948,602)	7,733,628	-	-	
The effect as a result of a change in classification between the three stages during the year	(10,481)	(91,838)	980,087	75,854	(801,229)	152,393	(709,230)	
Changes due to the adjustments	(1,007,608)	(12,818,653)	-	19,020	2,030	(13,805,211)	(10,035,213)	
Written-off or transferred to off balance sheet items	-	-	-	-	-	-	-	
Adjustments due to changes in exchange rates	(356,905)	(171,443)	-	(187)	(10,937)	(539,472)	(126,084)	
Total Balance at the End of the Year	9,725,655	181,214,989	3,007,541	23,416,538	17,084,116	234,448,839	271,477,666	

Expected credit loss allowance movement:

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	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
Balance at the beginning of the year	44,412	183,198	304,459	114,510	6,716,634	7,363,213	9,037,978	
Impairment Loss of new balances during the year	5,624	15,190	26,425	6,498	800,356	854,093	674,791	
Recoveries from impairment loss on facilities due	(20,555)	(34,762)	(16,407)	(22,622)	(1,177,092)	(1,271,438)	(1,600,159)	
Transferred to Stage One	29,481	163,626	314,477	98,386	6,339,898	6,945,868	8,112,610	
Transferred to Stage Two	127	103,118	(127)	(58,991)	(44,127)	-	-	
Transferred to Stage Three	(5,365)	(13,388)	5,365	133,438	(120,050)	-	-	
Transferred to Stage Three	-	(2,240)	(287,927)	(13,114)	303,281	-	-	
The effect as a result of a change in classification between the three stages during the year	(21)	(87,944)	21,774	61,988	2,171,737	2,167,534	(971,289)	
Changes due to the adjustments	(4,639)	19,699	-	2,747	-	17,807	223,768	
Written-off or transferred to off balance sheet items	-	-	-	-	-	-	-	
Adjustments due to changes in exchange rates	(644)	(1,510)	-	(50)	(3,853)	(6,057)	(1,876)	
Total Balance at the End of the Year	18,939	181,361	53,562	224,404	8,646,886	9,125,152	7,363,213	

C. Large corporates portfolio:

Item	As of December 31, 2023						As of December 31, 2022		
	Stage One		Stage Two		Stage Three		Total		
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	
	JD	JD	JD	JD	JD	JD	JD	JD	
Credit risk rating categories based on the Bank's internal credit rating system:									
1	-	-	-	-	-	-	-	-	-
2	7,518,463	-	-	-	-	-	7,518,463	-	11,883,305
3	14,234,625	-	-	-	-	-	14,234,625	-	33,228,275
4	208,502,739	-	6,189,570	-	-	-	214,692,309	-	132,397,177
5	60,155,709	-	-	-	-	-	60,155,709	-	81,731,390
6	20,220,846	-	735,727	-	-	-	20,956,573	-	42,087,166
7	-	-	7,260,592	-	-	-	7,260,592	-	5,672,990
8	-	-	-	-	1,771,428	-	1,771,428	-	1,220,464
9	-	-	-	-	43,683	-	43,683	-	-
10	-	-	-	-	34,063,253	-	34,063,253	-	46,636,022
Unclassified	-	-	-	-	88,046	-	88,046	-	205,709
Total	310,632,382	-	14,185,889	-	35,966,410	-	360,784,681	-	355,062,498

Related facilities movement disclosure:

Item	As of December 31, 2023						As of December 31, 2022		
	Stage One		Stage Two		Stage Three		Total		
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	
	JD	JD	JD	JD	JD	JD	JD	JD	
Balance at the beginning of the year	281,235,421	45,535	25,764,882	-	48,016,660	-	355,062,498	-	323,849,300
New facilities during the year	103,913,718	-	1,283,773	-	1,608,036	-	106,805,527	-	96,929,758
Facilities settled	(39,815,417)	(45,535)	(8,616,975)	-	(2,465,669)	-	(50,943,596)	-	(64,619,241)
Transferred to Stage One	345,333,722	-	18,431,680	-	47,159,027	-	410,924,429	-	356,159,817
Transferred to Stage Two	4,907,834	-	(4,907,834)	-	-	-	-	-	-
Transferred to Stage Three	(20,186,948)	-	20,186,948	-	-	-	-	-	-
The effect as a result of a change in classification between the three stages during the year	(25,249)	-	(10,112,063)	-	10,137,312	-	-	-	-
Changes due to the adjustments	(166,661)	-	(8,547,159)	-	(644,464)	-	(9,358,284)	-	(5,180,879)
Written-off or transferred to off balance sheet items	(8,416,317)	-	(527,649)	-	193,445	-	(8,750,521)	-	8,167,521
Adjustments due to changes in exchange rates	-	-	-	-	(19,903,048)	-	(19,903,048)	-	(1,663,398)
Total Balance at the End of the Year	310,632,382	-	14,185,889	-	35,966,410	-	360,784,681	-	355,062,498

Expected credit loss allowance movement:

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	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
Balance at the beginning of the year	2,516,119	1	16,751,345	-	43,357,013	62,624,478	66,446,361	
Impairment Loss of new balances during the year	13,466,191	-	38,449	-	724,191	14,228,831	958,300	
Recoveries from impairment loss on facilities due	(188,981)	(1)	(14,700,671)	-	(4,381,749)	(19,271,402)	(2,287,659)	
Transferred to Stage One	15,793,329	-	2,089,123	-	39,699,455	57,581,907	65,117,002	
Transferred to Stage Two	21,904	-	(21,904)	-	-	-	-	
Transferred to Stage Three	(109,621)	-	109,621	-	-	-	-	
Transferred to Stage Three	(56)	-	(2,019,287)	-	2,019,343	-	-	
The effect as a result of a change in classification between the three stages during the year	(13,180)	-	(49,093)	-	7,410,363	7,348,090	(74,105)	
Changes due to the adjustments	(230,404)	-	103,234	-	(374,944)	(502,114)	(673,129)	
Written-off or transferred to off balance sheet items	-	-	-	-	(18,142,774)	(18,142,774)	(1,663,398)	
Adjustments due to changes in exchange rates	(19,613)	-	(4,419)	-	(382,231)	(406,263)	(81,892)	
Total Balance at the End of the Year	15,442,359	-	207,275	-	30,229,212	45,878,846	62,624,478	

D. SME's portfolio:

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	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
1	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	99,869
3	1,356,736	-	-	-	-	1,356,736	3,416,911	
4	43,674,358	-	1,100,669	-	-	44,775,027	77,435,574	
5	76,800,433	-	307,223	-	-	77,107,656	60,684,066	
6	46,447,362	-	3,016,610	-	-	49,463,972	40,033,916	
7	-	-	13,032,568	-	-	13,032,568	15,435,100	
8	-	-	-	-	2,238,617	2,238,617	1,112,153	
9	-	-	-	-	-	-	9,427,341	
10	-	-	-	-	40,068,743	40,068,743	31,424,520	
Unclassified	-	4,269,508	-	77,734	481,438	4,828,680	4,274,815	
Total	168,278,889	4,269,508	17,457,070	77,734	42,788,798	232,871,999	243,344,265	

Credit risk rating categories based on the Bank's internal credit rating system:

Related facilities movement disclosure:

Item	As of December 31, 2023						As of December 31, 2022					
	Stage One		Stage Two		Stage Three		Stage One		Stage Two		Stage Three	
	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 at the beginning of the year	172,387,844	3,565,688	24,717,592	199,933	42,473,208	243,344,265	258,584,126					
New facilities during the year	38,913,781	1,161,530	19,600	-	1,002,254	41,097,165	14,719,165					
Facilities settled	(49,806,377)	(69,583)	(1,689,350)	(15,850)	(3,505,174)	(55,086,334)	(25,543,111)					
Transferred to Stage One	161,495,248	4,657,635	23,047,842	184,083	39,970,288	229,355,096	247,760,180					
Transferred to Stage Two	3,776,490	74,759	(3,776,490)	(74,759)	-	-	-					
Transferred to Stage Three	(9,353,281)	(661)	9,677,018	661	(323,737)	-	-					
The effect as a result of a change in classification between the three stages during the year	(242,238)	-	(10,107,757)	(18,134)	10,368,129	-	-					
Changes due to the adjustments	(976,957)	(9,715)	(586,639)	331	(1,015,028)	(2,588,008)	(6,300,590)					
Changes due to the adjustments	13,869,183	(452,510)	(786,844)	(14,448)	-	12,615,381	2,153,655					
Written-off or transferred to off balance sheet items	-	-	-	-	(6,134,647)	(6,134,647)	(162,383)					
Adjustments due to changes in exchange rates	(289,556)	-	(10,060)	-	(76,207)	(375,823)	(106,597)					
Total Balance at the End of the Year	168,278,889	4,269,508	17,457,070	77,734	42,788,798	232,871,999	243,344,265					

Expected credit loss allowance movement:

Item	As of December 31, 2023						As of December 31, 2022					
	Stage One		Stage Two		Stage Three		Stage One		Stage Two		Stage Three	
	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 at the beginning of the year	439,226	77,958	8,913,406	422	32,857,759	42,288,771	38,768,162					
Impairment Loss of new balances during the year	128,076	3,233	461	-	1,217,585	1,349,355	915,992					
Recoveries from impairment loss on facilities due	(45,410)	(15)	(43,407)	(3)	(2,448,341)	(2,537,176)	(3,788,257)					
Transferred to Stage One	521,892	81,176	8,870,460	419	31,627,003	41,100,950	35,895,897					
Transferred to Stage Two	35,868	101	(35,868)	(101)	-	-	-					
Transferred to Stage Three	(58,138)	(10)	314,363	10	(256,225)	-	-					
The effect as a result of a change in classification between the three stages during the year	(1,573)	-	(1,259,054)	(34)	1,260,661	-	-					
Changes due to the adjustments	(21,898)	(62)	113,994	113	2,708,868	2,801,015	5,901,185					
Changes due to the adjustments	(12,018)	44,064	(37,900)	(180)	-	(6,034)	850,207					
Written-off or transferred to off balance sheet items	-	-	-	-	(5,482,521)	(5,482,521)	(17,784)					
Adjustments due to changes in exchange rates	(533)	-	(75)	-	(74,892)	(75,500)	(340,734)					
Total Balance at the End of the Year	463,600	125,269	7,965,920	227	29,782,894	38,337,910	42,288,771					

E. Government and the Public Sector portfolio :	Item	As of December 31, 2023						As of December 31, 2022		
		Stage One		Stage Two		Stage Three	Total	Total	Total	
		Individual Level	Collective Level	Individual Level	Collective Level					JD
Credit risk rating categories based on the Bank's internal credit rating system:										
1		149,201,092	-	-	-	-	-	149,201,092	150,852,811	
2		-	-	-	-	-	-	-	-	
3		-	-	-	-	-	-	-	-	
4		-	-	-	-	-	-	-	-	
5		20,470,646	-	-	-	-	-	20,470,646	21,227,228	
6		52,687,587	-	-	-	-	-	52,687,587	53,159,242	
7		-	-	7,085,759	-	-	-	7,085,759	-	
8		-	-	-	-	-	-	-	-	
9		-	-	-	-	-	-	-	-	
10		-	-	-	-	-	-	-	-	
Unclassified		-	-	-	-	-	-	-	-	
Total		222,359,325	-	7,085,759	-	-	-	229,445,084	225,239,281	

Credit facilities movement disclosure:	Item	As of December 31, 2023						As of December 31, 2022		
		Stage One		Stage Two		Stage Three	Total	Total	Total	
		Individual Level	Collective Level	Individual Level	Collective Level					JD
Balance at the beginning of the year		225,239,281	-	-	-	-	-	225,239,281	206,297,647	
New facilities during the year		28,419,042	-	-	-	-	-	28,419,042	12,044,032	
Facilities settled		(4,963,000)	-	-	-	-	-	(4,963,000)	(10,639,207)	
Transferred to Stage One		-	-	-	-	-	-	-	-	
Transferred to Stage Two		(7,081,032)	-	7,081,032	-	-	-	-	-	
Transferred to Stage Three		-	-	-	-	-	-	-	-	
The effect as a result of a change in classification between the three stages during the year		-	-	4,727	-	-	-	4,727	-	
Changes due to the adjustments		(19,254,966)	-	-	-	-	-	(19,254,966)	17,536,809	
Written-off or transferred to off balance sheet items		-	-	-	-	-	-	-	-	
Adjustments due to changes in exchange rates		-	-	-	-	-	-	-	-	
Total Balance at the End of the Year		222,359,325	-	7,085,759	-	-	-	229,445,084	225,239,281	

Expected credit loss allowance movement:

Item	As of December 31, 2023						As of December 31, 2022	
	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	198,720	-	-	-	-	-	198,720	172,182
Impairment Loss of new balances during the year	817,097	-	-	-	-	-	817,097	92,996
Recoveries from impairment loss on facilities due	(4,808)	-	-	-	-	-	(4,808)	(3,468)
Transferred to Stage One	1,011,009	-	-	-	-	-	1,011,009	261,710
Transferred to Stage Two	(88,189)	-	-	-	-	-	-	-
Transferred to Stage Three	-	-	-	-	-	-	-	-
The effect as a result of a change in classification between the three stages during the year	-	-	127,276	-	-	-	127,276	-
Changes due to the adjustments	9,015	-	-	-	-	-	9,015	(62,990)
Written-off or transferred to off balance sheet items	-	-	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-	-	-
Total Balance at the End of the Year	931,835	-	215,465	-	-	-	1,147,300	198,720

Interest in Suspense:

The following is the movement on the interest in suspense:

	As of December 31, 2023						As of December 31, 2022	
	Individual (Retail Customers)		Real Estate Loans		Large Corporate Customers		Corporates	
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the Beginning of the Year	2,421,522	2,183,241	2,183,241	4,799,075	5,983,214	5,983,214	15,387,052	15,387,052
Add: Interest suspended during the year	455,256	760,610	760,610	2,085,128	1,591,218	1,591,218	4,892,212	4,892,212
Less: Interest in suspense reversed to revenues	(121,768)	(148,785)	(148,785)	(70,453)	(185,034)	(185,034)	(526,040)	(526,040)
Translation differences	(3,848)	(7,107)	(7,107)	(214,245)	(48,140)	(48,140)	(273,340)	(273,340)
Written off or transferred to off balance sheet items	(50,992)	-	-	(2,728,900)	(652,117)	(652,117)	(3,432,009)	(3,432,009)
Balance at the End of the Year	2,700,170	2,787,959	2,787,959	3,870,605	6,689,141	6,689,141	16,047,875	16,047,875

	As of December 31, 2022						As of December 31, 2021	
	Individual (Retail Customers)		Real Estate Loans		Large Corporate Customers		Corporates	
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the Beginning of the Year	2,280,404	2,013,231	2,013,231	3,598,390	5,548,249	5,548,249	13,440,274	13,440,274
Add: Interest suspended during the year	322,835	506,362	506,362	1,362,171	1,169,817	1,169,817	3,361,185	3,361,185
Less: Interest in suspense reversed to revenues	(169,168)	(334,207)	(334,207)	(116,483)	(486,195)	(486,195)	(1,106,053)	(1,106,053)
Translation differences	3,045	(2,145)	(2,145)	(45,003)	(104,058)	(104,058)	(148,161)	(148,161)
Written off or transferred to off balance sheet items	(15,594)	-	-	-	(144,599)	(144,599)	(160,193)	(160,193)
Balance at the End of the Year	2,421,522	2,183,241	2,183,241	4,799,075	5,983,214	5,983,214	15,387,052	15,387,052

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	2023	2022
	JD	JD	JD	JD
Financial	4,656,885	4,809,522	9,466,407	25,560,090
Industrial	130,526,621	22,404,209	152,930,830	170,130,175
Trading	210,583,497	78,518,119	289,101,616	267,549,471
Real estate	213,652,512	20,796,327	234,448,839	271,477,666
Constructions	20,098,232	12,140,310	32,238,542	25,965,995
Agriculture	9,587,294	7,366,480	16,953,774	14,082,509
Tourism, restaurants and public facilities	25,141,572	55,176,361	80,317,933	81,457,123
Shares	13,697,616	-	13,697,616	14,757,319
Individuals	443,632,435	98,930,566	542,563,001	593,729,507
Government and public sector	149,201,092	80,243,992	229,445,084	225,239,281
Total	1,220,777,756	380,385,886	1,601,163,642	1,689,949,136

11. Financial Assets at Amortized Cost - Net

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Quoted Financial Assets		
Governmental bonds and bills guaranteed by the Government	117,982,301	145,357,652
Corporates and banks bonds and debentures	19,399,922	32,587,705
Foreign governmental bonds	10,672,547	17,780,250
Total financial assets quoted in the market	148,054,770	195,725,607
Unquoted Financial Assets		
Corporate bonds and debentures	16,307,000	41,307,000
Total financial assets unquoted in the market	16,307,000	41,307,000
Total Financial Assets at Amortized Cost	164,361,770	237,032,607
Less: Allowance for expected credit loss	(235,121)	(372,177)
Net financial assets at amortized cost	164,126,649	236,660,430

Analysis of bonds and bills:

	December 31,	
	2023	2022
	JD	JD
Financial assets with fixed-interest rate	164,361,770	232,032,607
Financial assets with floating interest rate	-	5,000,000
	164,361,770	237,032,607

- Distribution of financial assets at amortized cost according to the Bank's internal credit rating categories as of December 31, 2023 and 2022 was as follows:

Item	As of December 31, 2023			As of December 31, 2022		
	Stage One		Stage Two	Stage Three		Total
	Individual Level	Collective Level	Individual Level	Collective Level	Total	Total
1	117,982,304	-	-	-	117,982,304	145,357,653
2	712,949	-	-	-	712,949	716,683
3	712,770	-	-	-	712,770	2,849,198
4	2,836,000	-	-	-	2,836,000	2,836,000
5	24,351,757	-	-	-	24,351,757	60,393,052
6	7,093,342	-	-	-	7,093,342	24,880,021
7	-	-	10,672,648	-	10,672,648	-
8	-	-	-	-	-	-
9	-	-	-	-	-	-
10	-	-	-	-	-	-
Total	153,689,122	-	10,672,648	-	164,361,770	237,032,607

Financial assets at amortized cost credit stages distribution was as follows:

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	Total
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	JD	JD
Balance – Beginning of the year	237,032,607	-	-	-	-	-	237,032,607	384,307,200
New investment during the year	19,477,690	-	-	-	-	-	19,477,690	86,154,943
Matured investments	(91,970,144)	-	-	-	-	-	(91,970,144)	(232,770,851)
Transferred to stage one	164,540,153	-	-	-	-	-	164,540,153	237,691,292
Transferred to stage two *Add Amount	(10,677,926)	-	-	10,677,926	-	-	-	-
Transferred to stage three	-	-	-	(5,278)	-	-	(5,278)	-
Changes resulting from adjustments	(173,105)	-	-	-	-	-	(173,105)	(658,685)
Balance – End of the year	153,689,122	-	10,672,648	-	-	-	164,361,770	237,032,607

The movement on the expected credit loss provision was as follows:

Item	As of December 31, 2023		As of December 31, 2022	
	Stage One	Stage Two	Stage Three	Total
Balance – Beginning of the year	372,177	-	-	372,177
Credit loss on investments balances during the year	53,119	-	-	53,119
Expected credit loss reversal on matured investments	(122,094)	-	-	(122,094)
Transferred to stage one	303,202	-	-	303,202
Transferred to stage two	(103,280)	103,280	-	-
Transferred to stage three	-	-	-	-
Effect as a result of classification changes between the three stages during the year	-	(11,197)	-	(11,197)
Changes due to adjustments	(56,884)	-	-	(56,884)
Balance – End of the year	143,038	92,083	-	235,121

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		Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
December 31, 2023	17,107,450	-	11,498,654	12,092,374	46,895,681	76,767,611	164,361,770				
December 31, 2022	-	30,165,431	13,334,463	34,999,251	48,538,443	109,995,019	237,032,607				

12. Property and Equipment – Net

The details of this item are as follows:

For the year ended December 31, 2023

Cost:	Lands		Buildings		Equipment Furniture and Fixtures		Vehicles		Computers		Decorations and Improvements		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
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	4,29,012	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							
Net Property and Equipment at End of the Year	4,656,314	11,716,362	8,382,778	172,939	6,001,106	6,413,983	58,489,765							

For the year ended December 31, 2022

Cost:

Balance – Beginning of the year	4,666,302	19,756,597	28,579,045	1,078,676	15,910,244	28,810,901	98,801,765
Additions	11,202	111,651	684,779	273	359,197	851,326	2,018,428
(Disposals)	-	-	(134,612)	-	(58,021)	(348)	(192,981)
Foreign currencies differences	(4,571)	(49,942)	(29,873)	(1,330)	(15,508)	(15,587)	(116,811)
Balance – End of the year	4,672,933	19,818,306	29,099,339	1,077,619	16,195,912	29,646,292	100,510,401
Accumulated depreciation:							
Balance – Beginning of the year	-	7,352,685	18,553,770	784,982	10,637,740	19,750,014	57,079,191
Depreciations for the year	-	361,087	1,837,421	105,896	1,306,582	2,038,552	5,649,538
(Disposals)	-	-	(103,309)	-	(28,785)	(347)	(132,441)
Foreign currencies differences	-	(11,464)	(18,255)	(939)	(7,583)	(14,265)	(52,506)
Balance – End of the year	-	7,702,308	20,269,627	889,939	11,907,954	21,773,954	62,543,782
Net book value of property and equipment	4,672,933	12,115,998	8,829,712	187,680	4,287,958	7,872,338	37,966,619
Payments on acquisition of property and equipment*	-	560,134	635,136	-	406,480	222,173	1,823,923
Right of use of assets**	-	-	-	-	-	-	17,768,842
Net Property and Equipment at End of the Year	4,672,933	12,676,132	9,464,848	187,680	4,694,438	8,094,511	57,559,384

* The financial obligations relating to the acquisition of property and equipment amounted to JD 233,600 for the year 2023, 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 39,507,708 for the year 2023 (JD 36,980,475 for the year 2022).

**** This item represents the effect application of IFRS (16), as follows:**

	December 31,	
	2023	2022
	JD	JD
Balance – Beginning of the year	17,768,842	16,459,704
Additions	7,698,493	5,000,318
(Disposals)	(204,241)	(29,525)
(Depreciation) for the year	(4,102,373)	(3,656,931)
Foreign currencies differences	(14,438)	(4,724)
Balance – End of the year	21,146,283	17,768,842

13. Intangible Assets – Net

	December 31,	
	2023	2022
	JD	JD
Balance at the Beginning of the Year	7,482,126	8,012,000
Additions during the year	1,527,714	908,765
Amortization for the year	(1,598,270)	(1,435,943)
Foreign currencies differences	(14,056)	(2,696)
Balance at the End of the Year	7,397,514	7,482,126

14. Other Assets

	December 31,	
	2023	2022
	JD	JD
Accrued interest and commission income	10,311,658	9,017,407
Prepaid expenses	2,864,657	3,180,980
Assets seized by the Bank in repayment of non-performing debts*	72,783,742	66,643,289
Clearing cheques	2,917,895	368,898
Advanced payments on the acquisition of land and real estates	2,713,303	1,990,486
Paid guarantee	247,240	240,198
Prepaid tax expenses	2,212,534	4,502,953
Financial derivatives – Note (39)	-	118,463
Accounts receivables and other debit balances	6,106,892	5,043,342
	100,157,921	91,106,016

* The following is the movement on the assets seized by the Bank in repayment of non-performing debts:	Seized Assets	
	2023	2022
	JD	JD
Balance at the Beginning of the Year	76,212,320	73,140,691
Additions	6,747,690	5,245,099
Disposals	(647,398)	(2,173,470)
End of the year balance	82,312,612	76,212,320
Impairment provision of assets seized by the Bank**	(9,528,870)	(9,569,031)
Balance at the End of the Year	72,783,742	66,643,289

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

** As of the beginning of the year 2015, a gradual provision was calculated for the expropriated real estate against debts that had been expropriated for a period of time more than 4 years based on the Central Bank of Jordan Circular No. 4076/1/15 dated March 27, 2014 and No. 10/1/2510 dated February 14, 2017. noting that the Central Bank of Jordan has issued Circular No. 13967/1/10 on October 25, 2018, approving the extension of the circular. No. 10/1/16607 dated December 17, 2017, in which confirmed the deferred of calculating the allowance until the end of the year 2019, In accordance with the circular of the Central Bank of Jordan NO. 10/3/16234 dated October 10, 2022, the gradual provision for the seized assets was suspended, provided that the allocated provisions for the expropriated real estate in violation of the provisions of the Banking Law are maintained, and only the allocated provision is released against any of the violating real estate that are disposed of.

** The movement on the impairment provision of assets seized by the Bank was as follows:	December 31,	
	2023	2022
	JD	JD
Opening balance	9,569,031	9,729,988
Recovered from the reserve during the year	(40,161)	(160,957)
Ending balance	9,528,870	9,569,031

15. Banks and Financial Institutions' Deposits	December 31, 2023			December 31, 2022			
	This item consists of the following:	Inside The kingdom	Outside The kingdom	Total	Inside The kingdom	Outside The kingdom	Total
		JD	JD	JD	JD	JD	JD
Current and demand accounts	-	9,964,116	9,964,116	-	9,658,839	9,658,839	
Deposits maturing within 3 months	1,418,000	59,972,302	61,390,302	-	51,420,000	51,420,000	
Deposits maturing within 3-6 months	-	-	-	-	235,000	235,000	
Deposits maturing within 6-9 months	-	-	-	-	-	-	
Deposits maturing within 9-12 months	-	-	-	-	-	-	
Deposits maturing within more than a year	-	-	-	-	25,000,000	25,000,000	
Total	1,418,000	69,936,418	71,354,418	-	86,313,839	86,313,839	

16. Customer Deposits

December 31, 2023

Details of this item are as follows:

Description	Individuals		Corporations		SME's		Government and Public sector		Total
	JD	JD	JD	JD	JD	JD	JD	JD	
Current and demand accounts	330,357,339	41,729,628	4,172,338	136,270,338	6,923,984	515,281,289			
Saving deposits	828,153,368	5,176	1,743,585	13,612	829,915,741				
Term deposits	494,550,198	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	161,528,570	81,675,822	2,169,054,732				

December 31, 2022

Description	Individuals		Corporations		SME's		Government and Public sector		Total
	JD	JD	JD	JD	JD	JD	JD	JD	
Current and demand accounts	353,362,755	53,345,674	99,132,184	8,285,614	514,126,227				
Saving deposits	884,845,268	11,191	1,434,818	14,006	886,305,283				
Term deposits	391,811,691	96,192,198	43,493,632	10,010,735	541,508,256				
Certificates of deposits	74,246,025	-	110,000	-	74,356,025				
Total	1,704,265,739	149,549,063	144,170,634	18,310,355	2,016,295,791				

* The Government of Jordan and the public sector deposits inside the Kingdom amounted JD 74,554,432 equivalent to 3.44% of total deposits as of December 31, 2023 (JD 9,227,915 equivalent to 0.46% of total deposits as of December 31, 2022).

* Non-interest-bearing deposits amounted to JD 683,270,673 equivalent to 31.5% of total deposits as of December 31, 2023 (JD 713,861,240 equivalent to 35.40% of total deposits as of December 31, 2022).

* Restricted deposits amounted to JD 22,961,742 equivalent to 1.06% of total deposits as of December 31, 2023 (JD 23,248,084 equivalent to 1/15% of total deposits as of December 31, 2022).

* Dormant deposits amounted to JD 59,078,155 as of December 31, 2023 (JD 55,325,971 as of December 31, 2022).

17. Cash Margins

The details of this item are as follows:

	December 31, 2023		December 31, 2022	
	JD	JD	JD	JD
Cash margins against direct credit facilities	123,571,783	89,596,155		
Cash margins against indirect credit facilities	16,702,775	20,026,931		
	140,274,558	109,623,086		

18. Sundry Provisions

The details of this item are as follows:

December 31, 2023	Beginning Balance		Provision Created During the Year		Provision Used During the Year		Foreign Currencies Differences		Ending Balance	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
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					

December 31, 2022

Provision for end-of-service indemnity	4,382,980	526,067	(1,038,372)	-	3,870,675					
Provision for lawsuits raised against the Bank	764,385	417,150	(824,260)	-	357,275					
Sundry provisions	8,868	-	-	(1,478)	7,390					
	5,156,233	943,217	(1,862,632)	(1,478)	4,235,340					

19. Income Tax

A. Income tax provision:	2023	2022
The movement on the income tax provision was as follows:	JD	JD
Balance at the Beginning of the Year	21,497,785	20,055,494
Income tax paid	(21,300,695)	(19,413,712)
Accrued Income tax	19,050,330	20,856,003
Balance at the end of the year	19,247,420	21,497,785

Income tax presented in the consolidated statement of profit or loss represents the following:	2023	2022
Income tax on current year's profit	19,050,330	20,856,003
Prior years income tax	164,668	121,688
Deferred tax assets for the year	(2,821,967)	(1,929,810)
Amortization of deferred tax assets	4,511,665	1,324,374
	20,904,696	20,372,255

- 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 Syria (a subsidiary company) 25% and subsidiaries in Jordan 28%.
- 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 and 2022 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.
- 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.
- A final settlement has been reached with the Income and Sales Tax Department in Jordan regarding Tafawuq 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 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.
- 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 and 2022, 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.
- 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, 2023. In the opinion of management and the tax advisor, these provisions are sufficient to meet the tax obligations as of that date.

The following is a summary of the reconciliation between accounting profit and taxable profit:	2023	2022
	JD	JD
Accounting income	65,359,883	60,931,928
Income untaxable	(33,713,945)	(24,611,097)
undetectable tax expenses	30,189,264	26,135,553
Taxable profit	61,835,202	62,456,384
Income tax rate	30.8%	33.4%
Income tax accrued on the profits for the year	19,050,330	20,856,003

b. Deferred Tax Assets:

The details for this item are as follows:

	December 31, 2023		December 31, 2022	
	Beginning Balance	Amounts released	Additions	Year-end balance
	JD	JD	JD	JD
Accounts included				
Deferred Tax Assets				
Provision for non-performing loans	23,952,318	800,000	-	23,152,318
Prior years' provision for non-performing loans	8,910,815	6,780,162	-	2,130,653
Provision for end-of-service indemnity	3,775,500	341,475	593,051	4,027,076
Interest in suspense	606,426	322,600	223,640	507,466
Provision for lawsuits raised against Bank	357,275	104,912	41,101	293,464
Provision for seized assets	9,569,031	40,161	-	9,528,870
Impairment for assets available for sale	62,831	-	-	62,831
Seized assets valuation	837,287	-	-	837,287
Expected credit loss provision	21,463,443	3,894,414	4,526,607	22,095,636
Other allocations	-	-	3,625,427	3,625,427
	69,534,926	12,283,724	9,009,826	66,261,028
				23,472,437
				25,162,135

c. Deferred Tax Liabilities:

Fair value reserve	1,107,985	-	1,032,751	2,140,736	471,683	107,367
---------------------------	------------------	----------	------------------	------------------	----------------	----------------

The movement on the deferred tax assets and liabilities accounts is as follows:	Deferred tax assets		Deferred tax liabilities	
	2023	2022	2023	2022
	JD	JD	JD	JD
Balance -Beginning of year	25,162,135	24,556,699	107,367	51,871
Addition during the year	2,821,967	1,929,810	364,316	55,496
Amortized during the year	(4,511,665)	(1,324,374)	-	-
Balance -end of year	23,472,437	25,162,135	471,683	107,367

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

20. Borrowed Funds						
The details of this item are as follows:	Amount	Number of Installments		Periodic Installments Maturity	Collaterals	Price of Borrowing Interest
		In Total	The Remaining			
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					
December 31, 2022	JD					
Borrowing from Central Banks*	25,298,097	24-108	1-60	Monthly	Treasury Bonds and bills	Zero -1%
Borrowing from Jordan Mortgage Refinance Company**	15,000,000	1	1	One payment	Assigning real estate loans mortgage certificates in favour of the company	4.15%
Lease liabilities ***	17,376,666	953	513	Annual	None	Average 6,28%
Total	57,674,763					

* 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 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, 2023	December 31, 2022
Maturity analysis - undiscounted contractual cash flows	JD	JD
Less than one year	4,200,790	3,617,727
Year to five years	15,897,488	12,290,281
More than five years	6,229,764	7,231,831
Total undiscounted lease liabilities	26,328,042	23,139,839
Discounted lease liabilities included in the consolidated statement of financial position	20,731,526	17,376,666
Within one year	2,228,757	1,716,420
More than one year	18,502,769	15,660,246

21. Other Liabilities		
The details of this item are as follows:	December 31,	
	2023	2022
	JD	JD
Accrued interest payable	13,059,616	8,019,551
Deferred cheques	14,010,417	8,424,527
Temporary deposits	8,302,174	6,763,075
Dividends payable	3,044,288	2,739,253
Deposits on safe boxes	176,636	174,912
Margins against sold real estate	402,240	138,095
Financial derivatives - Note (39)	145,277	-
Expected credit loss provision against indirect credit facilities **	8,682,263	8,069,724
Other liabilities*	7,918,005	12,309,522
	55,740,916	46,638,659

* The details of other liabilities are as follows:	December 31,	
	2023	2022
	JD	JD
Social security deposits	312,717	310,879
Income tax deposits	492,855	320,737
Accrued expenses	6,350,089	8,094,391
Incoming transfers	265,257	301,080
Board of Directors' remuneration	55,000	55,000
Other credit balances	442,087	3,227,435
	7,918,005	12,309,522

Item	Aa of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	Individual	Collective	Individual	Collective	Individual	Collective	Individual	Collective
Balance at the Beginning of the Year	395,976,362	64,065,645	11,703,169	14,863,379	10,703,066	497,311,621	455,866,692	
New exposures during the year	209,267,875	9,098,649	227,897	927,633	68,455	219,590,509	45,175,309	
Accrued exposures	(117,048,632)	(4,638,490)	(669,023)	(1,228,961)	(160,113)	(123,745,219)	(91,693,589)	
	488,195,605	68,525,804	11,262,043	14,562,051	10,611,408	593,156,911	409,348,412	
Transferred to stage one	2,708,728	9,641,474	(2,707,728)	(9,641,474)	(1,000)	-	-	
Transferred to stage two	(4,348,894)	(2,953,688)	4,367,394	2,953,688	(18,500)	-	-	
Transferred to stage three	(201,903)	(267,950)	(1,491,894)	(165,545)	2,127,292	-	-	
Effect as a result of classification changes between the three stages during the year	14,764	603,467	(1,097,340)	(831,642)	(1,214,305)	(2,525,056)	(5,474,156)	
Changes due to the adjustments	(2,115,594)	(3,898,399)	(425,277)	71,409	-	(6,367,861)	94,283,581	
Adjustments due to exchange rates fluctuations	(4,273,774)	-	(815,508)	-	(66,786)	(5,156,068)	(846,216)	
Balance at the End of the Year	479,978,932	71,650,708	9,091,690	6,948,487	11,438,109	579,107,926	497,311,621	

Item	Aa of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	Individual	Collective	Individual	Collective	Individual	Collective	Individual	Collective
Balance at the Beginning of the Year	695,233	43,570	372,319	29,242	6,929,260	8,069,724	7,694,926	
Credit loss on new exposures during the period	422,535	6,723	1,206	1,306	12,965	444,735	64,662	
Impairment loss over accrued exposures	(135,945)	(2,701)	(7,179)	(2,363)	(71,625)	(219,813)	(234,605)	
Transferred to stage one	981,823	47,592	366,346	28,185	6,870,600	8,294,646	7,524,983	
Transferred to stage two	16,513	17,217	(16,169)	(17,217)	(344)	-	-	
Transferred to stage three	(23,091)	(1,889)	25,171	1,889	(2,080)	-	-	
Effect as a result of classification changes between the three stages during the year	(1,704)	(224)	(20,243)	(901)	23,072	-	-	
Changes due to the adjustments	(3,675)	(13,879)	15,614	3,362	575,956	577,378	59,731	
Adjustments due to exchange rates fluctuations	(135,497)	(6,706)	(43,230)	(3,186)	-	(188,619)	490,881	
Adjustments due to exchange rates fluctuations	(1,423)	-	(1,708)	-	1,989	(1,142)	(5,871)	
Balance at the End of the Year	833,046	42,111	325,781	12,132	7,469,193	8,682,263	8,069,724	

Indirect credit facilities distribution was as follows:

As of December 31, 2023

As of
December 31,
2022

A. Letter of credit

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
Credit risk rating based on the Bank's internal credit rating system:							
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	6,139,917	-	-	-	-	6,139,917	784,461
4	26,486,491	-	-	-	-	26,486,491	1,534,916
5	1,725,597	-	38,286	-	-	1,763,883	14,891,397
6	291,815	-	-	-	-	291,815	1,242,161
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-
Total	34,643,820	-	38,286	-	-	34,682,106	18,452,935

Indirect facilities movement disclosure:

As of December 31, 2023

As of
December 31,
2022

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	18,387,714	-	65,221	-	-	18,452,935	26,587,459
New facilities during the year	24,882,622	-	-	-	-	24,882,622	(762,267)
Facilities paid	(894,835)	-	(65,221)	-	-	(960,056)	(6,985,694)
Transferred to Stage One	42,375,501	-	-	-	-	42,375,501	18,839,498
Transferred to Stage Two	-	-	-	-	-	-	-
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	-	-	-	-	-	-	(4,679)
Changes due to the adjustments	(7,731,681)	-	38,286	-	-	(7,693,395)	(381,884)
Adjustments due to changes in exchange rates	-	-	-	-	-	-	-
Total Balance at the End of the Year	34,643,820	-	38,286	-	-	34,682,106	18,452,935

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	42,530	-	27	-	-	-	42,557	20,775
Loss on new balances during the year	33,713	-	-	-	-	-	33,713	10,936
Recoveries from impairment on investments due	(12,543)	-	(27)	-	-	-	(12,570)	(8,847)
	63,700	-	-	-	-	-	63,700	22,864
Transferred to Stage One	-	-	-	-	-	-	-	-
Transferred to Stage Two	-	-	-	-	-	-	-	-
Transferred to Stage Three	-	-	-	-	-	-	-	-
The effect as a result of the reclassification between the three stages during the year	-	-	-	-	-	-	-	(848)
Changes due to the adjustments	(18,162)	-	178	-	-	-	(17,984)	20,541
Adjustments due to changes in exchange rates	-	-	-	-	-	-	-	-
Total Balance at the End of the Year	45,538	-	178	-	-	-	45,716	42,557

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level
	JD	JD	JD	JD	JD	JD	JD	JD
B. Acceptances								
Credit risk rating based on the Bank's internal credit rating system:								
1	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-
3	1,732,442	-	-	-	-	-	1,732,442	313,866
4	73,201,306	-	-	-	-	-	73,201,306	14,716,069
5	16,331,633	-	17,902	-	-	-	16,349,535	4,066,020
6	169,508	-	-	-	-	-	169,508	506,231
7	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-
Total	91,434,889	-	17,902	-	-	-	91,452,791	19,602,186

Indirect facilities movement disclosure:

Item	As of December 31, 2023						As of December 31, 2022	
	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	19,602,186	-	-	-	-	-	19,602,186	13,942,004
New facilities during the year	88,424,230	-	17,902	-	-	-	88,442,132	15,503,620
Facilities settled	(15,430,043)	-	-	-	-	-	(15,430,043)	(8,802,945)
Transferred to Stage One	92,596,373	-	17,902	-	-	-	92,614,275	20,642,679
Transferred to Stage Two	-	-	-	-	-	-	-	-
Transferred to Stage Three	-	-	-	-	-	-	-	-
The effect as a result of reclassification between the three stages during the year	-	-	-	-	-	-	-	-
Changes due to the adjustments	(1,161,484)	-	-	-	-	-	(1,161,484)	(1,040,493)
Written off facilities	-	-	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-	-	-
Total Balance at the End of the Year	91,434,889	-	17,902	-	-	-	91,452,791	19,602,186

Impairment provision movement disclosure:

Item	As of December 31, 2023						As of December 31, 2022	
	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	24,743	-	-	-	-	-	24,743	16,210
Impairment Loss of new balances during the year	91,946	-	83	-	-	-	92,029	14,393
Recoveries from impairment loss on facilities due	(15,039)	-	-	-	-	-	(15,039)	(12,404)
Transferred to Stage One	101,650	-	83	-	-	-	101,733	18,199
Transferred to Stage Two	-	-	-	-	-	-	-	-
Transferred to Stage Three	-	-	-	-	-	-	-	-
The effect as a result of reclassification between the three stages during the year	-	-	-	-	-	-	-	-
Changes due to the adjustments	(5,323)	-	-	-	-	-	(5,323)	6,544
Adjustments due to changes in exchange rates	-	-	-	-	-	-	-	-
Total Balance at the End of the Year	96,327	-	83	-	-	-	96,410	24,743

C. Letters of guarantee	As of December 31, 2023										As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total		Total		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
	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	392,475	-	-	-	-	-	-	-	-	392,475	-	2,432,470
3	18,398,303	-	-	-	-	-	-	-	-	18,398,303	-	7,708,381
4	14,833,772	-	-	96,079	-	-	-	-	-	14,929,851	-	21,167,393
5	22,913,323	-	-	59,411	-	-	-	-	-	22,972,734	-	21,770,761
6	14,731,701	-	-	1,080,791	-	-	-	-	-	15,812,492	-	13,426,627
7	-	-	-	1,603,516	-	-	-	-	-	1,603,516	-	1,674,754
8	-	-	-	-	-	-	-	-	-	-	-	1,265
9	-	-	-	-	-	-	-	-	-	-	-	29,149
10	-	-	-	-	-	-	-	11,438,109	-	11,438,109	-	10,672,652
Unclassified	-	-	-	-	-	-	-	-	-	-	-	-
Total	71,269,574	-	-	2,839,797	-	-	-	11,438,109	-	85,547,480	-	78,883,452

Indirect facilities movement disclosure:	As of December 31, 2023										As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total		Total		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
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	62,063,634	-	6,116,752	-	-	10,703,066	-	-	-	78,883,452	-	95,353,731
New facilities during the Year	11,693,802	-	178,122	-	-	68,455	-	-	-	11,940,379	-	4,051,837
Facilities settled	(3,222,427)	-	(390,281)	-	-	(160,113)	-	-	-	(3,772,821)	-	(5,383,833)
Transferred to Stage One	70,535,009	-	5,904,593	-	-	10,611,408	-	-	-	87,051,010	-	94,021,735
Transferred to Stage Two	1,493,499	-	(1,492,499)	-	-	(1,000)	-	-	-	-	-	-
Transferred to Stage Three	(166,246)	-	184,746	-	-	(18,500)	-	-	-	-	-	-
Transferred to Stage Three	(168,615)	-	(791,642)	-	-	960,257	-	-	-	-	-	-
The effect as a result of reclassification between the three stages during the year	(209,710)	-	(46,057)	-	-	(47,270)	-	-	-	(303,037)	-	716,805
Changes due to the adjustments	3,001,336	-	(103,836)	-	-	-	-	-	-	2,897,500	-	(15,108,450)
Adjustments due to changes in exchange rates	(3,215,699)	-	(815,508)	-	-	(66,786)	-	-	-	(4,097,993)	-	(746,638)
Total balance at the end of the year	71,269,574	-	2,839,797	-	-	11,438,109	-	-	-	85,547,480	-	78,883,452

Item	As of December 31, 2023						As of December 31, 2022					
	Stage One		Stage Two		Stage Three		Stage One		Stage Two		Stage Three	
	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
Balance at the beginning of the year	189,719	-	173,180	-	6,929,260	-	7,292,159	7,249,113				
Impairment Loss of new balances during the year	43,034	-	866	-	12,965	-	56,865	7,740				
Recoveries from impairment loss on facilities due	(9,611)	-	(5,528)	-	(71,625)	-	(86,764)	(129,944)				
Transferred to Stage One	223,142	-	168,518	-	6,870,600	-	7,262,260	7,126,909				
Transferred to Stage Two	11,111	-	(10,767)	-	(344)	-	-	-				
Transferred to Stage Three	(877)	-	2,957	-	(2,080)	-	-	-				
Transferred to Stage One	(1,593)	-	(14,381)	-	15,974	-	-	-				
The effect as a result of reclassification between the three stages during the year	(5,685)	-	3,799	-	583,054	-	581,168	72,768				
Changes due to the adjustments	(4,519)	-	18,566	-	-	-	14,047	98,311				
Adjustments due to changes in exchange rates	(964)	-	(1,708)	-	1,989	-	(683)	(5,829)				
Total balance at the end of the year	220,615	-	166,984	-	7,469,193	-	7,856,792	7,292,159				

Item	As of December 31, 2023						As of December 31, 2022					
	Stage One		Stage Two		Stage Three		Stage One		Stage Two		Stage Three	
	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
D. Unutilized facilities limits												
Credit risk rating based on the Bank's internal credit rating system:												
1	5,138	-	-	-	-	-	5,138	5,138				
2	-	-	-	-	-	-	-	7,064,133				
3	77,674,420	-	-	-	-	-	77,674,420	23,752,674				
4	89,211,665	-	886,682	-	-	-	90,098,347	134,013,816				
5	91,996,344	-	182,549	-	-	-	92,178,893	114,787,422				
6	23,743,082	-	565,969	-	-	-	24,309,051	19,192,355				
7	-	-	4,560,505	-	-	-	4,560,505	2,628,486				
8	-	-	-	-	-	-	-	-				
9	-	-	-	-	-	-	-	-				
10	-	-	-	-	-	-	-	-				
Unclassified		71,650,708	-	-	6,948,487	-	78,599,195	78,929,024				
Total	282,630,649	71,650,708	6,195,705	6,948,487	-	-	367,425,549	380,373,048				

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the Beginning of the Year	295,922,828	64,065,645	5,521,196	14,863,379	-	-	380,373,048	319,983,498
New facilities during the year	84,267,221	9,098,649	31,873	927,633	-	-	94,325,376	26,382,119
Facilities paid	(97,501,327)	(4,638,490)	(213,521)	(1,228,961)	-	-	(103,582,299)	(70,521,117)
Transferred to Stage One	282,688,722	68,525,804	5,339,548	14,562,051	-	-	371,116,125	275,844,500
Transferred to Stage Two	1,215,229	9,641,474	(1,215,229)	(9,641,474)	-	-	-	-
Transferred to Stage Three	(4,182,648)	(2,953,688)	4,182,648	2,953,688	-	-	-	-
Transferred to Stage Three	(33,288)	(267,950)	(700,252)	(165,545)	1,167,035	-	-	-
The effect as a result of reclassification between the three stages during the year	224,474	603,467	(1,051,283)	(831,642)	(1,167,035)	(1,167,035)	(2,222,019)	(6,186,282)
Changes due to the adjustments	3,776,235	(3,898,399)	(359,727)	71,409	-	-	(410,482)	110,814,408
Written off facilities	-	-	-	-	-	-	-	-
Adjustments due to changes in exchange rates	(1,058,075)	-	-	-	-	-	(1,058,075)	(99,578)
Total Balance at the End of the Year	282,630,649	71,650,708	6,195,705	6,948,487	-	-	367,425,549	380,373,048

Item	As of December 31, 2023						As of December 31, 2022	
	Stage One		Stage Two		Stage Three		Total	
	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level	Individual Level	Collective Level
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the Beginning of the Year	438,341	43,570	199,112	29,242	-	-	710,265	408,828
Impairment Loss of new balances during the year	253,842	6,723	257	1,306	-	-	262,128	31,593
Recoveries from impairment loss on investments due	(98,752)	(2,701)	(1,624)	(2,363)	-	-	(105,440)	(83,410)
Transferred to Stage One	593,431	47,592	197,745	28,185	-	-	866,953	357,011
Transferred to Stage Two	5,402	17,217	(5,402)	(17,217)	-	-	-	-
Transferred to Stage Three	(22,214)	(1,889)	22,214	1,889	-	-	-	-
Transferred to Stage Three	(111)	(224)	(5,862)	(901)	7,098	-	-	-
The effect as a result of reclassification between the three stages during the year	2,010	(13,879)	11,815	3,362	(7,098)	(7,098)	(3,790)	(12,189)
Changes due to the adjustments	(107,493)	(6,706)	(61,974)	(3,186)	-	-	(179,359)	365,485
Written off facilities	-	-	-	-	-	-	-	-
Adjustments due to changes in exchange rates	(459)	-	-	-	-	-	(459)	(42)
Total Balance at the End of the Year	470,566	42,111	158,536	12,132	-	-	683,345	710,265

22. Paid-Up Capital

The authorized capital of the Bank is JD 200 million as of December 31, 2023 and 2022.

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 15th 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	
	JD	Nature of Restriction
Reserve		
Statutory reserve	116,928,669	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:	2023	2022
	JD	JD
Balance at the Beginning of the Year	(13,033,639)	(13,009,685)
Changes in the translation of net investment in the subsidiary Company during the year*	3,471,559	(23,954)
Balance at the End of the Year	(9,562,080)	(13,033,639)

25. Fair Value Reserve

The details of the fair value reserve are as follows:

	2023	2022
	JD	JD
Balance – Beginnings of the Year	48,495,968	(3,979,324)
Unrealized gains – Equity instruments	(19,339,618)	51,879,948
Unrealized (losses) – debt instruments	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	(65,395)	-
Equity instruments at fair value through comprehensive income transferred to retained earnings as a result of sale	-	650,840
Deferred Tax Liabilities	(364,316)	(55,496)
Balance at the End of the Year*	31,794,224	48,495,968

* Net after deferred tax which amounted to JD 471,683 for the year 2023 (JD 107,367 for the year 2022).

26. Retained Earnings

The details of this item are as follows:

	2023	2022
	JD	JD
beginning balance	173,238,442	176,032,362
Dividends distributed to shareholders	(36,000,000)	(36,000,000)
Profit for the year	44,023,403	40,139,436
Transferred (to) reserves	(6,595,784)	(6,143,884)
Profit transferred as a result of sale of financial assets through comprehensive income*	-	(903,399)
Foreign currency translation differences	181,041	113,927
Balance at the End of the Year	174,847,102	173,238,442

- Retained earnings include an amount of JD 23,472,437 restricted against deferred tax assets as of December 31, 2023 (JD 25,162,135 as of December 31, 2022).

- Retained earnings include an amount of JD 227,598 as of December 31, 2023, 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, 2023 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 25 January 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:	
	2023	2022
	JD	JD
Direct Credit Facilities at amortized cost:		
Individual (retail customers):	53,386,694	50,704,604
Overdraft accounts	1,262,393	1,334,653
Loans and discounted bills	47,576,491	44,746,821
Credit cards	4,547,810	4,623,130
Real estate loans	20,104,893	18,806,733
Corporate Entities:	39,591,699	36,288,188
Large corporate customers:	24,544,272	20,521,905
Overdraft accounts	2,853,282	2,781,864
Loans and discounted bills	21,690,990	17,740,041
SMEs:	15,047,427	15,766,283
Overdraft accounts	2,458,929	2,932,363
Loans and discounted bills	12,588,498	12,833,920
Government and Public Sector	19,164,745	13,733,940
Other items:		
Balances with central banks	27,956,952	6,918,692
Balances and deposits with banks and financial institutions	9,220,525	5,813,050
Financial assets at amortized cost	10,257,344	11,597,167
Financial assets at fair value through comprehensive income	5,616,107	-
Total	185,298,959	143,862,374

29. Interest Expense	For the Year Ended December 31,	
	The details of this item are as follows:	
	2023	2022
	JD	JD
Banks and financial institution deposits	3,902,956	2,867,032
Customers' deposits:		
Current and demand deposits	5,269	5,557
Saving accounts	3,363,285	2,608,280
Time and notice deposits	31,135,083	14,990,725
Certificates of deposit	5,547,491	1,506,575
Borrowed funds	706,174	710,331
Cash margins	2,700,340	1,807,927
Deposits insurance fees	2,111,825	2,840,625
Interest on lease liabilities	1,237,933	1,134,358
	50,710,356	28,471,410

30. Net – Commission Income	For the Year Ended December 31,	
	The details of this item are as follows:	
	2023	2022
	JD	JD
Commission Income:		
Direct credit facilities commission	3,881,801	4,545,012
Indirect credit facilities commission	5,093,356	2,426,520
Other commission	17,119,564	16,517,245
Total	26,094,721	23,488,777
Less: Commission Expense	1,438,338	1,586,369
Net Commission Income	24,656,383	21,902,408

31. Foreign Currencies Income	For the Year Ended December 31,	
	The details of this item are as follows:	
	2023	2022
	JD	JD
From trading / dealing	609,325	89,726
From revaluation	3,543,115	4,106,128
	4,152,440	4,195,854

32. Gain from Financial Assets at Fair Value Through Profit or Loss	For the Year Ended December 31,			
	The details of this item are as follows:			
	Realized Gain	Unrealized Gain	Shares Dividends	Total
	JD	JD	JD	JD
During the Year 2023				
Local shares	-	33,797	16,595	50,392
	-	33,797	16,595	50,392
During the Year 2022				
Local shares	-	82,577	21,480	104,057
	-	82,577	21,480	104,057

33. Other Income	For the Year Ended December 31,	
The details of this item are as follows:	2023	2022
	JD	JD
Revenues recovered from prior years	472,415	1,761,686
Gain from the sale of assets seized by the Bank	238,349	1,182,584
Revenue from telephone, post, and swift	292,889	342,957
Rent income received from the Bank's real estate	189,254	170,001
Gain from the sale of property and equipment	267,206	65,913
Interest in suspense reversed to revenue	526,040	1,106,053
Other revenue	1,150,545	967,567
	3,136,698	5,596,761

34. Employees Expenses	For the year ended December 31,	
The details of this item are as follows:	2023	2022
	JD	JD
Salaries, bonuses, and employees' benefits	28,620,068	26,412,279
Bank's contribution to social security	2,392,952	2,250,491
Bank's contribution to provident fund	1,859,306	1,706,188
Medical expenses	1,245,914	1,274,127
Staff training expenses	372,417	396,392
Transportation and travel expenses	809,201	715,065
Life insurance	261,513	101,214
	35,561,371	32,855,756

35. Other Expenses	For the year ended December 31,	
The details of this item are as follows:	2023	2022
	JD	JD
Rent	458,147	1,017,884
Printing and stationery	818,420	758,378
Telephone, post and swift	2,419,011	2,201,853
Maintenance, repairs, and cleaning	7,416,954	7,639,183
Fees, taxes, and licenses	4,293,367	4,253,657
Advertisements and subscriptions	10,000,806	9,161,462
Insurance expenses	5,183,737	5,600,443
Electricity and heating	629,435	805,315
Donations	1,425,988	1,161,265
Hospitality	358,984	278,693
Professional, consultancy and legal fees	2,229,134	1,924,794
Board of Directors members remunerations	55,000	52,041
Miscellaneous	1,999,748	1,262,118
	37,288,731	36,117,086

36. Financial Assets Expected Credit Losses Expenses	For the year ended December 31,	
The details on this item are as follows:	2023	2022
	JD	JD
Balances central banks	82,677	95,424
Balances at banks and financial institutions	(30,816)	101,426
Deposits at banks and financial institutions	38	(32,467)
Direct credit facilities at amortized cost	14,196,918	5,985,123
Financial assets at amortized cost	(137,056)	(104,903)
Off statement of financial position items	613,681	380,669
	14,725,442	6,425,272

37. Earnings Per Share from Profit for the Year

The details of this item are as follows:

	2023	2022
	JD	JD
Profit for the year (Bank's shareholders)	44,023,403	40,139,436
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	0.220	0.201

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, 2023, and 2022 in accordance with the requirements of International Accounting Standard No. 33.

38. Cash and Cash Equivalents

The details of this item are as follows:

	December 31,	
	2023	2022
	JD	JD
Cash and balances with Central Banks maturing within 3 months	858,096,861	663,396,371
Add: Balances with banks and other financial institutions maturing within 3 months	142,621,408	150,844,506
Less: Banks and financial institutions' deposits maturing within 3 months	(71,354,418)	(61,078,839)
Restricted balances	(113,318,551)	(123,395,472)
	816,045,300	629,766,566

39. Financial Derivatives

The details of financial derivatives at year-end are as follows:

	Positive Fair Value		Negative Fair Value		Total Nominal Value		Nominal Value Maturities	
	JD	JD	JD	JD	JD	JD	From 3 To 12 Months	Total
December 31, 2023								
Foreign currencies forward contracts	-	-	(145,277)	(145,277)	48,688,028	48,688,028	3,966,881	48,688,028
Total	-	-	(145,277)	(145,277)	48,688,028	48,688,028	3,966,881	48,688,028
December 31, 2022								
Foreign currencies forward contracts	128,237	128,237	(9,774)	(9,774)	7,393,373	7,393,373	-	7,393,373
Total	128,237	128,237	(9,774)	(9,774)	7,393,373	7,393,373	-	7,393,373

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

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 Chief Executive Officer.

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.
 - 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 its 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 its 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	<p>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).</p> <p>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.</p>
Collective Portfolio	<p>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.</p>
Bonds	<p>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 statistical calculation model.</p>
Jordan Leasing Company	<ul style="list-style-type: none"> - 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 probability 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 individual portfolios.
Excel for Financial investmet	<ul style="list-style-type: none"> - 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 probability of default with the point in time probability 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	<p>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.</p>

Second: Quantitative Disclosures:
(41/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):	2023	2022
	JD	JD
Consolidated Statement of Financial Position items		
Balances at central banks	782,327,019	593,060,495
Balances at banks and financial institutions	142,551,211	150,738,734
Deposits at banks and financial institutions	447,949	939,947
Financial assets through other comprehensive income – debt instruments at fair value	144,192,002	-
Credit facilities:	1,432,871,078	1,512,159,209
Individuals (retail customers)	483,157,388	542,476,211
Real estate loans	222,535,728	261,931,212
Corporates	498,880,178	482,711,225
Large corporate customers	311,035,230	287,638,946
SMEs	187,844,948	195,072,279
Government and public sector	228,297,784	225,040,561
Financial assets at amortized cost (Bonds & Treasury Bills)	164,126,649	236,660,430
	2,666,515,908	2,493,558,815
consolidated off statement of financial position		
Letters of guarantee	77,690,688	71,591,293
Letters of credit	34,636,390	18,410,378
Acceptances	91,356,381	19,577,443
Un-utilized direct and indirect facilities limits	366,742,204	379,662,783
Total	3,236,941,571	2,982,800,712

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.

Table below illustrates credit exposures distribution according to the risk grades:

Category Classification according to Instructions (47/2009)	December 31, 2023						
	Total Exposure	Expected Credit Losses (ECL)	Probability of Default (PD)	Classifications by External Classification Institutions			
	JD	JD		JD			
1	Performing	1,074,241,551	20,250	0% - 4.5%	Aaa	464,657,977	5.63%
2	Performing	59,564,585	4,398	0.01% - 0.15%	Aa1 - Aa3	59,112,636	46.33%
3	Performing	152,271,160	35,130	0.02% - 0.87%	A1 - A3	118,347,830	16.67%
4	Performing	470,263,234	370,571	0.08% - 1.55%	Baa1 - Baa3	453,747,330	43.53%
5	Performing	332,532,055	2,502,385	0.41% - 5.97%	Ba1 - Ba3	314,050,771	43.17%
6	Performing	345,607,559	2,007,410	0.03% - 52.16%	B1 - B3	236,610,155	47.74%
7	Performing	44,321,286	22,057,404	0.6% - 47.48%	Caa1 - Caa3	43,751,629	67.77%
Unclassified	Performing	773,879,929	10,118,685	0.001% - 100%	-	631,254,424	67.75%
Non - Performing exposure							
8	Non-performing	5,970,907	4,507,316	100%	Default	6,018,662	98.55%
Unclassified	Non-performing	4,818,252	1,374,315	100%	Default	4,816,159	67.44%
9	Non-performing	34,094	34,094	100%	Default	43,348	100.00%
Unclassified	Non-performing	5,779,058	3,969,967	100%	Default	5,778,745	66.66%
10	Non-performing	78,422,956	65,519,286	100%	Default	78,317,173	62.56%
Unclassified	Non-performing	50,760,567	49,004,412	100%	Default	50,742,893	67.77%
Total		3,398,467,194	161,525,623			2,467,249,731	

		December 31, 2022				December 31, 2023			
Credit risk Rating Based on the Bank's internal risk Rating System:	Category Classification according to Instructions (4/7/2009)	Total Exposure		Expected Credit Losses (ECL)	Probability of Default (PD)	Classifications by External Classification Institutions		Exposure at Default (EAD)	Average Loss given Default (LGD)%
		JD	JD			JD	JD		
1	Performing	825,092,472	27,783	0.01-0.02%	Aaa	825,092,472	-		
2	Performing	58,231,825	7,088	0.01-0.02%	Aa1 - Aa3	51,190,567	37.62%		
3	Performing	154,487,699	36,871	0.03-0.17%	A1 - A3	156,192,614	48.36%		
4	Performing	406,895,028	998,728	0.15-0.86%	Baa1 - Baa3	374,310,061	47.62%		
5	Performing	392,491,298	4,186,844	0.43-3.37%	Ba1 - Ba3	373,109,170	45.93%		
6	Performing	271,194,518	1,402,280	1.70-7.590%	B1 - B3	269,078,924	35.85%		
7	Performing	30,206,196	24,169,826	3.68-48.64%	Caa1 - Caa3	30,100,278	41.31%		
Unclassified	Performing	870,663,593	8,233,410	99-0.01%	-	718,998,849	40.09%		
Non - Performing exposure									
8	Non-performing	2,095,231	1,274,160	100%	Default	1,099,718	61.89%		
Unclassified	Non-performing	4,163,074	1,154,264	100%	Default	4,272,101	46.84%		
9	Non-performing	9,384,622	7,199,455	100%	Default	9,384,610	58.70%		
Unclassified	Non-performing	1,770,709	1,046,196	100%	Default	1,745,797	44.68%		
10	Non-performing	79,479,191	75,073,546	100%	Default	80,790,290	66.34%		
Unclassified	Non-performing	47,802,764	46,347,057	100%	Default	47,786,229	49.95%		
Total		3,153,958,220	171,157,508			2,943,151,680			

- Exposure includes direct credit facilities, balances and deposit with banks and financial institutions, Treasury bonds and any assets with credit exposures.

Distribution of collaterals fair value against total credit exposures:

Item	Total Exposure Value		December 31, 2023				Fair value of collaterals				Net Exposure after Collaterals				Expected Credit Loss (ECL)	
	JD	JD	Cash Collaterals	Quoted Stocks	Accepted Letter of Guarantee	Real Estate	Cars and Mechanics	Others	Total Value of Collaterals	JD	JD	JD	JD	JD	JD	JD
Balances with central banks	782,620,321	-	-	-	-	-	-	-	-	-	-	-	-	782,620,321	-	293,302
Balances with banks and financial institutions	142,621,408	-	-	-	-	-	-	-	-	-	-	-	-	142,621,408	-	70,197
Deposits with banks and financial institutions	448,000	-	-	-	-	-	-	-	-	-	-	-	-	448,000	-	51
Credit facilities at amortized cost:																
Individuals	540,912,869	31,341,867	-	-	-	1,1013,979	43,435,886	-	85,791,732	455,121,137	-	-	-	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	-	-	-	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	-	-	-	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	-	-	-	132,289,612	-	38,337,910
Government and Public Sector	229,445,084	-	-	-	-	-	-	-	-	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	-	-	-	164,361,770	-	235,121
Within financial assets at fair value through comprehensive income - debt	144,192,002	-	-	-	-	-	-	-	-	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	-	-	-	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	-	-	-	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	-	-	-	126,103,016	-	142,126
Other Liabilities	367,425,549	-	-	-	-	-	-	-	367,425,549	683,345	-	-	-	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	-	-	-	2,947,942,492	-	161,525,623

Distribution of collaterals fair value against total credit exposures:

Item	December 31, 2022													
	Total Exposure Value			Cash Collaterals			Quoted Stocks		Accepted Letter of Guarantees		Fair value of collaterals			Expected Credit Loss (ECL)
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Balances with central banks	593,267,402	-	-	-	-	-	-	-	-	-	-	-	593,267,402	112,990
Balances with banks and financial institutions	150,844,506	-	-	-	-	-	-	-	-	-	-	-	150,844,506	105,772
Deposits with banks and financial institutions	940,000	-	-	-	-	-	-	-	-	-	-	-	940,000	53
Credit facilities at amortized cost:														
Individuals	592,403,904	19,773,911	249,499	-	11,006,553	41,690,143	-	-	-	-	-	-	72,720,107	519,683,797
Real estate loans	269,294,425	210,622	-	-	241,577,421	26,029	-	-	-	-	-	-	241,814,072	27,480,353
Corporate:														
Large corporate customers	350,263,423	15,113,541	10,668,470	-	48,092,676	1,397,169	-	-	-	-	-	-	75,271,856	274,991,567
SMEs	237,361,051	13,851,876	26,150	2,194	62,383,599	6,651,464	-	-	-	-	-	-	82,915,283	154,445,768
Government and Public Sector	225,239,281	-	-	-	-	-	-	-	-	-	-	-	-	225,239,281
Bonds and Treasury Bills:														
Within financial assets at amortized cost	237,032,607	-	-	-	-	-	-	-	-	-	-	-	-	237,032,607
Total	2,656,646,599	48,949,950	10,944,119	2,194	363,060,249	49,764,805	-	472,721,318	2,183,925,281	162,993,857				
Financial Guarantees	78,883,452	3,735,497	10,809	-	6,625,856	48,842	-	-	-	-	-	-	10,421,004	68,462,448
Letters of Credit and acceptances	38,055,121	77,139	-	-	403,676	-	-	-	-	-	-	-	480,815	37,574,306
Other Liabilities	380,373,048	-	-	-	-	-	-	-	-	-	-	-	-	380,373,048
Total	3,153,958,220	52,762,586	10,954,928	2,194	370,089,781	49,813,647	-	483,623,137	2,670,335,083	171,063,591				

Exposures classified under stage 3:

Item	December 31, 2023													
	Total Exposure Value			Cash Collaterals			Quoted Stocks		Accepted Letter of Guarantees		Fair value of collaterals			Expected Credit Loss (ECL)
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Individual (retail customers)	51,756,824	278,302	-	-	5,305,513	78,661	-	-	-	-	-	-	5,662,476	46,094,348
Real estate Loans	14,296,157	-	-	-	3,943,407	-	-	-	-	-	-	-	3,943,407	10,352,750
Corporate:														
Large corporate customers	32,095,805	-	-	-	2,629,680	20,375	-	-	-	-	-	-	2,650,055	29,445,750
SMEs	36,099,657	395,727	-	2,194	10,036,665	2,439,629	-	-	-	-	-	-	12,874,215	23,225,442
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
Total	145,686,552	674,091	-	2,194	21,928,665	2,549,780	-	25,154,730	120,531,822	124,347,010				

Item	December 31, 2022													
	Total Exposure Value		Cash Collaterals		Quoted Stocks		Accepted Letter of Guarantees		Fair value of collaterals			Expected Credit Loss (ECL)		
	JD	JD	JD	JD	JD	JD	JD	JD	Real Estate	Cars and Mechanics	Others	Total Value of Collaterals	Net Exposure after Collaterals	JD
Direct credit facilities at amortized cost:														
Individual (retail customers)	44,692,182	275,963	-	-	-	-	-	3,987,969	123,193	-	-	4,387,125	40,305,057	42,135,235
Real estate Loans	9,493,986	-	-	-	-	-	-	1,220,690	-	-	-	1,220,690	8,273,296	6,716,634
Corporate:														
Large corporate customers	43,217,585	-	-	-	-	-	-	2,738,389	42,505	-	-	2,780,894	40,436,691	43,357,013
SMEs	36,489,994	421,632	-	2,194	2,194	2,194	10,524,822	2,412,944	-	-	-	13,361,592	23,128,402	32,857,759
Government and Public Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	133,893,747	697,595	-	2,194	2,194	2,194	18,471,870	2,578,642	-	-	-	21,750,301	112,143,446	125,066,641
Financial Guarantees	10,703,066	258	-	-	-	-	115,604	11,791	-	-	-	127,653	10,575,413	6,929,260
Total	144,596,813	697,853	-	2,194	2,194	2,194	18,587,474	2,590,433	-	-	-	21,877,954	122,718,859	131,995,901

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 3,179,800 as of December 31, 2023 (JD 6,195,499) as of December 31, 2022).

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 69,653,111 as of December 31, 2023 (JD 80,342,048 as of December 31, 2022).

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		Total
			JD	JD	
Foreign Bank Bonds	Fitch	AA -	-	712,949	712,949
Foreign Bank Bonds	Fitch	A +	-	712,770	712,770
Foreign Bank Bonds	Fitch	BB +	-	10,880,858	10,880,858
Foreign Bank Bonds	Fitch	B +	-	7,093,345	7,093,345
Jordanian Government Bonds and bills	Fitch	BB -	144,192,002	117,982,301	262,174,303
Foreign Government Bonds	Fitch	B -	-	10,672,547	10,672,547
Unrated Bonds	Fitch	NR	-	16,307,000	16,307,000
Total			144,192,002	164,361,770	308,553,772

4. Concentration in credit exposure according to geographical distribution was as follows:

A. Gross Distribution Exposures Based on Geographic Areas:	December 31, 2023												December 31, 2022			
	Inside the Kingdom		Other Middle East Countries		Europe		Asia		Africa		America		Other Countries		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	571,753,030	210,573,989	-	-	-	-	-	-	-	-	-	-	-	782,327,019	593,060,495	
Balances at banks and financial institutions	54,724,876	40,579,344	4,728,421	2,491,921	-	40,026,649	-	142,551,211	150,738,734							
Deposits at banks and financial institutions	-	447,949	-	-	-	-	-	-	447,949	939,947						
Direct credit facilities	1,067,633,069	365,238,009	-	-	-	-	-	-	1,432,871,078	1,512,159,209						
Bonds and Treasury Bills:																
Within financial assets at amortized cost	117,982,301	46,144,348	-	-	-	-	-	-	164,126,649	236,660,430						
Within financial assets at fair value through comprehensive income - fair value	144,192,002	-	-	-	-	-	-	-	144,192,002	-						
Total/Current year	1,956,285,278	662,983,639	4,728,421	2,491,921	-	40,026,649	-	2,666,515,908	2,493,558,815							
Financial Guarantees	51,879,599	19,903,768	5,267,431	77,976	-	561,914	-	77,690,688	71,591,293							
Letters of Credit	25,945,765	8,444,163	111,754	134,708	-	-	-	34,636,390	18,410,378							
Acceptances	91,354,964	1,417	-	-	-	-	-	91,356,381	19,577,443							
Un-utilized balances	274,686,556	82,346,935	9,708,713	-	-	-	-	366,742,204	379,662,783							
Total	2,400,152,162	773,679,922	19,816,319	2,704,605	-	40,588,563	-	3,236,941,571	2,982,800,712							

B. Exposure Distribution According to Stages Classification as Per IFRS (9) as adopted by the Central Bank of Jordan:

	December 31, 2023												December 31, 2022			
	Stage One		Stage two		Stage Three		Total		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	Individual Level	Collective Level	Individual Level	Collective Level
Item	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Inside Jordan	1,716,787,813	589,204,787	19,350,718	54,540,267	20,268,577	2,400,152,162	2,220,150,430									
Other middle east countries	619,157,064	112,717,420	33,396,646	7,300,925	1,107,867	773,679,922	676,356,527									
Europe	19,816,319	-	-	-	-	19,816,319	32,914,720									
Asia	2,704,605	-	-	-	-	2,704,605	8,637,254									
Africa	-	-	-	-	-	-	10,472,916									
America	40,588,563	-	-	-	-	40,588,563	34,268,865									
Other Countries	-	-	-	-	-	-	-									
Total	2,399,054,364	701,922,207	52,747,364	61,841,192	21,376,444	3,236,941,571	2,982,800,712									

5. Concentration in credit exposure according to the economic sector as follows:

A. Gross distribution exposures based on financial instruments:

Item	December 31, 2023												As of December 2022									
	Financial		Industrial		Trading		Real Estate		Agriculture		Touristic Hotels Restaurants Public Facilities		Stock		Individuals		Government and Public Sector		Total			
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Balances with central banks	782,327,019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	782,327,019	593,060,495	
Balances with banks and financial institutions	142,551,211	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	142,551,211	150,738,734	
Deposits with banks and financial institutions	447,949	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	447,949	939,947	
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	144,192,002	144,192,002	
Direct credit facilities	9,394,475	141,095,718	229,135,155	241,374,691	14,198,966	74,067,380	13,690,371	481,616,538	228,297,784	1,432,871,078	1,512,159,209											
Bonds and Treasury Bills:																						
Within financial assets at amortized cost	19,315,061	13,417,881	2,830,840	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	128,562,867	164,126,649	
Total current year	954,035,715	154,513,599	231,965,995	241,374,691	14,198,966	74,067,380	13,690,371	481,616,538	501,052,653	2,666,515,908	2,493,558,815											
Financial Guarantees	10,653,027	7,972,596	29,747,567	13,267,547	127,693	13,399,073	46,884	2,476,301	-	-	-	-	-	-	-	-	-	-	-	77,690,688	71,591,293	
Letters of Credit	1,352,890	7,814,088	25,306,919	20,813	-	141,680	-	-	-	-	-	-	-	-	-	-	-	-	-	34,636,390	18,410,378	
Acceptances	1,417	336,249	89,734,939	33,063	1,086,558	164,155	-	-	-	-	-	-	-	-	-	-	-	-	-	91,356,381	19,577,443	
Un-utilized balances	23,663,318	76,132,038	156,493,146	10,306,524	2,442,303	16,884,450	807,347	80,007,940	5,138	366,742,204	379,662,783											
Gross Total	989,706,367	246,768,570	533,248,566	265,002,638	17,855,520	104,656,738	14,544,602	564,100,779	501,057,791	3,236,941,571	2,982,800,712											

B. Exposure Distribution According to Stages Classification as Per IFRS (9) as adopted by the Central Bank of Jordan:

Item	As of December 2023												As of December 2022								
	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	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Financial	989,510,882	-	89,049	-	-	-	-	106,436	989,706,367	874,092,441											
Industrial	238,008,098	37,962	8,086,749	-	-	-	-	635,761	246,768,570	260,475,717											
Trade	515,706,923	84,994	11,285,174	-	-	-	-	6,171,475	533,248,566	368,939,234											
Real estates	46,523,036	181,229,558	6,724,706	23,192,134	-	-	-	7,333,204	265,002,638	296,239,909											
Agriculture	17,192,946	-	63,919	-	-	-	-	598,655	17,855,520	16,625,512											
Tourism, restaurants and public facilities	89,648,468	3,240,776	8,893,537	4,831	-	-	-	2,869,126	104,656,738	139,806,971											
Stocks	14,544,602	-	-	-	-	-	-	-	14,544,602	15,412,530											
Individuals	4,312,478	517,328,917	153,370	38,644,227	-	-	-	3,661,787	564,100,779	623,137,241											
Government and Public Sector	483,606,931	-	17,450,860	-	-	-	-	-	501,057,791	388,071,157											
Total	2,399,054,364	701,922,207	52,747,364	61,841,192	21,376,444	3,236,941,571	2,982,800,712														

6. Re-classified credit exposures

December 31, 2023

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	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		22.70%
Bonds and Treasury Bills within financial assets at amortized cost	10,672,648	10,672,648	-	-	10,672,648		100.00%
Total	112,084,858	35,451,025	150,395,600	32,357,564	67,808,589		25.83%
Letters of guarantees	2,839,797	(2,145,452)	11,438,109	893,487	(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)		-49.22%
Gross total	128,125,035	26,836,484	161,833,709	33,251,051	60,087,535		20.72%

B. Expected credit loss against reclassified exposures:

Item	December 31, 2023					
	Reclassified exposures		Expected credit loss for reclassified exposures			
	Gross Reclassified Exposure from Stage Two	Gross Reclassified Exposure from Stage Three	Gross Reclassified Exposure	Stage Two Individual Level	Stage Three Collective Level	Individual Level
	JD	JD	JD	JD	JD	JD
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
Bonds and Treasury Bills within financial assets at amortized cost	92,083	-	92,083	103,280	-	-
Total	(2,676,800)	20,402,437	17,725,637	8,546,384	4,663,379	116,877,817
Letters of guarantees	(18,392)	596,604	578,212	166,984	-	7,469,193
Letters of credit	-	-	-	178	-	-
Acceptances	-	-	-	83	-	-
Un-utilized balances	9,898	-	9,898	158,536	12,132	-
Gross total	(2,685,294)	20,999,041	18,313,747	8,872,165	4,675,511	124,347,010

6. Re-classified credit exposures

December 31, 2022

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	JD	JD	JD	
Cash and balances at central banks	-	-	-	-	-	-	0.00%
Balances at banks and financial institutions	-	-	98,778	-	-	-	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	87,307,499	(22,431,210)	149,280,799	12,282,730	(10,148,480)		-4.29%
Bonds and Treasury Bills within financial assets at amortized cost	-	-	-	-	-	-	0.00%
Total	87,307,499	(22,431,210)	149,379,577	12,282,730	(10,148,480)		-4.29%
Letters of guarantees	6,116,752	(2,427,319)	10,703,066	(5,751)	(2,433,070)		-14.47%
Letters of credit	65,221	(61,399)	-	-	(61,399)		-94.14%
Acceptances	-	-	-	-	-	-	0.00%
Un-utilized balances	20,384,575	4,694,256	-	-	4,694,256		23.03%
Gross total	113,874,047	(20,225,672)	160,082,643	12,276,979	(7,948,693)		-2.90%

B. Expected credit loss against reclassified exposures:

Item	Reclassified exposures		Expected credit loss for reclassified exposures		Total	
	Gross Reclassified Exposure from Stage Two	Gross Reclassified Exposure from Stage Three	Stage Two	Stage Three	Collective Level	Individual Level
	JD	JD	JD	JD	JD	JD
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	806,217	6,687,533	25,970,008	4,512,884	125,066,641	-
Bonds and Treasury Bills within financial assets at amortized cost	-	-	-	-	-	-
Total	806,217	6,687,533	25,970,008	4,512,884	125,066,641	-
Letters of guarantees	39,170	18,137	173,180	-	6,929,260	-
Letters of credit	(1,065)	-	27	-	-	27
Acceptances	-	-	-	-	-	-
Un-utilized balances	(10,664)	-	199,112	29,242	-	-
Gross total	833,658	6,705,670	26,342,327	4,542,126	131,995,901	-

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,	
	2023	2022
Currency Type	JD	JD
USD	(13,308,860)	(21,605,359)
GBP	(6,299,486)	(6,810,850)
Euro	467,976	1,798,025
JPY	99	14,840
Other currencies	(63,483,332)	(38,034,085)
	(82,623,603)	(65,637,429)

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, 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	-
December 31, 2022			
Currency	Increase in Interest Rate (%)	Sensitivity of Interest Revenue Analysis (Profits and Losses)	Sensitivity of Equity
		JD	JD
USD	2%	(432,107)	-
GBP	2%	(136,217)	-
Euro	2%	35,961	-
JPY	2%	297	-
Other Currencies	2%	(780,682)	-
Currency	Decrease in Interest Rate (%)	Sensitivity of Interest Revenue Analysis (Profits and Losses)	Sensitivity of Equity Analysis
		JD	JD
USD	2%	432,107	-
GBP	2%	136,217	-
Euro	2%	(35,961)	-
JPY	2%	(297)	-
Other Currencies	2%	780,682	-

2. Foreign Currency Risks			
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)	-
December 31, 2022			
Currency	Increase in Currency Exchange Rate (%)	Effect on Profits or Losses	Effect on Equity
		JD	JD
USD	5%	(1,080,268)	-
GBP	5%	(340,543)	-
Euro	5%	89,901	-
JPY	5%	742	-
Other Currencies	5%	(1,951,704)	-

3. Fluctuation in Share Prices Risks			
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
December 31, 2022			
Indicator	Increase in Index	Effect on Profits or Losses	Effect on Equity
		JD	JD
Amman Stock Exchange	5%	4,508	201,139
Palestine Stock Exchange	5%	-	458,108

4. Concentration of Foreign Currency Risk

Currency Item	December 31, 2023						Total JD
	USD	GBP	Euro	JPY	Other		
	JD	JD	JD	JD	JD	JD	
Assets:							
Cash and balances at Central Banks	109,010,377	1,088,773	6,809,234	-	145,878,860	-	262,787,244
Balances at banks and financial institutions	96,241,363	768,992	2,793,582	59,292	6,197,808	-	106,061,037
Financial assets through comprehensive income	66,826,862	-	-	-	11,947	-	66,838,809
Direct credit facilities at amortized cost	242,543,846	-	2,754,415	-	227,328,507	-	472,626,768
Financial assets (at amortized cost and at fair value and associates)	70,855,653	-	3,565,174	-	-	-	74,420,827
Other assets	8,993,673	119	197,357	10	8,733,425	-	17,924,584
Total assets	594,471,774	1,857,884	16,119,762	59,302	388,150,547	59,302	1,000,659,269
Liabilities:							
Banks and financial institutions' deposits	44,042,748	2,717	1,060,333	-	22,268,097	-	67,373,895
Customers' deposits	438,255,754	8,090,174	13,860,330	55,688	297,511,528	-	757,773,474
Cash margins	21,241,029	5,840	346,305	3,515	14,435,996	-	36,032,685
Other liabilities	104,261,545	58,639	384,818	-	117,418,301	-	222,123,303
Total Liabilities	607,801,076	8,157,370	15,651,786	59,203	451,633,922	59,203	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	70,293	149,662,584
December 31, 2022							
USD							
Item	JD	GBP	Euro	JPY	Other	JD	Total JD
Total assets	558,341,383	1,274,476	27,727,992	216,540	285,576,832	-	873,137,223
Total Liabilities	579,946,742	8,085,326	25,929,967	201,700	324,610,917	-	938,774,652
Net concentration in the consolidated statement of financial position for the year 2022							
	(21,605,359)	(6,810,850)	1,798,025	14,840	(39,034,085)	-	(65,637,429)
Commitments and contingent liabilities off balance sheet for the year 2022							
	45,463,671	-	7,338,207	54,580	4,795,263	54,580	57,651,721

5. Interest Re-pricing Gap

Classification is based on periods of interest re-pricing or maturity

Year 2023	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
Assets	JD	JD	JD	JD	JD	JD	JD	JD
Cash and balances with Central Banks	458,289,763	-	-	-	-	10,635,000	399,513,796	868,438,559
Balances and deposit with banks and financial institutions	108,037,539	-	279,973	167,975	-	-	34,513,673	142,999,160
Financial assets at fair value	-	-	-	-	106,979,279	37,212,729	95,107,252	239,299,260
Direct credit facilities at amortized cost	86,731,551	154,147,610	143,298,613	169,401,679	419,927,564	459,364,059	-	1,432,871,078
Financial assets at amortized cost	17,106,210	-	11,498,654	12,065,453	46,688,721	76,767,611	-	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	-	-	-	-	-	-	100,157,921	100,157,921
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
Liabilities								
Banks and financial institutions' deposits	15,524,039	42,700,300	-	3,864,050	-	-	9,266,029	71,354,418
Customers' deposits	518,336,443	200,432,195	239,985,230	303,612,863	223,417,328	-	683,270,673	2,169,054,732
Cash margins	15,615,393	5,815,690	8,623,825	14,532,668	28,716,126	4,604,711	62,366,145	140,274,558
Sundry provisions	-	-	-	-	-	-	7,147,192	7,147,192
Income tax provision	-	-	-	-	-	-	19,247,420	19,247,420
Borrowed funds	890,755	1,084,533	1,636,969	2,220,865	10,046,555	12,875,619	7,495,250	36,250,546
Deferred tax liabilities	-	-	-	-	-	-	471,683	471,683
Other liabilities	-	-	-	-	-	-	55,740,916	55,740,916
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
Year 2022								
Total Assets	539,893,371	259,393,332	154,773,443	302,552,761	384,201,106	620,938,392	622,978,011	2,884,730,416
Total Liabilities	629,061,260	221,254,162	205,046,791	201,313,962	217,558,619	10,675,075	857,476,761	2,342,386,630
Interest Re-pricing Gap	(89,167,889)	38,139,170	(50,273,348)	101,238,799	166,642,487	610,263,317	(234,498,750)	542,343,786

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	2023	2022	
	JD	JD	JD	JD	JD	JD	JD	
Total Revenue	53,027,403	59,846,292	51,651,471	244,206	2,737,627	167,506,999	147,854,714	
Expected credit loss allowance	(9,026,791)	(5,741,623)	9,947	(583)	33,608	(14,725,442)	(6,425,272)	
Segments operations results	44,000,612	54,104,669	51,661,418	243,623	2,771,235	152,781,557	141,429,442	
Other expenses	(46,880,308)	(19,957,302)	(5,342,611)	(163,220)	(15,078,233)	(87,421,674)	(80,497,514)	
Profit before tax	(2,879,697)	34,147,368	46,318,808	80,403	(12,306,999)	65,359,883	60,931,928	
Income tax	1,210,078	(10,900,852)	(14,266,848)	(78,528)	3,131,454	(20,904,696)	(20,372,255)	
Net profit for the Year	(1,669,618)	23,246,515	32,051,959	1,875	(9,175,544)	44,455,187	40,559,673	

Other information

Capital Expenditures	1,583,011	325,740	2,148	-	1,560,765	3,471,664	2,360,643
Depreciation and amortization	7,033,642	174,553	12,959	16,470	3,989,587	11,227,211	10,742,412
Total Assets	707,161,569	748,492,516	1,425,987,369	-	155,610,889	3,037,252,343	2,884,730,416
Total Liabilities	1,876,945,356	447,595,425	118,945,338	-	56,055,346	2,499,541,465	2,342,386,630

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	
	2023	2022	2023	2022	2023	2022
	JD	JD	JD	JD	JD	JD
Total Revenue	181,103,178	140,571,095	38,552,515	37,341,398	219,655,693	177,912,493
Total Assets	2,167,332,073	2,070,906,578	869,920,270	813,823,838	3,037,252,343	2,884,730,416
Capital expenditures	2,599,536	1,112,498	872,128	1,248,145	3,471,664	2,360,643

43. Analysis of Assets and Liabilities Maturities:

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

	December 31, 2023		
	Up to 1 Year	Over 1 Year	Total
Assets	JD	JD	JD
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
Total Assets	1,617,485,031	1,419,767,312	3,037,252,343
Liabilities			
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
Total Liabilities	1,895,607,784	603,933,681	2,499,541,465
Net	(278,122,753)	815,833,631	537,710,878

Assets	December 31, 2022		
	Up to 1 Year	Over 1 Year	Total
	JD	JD	JD
Cash on hand and balances at Central Banks	660,963,461	12,861,003	673,824,464
Balances at banks and financial institutions	150,738,734	-	150,738,734
Deposits at banks and financial institutions	939,947	-	939,947
Financial assets at fair value through profit or loss	15,317,000	-	15,317,000
Financial assets at fair value through comprehensive income	-	113,780,971	113,780,971
Direct credit facilities at amortized cost	676,066,019	836,093,190	1,512,159,209
Financial assets at amortized cost	78,413,044	158,247,386	236,660,430
Property and equipment – Net	-	57,559,384	57,559,384
Intangible assets	-	7,482,126	7,482,126
Deferred tax assets	-	25,162,135	25,162,135
Other Assets	20,165,516	70,940,500	91,106,016
Total Assets	1,602,603,721	1,282,126,695	2,884,730,416
Liabilities			
Banks and financial institutions' deposits	61,313,839	25,000,000	86,313,839
Customers' deposits	1,612,803,828	403,491,963	2,016,295,791
Cash margins	55,629,613	53,993,473	109,623,086
Other provisions	-	4,235,340	4,235,340
Income tax provision	18,650,179	2,847,606	21,497,785
Borrowed funds	34,052,183	23,622,580	57,674,763
Deferred tax liabilities	-	107,367	107,367
Other liabilities	10,268,508	36,370,151	46,638,659
Total Liabilities	1,792,718,150	549,668,480	2,342,386,630
Net	(190,114,429)	732,458,215	542,343,786

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).

Financial Assets/Financial Liabilities	Fair Value		The Level of Fair Value	Evaluation Method and Inputs Used	Important Intangible Inputs	Fair Value and the Important Intangible Inputs
	December 31, 2023	December 31, 2022				
Financial Assets at Fair Value	JD	JD				
Financial Assets at Fair Value Through Income Statement						
Quoted Shares	132,986	90,167	Level One	Stated Rates in financial markets	Not applicable	Not applicable
Unquoted Shares	217,811	226,833	Level Two	Financial Statements issued by companies	Not applicable	Not applicable
Right to receive financial assets at fair value	-	15,000,000	Level One	Determined price	Not applicable	Not applicable
Total	350,797	15,317,000				
Financial Assets at Fair Value through Comprehensive Income						
Quoted Shares	13,249,113	14,508,170	Level One	Stated Rates in financial markets	Applicable	Not applicable
Unquoted Shares	2,326,678	2,257,097	Level Two	Financial Statements issued by companies or observable market input	Applicable	Not applicable
Unquoted Shares	79,180,670	97,015,704	Level Three	Evaluation methods using inputs that are not dependent on available market information	Applicable	Applicable
Quoted debt	144,192,002	-	Level One	Stated Rates in financial markets	Applicable	Not applicable
Total	238,948,463	113,780,971				
Forward foreign currency contracts						
Total Financial Assets at Fair Value	239,299,260	129,216,434	Level One	Stated Rates in financial markets	Not applicable	Not applicable
Financial Liabilities at Fair Value:						
Forward foreign currency contracts	145,277	-	Level One	Stated Rates in financial markets	Not applicable	Not applicable
Total	145,277	-				

There were no transfers between level 1 and level 2 during the year of 2023. 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, 2023		December 31, 2022		The Level of Fair Value
	Book Value	Fair Value	Book Value	Fair Value	
	JD	JD	JD	JD	
Financial Assets of Non-Specified Fair Value					
Balances at central banks	782,620,321	782,882,301	593,267,402	593,528,472	Level Two
Balances at banks and financial institutions	142,621,408	142,691,096	150,844,506	150,884,724	Level Two
Deposits at banks and financial institutions	448,000	476,230	940,000	985,226	Level Two
Loans, bills and other	1,416,003,634	1,420,017,661	1,511,593,525	1,516,827,987	Level Two
Financial assets at amortized cost	164,361,770	166,958,169	237,032,607	240,138,994	Level Two
Total Financial Assets of non-specified Fair Value	2,506,055,133	2,513,025,457	2,493,678,040	2,502,365,403	
Financial Liabilities of Non-Specified Fair Value					
Deposits at banks and financial institutions	71,354,418	72,050,772	86,313,839	86,639,359	Level Two
Customers' deposits	2,169,054,732	2,181,414,333	2,016,295,791	2,023,975,334	Level Two
Cash insurance	140,274,558	140,278,219	109,623,086	109,637,575	Level Two
Total Financial Liabilities of Non-Specified Fair Value	2,380,683,708	2,393,743,324	2,212,232,716	2,220,252,268	

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 but its in fair Value disclosed in the Consolidated Financial Statements:

	December 31, 2023		December 31, 2022		The Level of Fair Value
	Book Value	Fair Value	Book Value	Fair Value	
	JD	JD	JD	JD	
Other assets	82,312,612	128,409,791	76,212,320	120,394,071	Level Two
	82,312,612	128,409,791	76,212,320	120,394,071	

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 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	
	2023	2022
Paid-up capital	200,000	200,000
Statutory reserve	116,929	110,453
Voluntary reserve	75	86
Other reserves	5,850	5,850
Fair value reserve	31,794	48,496
Retained earnings	137,806	136,197
Non-controlling interest in the capital of subsidiaries	4,725	5,215
Less: Regulatory capital adjustments	(40,432)	(45,678)
Total Primary Capital Ordinary Shareholder (CET 1)	456,747	460,619
Additional Capital Items		
Stage one provision balance against debt instruments not exceeding 1.25 % of the total risk weighted assets	10,260	8,178
General banking risk reserve	4,102	4,102
Total additional capital	14,362	12,280
Total regulatory capital	471,109	472,900
Total risk weighted assets	2,198,638	2,086,493
Capital adequacy ratio (%)	21,43%	22,66%
Primary capital for ordinary shareholders (CET 1) %	20,77%	22,08%
Capital adequacy Tier 1 (%)	20,77%	22,08%

46. Commitments and Contingent Liabilities	December 31,	
	2023	2022
a. Contingent Liabilities:	JD	JD
Letters of credit include	34,682,106	18,452,935
Acceptances	91,452,791	19,602,186
Letters of guarantee:		
Payment	28,260,740	27,555,710
Performance	30,462,694	30,766,779
Other	26,824,046	20,560,963
Un-utilized direct and indirect credit facilities limits	367,425,549	380,373,048
Total	579,107,926	497,311,621

Expected credit loss provision based on IFRS (9) requirements on the off – balance sheet items (unfunded) amounted to JD 8,682,263 for the year ended December 31, 2023 (JD 8,069,724 for the year ended December 31, 2022).

b. Contractual Obligations:	December 31,	
	2023	2022
	JD	JD
Contracts for purchasing of property and equipment*	233,600	445,830
Contracts for operating and financing lease**	20,731,526	17,376,666
Total	20,965,126	17,822,496

* 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 9,873,645 as of December 31, 2023 (JD 9,531,994 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 293,464 as of December 31, 2023 (JD 357,275 as of December 31, 2022). 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 2023

**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 2023

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 (83) branches and (3) exchange offices in Jordan, in addition to (18) 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 (1,823). 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	877	New Zarqa	5	Al Sweifieh	7	Hay Al-Zaytouna	7
Regional Management	342	North Shuneh	4	Al Wehdar	6	Dabouq	4
Al Shmeisani	15	Kufranjah	5	Al Jabal Al Shamali	5	Dabouq/ Al Hijaz Street	6
Amman/ Downtown	5	Al Qweismeh	9	Durret Khalda	7	Souq Bab Al Madinah Mall	7
Karak	6	Third Circle	5	Al Ruseifa	5	Ramallah	24
Irbid	6	Mecca St.	9	Al Madina Al Monawara St./Tla'a Al Ali	9	Hebron	18
Al Hussun St.	6	University of Jordan	4	Abu Alanda	5	Jenin	14
Eidoun St./Irbid	7	Thirty St. /Irbid	7	Khalda	7	Nablus	21
Ma'an	6	Al Nuzha	6	City Mall	12	Gaza	16
Rumtha	4	Al Hassan Industrial city	7	Um Uthaina	8	Al Ram/Ramallah	8
Al Turrah	4	Al Gardens	13	Al Rabiye	5	Al Eizaryeh/Jerusalem	7
Salt	5	Al Madina Al Monawara St.	5	Abdoun	10	Industrial Area/Ramallah	7
Jerash	8	Aqaba	9	Al Hurrieh St./Mogablain	6	Bethlehem	9
Al Mahatta	8	Al Bayader	6	Al Rawnaq	6	Tulkarm	9
Al Yarmouk St./Al Nasser	7	Industrial Area/Al Bayader	6	Sport City	6	Qabatiya	7
Marka	9	Al Mafraq	8	Taj Mall	12	Rafidia	7
Ajloun	8	North Azraq	4	Abu Nsair	5	Al Naser	11
Jabal Al Hussein	8	Jabal Al Weibdeh	9	North Hashmi	6	Al Eersal	5
Al Khalidi	5	Deir Abi Saeed	4	Sahab	6	Al Braid Suburb / Jerusalem	6
Al Jubaiha	5	Sweileh	5	Al Abdali Mall	12	Al Tirah	7
Commercial Market	4	Al Fuheis	6	Madaba	7	Al-Khader	7
Wadi Al Seer	5	Tareq	8	First Circle	7	salfit	6
Airport	4	Zarqa Free Zone	5	Al Hurrieh Mall	9	Bahrain	9
Free Zone / QAIA	4	Marj Al Hamam	7	Dahyet El Nakheel	6	Iraq	26
Hakama St./Irbid	7	Dahyet Al Yasmeen	5	Medical City St.	8		
Radio and Television St.	6	Zarqa	4	Dahyet Al-Ameer Rashid	5		
Faisal St./Zarqa	8	Al Jeezah	4	Dahyet Al-Rasheed	6		

1. c- Capital Investment Volume:

The Capital investment amounted to JD 4,999,378 at the end of 2023 compared to JD 3,269,408 at the end of 2022.

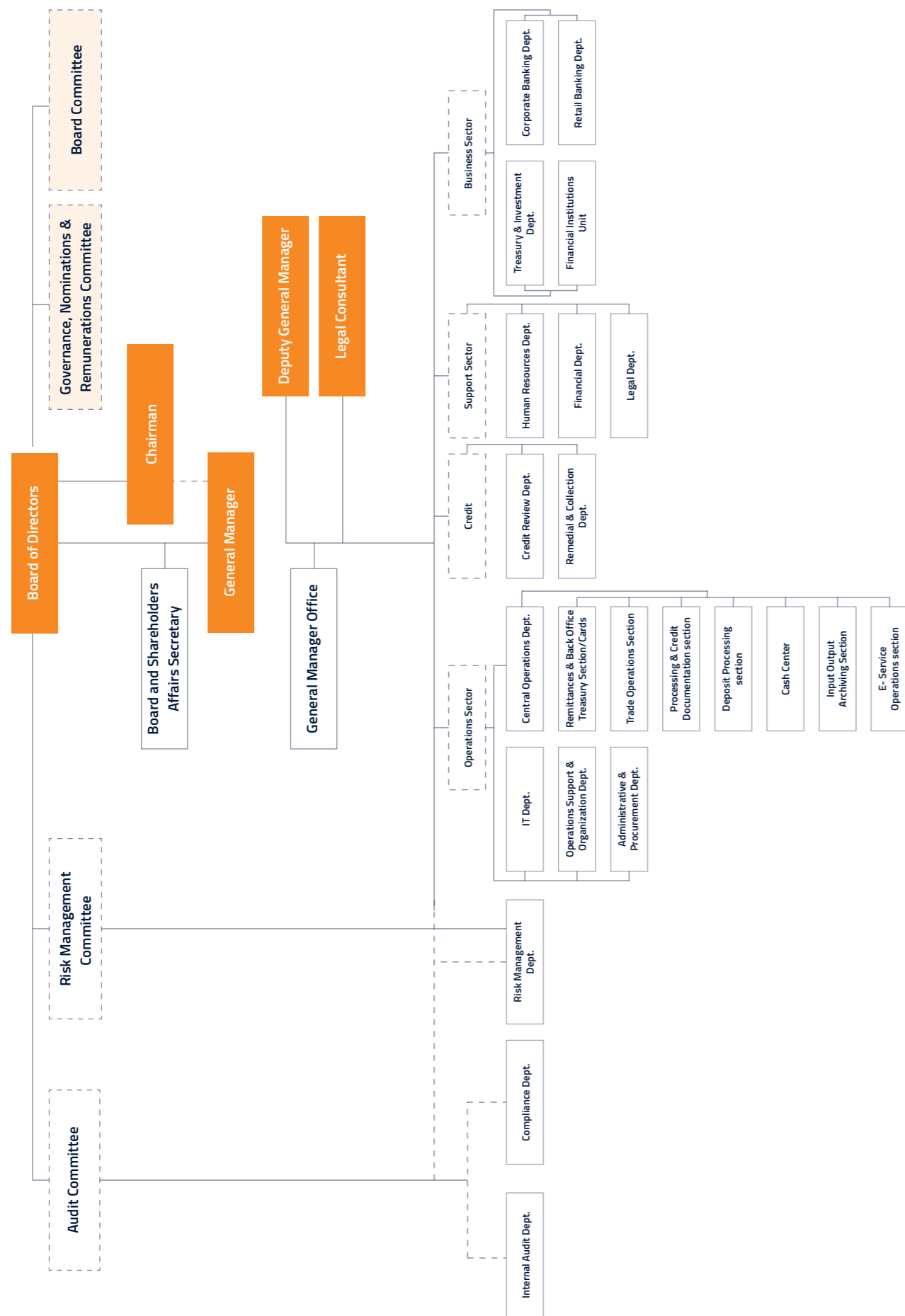
2. Subsidiaries:

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
Registered Capital	SYP 10,000,000,000
Capital Paid	SYP 9,864,234,500
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	232 employees
Projects Owned by the Bank and their Capitals	There are no projects owned

Branch Location and Number of Employees

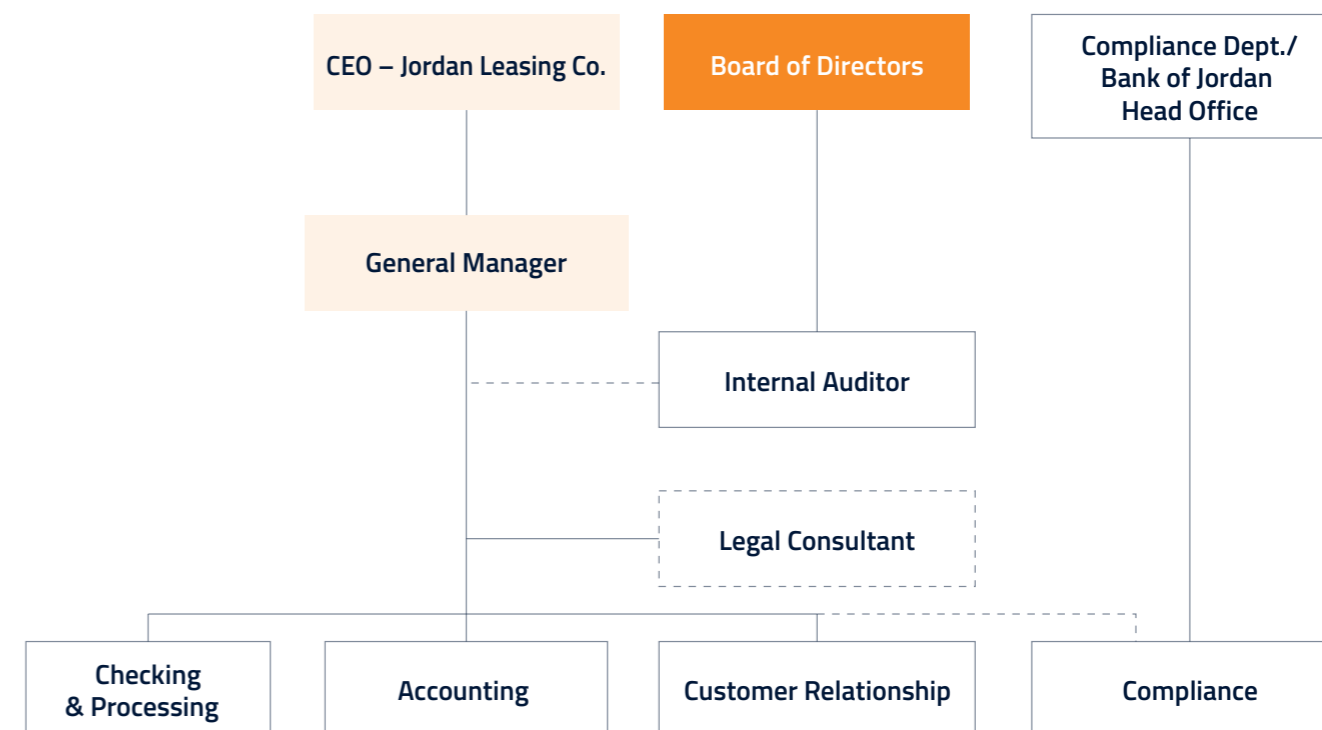
Branch	Address	Tel.	Fax	P.O. Box	Number of Employees
Baghdad St. Branch	Damascus - Sabaa Bahrat Square	00963-11-22900100	00963-11-2317730	P.O. Box 8058 Damascus, Syria	13
Abu Rumaneh Branch	Damascus – Abu Rumaneh- Arab League Square	00963-11-3354500	00963-11-3354506	P.O. Box 8058 Damascus, Syria	9
Abaseen Branch	Damascus - Abaseen Square	00963-11-4438261	00963-11-4438267	P.O. Box 8058 Damascus, Syria	6
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	00963-21-2228075	P.O. Box 8058 Aleppo, Syria	7
Homs Branch	Homs – Square 94 – Abou Tammam St.	00963-31-2220603/605	00963-31-2224023	P.O. Box 3058 Homs, Syria	6
Lattakia Branch	Lattakia - Al-Korneish Al-Gharbee St.	00963-41-2557623	00963-41-2556768	P.O. Box 58 Lattakia, Syria	10
Tartous Branch	Tartous – Al Thawra St.	00963-43-2313733	00963-43-2313793	P.O. Box 8058 Damascus, Syria	8
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	4



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

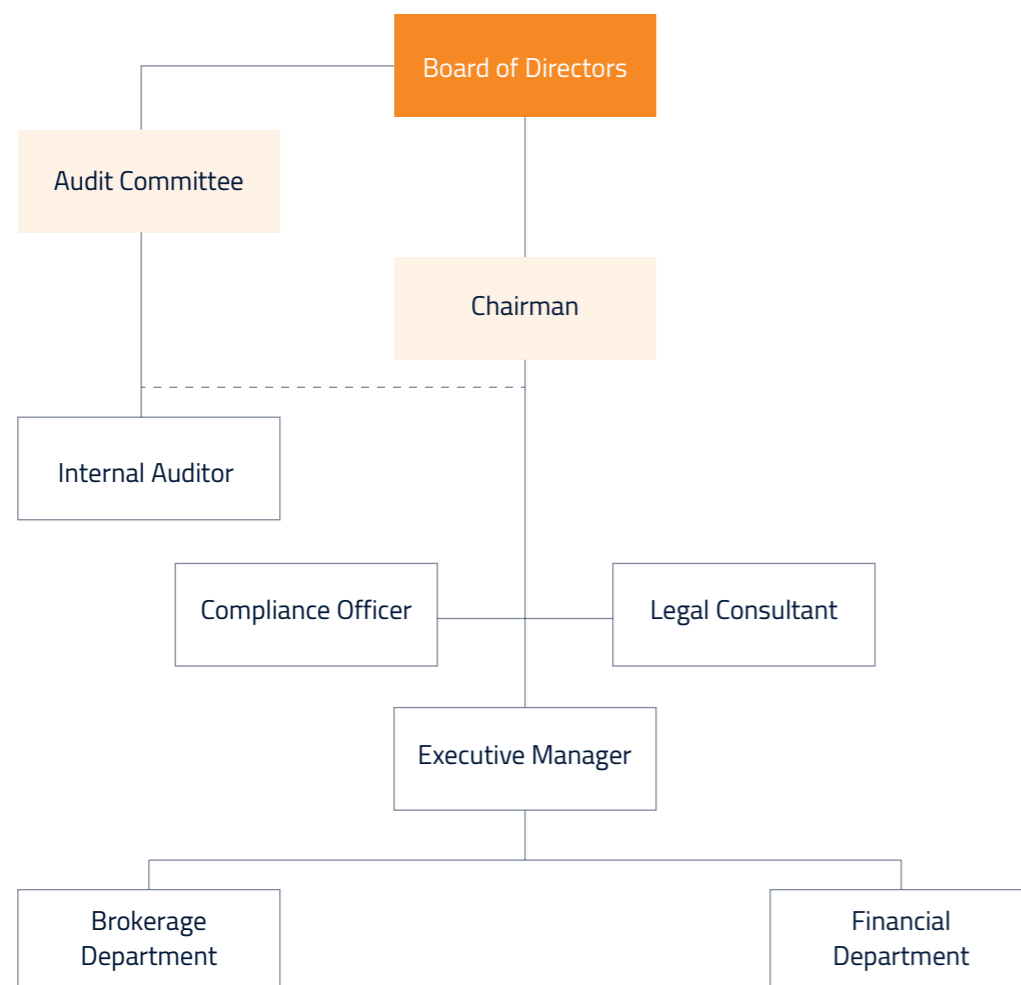
Organizational Structure / Jordan Leasing Company



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 Chief Executive Officer 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 Daman Company for Investments and Agricultural Industries as of September 2020.
- Chairman of the Jordanian Oil Terminals Company as of July 2019.
- 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.



Mr. Haitham Mohammed Samih Barakat
Board Member/ Representative of
Al Lu'lu'a Trading & Investments Co.

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.
- Chief Executive Officer 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 as of 28/12/2023

Representative of Al-Yamama for
General Investment until 28/12/2023

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 Chief Executive Officer - Investment and Branches Management/ Bank of Jordan/ Jordan, from Apr 2004 until Oct 2005.
- Assistant Chief Executive Officer/ 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

Educational Background:

- B.Sc. in Computer Science from University of Jordan, 1985.

Professional Experience:

- 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.

Other Current Board Memberships:

- 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

Educational Background:

- B.Sc. in Mathematics from the American University of Beirut, 1998.

Professional Experience:

- 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

Educational Background:

- B.A. in Law from Beirut Arab University/ Lebanon, 1977.

Professional Experience:

- 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.

Other Current Board Memberships:

- Board Member of Axantia Company – UAE.

Former Board Memberships:

- 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-Takamolfeh 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 as of 1/3/2023.
Board Secretary

Date of Birth: 7/10/1967

Date of Appointment: 2/4/2017

Educational Background:

- M.A. in Accounting from the Arab Academy for Banking and Financial Sciences, Jordan (2002)
- B.A. in Accounting from Mansoura University, Egypt (1990)

Professional Experience:

- Assistant Chief Executive Officer / Chief Risk Officer at Bank of Jordan, as of 1/3/2023
- Executive Manager / Chief Risk Officer at Bank of Jordan, from 26/9/2019 until 1/3/2023
- Executive Manager / Chief Risk Officer at Bank of Jordan, from 24/4/2019 until 25/9/2019
- FATCA Responsible Officer from 7/2017 until 30/11/2020
- Executive Manager/Chief Risk Officer at Bank of Jordan, from 24/4/2017 until 23/4/2019 (Acting)
- Board Secretary from 18/4/2017 to present
- Executive Manager /Credit Review Management at Bank of Jordan, from 2/4/2017 until 23/4/2017
- Executive Manager /Credit Review Management at Bank of Jordan, from 15/12/2014 until 28/1/2017
- Manager / Credit Department (Corporate, commercial, branches abroad) at Bank of Jordan, from 21/4/2013 until 14/12/2014 (Acting)
- Manager / Credit Department (Corporate and branches abroad) at Bank of Jordan, from 27/4/2009 until 20/4/2013
- Manager / Corporate Credit Risk Department at Bank of Jordan, from 28/10/2007 until 26/4/2009
- Manager / specialized finance at Housing Bank for Trade and Finance, from 7/9/2003 until 28/10/2007
- Head of Corporate Accounts at Jordan Commercial Bank, from 13/10/2002 until 6/9/2003
- Commercial Credit Officer at the Housing Bank, from 28/5/1998 until 12/10/2002
- Loan Officer at the Housing Bank, from 3/5/1992 until 27/5/1998

Certifications:

- Certified Corporate Secretaries, 2020 from International Finance Corporation (IFC)
- Board of Directors Certified program, 2018 from International Finance Corporation (IFC)

Other Current Board Memberships:

- Board Member of Bank of Jordan -Syria

Mrs. Rania Faisal Saied

Executive Manager / Human Resources Department

Date of Birth: 16/2/1972

Date of Appointment: 1/2/2021

Educational Background:

- B.A. in International Business Administration/ University of Denver - USA , 1994.

Professional Experience:

- Executive Manager/ HR Department at Bank of Jordan as of 1/2/2021 to date.
- VP/ Head of Human Resources and Admin at the National Investor/ UAE from 7/2017 until 3/2020.
- HR Consultant and Entrepreneur at Consultancy and Entrepreneurship/ UAE from 1/2012 until 6/2017.
- Corporate Human Resources Manager at Masdar Corporate/ UAE from 6/2007 until 4/2010.
- Manager of Human Resources at the BNY Mellon /USA from 4/2003 until 8/2006.
- Manager of Human Resources at One World Software Solutions from 11/1999 until 2/2002.
- SHRM-SCP certified from SHRM / USA.
- SPHRI certified from HRCI / USA.
- HR Analytics certified from Cornell University.

Mr. Khaled Sobhi Awad*

Executive Manager / IT Management as of 30/12/2021

Date of Birth: 25/5/1977

Date of Appointment: 30/12/2021

Educational Background:

- Bachelor of Electrical Engineering, from the University of Jordan, 2000.

Professional Experience:

- Executive Manager / IT Management at Bank of Jordan, as of 30/12/2021 to date.
- Technology Specialist and Digital Financial Services Consultant at IFC /World Bank Group, from 8/2020 until 12/ 2021.
- Founder Managing Director at Minttechs Solutions, from 6/2019 until 7/2020.
- Executive Manager, Head of information and communication technology at Invest Bank, from 10/2011 until 6/2019.
- Global Channels Development Manager at Arab Bank plc, from 8/2010 until 10/2011.
- Senior Systems Manager, Assistant Vice President (AVP) at National Commercial Bank (NCB) from 3/2006 until 8/2010.
- Senior Team Leader at ONEWORLD Software Solutions from 9/1999 until 4/2006.

Mr. Salam Salameh Gamoah

Chief Executive Officer - Bahrain Branch

Date of Birth: 5/4/1965

Date of Appointment: 27/4/2014

Educational Background:

- 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.

Professional Experience:

- 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.

Other Professional Experiences:

- 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.

*Note he was granted executive powers as of 2/7/2023.

Ms. Lana Fayez Al-Barrishi

Executive Manager/ Compliance Department.

Date of Birth: : 30/7/1980

Date of Appointment: 19/11/2015

Educational Background:

- B.A. in Business Administration /University of Jordan/Jordan, 2002.

Professional Experience:

- 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

Mr. Yousef Mousa Abu Humaid

Executive Manager/ Chief Operating Officers

Date of Birth: 15/1/1980

Date of Appointment: 4/10/2015

Educational Background:

- M.A. in Accounting / Arab Academy for Management Banking and Financial Sciences/Jordan, 2004.
- B.A. in Accounting/ Bethlehem University/ Palestine, 2002.

Professional Experience:

- Executive Manager/Chief Operating Officer/ Bank of Jordan as of 22/5/2022 to date.
- Executive Manager/ Central Operations Management/ Bank of Jordan as of 15/3/2021until 21/5/2022.
- Manager /Central Operations Management/ Bank of Jordan as of 11/ 2019 to date.
- Manager / Organization Dept. / Bank of Jordan from 10/ 2015 until 11/ 2019.
- Manager / Organization Dept. / Bank of Jordan from 3/ 2013 until 7/ 2015.
- Unit Manager Operations Engineering Department/ Central Operations Dept. /Bank of Jordan, from 1/ 2009 until 3/2013.
- Unit Head Operations Engineering Department/ Central Operations Dept. /Bank of Jordan, from 7/ 2005 until 12/2008.
- Deposit Officer / Customer Service/ Bank of Jordan, from 5/ 2004 until 7/2005.
- Accounting Officer/ Bank of Jordan, from 3/ 2003 until 5/2004.

Mr. Hani Hasan Mansi

Executive Manager / Financial Management as of 1/3/2023.

Date of Birth: 30/6/1981

Date of Appointment: 1/2/2015

Educational Background:

- Bachelor degree in Accounting, Applied Sciences University, 2005, Amman, Jordan.

Professional Experience:

- Executive Manager / Financial Management / Bank of Jordan as of March 2023 to date.
- Manager/ Financial Control Management/ Bank of Jordan as of March 2016 until February 2023.
- Acting manager / Financial Control Department / Bank of Jordan as of February 2015 to February 2016.
- Manager – External Audit Division – Deloitte & Touche M.E, Amman / Jordan from June 2012 until 2014.
- Assistant manager - External Audit Division - Deloitte & Touche M.E, Amman / Jordan from December 2011 until May 2012.
- Supervisor - External Audit Division - Deloitte & Touche M.E, Amman / Jordan from December 2010 until November 2011.
- Senior 2 - External Audit Division - Deloitte & Touche M.E, Amman / Jordan from June 2010 until November 2010.
- Senior 1 Auditor - External Audit Division - Deloitte & Touche M.E, Amman / Jordan from June 2009 until May 2010.
- Acting Senior Auditor - External Audit Division - Deloitte & Touche M.E, Amman / Jordan from June 2008 until May 2009.
- Semi Senior Auditor - External Audit Division - Deloitte & Touche M.E, Amman / Jordan from June 2007 until May 2008.
- Junior level - External Audit Division - Deloitte & Touche M.E, Amman / Jordan from December 2005 until May 2007.

Other Professional Experience:

- Financial Consultant – Binladin Holding Company, Jeddah / Saudi Arabia from 2014 until 2015.

Other Current Board Memberships:

- Board Member of Jordan Leasing Company.
- Board Member of Excel for Financial Investments Company.

Mr. Saif Khader Issa

Regional Manager /Bank of Jordan - Palestine as of 8/1/2023

Date of Birth: 4/9/1982

Date of Appointment: 8/1/2023

Educational Background:

- M.A. in Business Administration/Birzeit University, 2008.
- B.A. in Accounting An-Najah University, 2004.

Professional Experience:

- Regional Manager/ Bank of Jordan - Palestine as of 8/1/2023 to date.
- Head of CIB at the Arab Bank - Palestine from 2/2022 until 7/1/2023.
- Manager the Central Region -CIB at the Arab Bank - Palestine from 1/2019 until 2/2022.
- North District Manager CIB" at the Arab Bank - Palestine, from 2/2017 until 12/2018.
- Credit Review Manager at the Arab Bank - Palestine from 11/2010 until 2/2017.
- Assistant Manager-Corporate Credit Analyst at the Arab Bank - Palestine from 6/2007 until 10/2010.
- Corporate Customer Relationship Officer at the Arab Bank - Palestine from 10/2005 until 6/2007.
- Under Training Employee at the Arab Bank - Palestine from 10/2004 until 10/2005.

Other Current Board Memberships:

- Member of the Board of the Association of Banks in Palestinian.
- Member of the Board of Al-Shamal International Industrial Co. and a member of the company's Board of Directors

Mr. Raed Qutaiba Abu Qura*

Granted Executive Power as of 21/11/2023

Date of Birth: 17/7/1979

Date of Appointment: 9/7/2023

Educational Background:

- B.Sc. in Electrical Engineering / Jordan University of Science and Technology, 2003.

Professional Experience:

- Executive Manager - Special Projects at Bank of Jordan, from 9/7/2023 to present.
- VP of Digital Delivery and Customer Transformation at Avertra Corp, from 5/2022 until 7/2023.
- VP of Transformation & Project Management at Cairo Amman Bank, from 6/2021 until 5/2022.
- Head of META Chief Vertical Solutions Architect & Software Operations Leader at Honeywell, Dubai, from 9/2020 until 5/2021.
- Senior Director of Enterprise Agile & Digital Transformation at Honeywell, Dubai from 6/2016 until 9/2020.
- Development and Portfolio Manager, Organizational Program Management Maturity Leader at Honeywell, Australia, from 4/2010 until 6/2016.
- Operations Manager at INS Telecoms & Control Systems Company, Dubai from 1/2008 until 3/2010.

Other Current Board Memberships:

- Board Member of Excel for Financial Investments Company

Ms. Basmeh Bahjat Al Hartani

Executive Manager/ Strategy Project Management (Acting)

Date of Birth: 5/1/1978

Date 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).

Mr. Yousef Musa Abu Zaid

Manager / Internal Audit Department as of 21/6/2023

Date of Birth: 21/6/1978

Date of Appointment: 6/1/2020

Educational Background:

- CIA Certified Internal Auditor.
- Master of Accounting from the University of Arab Academy for banking and finance – science in 2007.
- B.A. in Business Administration from Al-Nileen University in 2001.
- Diploma in Financial Management from Amman Training College (ATC) in 1999

Professional Experience:

- Manager/ Internal Audit Department, Bank of Jordan as of 21/6/2023 to date.
- Manager /Credit Process Development Department at Bank of Jordan from 6/1/2020 until 20/6/2023.
- Head of the Credit Review Unit, Foreign Branches and Subsidiary Management at the Housing Bank from 3/ 2007 until 12/2019.
- Corporate Relationship Manager and Credit Analyst, Corporate Banking Services at the Arab Bank from 1999 until 3/ 2007.

*Note he was granted executive powers as of 2/11/2023.

Mr. Anas Ghaleb Tuffaha

Executive Manager – Retail Banking (Acting) as of 14/12/2023

Date of Birth: 18/07/1984

Date of Appointment: 19/7/2020

Educational Background:

– Bachelor's degree in Accounting from Hashemite University, Jordan, 2006.

Professional Experience:

- Executive Manager – Retail Banking (Acting) at Bank of Jordan, from 14/12/2023 to present.
- Segments Development Manager – Retail Banking Department at Bank of Jordan, from 19/7/2020 until 13/12/2023.
- Assistant Vice President – Relationship Management, Mashreq Gold & Wealth Management at Mashreq Bank, UAE, from 2017 until 2019.
- Senior Client Relationship Manager in the DIB Aayan Wealth Management Department and Acting Unit Head at Dubai Islamic Bank from 2007 until 2017.
- Customer Service Employee at Standard Chartered Bank from 2006 until 2007.

Mr. Ayman Ahmad Al Oqaily

Manager/ Treasury & Investment Department BOJ Group (Acting)

Date of Birth: 9/12/1984

Date of Appointment: 16/9/2007

Educational Background:

– B.A. in Finance and Banking/ Al Albayt University - Jordan, 2006.

Professional Experience:

- Manager/ Treasury Department BOJ Group (Acting) at Bank of Jordan as of 29/6/2021 to date.
- Head of the Money Market and FX unit/ Treasury and Investment Department, at Bank of Jordan, from 1/12/2017 until 28/6/2021.
- Senior Dealer / Treasury and Investment Department, at Bank of Jordan, from 26/10/2015 until 30/11/2017.
- Employee of several positions at the Treasury and Investment Department at Bank of Jordan, from 16/9/2007 until 31/8/2015.
- Teller at Abu Sheikha Exchange Company, from 1/12/2006 until 16/9/2007.

Ms. Raghad Nabil Al-Alusi

Chief Executive Officer, Iraq Branch (Acting) as of 20/7/2023

Date of Birth: 7/8/1984

Date of Appointment: 20/10/2021

Educational Background:

– B.A. in Translation Arts / Al-Mustansiriyah University, Iraq, 2011.

Professional Experience:

- Chief Executive Officer, Iraq Branch (Acting) at Bank of Jordan, from 20/7/2023 to present.
- Branch Manager at Bank of Jordan – Iraq, from 20/10/2021 to present.
- Deputy Director-General at Al-Wafaq International Islamic Bank for Investment and Finance, from 9/1/2019 until 19/5/2020.
- Acting Authorized Director/Principal Deputy Authorized Director at Zain Iraq Islamic Bank, from 2/8/2015 until 25/12/2018.
- 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.
- Relationship Manager of the Banking Facilities Department at the National Bank of Iraq, from 27/6/2006 until 27/5/2013.
- Director of Raghad Baghdad International Contracting Company from 2005 to 2006.
- Director of Ard Al-Ahmadi Contracting Company from 2003 to 2005.

Mr. Shadi Hussein Al-Safadi

Executive Manager – Retail Banking Management until 9/1/2023

Date of Birth: 30/9/1975

Date of Appointment: 13/11/2022

Educational Background:

– Bachelor of Economics from ASU / Jordan, 2002.

Professional Experience:

- Executive Manager / Retail Banking Department at Bank of Jordan as of 13/11/2022 until 9/1/2023.
- Country Head of Elite Banking at Arab Bank from 8/2018 until 5/11/2022.
- District manager at Arab Bank from 8/2015 until 7/2018.
- Retail Direct Sales Manager at Arab Bank from 6/2012 until 7/2015.
- Retail Sales and Marketing Manager at Jordan Kuwait Bank from 11/2010 until 5/2012.
- Branch Manager at Jordan Kuwait Bank from 1/2008 until 10/2010.
- Branch Manager & Branches Sales Manager at Standard Chartered Bank from 8/2006 until 11/2007.
- Sales Manager at Standard Chartered Bank from 2/2006 until 7/2006.
- Sales Officer at Standard Chartered Bank from 6/2005 until 1/2006.
- Sales Team Leader at Standard Chartered Bank from 6/2004 until 5/2005.
- Direct Sales Representative at Standard Chartered Bank from 9/2002 until 5/2004.

Mr. Raed Rabeeh Masri

Regional Manager /Bank of Jordan - Palestine (Acting) until 12/1/2023

Date of Birth: 27/1/1974

Date of Appointment: 1/8/2011

Educational Background:

- M.A. in Business Administration, An-Najah University, 2001.
- B.A. in Accounting, An-Najah University, 1996.

Professional Experience:

- Regional Manager at Bank of Jordan - Palestine (Acting) as of 19/10/2022 until 12/1/2023.
- Manager of Business Development at Bank of Jordan - Palestine from 3/7/2014 until 18/10/2022.
- Manager of the North District at Bank of Jordan - Palestine from 17/7/2011 until 2/7/2014.
- Manager of the Studies Department at the Palestinian Capital Market Authority, from 1/6/2010 to 31/7/2011.
- Head of the Studies Department at the Palestinian Capital Market Authority from 15/4/2009 until 31/5/2010.
- Assistant Vice President at the Asian Islamic Bank from 20/2/2008 to 17/2/2008.
- Head of the Facilities Team at the Arab Bank - Abu Dhabi from 18/5/2005 to 28/1/2008.
- Worked in the Credit Risk Department at Cairo Amman Bank from 5/1/2002 until 2/5/2005.
- Worked in the regional facilities at Cairo Amman Bank from 1/9/1997 until 4/1/2002.

Mr. Fadi Fareed Ammari

Executive Manager / Internal Audit Department until 10/5/2023

Date of Birth: : 4/1/1973

Date of Appointment: 8/5/2022

Educational Background:

– B.A. in Accounting from the Yarmouk University – Jordan, 1994.

Professional Experience:

- Executive Manager/ Internal Audit Department, Bank of Jordan as of 8/5/2022 until 10/5/2023.
- Deputy Chief Audit Officer at BLC Bank-Lebanon from 2/2015 until 4/2022.
- Head of Internal Audit Unit at Ahli International Bank - Lebanon, from 7/2001 until 1/2015.
- Head of Audit Team at Jordan Ahli Bank - Lebanon, from 6/1998 until 6/2001.
- Internal Auditor at Jordan Ahli Bank-Jordan, from 9/1994 until 5/1998.
- Certified Internal Auditor (CIA) 2002, from The Institute of Internal Auditors (IIA).

Mr. Jawdat M. Jawdat

Chief Executive Officer, Iraq Branch until 5/6/2023

Date of Birth:18/6/1969

Date of Appointment: 20/6/2022

Educational Background:

- Diploma in Banking & Finance, from Centre of Banking & Finance, Saudi Arabia, 1991.
- Diploma in investment and portfolio management from Investment Funds Institute – Canada, 2014.
- FMVA (Financial Modeling & Valuation Analyst) Certificate from CFI - Canada.

Professional Experience:

- CE, Iraq Branch at Bank of Jordan, as of 20/6/2022 until 5/6/2023.
- SENIOR CORPORATE BANKER at Director South West Ontario Region at HSBC Bank, Canada, from 2017 until 6/2022.
- CHIEF BUSINESS OFFICER at Abu Dhabi Islamic Bank – ADIB London, from 2/2016 until 12/2016.
- CHIEF OPERATING OFFICER at Abu Dhabi Islamic Bank – ADIB, London, from 2015 until 2016.
- FINANCIAL CONSULTANT, WEALTH Management Investors Group, Canada from 2014 until 2015.
- CHIEF EXECUTIVE OFFICER at Abu Dhabi Islamic Bank – ADIB, Iraq, from 2011 until 2014.
- He worked in several administrative positions with Citigroup, and Bank Samba from 1991 until 2011, in several countries, including: Saudi Arabia, Hong Kong, New York, London, Egypt, Lebanon, Jordan, and the United Arab Emirates, the regional head of the corporate sector in the Middle East and North Africa.

Other Professional Experiences:

- Attended many training courses and workshops over 30 years in the field of Operations, Compliance, Finance and Management.

Dr. Nasser Mustafa Khraishi
AGM/ Special Projects
until 14/8/2023

Date of Birth: 25/4/1962

Date of Appointment: 9/4/2014

Educational Background:

- PhD in Electrical Engineering/ Control Theory/ Stanford University/ USA, 1990.
- M.Sc. in Engineering Economic systems/ Stanford University/ USA, 1985.
- B.Sc. in Electrical Engineering/ Kuwait University/ Kuwait, 1984.

Professional Experience:

- AGM - Special Projects/ Bank of Jordan as of 9/10/2022 until 14/8/2022.
- AGM/ Chief Operating Officer/ Bank of Jordan, from December 2014 until 6/10/2022.
- Executive Manager/ Capital Markets Department/ Bank of Jordan, from April 2014 until December 2014
- Chief Executive Officer/ Monere LLC/ California, from 2011 until 2014.
- Assistant Chief Executive Officer/ Operations and Information Systems/ Bank Al Etihad, from 2009 until 2011.
- Assistant Chief Executive Officer/ Information Systems/ Jordan Kuwait Bank, from 2004 until 2009.
- Held several executive senior positions in several research and consulting firms offering services in Information Systems/ USA, from 1988 until 2004.

Other Current Board Memberships:

- Board Member of Excel for Financial Investments Company.

Former Board Memberships

- Board Member of Al-Ekbal Investment Co. (PLC).

Date of Birth: 17/9/1978

Date of Appointment: 21/1/2018

Educational Background:

- Master's in Environmental Sciences from Marshall University / USA, 2006.
- Bachelor of Civil Engineering from Jordan University of Science and Technology / Jordan, 2001.

Professional Experience:

- Executive Manager / Retail Banking at Bank of Jordan as of 19/3/2023.
- Segments Development Manager / Retail Banking Department at Bank of Jordan from 21/1/2018 until 18/3/2023.
- Marketing Manager at OBGi-Henkel Co. / Jordan from May 2017 until January 2018.
- Commercial Business Manager at Interbrand- RB Co., Johnson & Johnson, from June 2013 until April 2017.
- Studies and Media Manager / Nuqul Group, from December 2010 until May 2013.
- Certificate in Management Foundation, 2005 from Marshall University / USA.

Mr. Nadeem Jawdat Al-Khaitan
Executive Manager – Retail Banking
Until 11/12/2023

4. Shareholders who own 1% or more of the Bank's shares (2023 & 2022):

Name	Nationality	No. of Shares 2023	Percentage 2023	No. of Shares 2022	Percentage 2022	The Ultimate Beneficiary of Shares 2023	No. of Shares Mortgaged 2023	Percentage Shares Mortgaged 2023	Mortgage Lenders 2023
Mr. Michelle Fayiq Al- Sayegh	19 mm	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 Arabia	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	9,518,491	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	12,150,000	67.5%	Housing Bank
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	67.5%	Housing Bank
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 2023 (page 22).

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	13.8%

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 (294).
- Bank of Jordan – Syria Organizational Structure can be found on (page 213).
- Jordan Leasing Company Organizational Structure can be found on (page 214).
- Excel for Financial Investments Company Organizational Structure can be found on (pag 215).

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	105	8	1	-
Higher Diploma	4	-	-	-
Bachelor's Degree	1,439	164	4	5
Diploma	168	34	-	-
General Secondary Education	45	16	-	-
Pre-Secondary Education	60	10	-	1
Total	1,823	232	5	6

C. Details of training programs in 2023 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)	119	8,382
External Courses	229	1,538
Total	348	9,920

Areas of training at the level of Bank of Jordan Group:

Topic	No. of Courses	No. of Participants
Comprehensive Banking Training	12	12
Risks	463	35
Banking	2,272	85
Computerization	161	30
Compliance	3,520	54
Administrative	2,786	43
Marketing and Selling Skills	251	13
Professional Certificates	69	15
Auditing and Finance	61	18
Other	325	43
Total	9,920	348

10. Description of Risks:

Mentioned within the corporate governance on (page 255). 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 2023:

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 2023.

12. There is no financial impact of non-recurring operations during 2023 and no intervention in the Bank's main activities.

13. Realized Profits/Losses, Dividends, Bank Shareholders' Equity, and the Closing Price of Shares (2019-2023):

Fiscal Year	Financial Indicators for the past five years (2018-2022)						In JD (Thousand)		
	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	%		
2019*	414,333	5,774	61,130	-	-	36,000	18%	-	2.10
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%	-	2.3%

* According to the circular of the Central Bank of Jordan No. 1/1/4693 in 9/4/2020, the distribution of the dividends for the year 2019 was postponed.

** 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 2023:

Mentioned in the Board of Directors' Report, under a separate section (page 35). Below are the main financial ratios:

No.	Financial Ratios	2023	2022
1	Return on Average Bank Shareholders' Equity	8.4%	8%
2	Return on Capital	22.2%	20%
3	Return on Average Assets	1.50%	1.44%
4	Profitability per Employee (After tax)	(JD) 21,518	(JD) 19,795
5	Interest Income to Average Assets	6.3%	5.12%
6	Interest Expense to Average Assets	1.7%	1%
7	Interest Margin to Average Assets	4.55%	4.10%
8	Non-Performing Loans (after deducting interest in suspense) to Total Credit Facilities	8.5%	8%

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 2024, listed under a separate section (page 44).

16. Auditors' Remuneration (for Bank of Jordan and its Subsidiaries):

Statement	Auditors' Remuneration (JD)
Bank of Jordan	173,046
Bank of Jordan – Syria	9,604
Excel For Financial Investments Company	5,829
Jordan Leasing Company	4,350
Total	192,829

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	
			2023	2022
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	156,517	156,517
Mrs. Shatha Abdel-majid Al-Dabbas	Wife	Jordanian	368	368
Rakan Walid Fakhouri	Son	Jordanian	61,956	57,163
A'esha Walid Fakhouri	Daughter	Jordanian	32,888	30,346
Ahmad Walid Fakhouri	Son	Jordanian	29,386	27,115
AL EQBAL FOR GENERAL INVESTMENTS	Board member	Jordanian	16,000,000	16,000,000
Dr.Yanal Mawloud Zakaria	Board Member/ Representative of the Company	Jordanian	46,736	46,736
Mrs. Dana Kayd Sagha	Wife	Jordanian	1,342,000	1,297,000
Al Tawfiq Investment House - Jordan	Board Member	Jordanian	5,000	5,000
Mr. "Shadi Ramzi" Abd Al-Salam Al-Majali	Board Member/ Representative of the Company	Jordanian	20,558	8,290
Al Lu'lu'a Trading & Investment Co.	Board Member	Jordanian	12,131	12,131
Mr. Haitham Mohammed Samih Barakat	Board Member/ Representative of the Company	Jordanian	59,898	59,898
CO. ALYAMAMA FOR GENERAL INVESTMENTS	Board Member as of 28/12/2023	Cayman Island	17,371,178	17,371,178
Mr. Husam Rashed Manna'	Board Member/ Representative of the Company as of 28/12/2023	Jordanian	6,447	6,447
Al Yamama for General Investments Co. (Limited liability)	Board Member until 28/12/2023	Jordanian	5,000	5,000
Al Pharaenah Int'l for Industrial Investments Co.	Board Member	Jordanian	19,765,863	19,765,863
Mr. Walid Mohammad Al-Jamal	Board Member/ Representative of the Company	Jordanian	-	-
Mr. Walid Rafiq Anabtawi	Board Member	Jordanian	46,000	30,000
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	
			2023	2022
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	200,950	200,950
Mrs. Najwa Mohammad Manku	Wife	Jordanian	128,971	128,971
Mr. Nader Mohammad Sarhan	AGM / Chief Risk Officer as of 1/3/2023 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
Mrs. Rania Faisal Saied	Executive Manager / Human Resources Department	Jordanian	-	-
Mr. Khaled Sobhi Awad	Executive Manager / IT Management as of 30/12/2021	Jordanian	-	-
Mr. Salam Salameh Gamoah	Chief Executive Officer - 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. Hani Hasan Mansi	Executive Manager / Financial Management as of 1/3/2023	Jordanian	-	-
Mr. Saif Khader Issa	Regional Manager /Bank of Jordan - Palestine as of 8/1/2023	Palestinian	-	-
Mr. Raed Qutaiba Abu Qura	Executive Manager / Special Projects as of 9/7/2023	Jordanian	-	-
Ms. Basmeh Bahjat Al Hartani	Executive Manager/ Strategy & Project Management (Acting)	Palestinian	-	-
Mr. Yousef Musa Abu Zaid	Manager / Internal Audit Department as of 21/6/2023	Jordanian	-	-
Mr. Anas Ghaleb Tuffaha	Executive Manager – Retail Banking (Acting) as of 14/12/2023	Jordanian	-	-
Mr. Ayman Ahmad Al Oqaily	Manager / Treasury Department/ BOJ Group (Acting)	Jordanian	-	-
Ms. Raghad Nabil Al-Alusi	Chief Executive Officer, Iraq Branch (Acting) as of 20/7/2023	Iraqi	-	-
Mr..Shadi Hussein Abdullah Al-Safadi	Executive Manager – Retail Banking Management until 9/1/2023	Jordanian	-	-
Mr. Raed Rabeeh Masri	Regional Manager /Bank of Jordan – Palestine (Acting) until 12/1/2023	Palestinian	-	-
Mr. Fadi Fareed Ammari	Executive Manager / Internal Audit Department until 10/5/2023	Jordanian	-	-
Mr. Jawdat M. Jawdat	Chief Executive Officer, Iraq Branch until 5/6/2023	Saudi	-	-
Dr. Nasser Mustafa Khraishi	AGM / Special Projects until 14/8/2023	Jordanian	4,500	-
Mrs. Shereen Yousef Khraishi	Wife	Jordanian	30,113	25,613
Mr. Nadeem Jawdat Al-Khaitan	Executive Manager – Retail Banking Management until 11/12/2023	Jordanian	-	-

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 2023 and 2022:

Name	Position	Company	Equity Share in Bank of Jordan	
			2023	2022
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-Ettjhat 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 2023:

Name	Position	Annual Transport Allowance and Attend Committees	Allowance Membership	Annual Remuneration	Annual Expenses Travel	Total
		JD	JD	JD	JD	JD
Mr. Shaker Tawfiq Fakhouri	Chairman of the Board/ Dedicated	47,850	43,749.6	5,000	-	96,599.6
Mr. Walid Tawfiq Fakhouri	Vice Chairman of the Board	9,450	24,999.6	5,000	-	39,449.6
Dr. Yanal Mawloud Zakaria	Board Member/ Representative of AL EQBAL FOR GENERAL INVESTMENTS	34,530	24,999.6	5,000	-	64,529.6
Mr. "Shadi Ramzi" Abd Al-Salam Al-Majali	Board Member / Representative of AL Tawfiq Investment House - Jordan	36,240	24,999.6	5,000	-	66,239.6
Mr. Haitham Mohammed Samih Barakat	Board Member / Representative of Al Lu'lu'a Trading & Investment Co.	31,320	24,999.6	5,000	-	61,319.6
Mr. Husam Rashed Manna'	Board Member Representative of Al Yamama for General Investments Co. (Cayman Island) as of 28/12/2023	38,730	24,999.6	5,000	-	68,729.6
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	23,130	24,999.6	5,000	-	53,129.6
Mr. "Mohammad Sa-ed" Ishaq Jarallah	Board Member	42,720	24,999.6	5,000	-	72,719.6
Mr. Yousef Jan Shamoun	Board Member	20,490	24,999.6	5,000	-	50,489.6
Mr. Emad ADeen Al Masri	Board Member	15,360	24,999.6	5,000	-	45,359.6
Total		310,620	293,745.6	55,000		659,365.6

B. Benefits and Remuneration of the Executive Managers for the Year 2023:

Name	Position	Annual Salary	Annual Remuneration	Annual Allowance for Transportation & Assuming Board Secretary Position	Other Benefits (Housing Allowance, School, Phone)	Total Annual Benefits
		JD	JD	JD	JD	JD
Mr. Saleh Rajab Hammad	Chief Executive Officer	377,689	132,400	-	-	510,089
Mr. Mutasem Maher Al-Dweik	AGM / Corporate & Institutional Banking (CIB)	192,000	-	-	-	192,000
Mr. Osama Samih Sukkari	Legal Advisor	249,052	55,388	-	-	304,440
Mr. Nader Mohammad Sarhan	AGM / Chief Risk Officer as of 1/3/2023 Board Secretary	138,858	-	18,000	-	156,858
Mrs. Rania Faisal Saied	Executive Manager / Human Resources Department	121,970	-	-	-	121,970
Mr. Khaled Sobhi Awad	Executive Manager / IT Management as of 30/12/2021	129,091	7,754	-	-	136,845
Mr. Salam Salameh Gamoah	Chief Executive Officer - Bahrain Branch	206,079	-	9,033	40,649	255,762
Ms. Lana Fayez Al-Barrishi	Executive Manager / Compliance Department	86,192	-	-	-	86,192
Mr. Yousef Mousa Abu Humaid	Executive Manager / Chief Operating Officer	93,022	-	-	-	93,022
Mr. Hani Hasan Mansi	Executive Manager / Financial Management as of 1/3/2023.	86,382	9,175	-	-	95,557
Mr. Saif Khader Issa	Regional Manager /Bank of Jordan - Palestine as of 8/1/2023	103,905	10,780	-	-	114,685
Mr. Raed Qutaiba Abu Qura	Executive Manager / Special Projects as of 9/7/2023	49,850	-	-	-	49,850
Ms. Basmeh Bahjat Al Hartani	Executive Manager/ Strategy & Project Management (Acting)	33,764	4,598	-	-	38,362
Mr. Yousef Musa Abu Zaid	Manager / Internal Audit Department as of 21/6/2023	49,616	9,377	-	-	58,993
Mr. Anas Ghaleb Tuffaha	Executive Manager – Retail Banking (Acting) as of 14/12/2023	50,260	8,249	-	-	58,509
Mr. Ayman Ahmad Al Oqaily	Manager / Treasury Department/BOJ Group (Acting)	25,486	2,323	-	-	27,809
Ms. Raghad Nabil Al-Alusi	Chief Executive Officer, Iraq Branch (Acting) as of 20/7/2023	42,284	-	-	-	42,284
Mr..Shadi Hussein Abdullah Al-Safadi	Executive Manager –Retail Banking Management until 9/1/2023	2,771	-	-	-	2,771
Mr. Raed Rabeeh Masri	Regional Manager /Bank of Jordan – Palestine (Acting) until 12/1/2023	5,603	-	-	-	5,603
Mr. Fadi Fareed Ammari	Executive Manager / Internal Audit Department until 10/5/2023	57,310	-	-	-	57,310
Mr. Jawdat M. Jawdat	Chief Executive Officer, Iraq Branch until 5/6/2023	129,660	-	-	8,158	137,818
Dr. Nasser Mustafa Khraishi	AGM / Special Projects until 14/8/2023	143,184	89,712	-	20,866	253,762
Mr. Nadeem Jawdat Al-Khaitan	Executive Manager – Retail Banking Management until 11/12/2023	92,960	18,565	-	-	111,525
Total		2,466,988	348,321	27,033	69,673	2,912,015

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 1.2 million, as detailed below:

Activity	Amount (JD)
Supporting royal initiatives	531,000
Supporting An-Najah National University Hospital - Palestine	165,000
Office of His Highness Prince Hashem bin Al Hussein	100,000
An initiative to help families affected by the earthquake in Syria	100,000
Supporting the National Aid Fund	100,000
Supporting charities and national institutions	234,185
Supporting Educational Activities	100,002
Supporting Environmental Activities	21,000
Supporting sports activities and people with special needs	15,807
Support medical activities	28,055
Miscellaneous	30,940
Total	1,425,988.5

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. The Bank's contribution to protecting the environment and serving the local community:

a. The Bank's environmental contribution:

Bank of Jordan has always sought to spearhead the support of environmental activities and has thus supported the Arab Group for the Protection of Nature by planting 500 trees as part of the "Green Caravan" project in Al-Jizah. The initiative aims to increase the area of cultivated land and reduce desertification, together with achieving food security and providing a source of income for underprivileged families. The Bank has also endorsed the environmental drawing competition launched by the Jordanian Friends of Environment Society for public and private school students, the UNRWA, and military schools, entitled "The Social Responsibility for Combating and Addressing Desertification," whereby the winning works were printed on the 2024 calendar, to encourage students to portray the environments in which they live through artistic expression.

b. The Bank's contribution to serving the local community:

Owing to the Bank's vision and striving to support national institutions and contribute to social development and advancement in education, health, social, and sports activities, BOJ continued to endorse various initiatives to achieve prosperity for the local community by supporting charities and national organizations. To this extent and due to the importance of the education sector and its pivotal role in empowering local communities, the Bank renewed its strategic partnership with Queen Rania Foundation for Education and Development by sponsoring the Children's Museum Jordan's "Mobile Museum" to introduce children to the concepts of financial education throughout various governorates via the Bank's interactive educational exhibit.

The Bank has also ensured the continuity of the university scholarship program in collaboration with the Elia Nuqul Foundation. This is in addition to collaborating with Al-Aman Fund for the Future of Orphans to cover sixteen students' tuition fees for one academic year. BOJ has also supported Injaz's annual "Schools Adoption Program" for the second consecutive year. In Palestine for eight years, the Bank has renewed its membership in the Taawon Foundation, thus signifying its support for the programs implemented throughout the year while endorsing the Kafr Zibad Cultural Club to provide supplies to the Club's children's library. The Bank was also a silver sponsor of the Birzeit Nights Festival, which Birzeit University organized.

Bank of Jordan continued adopting various initiatives and activities that had a significant social impact. In 2023, BOJ supported the quest of national institutions seeking to implement their respective strategic national projects; among the most notable were the Royal Hashemite Court, the Office of Prince Hashim bin Hussein, and the National Aid Fund under the Ministry of Social Development. The Bank also renewed its strategic partnership with Tkiyet Um Ali by supporting the numerous feeding programs offered by the organization to its beneficiaries and partaking in distributing food parcels during the Holy month of Ramadan and coupons to 500 underprivileged families. Similarly, BOJ supported the Palestinian Ministry of Social Development – Jerusalem Directorate in distributing 150 food parcels and 200 Eid clothing parcels to underprivileged families. Insofar as persons with special needs, BOJ – in collaboration with the Jordanian Club for the Deaf – sponsored a training workshop in the field of online marketing for 15 Club beneficiaries. Additionally, the tuition fees for two students at Karak School, which operates under the Cerebral Palsy Foundation, were covered. In Palestine, BOJ covered the costs of purchasing 10 electric wheelchairs for persons with special needs in collaboration with Ramallah and Al-Bireh governorate.

Seeking to strengthen mutual cooperation with charities and to assist them in realizing their objectives and extending assistance to various social segments, BOJ supported various charities and civil society organizations in 2023, among which are Al-Malath Association for Humanitarian Care, Palestine International Foundation, Jordanian Society for Medical Aid for Palestinians, Petra National Trust, SOS Children's Villages Jordan, The Assembly of Islamic Cemeteries Care, Islamic Funeral Organization and Jordanian Economic Forum. In Palestine, BOJ provided the required support to An-Najah National University Hospital to purchase a purchase an X-Ray Irradiation System, owing to its importance in marrow transplant operations for children with cancer.

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: complainhandling@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 2023 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 2023

Nature/ Type of Complaint Item	Interest Rates/ Returns	Credit Inquiry	Accounts	Remittances	Electronic Services	Guarantees and Sponsors	Contracts and Conditions	Commissions and Fees	Payment Cards	Work Environment	Marketing Services and Products	Forgery and Fraudulent Transactions	Professional Conduct	Total
Total Number	70	4	20	7	21	2	73	21	31	46	5	1	172	473
Customer is Correct	9	2	3	2	6	0	10	1	11	10	2	0	34	90
Customer Requires Financial Education	87%	50%	85%	71%	71%	100%	86%	95%	65%	78%	60%	100%	80%	81%

- 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 - 2023

The Bank's annual financial statements, audited by the Bank's auditors Deloitte & Touche (M.E.) and a comparison with the previous year (2022), can be found in the second part of the report (Page 47).

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 2023 annual financial statements (Page 49).

E. Acknowledgment

As per paragraph (E)/ Article (4) of Disclosure and Accounting Standards Instructions issued by the Jordan Securities Commission Board of Commissioners:

1. 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 2024.
2. The Board of Directors of Bank of Jordan acknowledges its responsibility for the preparation of the financial statements for 2023 and that the Bank has an effective control system.
3. 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 2023 Annual Report are true, accurate and complete.
4. 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 2023 other than those disclosed in Section No.18/A.

A woman with long brown hair, wearing a white button-down shirt and a grey skirt, is smiling and looking towards the right. She is holding a silver laptop. The background is a light blue and white network diagram with nodes and lines. A large yellow circle is in the top left corner. The text 'Corporate Governance' is written in a bold, red, sans-serif font on the left side of the image.

Corporate Governance

Corporate Governance Report:

Bank of Jordan believes that sound corporate governance practices are the basis for achieving fairness and transparency in dealing with all relevant parties and stakeholders and has adopted a strategic vision in this regard. The bank is keen to apply sound corporate governance practices that comply with legislation governing banks and the instructions of the Central Bank of Jordan. These practices also comply with the best international practices recommended by the Basel Committee on Institutional Governance for banks in Jordan. Furthermore, the bank also adheres to the requirements and guidelines of regulatory authorities in other countries where it operates. The Board of Directors is also committed to implementing the Corporate Governance Guide, which aligns with the Jordanian banking environment and the legislative and legal frameworks governing the bank's business. The bank has published its Corporate Governance Report for public access on its website, bankofjordan.com.

Component One: Board of Directors

- Chairman of the Board of Directors

The Board shall elect a chairman from among its members, with a clear separation in roles between the Board Chairman and the CEO. The Chairman must not be related to the CEO until the fourth degree.

- Board of Directors

Although the Executive Management is responsible for running the bank's daily operations, the Board is responsible for drawing up strategies that achieve the goals and objectives that best serve the interests of the bank, its shareholders, and its customers in accordance with the respective laws and regulations.

Bank of Jordan's Board consists of 11 members elected by the General Assembly for a four-year term. Each Board member shall have the expertise and qualifications required to express a qualified independent opinion on the Board's deliberations. Member suitability is verified according to a suitability policy for Board members, which aligns with the requirements of the Corporate Governance Guide. The board's members shall select the Chairman.

The Board convened (9) times in 2023. In each session, the Board has a specific agenda, and the Secretary of the Board officially documents the minutes of meetings and decisions.

Names of the Members of the Board of Directors:

Name	Position	Status	No. of Attendance	Member Loan Balance (JD)
Mr. Shaker Tawfiq Shaker Fakhouri	Chairman of the Board / Dedicated	Non-Executive/ Non-Independent	8	1,110,015
Mr. Waleed Tawfiq Shaker Fakhouri	Vice Chairman	Non-Executive/ Non-Independent	7	1,024,868
Dr. Yanal Mawloud Abdelkader Zakaria	Board Member Representative of Al-Ekbal for General Investment	Non-Executive/ Non-Independent	7	-
Mr. "Shadi Ramzi" Abd Al-Salam Atallah Al-Majali	Board Member Representative of Al Tawfiq Investment House	Non-Executive/ Non-Independent	7	77,254
Mr. Haitham Mohammed Samih Abd Al-Rahman Barakat	Board Member Representative of Al Lu'lu'a Trading and Investment Co.	Non-Executive/ Non-Independent	8	2,277
Mr. Husam Rashid Rashed Manna'	Board Member Representative of Al-Yamama for General Investments / Cayman Islands as of 28/12/2023	Non-Executive/ Non-Independent	8	20,655
Mr. Walid Mohammad Jameel Al-Jamal	Board Member Representative of Al Pharaenah International for Industrial Investments Co.	Non-Executive/ Non-Independent	8	-
Mr. Walid Rafiq Ragheb Anabtawi	Board Member	Non-Executive/ Independent	7	1,112
Mr. "Mohammad Sa-ed" Ishaq Hanafi Jarallah	Board Member	Non-Executive/ Independent	8	-
Mr. Youssef Jan Joseph Chamoun	Board Member	Non-Executive/ Independent	8	2,686
Mr. "Emad Adeem" Jihad Jawdat Al-Massri	Board Member	Non-Executive/ Independent	8	-
Mr. Nader Mohammad Khalil Sarhan	AGM Risk Department as of 1/3/2023 Secretary of the Board	-	8	N/A

Memberships in the Boards of Public Shareholding Companies held by a Member of the Board of Directors:

Name	Memberships in the Boards of Public Shareholding Companies
Mr. Shaker Tawfiq Shaker Fakhouri Chairman of the Board	Board Member of Middle East Insurance Company
Mr. Walid Tawfiq Shaker Fakhouri Vice Chairman	None
Dr. Yanal Mawloud Abdelkader Zakaria Representative of Al-Ekbal for General Investment	None
Mr. "Shadi Ramzi" Abd Al-Salam Atallah Al-Majali Representative of Al Tawfiq Investment House	Chairman of Jordan Investment Trust
Mr. Haitham Mohammed Samih Abd Al-Rahman Barakat Representative of Al Lu'lu'a Trading and Investment Co.	None
Mr. Husam Rashid Rashed Manna' Representative of Al-Yamama for General Investments / Cayman Islands As of 28/12/2023	None
Mr. Walid Mohammad Jameel Al-Jamal Representative of Al Pharaenah International for Industrial Investments Co.	Vice Chairman of the Board of Jordan Decapolis Properties Company
Mr. Walid Rafiq Ragheb Anabtawi Board Member	None
Mr. "Mohammad Sa-ed" Ishaq Hanafi Jarallah Board Member	None
Mr. Youssef Jan Joseph Chamoun Board Member	None
Mr. "Emad Adeen" Jihad Jawdat Al-Massri Board Member	None

Name of the Bank's Corporate Governance Officer

Corporate Governance Officer / Ms. Lana Fayez Yahya Al-Barrishi / Executive Manager of Compliance

- The Committees of the Board:

As per the Corporate Governance Guide, Bank of Jordan's Board of Directors has seven committees to facilitate the implementation of its responsibilities. The committees are the Audit Committee, the Corporate Governance Committee, the Nomination and Remuneration Committee, the Risk Management Committee, the Executive Committee, the Compliance Committee, and the Information Technology Governance Committee.

- Audit Committee

The Audit Committee comprises three Board members. Most members, including the Head of the Committee, must be independent. They must also have academic qualifications and adequate professional experience in accounting, finance, or similar disciplines related to the bank's business.

Names of the Members of the Audit Committee, their Qualifications, and Financial and Accounting Experience:

Audit Committee consists of:	No. of Attendance	Qualifications	Experience
Mr. "Emad Adeen" Jihad Jawdat Al-Massri Head of Committee (Independent)	9	- Master of Accounting and Finance 2007 from the Hashemite University / Jordan. - Bachelor of Accounting 1998, An-Najah National University / Palestine	<ul style="list-style-type: none"> Chief Executive Officer of Zahran Operation and Maintenance Company / Riyadh / Saudi Arabia, 9/2018 to date. Chief Financial Officer of Zahran Holding Company / Riyadh / Saudi Arabia, 2016-2018. Financial Controller of Zahran Holding Company / Riyadh / Saudi Arabia, 2012-2016. Director of Treasury Department of Zahran Holding Company / Riyadh / Saudi Arabia, 2011-2012. Chief Financial Officer of Zahran Operation and Maintenance Company / Riyadh / Saudi Arabia, 2009-2011. Head of Treasury Unit for Zahran Holding Company / Riyadh / Saudi Arabia, 2008-2009. Financial Controller at Arab Bank / Amman / Jordan, 2005-2008. Public Relations Officer at Arab Bank / Amman / Jordan, 1998-2005.
Mr. Walid Rafiq Ragheb Anabtawi Member (Independent)	9	- Bachelor of Accounting in 1968 from Alexandria University / Egypt	<ul style="list-style-type: none"> Assistant Chief Executive Officer at Bank of Jordan - Investment and Branches Department - The Hashemite Kingdom of Jordan from April 2004 to October 2005. Assistant Chief Executive Officer at Bank of Jordan - Department of Organization, Operations and Automation - Jordan from October 2001 to June 2003. Executive Director at Bank of Jordan - Department of Organization, Operations and Automation - Jordan from January 1992 to October 2001. Director of Internal Audit Department at Bank of Jordan - Jordan from March 1990 to January 1992. Assistant Head of Department - Banking System Supervision Department at the Central Bank of Jordan - Jordan from July 1986 to March 1990. Assistant Principal Manager - Internal Audit Department at Arab National Bank - Kingdom of Saudi Arabia from February 1983 to June 1986. Controller - Banking System Supervision Department at the Central Bank of Jordan - The Hashemite Kingdom of Jordan from July 1976 to February 1983 Assistant Head of Department at Arab Bank / Amman Branch - Jordan from May 1969 to July 1976. Accountant - Accounting Department at Royal Jordanian - Jordan from October 1968 to May 1969. Participated in and organized more than fifty training courses and workshops inside and outside Jordan.
Mr. Youssef Jan Joseph Chamoun Member (Independent)	9	- Master of Business Administration (Finance and Corporate) in 2006, Georgetown University, Washington, USA. - Bachelor of Mechanical Engineering in 2002 from McGill University, Montreal, Canada.	<ul style="list-style-type: none"> Co-founder and CEO ZenHR, 1/2017 to date. Co-founder and member of the Board of Jawaker, 10/2008. Co-founder and CEO of Akhtaboot, 6/2007 to date. Certified SaaS Annual / San Francisco / United States of America. Certified Elevating Finance, Operations / Philadelphia / USA. Certified EO - Growth Forum / London/UK. Certified Georgetown Leadership Seminar (GLS) / Washington / USA. Certified Endeavor Leadership Program / California / USA. Certified Bank Rotation / Bank of Jordan.
Mr. Nader Mohammad Khalil Sarhan AGM Risk Department as of 1/3/2023 Secretary of the Board (Attends all meetings in his capacity as Secretary of the Board)	9	-	-

- Audit Committee held (9) meetings in 2023.

- In general, the responsibility of the Audit Committee does not replace the responsibilities of the Board or the Executive Management with regard to monitoring the adequacy of its internal control systems.

- The Audit Committee held (4) meetings with the External Auditor in 2023.

- Corporate Governance Committee

The Corporate Governance and Strategies Committee comprises the Chairman of the Board and two independent directors. This committee directs and supervises the Corporate Governance Guide's preparation, updating, and implementation.

Corporate Governance Committee consists of:	Status	No. of Attendance as of 6/4/2023
Mr. Walid Rafiq Ragheb Anabtawi	Head of Committee / Independent)	1
Mr. Shaker Tawfiq Shaker Fakhouri	Member / Non-Independent	1
Mr. Youssef Jan Joseph Chamoun	Member / Independent	1
Mr. Nader Mohammad Khalil Sarhan	Board Secretary/ Committee Rapporteur	1

In line with the Corporate Governance Instructions for Banks No. (32/2023) dated 14/2/2023, the Corporate Governance Committee was reconstituted at the Board Meeting No. (646) dated 6/4/2023 from:

	Status	No. of Attendance as of 6/4/2023
Mr. Shaker Tawfiq Shaker Fakhouri	Head of Committee / Non-Independent	2
Mr. Walid Rafiq Ragheb Anabtawi	Member / Independent	2
Mr. Youssef Jan Joseph Chamoun	Member / Independent	2
Mr. Nader Mohammad Khalil Sarhan	Board Secretary/ Committee Rapporteur	2

Corporate Governance Committee held (3) meetings in 2023.

- Risk Management Committee

The Risk Management Committee comprises at least three members. The majority of the committee members, including the head of the committee, must be independent members in order to manage and deal with all risk categories facing the bank.

Risk Management Committee consists of:	Status	No. of Attendance as of 6/4/2023
Mr. Shaker Tawfiq Shaker Fakhouri	Head of Committee / Non-independent	1
Mr. "Shadi Ramzi" Abd Al-Salam Atallah Al-Majali	Member / Non-Independent	1
Mr. "Mohammad Sa-ed" Ishaq Hanafi Jarallah	Member / Independent	1
Mr. Saleh Rajab Alyan Hammad / CEO	Member	1
Dr. Nasser Mustafa "Mohammed Saeed" Khraishi Executive Manager / Special Projects Until 14/8/2023	Member	1
Mr. Nader Mohammad Khalil Sarhan AGM / Risk Department As of 1/3/2023	Member / Board Secretary/ Committee Rapporteur	1

In line with the Corporate Governance Instructions of Banks No. (32/2023) dated 14/2/2023, the Risk Management Committee was reconstituted at the Board meeting No. (646) dated 6/4/2023 from:

	Status	No. of Attendance as of 6/4/2023
Mr. Walid Rafiq Ragheb Anabtawi	Head of Committee / Independent	4
Mr. Shaker Tawfiq Shaker Fakhouri	Member/ Independent	4
Mr. "Mohammad Sa-ed" Ishaq Hanafi Jarallah	Member / Independent	4
Mr. Nader Mohammed Khalil Sarhan AGM / Risk Department As of 1/3/2023	Board Secretary	4

Risk Management Committee held (5) meetings in 2023.

- Executive Committee

The Executive Committee comprises six Board Members, and Members of the Senior Executive Management participate in its meetings.

Executive Committee consists of	Status	No. of Attendance
Mr. Shaker Tawfiq Shaker Fakhouri	Head of Committee (Non-Independent)	44
Dr. Yanal Mawloud Abdelkader Zakaria	Member (Non-Independent)	44
Mr. Haitham Mohammed Samih Abd Al-Rahman Barakat	Member (Non-Independent)	36
Mr. Hussam Rashid Rashed Manna'	Non-Independent Member	45
Mr. "Shadi Ramzi" Abdel Salam Atallah Al-Majali	Member (Non-Independent)	44
Mr. "Mohammad Sa-ed" Ishaq Hanafi Jarallah	Member (Independent)	45
Rapporteur of the Facilitation Committees/ Committee Rapporteur		45

Executive Committee held (45) meetings in 2023.

- Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises three Board members.

Nomination and Remuneration Committee consists of	Status	No. of Attendance
Mr. Youssef Jan Joseph Chamoun	Head of Committee (Independent)	8
Mr. Shaker Tawfiq Shaker Fakhouri	Member (Non-Independent)	8
Mr. Walid Rafiq Ragheb Anabtawi	Member (Independent)	8
Mr. Nader Mohammad Khalil Sarhan AGM / Risk Department As of 1/3/2023	Board Secretary/ Committee Rapporteur	8

Nomination and Remuneration Committee held (8) meetings in 2023.

- IT Governance Committee

The IT Governance Committee comprises four board members and includes individuals with experience or knowledge in information technology.

IT Governance Committee consists of	Status	No. of Attendance
Mr. Shadi Ramzy Abd Al-Salam Attallah Al-Majali	Head of Committee (Non-Independent)	2
Mr. Shaker Tawfiq Shaker Fakhouri	Member (Non-Independent)	2
Mr. Walid Rafiq Ragheb Anabtawi	Member (Independent)	2
Mr. Youssef Jan Joseph Chamoun	Member (Independent)	1
Mr. Nader Mohammad Khalil Sarhan AGM / Risk Department	Board Secretary/ Committee Rapporteur	2

IT Governance Committee held (2) meetings in 2023.

- Compliance Committee:

The Compliance Committee comprises three Board members and meets periodically and as it deems appropriate.

Compliance Committee consists of:	Status	No. of Attendance
Mr. "Mohammad Sa-ed" Ishaq Hanafi Jarallah	Head of Committee (Independent)	3
Mr. Shaker Tawfiq Shaker Fakhouri	Member (Non-Independent)	3
Mr. Walid Rafiq Ragheb Anabtawi	Member (Independent)	3
Mr. Nader Mohammad Khalil Sarhan AGM / Risk Department	Board Secretary/ Committee Rapporteur	3

Compliance Committee held (3) meetings in 2023.

Board Secretary

Minutes of meetings are significant for the Bank, shareholders, and supervisory agencies because they are a permanent register that demonstrate the Board's activities and deliverables, Board of Director's decisions and any other decisions made by committees operating under the Board. Given the vital role of the Board Secretary, it has been decided to appoint Mr. Nader Mohammad Sarhan Executive Manager/ Chief Risk Officer, as Board Secretary. Duties and responsibilities of the Board Secretary are incorporated in the Corporate Governance Guide of the Bank.

The Senior Executive Management

Members of the senior executive management, including the general manager, must have the attributes and qualifications stated in the Bank's Corporate Governance Guide.

The names and positions of Senior Executive Management are as follows:

figure	Name	Position
1	Mr. Saleh Rajab Alyan Hammad	Chief Executive Officer
2	Mr. Mutasem Maher Mahmoud Al-Dweik	AGM / Corporate & Financial Institutions (CIB)
3	Mr. Osama Samih Amin Sukkari	Legal Advisor
4	Mr. Nader Mohammad Khalil Sarhan	AGM / Risk Department as of 1/3/2023
5	Ms. Rania Faisal Ali Saied	Executive Manager / Human Resources Department
6	Mr. Khaled Subhi Khamis Awad	Executive Manager / Automated Systems Department as of 30/12/2021
7	Mr. Salam Salameh Yousef Gammoah	Chief Executive Officer - Bahrain Branch
8	Mrs. Lana Fayez Yahya Al-Barrishi	Executive Manager / Compliance Department
9	Mr. Yousef Mousa Yousef Abu Humaid	Executive Manager / Central Operations Sector Department
10	Mr. Hani Hassan Mahmoud Mansi	Executive Manager / Financial Department as of 1/3/2023
11	Mr. Nadeem Jawdat Suleiman Al-Khaitan	Executive Manager / Retail Sector Department as of 19/3/2023
12	Mr. Saif Khader Mohammed Issa	Regional Manager / Jordan Palestine Bank as of 8/1/2023
13	Mr. Raed Qutaiba Abdullatif Abu Qura	Executive Manager / Special Projects as of 9/7/2023
14	Mrs. Basmeh Bahjat Bashir Al-Hartani	Executive Manager / Strategy & Projects Department (Acting)
15	Mr. Yousef Mousa Radwan Abu Zeid	Director of Internal Audit Department as of 21/6/2023
16	Mr. Ayman Ahmed Abdulkareem Al Oqaily	Director of Treasury Department of the Banking Group (Acting)
17	Mrs. Raghad Nabil Taleb Al-Alusi	Chief Executive Officer - Iraq Branch (Commissioned) as of 20/7/2023
18	Mr. Shadi Hussain Abdullah Al-Safadi	Executive Manager / Retail Banking Sector until 9/1/2023
19	Mr. Raed Rabeeh Abdul Razzaq Masri	Regional Manager / Bank of Jordan - Palestine (Acting) until 12/1/2023
20	Mr. Fadi Farid Dakhil Ammari	Executive Manager / Internal Audit Department until 10/5/2023
21	Mr. Jawdat Bin Mahmoud Bin Saeed Jawdat	Chief Executive Officer - Iraq Branch until 5/6/2023
22	Dr. Nasser Mustafa "Mohammed Saeed" Khraishi	AGM / Special Projects until 14/8/2023

- Conflict of interest

The Board of Directors affirmed in the Bank Corporate Governance Guide that each member of the Board shall specify his association with the bank and the nature of this association, avoid conflicts of interest, and abide by the Code of Conduct in this regard. A written disclosure must be given on an annual basis or in case of any required development.

Component Two: Planning and Policy Formulation

The Board of Directors is responsible for developing the bank's overall strategy and strategic direction, setting the executive management's overall objectives, and overseeing the achievement of these objectives.

Component Three: Regulatory Framework

The Board of Directors carries out its responsibilities based on a general internal control framework to verify the following:

- Effectiveness and efficiency of operations.
- Credibility of financial reports.
- Comply with the laws and instructions in force.

The Board confirms the presence of a general internal control framework, with characteristics enabling it to follow up on its tasks and take the necessary measures. The framework is as follows:

1. Internal Audit:

The bank recognizes that an effective Internal Audit Department contributes mainly to strengthening the internal control systems and the general framework for managing risks related to the various activities of the bank. The Internal Audit Department exercises its functions as follows:

- Develop the Internal Audit Charter and approve it by the Board, as the Audit Committee recommends. It must contain the Audit Department's functions, responsibilities, powers, and work methodology.
- Prepare an annual audit plan approved by the Audit Committee, covering all the bank activities. This includes the activities of other regulatory departments and external parties, according to the degree of risk of those activities, to be approved by the Audit Committee
- Verify the adequacy of the internal control systems for the activities of the bank and its subsidiaries and their compliance with them. In addition, review and document any amendments made to the structure of these systems.
- Provide the Internal Audit Department with employees who have appropriate and sufficient scientific qualifications and practical experience to audit all activities and operations. This includes the availability of qualified staff to assess the risks of information and associated technology, as well as employee rotation between bank activities every three years as a maximum.
- The Internal Audit Department shall submit its reports to the Head of the Audit Committee and a copy thereof to the Chief Executive Officer.
- Review compliance with the Corporate Governance Guide and related policies and charters annually. Prepare a detailed report on this topic 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 Internal Capital Adequacy Assessment Process (ICAAP).
- Audit financial and administrative matters to ensure that administrative and financial information is accurate, reliable, and timely.
- Follow up on violations and observations in the regulatory authorities and the external auditor's reports. Ensure that observations are addressed and executive management has appropriate controls to prevent 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 control, audits, and submitting periodic reports.
- Keep audit reports and papers in an orderly and secure manner for a period consistent with the provisions of the legislation in force in this regard and be ready for review by the supervisory authorities and the external auditor.
- Review the bank's reporting processes to ensure that key financial, administrative, and operational information is accurate, reliable, and timely.
- Ensure compliance with the bank's internal policies, international standards and procedures, and relevant laws and guidelines.
- Examine at least once a year to ensure that all transactions with the bank's related parties have been carried out per applicable legislation, the bank's internal policies, and adopted procedures, and submit its reports and recommendations to the Audit Committee. The Audit Committee shall inform the Central Bank immediately upon verifying a violation of any applicable legislation and related internal policies.
- The Audit Committee evaluates the performance of the Director of the Audit Department, and the Director of Internal Audit evaluates the performance of the Internal Audit Department staff. This is done in line with the performance appraisal policy approved by the Board.

2. External Audit:

The external auditor presents another level of control over the credibility of the financial statements issued by the bank's accounting and information systems, especially with regard to expressing a clear and frank opinion on the fairness of these statements and their reflection of the actual reality during a certain period. In dealing with external audit offices, the Board takes into account the bank's best interests and the level of professionalism of the offices in which it deals with the regular rotation of the audit and its experiences with these audit offices.

3. Risk Management:

The management of Bank of Jordan regards the requirements of Basel III to be of great importance, as a framework for consolidating and strengthening the bank's ability to improve the regulatory environment and confront various types of risks. Therefore, the bank has taken practical steps to implement its provisions, including establishing specialized departments to manage various risks (credit, operation, market) with qualified staff and automated systems.

The bank has strengthened the frameworks governing credit risk management through the establishment of its various departments (Corporate Credit Department, SME Credit Department, Retail Credit Department, Palestine Branches Credit Department) and Credit Portfolio Risk Department. In addition, the bank has updated and developed risk management policies and procedures that would maintain the quality of the credit portfolio, in addition to implementing an automated system for calculating the capital adequacy ratio. (Revalues System)

For operational risks, the bank has been implementing the CAREweb system since 2003. A Risk Profile has been created for each of the bank's departments, in addition to a database of operational errors. A department has been established to manage all types of market risks, comprised of qualified employees.

Risk Management operates within the following general framework:

- A. The bank's Risk Department shall submit reports to the Board through the Risk Management Committee, with a copy thereof to the CEO. Reports include information on the actual risk system for all the bank's activities compared to the Risk Appetite document, and follow-up to address negative deviations.
- B. The Risk Department has the following responsibilities:
 - Review the Bank's Risk Management Framework before being approved by the Board.
 - Prepare a risk policy(s) that covers all the bank's operations and sets a clear scale and limit for each type of risk. The department must ensure that all employees, each according to their administrative level, are fully informed and aware of the policy (s), review it periodically, and that the Board approves it.
 - Analyze all risks, including credit, market, liquidity, and operational risks.
 - Develop methodologies to identify, measure, analyze, evaluate, and monitor each type of risk.
 - Recommend risk ceilings and the bank's risk exposures, approvals, reporting, and recording exceptions to the risk management policy to the Risk Management Committee.
 - Provide the Board and Senior Executive Management with information on risk measurement and the actual risk profile system 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 help in risk management, including:
 - Self-assessment of risks and setting risk indicators.
 - Preparation of a historical database of losses, including their sources and classification according to type of risk.
 - Provision of the necessary equipment and automated systems suitable for risk management at the bank.
 - Bank committees, such as the Credit, Asset, and Liabilities Management/Treasury and Operating Risk Management Committees, assist the Risk Department in carrying out its duties according to their designated powers.
 - Incorporate information on risk management in terms of its structure, nature of operations, and progress in the bank's annual report.
 - Provide information about risks facing the bank for disclosure purposes.
 - Prepare a comprehensive document for all risks acceptable to the Bank and approve it by the Board
 - Prepare, periodically review, and verify the bank's ICAAP so that it is comprehensive, effective, capable of identifying all risks that the bank may face, and takes into account the bank's strategic plan and capital plan; to be approved by the Board.
 - Prepare the business continuity plan and approve it by the Board, provided that it is examined periodically
 - Before introducing any new product/service/process/system, ensure its consistency with the bank's strategy, that all risks have been identified, including operational risks, and that new controls and procedures or amendments have been made in unity with the bank's acceptable risk limits.
 - 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 the bank's executive departments' compliance with acceptable risk levels.

4. Compliance

Under the auspices of enhancing the bank's compliance with regulatory authorities' requirements, the Compliance Department was established. The department was designated to supervise compliance with the regulations, laws, legislations, international and ethical standards, and requirements issued by the various regulatory authorities and the bank's internal policies. The department contains qualified employees and automated systems. In terms of compliance management, all laws, regulations, and instructions governing the bank's business have been inventoried. All employees have been informed of compliance through bulletins and training courses. Furthermore, the AML/CFT policy has been developed to comply with the instructions for combating money laundering and terrorist financing No. (51/2010) dated 23/11/2010.

An independent department concerned with financial and tax verification (Financial Crime) has also been established to monitor suspected cases of fraud and forgery, affiliated with the Foreign Accounts Tax Compliance Unit (FATCA). Customer complaints are dealt with within an independent department affiliated with the Compliance Department, concerned with managing and handling customer complaints.

The general framework for the work of the Compliance Department is as follows:

- a. Prepare a compliance policy to ensure the bank's compliance with all relevant legislation. Ensure that all employees, each according to his administrative level, are fully aware of it and that the Board approves this policy.
- b. 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.
- c. Prepare periodic reports that include assessing the risks of non-compliance, violations, deficiencies, and corrective actions taken, and submit them to the Compliance Committee and copies thereof to the CEO.
- d. Prepare an annual compliance plan and approve it by the Compliance Committee
- e. Monitor compliance by all levels of management in the bank with all regulatory requirements, applicable legislation, and international standards, including the recommendations of the Financial Action Task Force (FATF)

5. Financial Reports:

The Bank Executive Management undertakes the following:

- a. Prepare financial reports according to International Accounting Standards.
- b. Submit these reports to the members of the Board at each of its periodic meetings.
- c. Publish its financial statements quarterly.
- d. Send financial and full business reports to shareholders annually.

6. Code of Conduct:

The bank has a Code of Conduct that has been approved by the Board and circulated to all employees. In addition, training courses on these concepts are held, and the Compliance Department verifies the extent of compliance.

Component Four: Investor Relations

The law guarantees each shareholder the right to vote in General Assembly meetings and has the right to discuss the topics on the agenda of the ordinary and extraordinary General Assembly. In addition, shareholders have the right to propose any other items on the agenda of the Ordinary General Assembly, provided that this proposal is accompanied by the approval of a number of shareholders representing at least 10% of the shares registered at the meeting. To reinforce this relationship, the Board works by all appropriate means to encourage shareholders, especially small shareholders, to attend the annual General Assembly meeting and vote, whether personally or by power of attorney, in case of their absence. Thus, the Board shall also provide shareholders with the following:

- A copy of the annual report can be found at their postal addresses.
- Invitation and agenda of the General Assembly meeting.
- All information and information materials directed to shareholders in general.

This is in addition to each shareholder's right to view the shareholders' register regarding his contribution. The Board is keen to distribute dividends fairly to shareholders and in proportion to the number of shares owned by each of them.

Component Five: Transparency and Disclosure

Bank of Jordan's Corporate Governance includes dimensions related to dealing with integrity, honesty, objectivity, and accountability for decisions taken by the relevant authorities in the bank, as well as transparency, disclosure, and openness to society. The bank is concerned with the general disclosure of all reliable information provided in a timely manner to help users of this information accurately assess the bank's financial position, achievements, activities, and risks and manage these risks. This stems from the bank's belief that disclosure offers the only means to provide transparent, accurate, and comprehensive, both in terms of quality and quantity, in a timely manner.

Accordingly, the annual report disclosed all the required data to the various regulatory authorities, in addition to publishing the bank's Corporate Governance Guide and the extent to which management adheres to it.

In accordance with the instructions for dealing with customers fairly and transparently, No. (56/2012) dated 31/10/2010, the bank established a dedicated unit to manage and address customer complaints. The unit was equipped with qualified human resources, automated systems, and all necessary means to accommodate and resolve complaints. This unit administratively reports to the Compliance Department in the bank.

Shaker Tawfiq Fakhoury
Chairman of the Board



Corporate Governance Guide



Corporate Governance Guide

Subject	Page
Part I: Introduction	262
Definitions	262
Vision and Mission	264
Our Core Values	264
The Bank's Approach to Corporate Governance	264
Scope of Corporate Governance	265
Part II: Component One: Board of Directors and Committees	266
General Principles and Terms	266
Board of Directors Membership Requirements	266
Board of Directors Composition	267
Chairman of the Board of Directors	267
Responsibilities of the Board of Directors	268
Bank of Jordan Group	271
Board Committees	271
Audit Committee	272
Nomination and Remuneration Committee	274
Risk Management Committee	275
Governance and Corporate Strategy Committee	276
Executive Committee	277
IT Governance Committee	277
Compliance Committee	278
Board of Directors Meetings	278
Secretary of the Board of Directors	279
Conflict of Interest and Related Party Transactions	279
Part III: Component Two: Senior Executive Management	280
Suitability Conditions of Senior Executive Management	280
Appointment of the Bank CEO	281
Senior Executive Management Responsibilities	281
Part IV: Component Three: Planning and Policymaking	282
Part V: Component Four: Regulatory Environment	283
Internal Audit	283
External Audit	284
Risk Management	284
Compliance	285
Financial Reports	285
Professional Conduct	285
Part VI: Component Five: Investor Relations	286
Part VII: Component Six: Transparency and Disclosure	287
Part VIII: Component Seven: Guide Review and Development	288

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).</p> <ul style="list-style-type: none"> - To be a natural person - 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. - 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. - 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 - 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. - 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. - 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.
Senior Executive Management	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.
External Auditor	Include the audit office, its partners, and members of the audit team.
Audit Office	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.
Audit Partner	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.
Audit Team	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.
Effective Interest	Control over at least (10%) of the capital of a legal person.
Control	The direct or indirect capacity to influence effectively the actions or decisions of another person.

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 (no less than 10 days in advance), 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:

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.
- 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.

5.4.1. 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.

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, shall be independent members. The Committee Chairman is the chairman of any other Board committee. 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. The committee shall inform the Central Bank of the evaluation outcomes of the CEO.
- 7.2.2.10. Recommend remuneration (monthly salary and other benefits) to the Bank CEO.
- 7.2.2.11. 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.
- 7.2.2.12. Ensure to meet the bank's needs for qualifications and expertise in senior executive management.
- 7.2.2.13. Approve and ensure the application of the bank's HR and training policies.
- 7.2.2.14. 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.
- 7.2.2.15. Ensure that there is a succession plan for senior executive management.
- 7.2.2.16. 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.
- 7.2.2.17. Ensure that Board members attend workshops or seminars on banking topics, especially risk management, corporate governance and the latest banking developments.
- 7.2.2.18. Approve the annual raises and remuneration of the bank's executives.
- 7.2.2.19. Approve the basis and data of performance evaluation and outcomes for senior executive managers.
- 7.2.2.20. Approve job evaluations that exceed the authorities of the Human Resources Committee.
- 7.2.2.21. Set procedures for determining Board member remuneration, based on the approved evaluation system.
- 7.2.2.22. Outline a clear methodology to verify the extent of the member's association with the membership of other boards of directors/ forum bodies etc.
- 7.2.2.23. 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.
- 7.2.2.24. Obtain the approval of the Board upon appointment, acceptance, resignation or termination of the services of any member of the senior executive management.
- 7.2.2.25. 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.
- 7.2.2.26. Female representation must be taken into account in the Board and senior executive management.
- 7.2.2.27. 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.

- 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.
 - The CEO's performance shall be evaluated on an annual basis by the Board, based on a system prepared by the Nomination and Remuneration Committee.

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.
 - Separate departments for risk, compliance, internal audit and internal Sharia audit in a way that enables them to carry out their responsibilities with complete independence, including not exercising executive work, so that they are directly related to relevant committees and related intermittently with the CEO.
 - 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.

1. 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.

2. 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.
- Inform the Central Bank at least thirty days before the date of the General Assembly meeting of the bank's desire to nominate the external auditor for election (or re-election) by the General Assembly.

3. 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 RabiyeH 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.: 4380683 Fax: 4011425 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

Free Zone / QAIA Branch

Tel.: 5600915 Fax: 5600920 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.: 05-3744043 Fax: 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
Tel.: +97022411466 Fax: +970 22952705 P.O.Box 1328

Ramallah Branch
Tel.: +970 22411475 Fax: +970 22958684 P.O.Box 1328

Nablus Branch
Tel.: +970 92381120 Fax: +970 92381129 P.O.Box 1328

Jenin Branch
Tel.: +970 42505403 Fax: +970 42505402 P.O.Box 1328

Jenin Municipality Office
Tel.: +970 42505234 Fax: +970 42505231 P.O.Box 1328

Qabatiya Branch
Tel.: +970 42512482 Fax: +970 42512483 P.O.Box 1328

Gaza Branch
Tel.: +970 82865281 Fax: +970 82824341 P.O.Box 1328

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
Tel.: +970 22343840 Fax: +970 22343842 P.O.Box 1328

Al Eizaryeh Branch
Tel.: +970 22790243 Fax: +970 22790245 P.O.Box 1328

Industrial Area Branch/ Ramallah
Tel.: +970 22963785 Fax: +970 22963788 P.O.Box 1328

Tulkarm Branch
Tel.: +970 92687881 Fax: +970 92687884 P.O.Box 1328

Bethlehem Branch
Tel.: +970 22749940 Fax: +970 22749941 P.O.Box 1328

Rafidia Branch
Tel.: +970 92343647 Fax: +970 92343747 P.O.Box 1328

Al Eersal Branch
Tel.: +970 22976315 Fax: +970 22976320 P.O.Box 1328

Albraid Suburb / Jerusalem Branch
Tel.: +970 22347482 Fax: +970 22347484 P.O.Box 1328

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

Bahrain Branch
Bahrain Financial Harbour/ West Tower
Tel.: +97316676767
P.O.Box 60676 Manama - Bahrain

Iraq Branch
Regional Management
Tel.: +9647835418880 P.O.Box 3154 Baghdad, Iraq

Baghdad Branch
Tel.: +9647835418818 P.O.Box 3154 Baghdad-Iraq

Organizational Structure / Bank of Jordan - Head Office

